HB24-1470

JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE

CONCERNING THE ELIMINATION OF THE ALLOCATION OF A PORTION OF PREMIUM TAX REVENUES TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND.

Prime Sponsors:	Reps. Bird and Taggart Sens. Zenzinger and Kirkmeyer	JBC Analyst:	Eric Kurtz
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		Date Prepared:	May 1, 2024

Appropriation Items of Note

Appropriation Not Required, No Amendment in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/01/24.

XXX	**No Change:** Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to *new information or technical issues*
	Update: Fiscal impact has changed due to *amendment adopted* after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	**Description**
None.	

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2024-25.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2024-25 based on the March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast. That forecast did not take into account a correction to how insurance premium taxes that are diverted to the Health Insurance

Affordability Enterprise (HIA) are treated for TABOR purposes. That correction increases the projected General Fund obligation for a TABOR refund by $66.9 million, with $33.9 million related to under-refunds in prior years and $33.0 million related to the projected refund obligations in FY 2023-24 and FY 2024-25. Eliminating the diversion of insurance premium taxes to the HIA will cause the insurance premium taxes to flow to the General Fund, where they will then be available for other purposes. The bill would make a projected $33.0 million General Fund available to pay for the increased TABOR refund obligation for FY 2023-24 and FY 2024-25. It does not address the $33.9 million General Fund obligation for under-refunds in prior years and those refunds will reduce the amount of General Fund available for other uses in FY 2024-25.