

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING CHANGES TO THE ADVANCED INDUSTRY ACCELERATION PROGRAMS.

Prime Sponsors: Sens. Simpson and Hansen
Reps. Bird and Lynch

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Appropriation Items of Note

Appropriation Not Required, No Amendment in Packet

General Fund Impact

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 03/08/23.

	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

The LCS Revised Fiscal Note identifies an estimated General Fund transfer for FY 2023-24 of \$17.6 million. The March 2023 Office of State Planning and Budgeting (OSP) revenue forecast identifies the projected General Fund transfer of \$7.0 million for the General Fund revenue impact associated with this bill for FY 2023-24 and future years.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
L.003	Bill Sponsor amendment - changes fiscal impact

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2023-24.

Description of Amendments in This Packet

L.003 Bill Sponsor amendment **L.003** (attached) extends for two years, rather than 10 years, the General Fund transfer to the Advanced Industries Acceleration Cash Fund for the bioscience

and clean technology income tax withholding growth.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2023-24 based on the March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes two set-asides for legislation outside of the package: (1) \$30.0 million General Fund for bills that create ongoing obligations; and (2) \$469.0 million for bills that create one-time obligations for FY 2023-24 (see table below).

General Fund Appropriation Placeholders for Other 2023 Legislation	
Description	FY 2023-24
Legislation with Ongoing Fiscal Impacts	\$30,000,000
Legislation with One-time Fiscal Impacts	
Workforce-related legislation, including free credentials, math scholarships, adult education, and concurrent enrollment	103,000,000
Housing-related legislation, including property tax relief, land use, and public-private partnerships	221,000,000
Legislation related to topics other than workforce and housing, including rural opportunity, line of duty loss, and Proposition 122 implementation	145,000,000
Subtotal	\$469,000,000
TOTAL Placeholders for Other 2023 Legislation	\$499,000,000

The budget package accounts for the 15.0 percent reserve associated with the above placeholders (a total of \$74.9 million).

The LCS Revised Fiscal Note identifies an estimated General Fund transfer for FY 2023-24 of \$17.6 million. The March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast identifies the projected General Fund transfer of \$7.0 million for the General Fund revenue impact associated with this bill for FY 2023-24 and future years.

This bill creates an ongoing obligation and is estimated to require a General Fund transfer of either \$7.0 million or \$17.6 million for FY 2023-24, reducing the \$30.0 million set aside by the same amount.

As amended by L.003, the bill creates a one-time obligation (for a two-year period) and is estimated to require General Fund transfers totaling either \$14.0 million (OSPB revenue forecast) or \$35.2 million (LCS Revised Fiscal Note) for FY 2023-24 and FY 2024-25.