

**STATE
FISCAL IMPACT**

Drafting Number: LLS 13-0693
Prime Sponsor(s): Sen. Guzman
 Rep. Primavera

Date: February 5, 2013
Bill Status: Senate Finance
Fiscal Analyst: Bill Zepernick (303-866-4777)

TITLE: CONCERNING AN INCREASE IN THE AMOUNT OF THE STATE SALES AND USE TAX RECEIPTS THAT ARE CREDITED TO THE OLDER COLORADANS CASH FUND.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015	FY 2015-2016
State Revenue			
State Diversions Diversion from the General Fund to the Older Coloradans Cash Fund	\$4,000,000	\$8,000,000	\$12,000,000
State Expenditures	See State Expenditures section.		
FTE Position Change			
Effective Date: July 1, 2013.			
Appropriation Summary for FY 2013-2014: None required.			
Local Government Impact: None.			

Summary of Legislation

Under current law, 85 percent of sales and use taxes are allocated to the Old Age Pension Fund and 15 percent to the General Fund, except that \$8 million is transferred to the Older Coloradans Cash Fund. The bill sets the amount of funds transferred to the Older Coloradans Cash Fund in future years as follows:

- \$12 million in FY 2013-14;
- \$16 million in FY 2014-15; and
- \$20 million in FY 2015-16 and each year thereafter.

State Diversions

By increasing the allocation of funds to the Older Coloradans Cash Fund, the bill diverts the following amount from the General Fund to the Older Coloradans Cash Fund:

- \$4 million in FY 2013-14;
- \$8 million in FY 2014-15; and
- \$12 million in FY 2015-16 and each year thereafter.

Table 1 below provides a comparison between transfers to the Older Coloradan Cash Fund under the bill and current law, and the resulting diversion from the General Fund.

Table 1. Transfers and Diversions under SB 13-127			
	Transfer to Older Coloradans Cash Fund (Current Law)	Transfer to Older Coloradans Cash Fund (SB 13-127)	Additional Diversion from General Fund (SB 13-127)
FY 2013-14	\$8,000,000	\$12,000,000	\$4,000,000
FY 2014-15	8,000,000	16,000,000	8,000,000
FY 2015-16	8,000,000	20,000,000	12,000,000

State Expenditures

The bill reduces the amount of General Fund available for other purposes beginning in FY 2013-14, as described in the State Diversions section. At the same time, available funding in the Older Coloradans Cash Fund will increase by a corresponding amount. Funds in the Older Coloradans Cash Fund are subject to annual appropriation by the General Assembly. It is assumed that adjustments in appropriations from the General Fund and the Older Coloradans Cash Fund will be addressed through the annual budget process, rather than in this bill. Therefore, no appropriation is required.

Departments Contacted

Human Services

Treasury