

JBC Staff Fiscal Analysis

Senate Appropriations Committee

Concerning money collected by the state in relation to petroleum products.

Prime Sponsors:

Senators Hinrichsen; Snyder
(None)

Date Prepared:

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Fiscal Impacts

Appropriation Not Required, Amendment in Packet

Fiscal Note Status

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/11/25.

No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill. The Transportation and Energy Committee Report (04/16/25) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet

L.005 Bill Sponsor amendment - changes fiscal impact

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause.

Description of Amendments in This Packet

L.005

Bill Sponsor amendment **L.005** (attached) eliminates continuous spending authority for expenditures identified in the Fiscal Note, and eliminates the expenditures for the Department of Labor and Employment. Legislative Council Staff and JBC Staff agree with this change in fiscal impact.

Points to Consider

Legislative Authority

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 Labor and Employment to **not** seek annual authority from the General Assembly to spend money from the Petroleum Storage Tank Fund for relocation or redevelopment of their Petroleum Laboratory?