

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF THE RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANT PROGRAM FOR HIGHLY DISTRESSED RURAL COUNTIES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Willett and Becker K.  
Senator Donovan

JBC Analyst: Amanda Bickel  
Phone: 303-866-2061  
Date Prepared: April 14, 2015

**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 02/17/15.

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

The House Business Affairs and Labor Committee Report (02/17/15) changes the fiscal impact of the bill. Legislative Council Staff and JBC Staff agree that the committee amendments specify that the Department of Local Affairs (DOLA) will require an appropriation to implement the provisions of the bill. The bill, as introduced, appropriated moneys to the Office of Economic Development and International Trade in the Office of the Governor to implement these provisions. The funding level is unchanged by the committee amendments.

**Amendments in This Packet for Consideration by Appropriations Committee**

<b>Amendment</b>	<b>Description</b>
J.001	Staff-prepared appropriation amendment
L.002	Bill Sponsor amendment - changes fiscal impact and appropriation

**Current Appropriations Clause in Bill**

The bill, as amended by the House Business Affairs and Labor Committee Report includes an appropriation clause that appropriates \$3.0 million General Fund to DOLA for FY 2015-16. The clause does not, however, include the 1.0 FTE required to implement the act, as is outlined in the fiscal note.

**Description of Amendments in This Packet**

**J.001** Staff has prepared amendment **J.001** (attached) to add a provision stating that the appropriation included in the House Business Affairs and Labor Committee Report is based on an assumption that the Department of Local Affairs will require an additional 1.0 FTE to implement the act.

**L.002** Sponsor amendment **L.002** (attached):

- specifies that moneys in the Mineral Leasing Fund may be distributed by the Executive Director of the Department of Local Affairs for the Rural Economic Development Initiative (REDI) program;
- requires the Department of Local Affairs to announce on its website an initiative from the Local Government Mineral Impact Fund of an amount not to exceed \$3,000,000 for three years for grant funding to local governments through the REDI program, beginning in FY 2015-16; and
- provides an appropriation to the Department of Local Affairs of \$50,000 General Fund for FY 2015-16 to administer the REDI grant program.

The Committee may adopt either **J.001** or **L.002** or may adopt both. If it adopts both, the \$50,000 General Fund appropriation to the Department of Local Affairs included in L.002 will indicate that it is based on an assumption that the Department of Local Affairs will require an additional 1.0 FTE.

**Points to Consider***General Fund Impact*

1. The first report of the first conference committee on S.B. 15-234 (the Long Bill) retains a Senate amendment to the Long Bill to appropriate \$750,000 General Fund to the Department of Local Affairs for the REDI program for FY 2015-16.
2. The Joint Budget Committee has proposed a budget package for FY 2015-16 based on the March 2015 Legislative Council Staff revenue forecast. The budget package allocates a total of \$18.5 million General Fund to be available to fund 2015 legislation. If the full \$18.5 million is not used to fund legislation, it will remain in the General Fund reserve.