

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE REDUCTION OF BUILDING GREENHOUSE GAS EMISSIONS, AND, IN CONNECTION THEREWITH, REQUIRING THE COLORADO ENERGY OFFICE TO IDENTIFY FOR ADOPTION THREE MODEL CODES, REQUIRING LOCAL GOVERNMENTS AND CERTAIN STATE AGENCIES TO ADOPT AND ENFORCE CODES THAT ARE CONSISTENT WITH TWO OF THE MODEL CODES, ENCOURAGING LOCAL GOVERNMENTS AND CERTAIN STATE AGENCIES TO ADOPT AND ENFORCE CODES THAT ARE CONSISTENT WITH THE THIRD MODEL CODE, CREATING THE BUILDING ELECTRIFICATION FOR PUBLIC BUILDINGS GRANT PROGRAM, CREATING THE HIGH-EFFICIENCY ELECTRIC HEATING AND APPLIANCES GRANT PROGRAM, AND ESTABLISHING THE CLEAN AIR BUILDING INVESTMENTS FUND.

Prime Sponsors: Reps. Bernett and Valdez A.  
Sens. Hansen and Winter

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Date Prepared: April 21, 2022

**Appropriation Items of Note**

**Appropriation Not Required, No Amendment in Packet**

**General Fund Impact**

**New Cash Fund (with Continuous Appropriation)**

**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/12/22.

	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
<b>XXX</b>	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The House Energy and Environment Committee Report (04/14/22) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

**Amendments in This Packet for Consideration by Appropriations Committee**

Amendment	Description
None.	

**Current Appropriations Clause in Bill**

The bill neither requires nor contains an appropriation clause for FY 2022-23.

**Points to Consider***General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

- \$40.0 million General Fund for bills that create ongoing obligations; and
- \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The \$40.0 million *appropriations* set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million *obligations* set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore *appropriations* from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates a one-time obligation and includes a General Fund transfer of \$25.0 million for FY 2022-23, reducing the \$900.0 million set aside by the same amount.

*Legislative Appropriation Authority*

Continuous spending authority, also known as **continuous appropriations**, allows departments to spend money for statutorily specified purposes up to the amount of money in the fund without seeking annual legislative approval. An annual appropriation provides a limit on spending authority, while a continuous appropriation provides unlimited spending authority.

This method of funding moves these expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process. Is it necessary for the Colorado Energy Office to **not** seek annual authority from the General Assembly to spend money from Clean Air Buildings Investment Fund?