

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING SUPPORT FOR BACKCOUNTRY SEARCH AND RESCUE SERVICES IN COLORADO, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING AN APPROPRIATION.

Prime Sponsors: Sens. Donovan and Rankin  
Reps. McCluskie and Will

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**Appropriation Items of Note**

**Appropriation Already Added to Bill, No Amendment in Packet**

**Existing Cash Fund Changed to 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 03/28/22.

<b>XXX</b>	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<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 Senate Agriculture & Natural Resources Committee Report (04/13/22) and the Senate Appropriations Committee Report (04/22/22) include amendments to the bill adopted on Second Reading in the Senate. 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**

<b>Amendment</b>	<b>Description</b>
None.	

**Current Appropriations Clause in Bill**

The bill includes an appropriations clause that reduces appropriations to the Department of Local Affairs by \$314,123 cash funds from the Backcountry Search and Rescue Fund and increases appropriations to the Department of Natural Resources by \$1,000,000 cash funds from the Wildlife Cash Fund in 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:

1. \$40.0 million General Fund for bills that create ongoing obligations; and
2. \$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 \$1.0 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 Department of Natural Resources to **not** seek annual authority from the General Assembly to spend money from the Backcountry Search and Rescue Fund, which is currently annually appropriated to the Department of Local Affairs? Once relocated to the Department of Natural Resources, the Fund changes from annually appropriated to continuously appropriated.