

JBC STAFF FISCAL ANALYSIS HOUSE APPROPRIATIONS COMMITTEE

CONCERNING A TAXPAYER'S ABILITY TO SEEK A REFUND OF ENTERPRISE ZONE INVESTMENT TAX CREDIT CARRYOVERS ALLOWED FOR RENEWABLE ENERGY INVESTMENTS AS SUCH INVESTMENTS ARE CURRENTLY DEFINED IN LAW.

Prime Sponsors: Reps. McCann and Sonnenberg
Sens. Hodge and Brophy

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Date Prepared: March 26, 2014

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 03/31/14.

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

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$104,207 General Fund and 0.5 FTE in FY 2014-15 to implement a renewable energy enterprise zone investment tax credit. Of this amount, \$73,307 General Fund and 0.5 FTE is appropriated to the Governor's Economic Development Programs division to implement and manage the program and \$30,900 is appropriated to the Department of Revenue to reprogram the tax system. Pursuant to direction from the Chairmen of the Appropriations Committees, this amendment includes a provision to access the \$20.0 million General Fund that has been set aside in the Joint Budget Committee's FY 2014-15 budget package to fund 2014 legislation. For FY 2014-15, this amendment accesses set-aside moneys to offset both the FY 2013-14 reduction of \$500,000 to the excess General Fund reserve, the FY 2014-15 General Fund revenue reduction of \$4,000,000, and the FY 2014-15 General Fund appropriation of \$104,207, a total of \$4,604,207.

Points to Consider*General Fund Impact*

The Joint Budget Committee (JBC) has proposed a budget package for FY 2013-14 and FY 2014-15 based on the March 2014 Office of State Planning and Budgeting revenue forecast. For FY 2013-14, the proposed budget package allocates all but approximately \$71.4 million of General Fund revenues projected to be available. Under current law:

- \$30.0 million of this amount will be transferred to the Colorado Water Conservation Board Construction Fund;
- \$31.1 million will be transferred to the State Education Fund; and
- the remaining \$10.3 million will remain available for appropriation in FY 2014-15.

This bill reduces General Fund revenues by \$2,000,000 for FY 2013-14, and would thus: (a) reduce the transfer to the State Education Fund by \$1,500,000 [75% of GF appropriation in bill]; and (b) reduce the excess General Fund reserve by \$500,000 [25% of GF appropriation in bill]. For FY 2014-15, this bill requires an appropriation of \$104,207 General Fund.