

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE TRANSFER OF MONEYS FROM THE MOTORIST INSURANCE IDENTIFICATION ACCOUNT IN THE HIGHWAY USERS TAX FUND TO THE COLORADO STATE TITLING AND REGISTRATION ACCOUNT IN THE HIGHWAY USERS TAX FUND.

Prime Sponsors: Representative Judd

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Summary of Amendments Made to the Bill After the 03/05/10 Legislative Council Staff Fiscal Note Was Prepared

None.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs **Does Not Concur** **Updated Analysis**

Amendments/Appropriation Status

The bill neither requires nor contains an appropriation clause for FY 2009-10 or FY 2010-11. The Department has adequate spending authority in both fiscal years, but in FY 2010-11 the Department will lack the revenue to support the appropriated spending authority without H.B. 10-1341.

Bill Sponsor Amendments

Sponsor amendment **L.001** (attached) eliminates the transfer to the Colorado State Titling and Registration (CSTAR) Account in FY 2009-10 and extends the transfer into FY 2011-12. This amendment eliminates the transfer of approximately \$550,000 in FY 2009-10 to the CSTAR Account, and adds a transfer of approximately \$2.2 million in FY 2011-12. Amendment **L.001** does not require an appropriation clause for FY 2010-11.

Points to Consider

1. The CSTAR Account is projected to become insolvent in FY 2011-12 without the passage of H.B. 10-1341. House Bill 10-1341 without amendment will move the projected insolvency of the CSTAR Account to FY 2011-12. With amendment L.001 the CSTAR Account is projected to be insolvent in FY 2012-13. Table 1 outlines the projected insolvency of the CSTAR Account without the transfer in H.B. 10-1341. Table 2 outlines

how the transfers in H.B. 10-1341, with amendment L.001 will move the projected insolvency of the CSTAR Account out by one fiscal year.

Table 1. Colorado State Titling and Registration Account Projected Insolvency Without H.B. 10-1341					
	FY 2008-09 Actual	FY 2009-10 Approp.	FY 2010-11 Projected	FY 2011-12 Estimate	FY 2012-13 Estimate
Beginning FY Balance	\$5,628,914	\$4,291,114	\$3,650,711	\$719,850	(\$2,667,989)
Projected Revenues	8,343,392	8,089,246	8,077,385	8,015,230	7,996,969
Expenditures	(9,681,192)	<u>(8,729,649)</u>	<u>(11,008,246)</u>	<u>(11,403,069)</u>	<u>(11,522,983)</u>
H.B. 10-1341 Transfer	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending FY Balance	\$4,291,114	\$3,650,711	\$719,850	(\$2,667,989)	(\$6,194,003)

Table 2. Colorado State Titling and Registration Account Projected Insolvency With H.B. 10-1341 and Amendment L.001					
	FY 2008-09 Actual	FY 2009-10 Approp.	FY 2010-11 Projected	FY 2011-12 Estimate	FY 2012-13 Estimate
Beginning FY Balance	\$5,628,914	\$4,291,114	\$3,650,711	\$2,876,578	\$1,732,367
Projected Revenues	8,343,392	8,089,246	8,077,385	8,015,230	8,003,124
Expenditures	(9,681,192)	<u>(8,729,649)</u>	<u>(11,008,246)</u>	<u>(11,403,069)</u>	<u>(11,522,983)</u>
H.B. 10-1341 Transfer	<u>0</u>	<u>0</u>	<u>2,156,728</u>	<u>2,243,628</u>	<u>0</u>
Ending FY Balance	\$4,291,114	\$3,650,711	\$2,876,578	\$1,732,367	(\$1,787,492)

- Without amendment L.001, H.B. 10-1341 will reduce the amount of dollars available in the State Highway Fund to the Department of Transportation by \$375,500 in FY 2009-10 and \$1.4 million in FY 2010-11. With amendment L.001, the amount of dollars available to the Department of Transportation will be reduced by \$1.4 million in FY 2010-11 and FY 2011-12. The Department of Transportation will not require a change in appropriation because the moneys in the State Highway Fund are continuously appropriated.