

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE ESTABLISHMENT OF A GRANT PROGRAM FOR THE MANAGEMENT OF INVASIVE PHREATOPHYTES.

Prime Sponsors: Reps. Coram and Vigil
Senator Sonnenberg

JBC Analyst: Tom Dermody
Phone: 303-866-2061
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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 03/25/15.

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
L.008	Bill sponsor amendment - changes fiscal impact

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 a total of \$5,000,000 cash funds to the Department of Agriculture for FY 2015-16 from the Invasive Phreatophyte Management Grant Program Account of the Noxious Weed Management Fund. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.8 FTE.

L.008 Bill sponsor amendment **L.008** (attached) adds a provision instructing the State Treasurer to transfer moneys from Severance Tax Operational Fund to the Invasive Phreatophyte Management Grant Program Account only if such transfer will not trigger proportional reductions for the other transfers listed in Section 39-29-109.3, C.R.S. This provision applies for four fiscal years commencing on July 1, 2016.

Points to Consider*Future Fiscal Impact*

Pursuant to Section 39-29-109 (2) (b), C.R.S., 25.0 percent of total severance tax receipts are credited to the Severance Tax Operational Fund. This revenue is further divided between Tier I and Tier II programs. Tier II programs are subject to proportional reductions if there is insufficient Operational Fund revenue after Tier 1 appropriations have been met. This bill would increase Tier II obligations by \$5.0 million per year for five years. Based on the March 2015 Legislative Council Staff revenue forecast, it could contribute to the need for proportional reductions as early as FY 2016-17.

Technical Issue

The introduced bill repeals the grant program and its funding account in 2021. The program is funded by five annual transfers from the Severance Tax Operational Fund totaling \$25 million. Given the necessary time required for ramping up the program in its first year and the program's five-year funding total, there is the potential for some of those moneys to go unspent by the time the program ends. **The bill, as introduced, does not provide specific instructions for any unspent moneys in the Invasive Phreatophyte Management Grant Program Account when that account is repealed on July 1, 2021.** Without specific instructions, the money would stay in the Noxious Weed Management Fund, which is the fund that houses the Invasive Phreatophyte Management Grant Program Account.