

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING AN APPLICATION AND REVIEW PROCESS FOR ISSUING TAX CREDIT CERTIFICATES FOR A STATE INCOME TAX CREDIT ALLOWED FOR THE DONATION OF A PERPETUAL CONSERVATION EASEMENT.

Prime Sponsors: Senator King
Representative Ryden

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Date Prepared: April 11, 2013

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 04/08/13.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	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

This analysis updates the fiscal impact described in the attached Fiscal Note to clarify that the appropriation to the Department of Regulatory Agencies is a cash fund appropriation from the Conservation Easement Tax Credit Certificate Review Fund created in the bill and not from General Fund as included on page 6 of the Fiscal Note in the State Appropriations section. The appropriations section in the bill provides that the Department of Regulatory Agencies may take a General Fund loan for start-up costs prior to the availability of fee revenue beginning in January 2014, with the expectation that the loan will be repaid as fee revenue becomes available as of the program effective date of January 1, 2014. Legislative Council Staff agrees with this analysis.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause as included in the introduced bill which lacks dollar amounts as outlined in the Legislative Council Staff Revised Fiscal Note. The appropriation clause also includes a provision authorizing a General Fund loan to the Department of Regulatory Agencies to provide start-up funding for the new process to be repaid as fee revenue becomes available as of January 2014.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to change the existing clause to appropriate \$275,046 from the Conservation Easement Tax Credit Certificate Review Fund and 3.5 FTE to the Department of Regulatory Agencies, to reappropriate \$69,525 and 0.5 FTE to the Department of Law for the provision of legal services, and to appropriate \$48,000 General Fund to the Department of Revenue for computer programming for FY 2013-14.

Points to Consider*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2013-14 based on the March 2013 Office of State Planning and Budgeting revenue forecast. The budget package allocates all but approximately \$6.0 million of General Fund revenues projected to be available. Pursuant to S.B. 13-236, this \$6.0 million General Fund will be transferred to the Colorado Water Conservation Board (CWCB) Construction Fund. This bill requires a General Fund appropriation of \$48,000 for FY 2013-14 and thus will reduce the transfer to the CWCB Construction Fund by that amount.

The bill includes an appropriation clause with a provision authorizing a General Fund loan to the Department of Regulatory Agencies to provide start-up funding for the new process to be repaid as fee revenue becomes available as of January 2014.