

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE ELIMINATION OF MANDATORY SENTENCES TO INCARCERATION FOR CERTAIN CRIMES, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING AN APPROPRIATION.

Prime Sponsors: Senator Kerr
Representative Moreno

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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 02/29/16.

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

The Senate adopted the Appropriations Committee Report (03/04/16) and a floor amendment on Second Reading (03/08/16), and a floor amendment on Third Reading (03/09/16). The House Judiciary Committee Report (04/05/16) also includes an amendment to the bill. Legislative Council Staff and JBC Staff agree that while the amendments may reduce the local government savings identified in the attached Fiscal Note, they do not change the state fiscal impact of the bill. Legislative Council Staff is currently gathering information concerning the potential change to the local government fiscal impact, and will prepare a revised Fiscal Note when such information is available.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.002	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes provisions that reduce General Fund appropriations for FY 2016-17 by \$655,708, including:

- an appropriation of \$65,788 to the Judicial Department (including a statement that this appropriation is based on the assumption that the Department will require an additional 0.9 FTE); and
- a \$721,496 reduction in appropriations to the Department of Corrections.

Description of Amendments in This Packet

J.002 Staff has prepared amendment **J.002** (attached) to make technical corrections to the existing appropriation clause.

Points to Consider*Future Fiscal Impact*

In addition to the \$655,708 reduction in General Fund appropriations for FY 2016-17, this bill will reduce General Fund appropriations by at least \$1,059,232 in FY 2017-18 and subsequent fiscal years.

TABOR/ Excess State Revenues Impact

The Joint Budget Committee (JBC) has proposed a budget package for FY 2016-17 based on the March 2016 Legislative Council Staff revenue forecast. Based on the legislation that is included as part of the budget package, revenues are projected to be \$64.2 million lower than the threshold above which money will be required to be refunded under TABOR for FY 2016-17. This bill is projected to increase cash fund revenues by \$5,000 in FY 2016-17, and is thus not projected to trigger a TABOR refund for FY 2016-17. This bill would, however, increase the projected TABOR refund for FY 2017-18 by at least \$5,000. As TABOR refunds are paid from the General Fund, this impact will slightly mitigate the overall General Fund impact described above.