

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE INSTREAM FLOW INCENTIVE TAX CREDIT FOR WATER RIGHTS HOLDERS.

Prime Sponsors: Representative Arndt
Senator Donovan

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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 03/18/15.

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

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2015-16.

Points to Consider

General Fund Impact

This bill could reduce General Fund revenue by up to \$2.0 million in FY 2015-16, depending on the number of applications for instream flow incentive tax credit certificates submitted to the Colorado Water Conservation Board. However, no applications were submitted and no credit certificates were awarded in either of the previous two tax years (2013 or 2014).

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 \$19.7 million for 2015 legislation, including \$18.5 million General Fund to be available for appropriations plus \$1.2 million for the associated 6.5 percent statutory reserve. If this amount is not used to fund legislation, it will remain in the General Fund reserve.