JBC Staff Fiscal Analysis Senate 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

Representative Joseph

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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 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 Finance Committee Report (05/01/25) includes an amendment to the bill. However, Legislative Council Staff and JBC Staff agree that this does not change the fiscal impact of the bill.

Amendments in This Packet

None.

Current Appropriations Clause in Bill

The bill does not require or contain an appropriations clause.

Points to Consider

New Cash Fund with Continuous Appropriation

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?