

JBC Staff Fiscal Analysis
Senate Appropriations Committee

Concerning the process by which the division of administration in the department of public health and environment issues permits relating to water quality.

Prime Sponsors:

Senators Kirkmeyer; Bridges
Representatives Bird; Taggart

Date Prepared:

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Fiscal Impacts

Appropriation Required, Amendment in Packet

General Fund/TABOR Impact

Fiscal Note Status

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/23/2025.

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

Amendments in This Packet

J.001 Staff-prepared appropriation amendment

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) includes a reduction of \$314,008 General Fund and total appropriations of \$3,218,607 cash funds from the Clean Water Cash Fund and the Drinking Water Cash Fund to the Department of Public Health and Environment. The appropriation reflects 22.0 FTE. Of this appropriation, \$160,611 is reappropriated to the Department of Law for legal services, reflecting 0.7 FTE.

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) has proposed a budget package for FY 2025-26 based on the March 2025 Office of State Planning and Budgeting revenue forecast. The JBC has included as part of its FY 2025-26 budget package a reduction of \$314,008 General Fund appropriations to be included in this bill.

TABOR/ Excess State Revenues Impact

The March 2025 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$642.7 million for FY 2025-26 and \$775.8 million for FY 2026-27 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund.

The Joint Budget Committee has proposed a budget package for FY 2025-26 based on the March 2025 OSPB revenue forecast. The budget package includes \$18.2 million General Fund set aside for other legislation outside of the JBC budget package. This may be used for appropriations, transfers, or increases in TABOR refunds for FY 2025-26.

This bill is estimated to increase cash fund revenues by \$694,018 in FY 2025-26 and ongoing, which will reduce the available General Fund in each fiscal year by equal amounts. This bill increases the TABOR refund made out of the General Fund by \$694,018 for FY 2025-26, reducing the \$18.2 million General Fund set aside for FY 2025-26 by the same amount.