

**JBC STAFF FISCAL ANALYSIS  
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING STATE SUPPORT FOR SUSTAINABLE AFFORDABLE HOUSING, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Kirkmeyer and Zenzinger  
Representative Bird

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**Appropriation Items of Note**

**Appropriation Required, Amendments in Packet**

**General Fund Impact**

**New Continuously Appropriated Cash Fund**

**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 03/22/24.

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

The Local Government & Housing Committee Report (04/09/24) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

**Amendments in This Packet for Consideration by Appropriations Committee**

| <b>Amendment</b> | <b>Description</b>                             |
|------------------|--|
| J.001            | Staff-prepared appropriation amendment         |
| L.014            | Bill Sponsor amendment - changes fiscal impact |

**Current Appropriations Clause in Bill**

The bill requires but does not contain an appropriation clause.

**Description of Amendments in This Packet**

**J.001** Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$3,426,561 for FY 2024-25. This includes \$2,842,697 cash funds from the Colorado Water Conservation Board Construction Fund to the Department of Natural Resources and \$583,864 reappropriated funds from the Housing Needs Planning Technical Assistance Fund to the Governor's Office of Information Technology.

**L.014** Bill Sponsor amendment **L.014** (attached) strikes the \$15.0 million General Fund transfer to the Housing Needs Planning Technical Assistance Fund and substitutes transfers of \$10.5 million from the Local Government Severance Tax Fund and \$4.5 million from the Local Government Mineral Impact Fund.

**The Committee should adopt J.001 regardless of whether it adopts L.014.**

**Points to Consider***General Fund Impact*

The Joint Budget Committee (JBC) has proposed a budget package for FY 2024-25 based on the March 2024 Office of State Planning and Budgeting revenue forecast. As introduced, this bill requires a transfer of \$15.0 million from the General Fund to the Housing Needs Planning Technical Assistance Fund for FY 2024-25.

However, the budget package assumes that the \$15.0 million will originate from the Local Government Severance Tax Fund and the Local Government Mineral Impact Fund rather than the General Fund. Amendment L.014 would eliminate the existing transfer from the General Fund and instead transfer a total of \$15.0 million from the Local Government Severance Tax Fund (\$10.5 million) and the Local Government Mineral Impact Fund (\$4.5 million). The amendment would eliminate the General Fund impact of the bill for FY 2024-25 and align the bill with the assumptions in the JBC's budget proposal.

*Legislative Appropriation Authority*

Continuous spending authority, also known as **continuous appropriation**, allows state agencies to spend money for statutorily specified purposes up to the total amount available in a specified fund source without seeking further legislative approval through the budget process.

Is it necessary for the Department of Local Affairs to **not** seek annual authority from the General Assembly to spend money from the Housing Needs Planning Technical Assistance Cash Fund? An annual appropriation provides a limit on spending authority, while a continuous appropriation provides unlimited spending authority. This method of funding moves these expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process.