



Colorado
Legislative
Council
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MEMORANDUM

February 19, 2009

TO: Sen. Jim Isgar and Sen. Josh Penry
Members of the Senate Agriculture and Natural Resources Committee

FROM: Amy Larsen, Senior Fiscal Analyst (303-866-3488)

SUBJECT: Fiscal Assessment of Proposed Amendment **SB165_L.002**.

This memorandum is an assessment of the fiscal impact of the attached proposed amendment to **SB09-165**. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

Summary of Proposed Amendment

Amendment L.002 changes the calculation for determining the threshold to trigger a transfer from the Severance Tax Trust Fund - Perpetual Base Account to the Small Communities Water and Wastewater Grant Fund. Instead of including the total amount of money credited to the account (tax receipts, interest, and loan repayments), the amendment specifies that only severance tax receipts are included.

Fiscal Impact of Amendment

Amendment L.002 eliminates the transfers and expenditures identified in the fiscal note dated February 18, 2009. Based on the Legislative Council Staff December 2008 revenue forecast, annual tax receipts into the Perpetual Base Account are not expected to exceed \$50.0 million during the forecast period (FY 2009-10 to FY 2011-12).

Bill's Revised Fiscal Impact with Amendment

For FY 2009-10 and FY 2010-11, the bill with amendment L.002 is assessed at no fiscal impact. There will be a state and local fiscal impact for years when tax receipts to the Perpetual Base Account exceed \$50.0 million.

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

Date

Committee on Agriculture and Natural Resources.

After consideration on the merits, the Committee recommends the following:

SB09-165 be amended as follows:

- 1 Amend printed bill, page 4, line 15, strike "MONEYS" and substitute
- 2 "SEVERANCE TAX RECEIPTS".

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