

JBC Staff Fiscal Analysis
House Appropriations Committee

Concerning measures to address air pollution levels related to the operation of motor vehicles in areas that do not meet federal national ambient air quality standards.

Prime Sponsors:

Senators Kirkmeyer; Rodriguez
Representatives Joseph; Gonzalez R.

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Fiscal Impacts

Appropriation Not Required, No Amendment in Packet
New Cash Fund with Continuous Appropriation

Fiscal Note Status

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/30/25.

No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill.

The Senate adopted amendments on third reading (05/05/25) that make air pollution fines diverted from the Community Impact Cash Fund to the Motor Vehicle Emissions Fund TABOR exempt. These changes conform the bill with provisions in S.B. 25-173 (Revenue Classification Taxpayer Bill of Rights), which makes air pollution fine revenue diverted from the General Fund to the Community Impact Cash Fund TABOR exempt. Legislative Council Staff and JBC staff agree on the impact of the amendments.

Amendments in This Packet

None.

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause.

Points to Consider

Legislative Appropriation Authority

The bill creates the Motor Vehicle Emissions Assistance Fund in the Department of Public Health and Environment, which is supported by a diversion of air pollution fee revenue from the Community Impact Cash Fund.

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.

The term *appropriation* is broadly understood as expressing or conveying legal spending authority. However, the term *appropriation* also inherently expresses fundamental legislative fiscal authority by communicating a *limit* on or maximum amount of spending from a specified fund source for a defined period such as a fiscal year. While continuous spending authority also expresses or conveys legal spending authority it does so by eliminating legislative fiscal authority and oversight.

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.

Is it necessary for the Department of Public Health and Environment to **not** seek annual authority from the General Assembly to spend money from the Motor Vehicle Emissions Assistance Fund?