

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING A STUDY OF THE MARKET FOR PROPERTY AND CASUALTY INSURANCE POLICIES ISSUED TO CERTAIN ENTITIES IN COLORADO.

Prime Sponsors: Reps. McCluskie and Amabile
Senator Roberts

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Date Prepared: April 17, 2024

Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

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 02/08/24.

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

The House Business Affairs & Labor Committee Report (02/21/24) 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
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 \$329,863 cash funds from the Division of Insurance Cash Fund to the Department of Regulatory

HB24-1108

JBC Staff Analysis

Agencies for FY 2024-25. Of this amount, up to \$300,000 not expended prior to July 1, 2025, may be expended in FY 2025-26. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.3 FTE.

Points to Consider

General Fund Impact

Pursuant to Section 10-3-209 (4), C.R.S., taxes on insurance premiums are credited to the Division of Insurance Cash Fund (with a maximum transfer of five percent of premium tax collections) to cover appropriations made by the General Assembly. Any increase in appropriations reduces the amount of tax revenue deposited in the General Fund, thereby reducing the amount of General Fund available for other purposes.

The bill is estimated to require an increased appropriation of \$329,863 cash funds from the Division of Insurance Cash Fund in FY 2024-25 and \$24,172 cash funds from the same fund in FY 2025-26. This reduces the amount of General Fund available in each fiscal year by an equal amount.