

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF THE COLORADO ALCOHOL IMPACT AND RECOVERY ENTERPRISE.

Prime Sponsors: Sens. Priola and Hansen
Reps. DeGruy Kennedy and Amabile

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Phone: 303-866-4386
Date Prepared: April 24, 2024

Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

New Cash Fund with Continuous Appropriation

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/24/24.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> 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
J.001	Staff-prepared appropriation amendment
L.030	Bill Sponsor amendment - changes fiscal impact <i>not</i> appropriation

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 \$98,583 General Fund to the Department of Revenue for FY 2024-25, of which \$57,609 is reappropriated to the Department of Law. This provision also states that the Department of

SB24-181

JBC Staff Analysis

Law will require an additional 0.3 FTE.

L.030 Bill Sponsor amendment **L.030** increases the General Fund transfer amount from \$454,000 to \$650,000 to the Colorado Alcohol Impact Enterprise Fund to cover the start-up costs. The transfer is a loan to the enterprise.

The Committee should adopt amendment **J.001** and may adopt amendment **L.030**.

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. The budget package includes \$63.1 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders (a total of \$9.5 million).

General Fund Appropriation Placeholders for Other 2024 Legislation	
Description	FY 2024-25
General Legislative Priorities	\$21,739,130
Legislation for Shared Housing Priorities	12,043,478
Legislation for Shared Workforce and Education Priorities	16,152,110
Legislation for Other Shared Priorities	10,519,130
Legislation for Distributions to Rural Hospitals	2,608,689
TOTAL Placeholders for Other 2024 Legislation	\$63,062,537

This bill requires a General Fund appropriation of \$98,583 for FY 2024-25, reducing the \$63.1 million set aside by the same amount. Additionally, the bill requires a one-time transfer of \$454,000 from the General Fund to the Colorado Alcohol Impact Enterprise Fund in FY 2024-25, further reducing the \$63.1 million set aside by an equivalent amount.

Bill Sponsor amendment **L.030** increases the General Fund transfer amount from \$454,000 to \$650,000 to the Colorado Alcohol Impact Enterprise Fund and would therefore reduce the \$63.1 million set aside by an equivalent amount.

Technical Issues

The Department of Revenue is appropriated \$98,583 General Fund which aligns with the cost of programming and testing, data reporting, and legal services. However, it does not cover any costs for running the newly created enterprise. The General Fund loan is unavailable until January 1, 2025, while the Department will hire staff and run board meetings beginning July 2024. Consequently, there is currently a six-month gap with no funding to run the enterprise.