

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING MODIFICATIONS TO THE JOB GROWTH INCENTIVE TAX CREDIT, AND, IN CONNECTION THEREWITH, REDUCING AN APPROPRIATION.

Prime Sponsors: Reps. DelGrosso and Kraft-Tharp
Sens. Heath and Scheffel

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Date Prepared: April 16, 2014

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/01/14.

XXX*	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

* Note that the Legislative Council Staff Revised Fiscal Note dated April 1, 2014, has a technical error. The first paragraph in the State Revenue section on page 2 states that the General Fund revenue reduction in FY 2027-28 is estimated to be \$55.2 million, that number should instead be \$30.2 million. Legislative Council Staff agrees with this JBC Staff assessment.

The House Appropriations Committee Report (04/04/14) added the appropriation clause to the bill. See the Current Appropriation Clause in the Bill section below for additional information.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.004	Staff -prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that reduces the General Fund appropriation to the Controlled Maintenance Trust Fund by \$22,499 for FY 2014-15 to access the \$20.0 million General Fund that has been set aside in the Joint Budget Committee’s FY 2014-15 budget package to fund 2014 legislation. This provision needs to be amended to access \$23,226 of set-aside moneys to offset the anticipated revenue reductions for both FY 2013-14 (\$969) and FY 2014-15 (\$22,257).

Description of Amendments in This Packet

J.004 Staff has prepared amendment **J.004** (attached) to increase the amount of set-aside moneys that are accessed to \$23,226.

Points to Consider*General Fund Impact*

The Joint Budget Committee (JBC) has proposed a budget package for FY 2013-14 and FY 2014-15 based on the March 2014 Office of State Planning and Budgeting revenue forecast. For FY 2013-14, the proposed budget package allocates all but approximately \$61.9 million of General Fund revenues projected to be available. Under current law:

- \$30.0 million of this amount will be transferred to the Colorado Water Conservation Board Construction Fund;
- \$20.0 million will be transferred to the State Education Fund; and
- the remaining \$11.9 million will remain available for appropriation in FY 2014-15.

This bill reduces General Fund revenues by 969 for FY 2013-14, and would thus reduce the excess General Fund reserve by \$969.

For FY 2014-15, the bill reduces General Fund revenues by \$22,257.

Future Fiscal Impact

As shown in Figure 1 of the Legislative Council Staff Fiscal Note dated April 1, 2014, the bill is projected to reduce General Fund revenues by \$168.9 million between FY 2013-14 and FY 2027-28.