

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING AN INCREASE IN THE AMOUNT OF AUTHORIZED APPROPRIATIONS FROM THE OPERATIONAL ACCOUNT OF THE SEVERANCE TAX TRUST FUND TO THE DIVISION OF PARKS AND OUTDOOR RECREATION, AND, IN CONNECTION THEREWITH, ADJUSTING THE 2009 LONG BILL.

Prime Sponsors: Representative Pommer
Senator Tapia

JBC Analyst: Viktor Bojilov
Phone: 303-866-2061
Date Prepared: February 18, 2010

Summary of Amendments Made to the Bill After the 2/11/10 Legislative Council Staff Fiscal Note Was Prepared (Amended by the House Appropriations Committee 2/16/10)

The House Appropriations Committee Report reduced the transfer that would otherwise occur from the Operational Account of the Severance Tax Trust Fund to the Water Supply Reserve Account for FY 2010-11 from \$10.0 million to \$6.0 million, and reduced the transfer for FY 2011-12 from \$10.0 million to \$7.0 million.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs

Does Not Concur

Updated Analysis

Reason for the Update

As indicated above, a provision was added to the bill to reduce the statutory transfers from the Operational Account to the Water Supply Reserve Account.

Amendments/Appropriation Status

The bill includes an appropriation clause that reduces the FY 2009-10 General Fund appropriation to State Parks Operations by \$2,147,415 and increases the cash funds appropriation to State Parks Operations by \$2,147,415 from the Operational Account of the Severance Tax Trust Fund.

Bill Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Points to Consider

1. The Joint Budget Committee (JBC) has introduced a supplemental budget package for FY 2009-10 to address the budget shortfall based on the December 2009 Legislative Council

Staff revenue forecast. The JBC has included as part of its plan the General Fund savings that would result from the passage of this bill, as introduced. Thus, if this bill does not become law with at least \$2,147,415 in General Fund savings for FY 2009-10, General Fund expenditures will need to be reduced elsewhere in the FY 2009-10 budget by \$2,147,415.

2. Section 2 of the reengrossed bill reduces the transfer from the Operational Account of the Severance Tax Trust Fund to the Water Supply Reserve Account by \$4.0 million in FY 2010-11 and by \$3.0 million in FY 2011-12. Based on December 2009 Legislative Council Staff Revenue Forecast and other Joint Budget Committee budget balancing proposals as approved by the House of Representatives, the Joint Budget Committee staff projects that the balance in the Operational Account of the Severance Tax Trust Fund will be \$8.4 million in FY 2010-11 and \$17.0 million in FY 2011-12.