

JBC Staff Fiscal Analysis
Senate Appropriations Committee

Concerning the development of regional building codes that account for local climatic and geographic conditions for the construction and installation of residential and nonresidential factory-built structures.

Prime Sponsors:

Senators Bridges; Exum

Representatives Boesenecker; Stewart R.

Date Prepared:

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Fiscal Impacts

Appropriation Required, Amendments in Packet

TABOR Impact

Fiscal Note Status

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 01/23/25.

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

The Senate Local Government and Housing Committee Report (02/06/25) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the amendments do not change the fiscal impact of the bill.

Amendments in This Packet

- | | |
|-------|---------------------------------------------------------|
| J.001 | Staff-prepared appropriation amendment |
| L.003 | Bill Sponsor amendment - does not change fiscal impact. |
| L.004 | Bill Sponsor amendment - does not change 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 amendment **J.001** (attached) appropriates a total of \$277,264 cash funds from the Building Regulation Fund to the Department of Local Affairs for FY 2025-26. The appropriation reflects 1.0 FTE.

L.003

Bill Sponsor amendment **L.003** (attached) adds wind shear, snow load, wildfire risk, thermal zone, radon mitigation, or automatic fire sprinkler requirements to what the newly established regional building standards may include. The amendment also changes the makeup of the advisory committee on factory-built structures, adds a requirement for the advisory committee to present recommendations to the General Assembly during the 2026 legislative session, and adds a requirement for the Department of Local Affairs to report on the outcomes as part of its 2031 SMART Act Hearing.

L.004

Bill Sponsor amendment **L.004** (attached) expands the definition of an installer to include businesses.

The Committee should adopt **J.001** regardless of whether it adopts **L.003** or **L.004**. The Committee may adopt **L.003** and **L.004** in addition to **J.001**.

Points to Consider

TABOR/ Excess State Revenues Impact

If the March 2025 revenue forecast adopted by the Joint Budget Committee (JBC) projects a TABOR surplus liability for FY 2025-26 or for FY 2026-27, these sums must be refunded to taxpayers out of the General Fund. Legislation that decreases non-exempt revenue (such as cash funds) to the State will decrease the TABOR refund made out of the General Fund. This will increase the amount of General Fund available for programs.

The Joint Budget Committee (JBC) is developing a budget package for FY 2025-26. This bill is estimated to decrease cash fund revenues by \$23,000 beginning in FY 2026-27, which will increase the available General Fund in each fiscal year by an equal amount.