

**JBC STAFF FISCAL ANALYSIS  
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING REQUIREMENTS TO ENGAGE IN THE BUSINESS OF DEALING IN FIREARMS, AND, IN CONNECTION THEREWITH, ESTABLISHING A STATE FIREARMS DEALER PERMIT AND MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Sirota and Boesenecker	JBC Analyst: Jon Catlett
Sens. Bridges and Michaelson Jenet	Phone: 303-866-4386
	Date Prepared: May 3, 2024

**Appropriation Items of Note**

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

**General Fund/TABOR Impact**

**Significant Cost Increase in Second Year**

**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 04/09/24.

XXX	<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 House Appropriation Committee Report (04/17/24) includes an amendment to the bill adopted by the House along with floor amendments on second reading (04/19/24), however, Legislative Council Staff and JBC Staff agree that the 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 includes an appropriation clause that appropriates \$618,973 General Fund to the Department of Revenue for FY 2024-25, of which \$64,010 is reappropriated to the Department of Law. This provision also states that the appropriation is based on the assumption that the Department of

Revenue will require an additional 5.3 FTE and the Department of Law will require an additional 0.3 FTE.

**Points to Consider**

*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2024-25 based on the March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes \$63.1 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders (a total of \$9.5 million).

General Fund Appropriation Placeholders for Other 2024 Legislation	
Description	FY 2024-25
General Legislative Priorities	\$21,739,130
Legislation for Shared Housing Priorities	12,043,478
Legislation for Shared Workforce and Education Priorities	16,152,110
Legislation for Other Shared Priorities	10,519,130
Legislation for Distributions to Rural Hospitals	2,608,689
<b>TOTAL Placeholders for Other 2024 Legislation</b>	<b>\$63,062,537</b>

This bill requires a General Fund appropriation of \$618,973 for FY 2024-25, reducing the \$63.1 million set aside by the same amount. This bill requires General Fund appropriations of \$3,092,778 for FY 2025-26 and \$2,674,421 for years thereafter.

*TABOR/ Excess State Revenues Impact*

The March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$1.3 billion for FY 2024-25 and \$1.8 billion for FY 2025-26 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund. The budget package includes a set aside of \$63.1 million General Fund for appropriations in FY 2024-25.

Though this bill will not increase cash fund revenues in FY 2024-25, it is projected to increase cash fund revenue by \$888,650 in FY 2025-26, of which \$813,275 is subject to TABOR limits and will reduce the available General Fund in FY 2025-26 by an equal amount.