



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 24-1174	Date:	April 26, 2024
Prime Sponsors:	Sen. Bridges; Kirkmeyer Rep. Sirota; Taggart	Bill Status:	Senate Appropriations
		Fiscal Analyst:	Matt Bishop 303-866-4796 matt.bishop@coleg.gov

Bill Topic: STATE FUNDING TO RELOCATE TWO STATE ENTITIES

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill provides funding for two capital construction projects. It increases state expenditures from FY 2024-25 to FY 2026-27.

Appropriation Summary: For FY 2024-25, the bill includes appropriations totaling \$4.2 million to multiple state agencies. See State Appropriations.

Fiscal Note Status: The fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee.

**Table 1
State Fiscal Impacts Under SB 24-222**

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	State Museum Cash Fund	\$2,250,000	-
	Capital Construction Fund	\$1,933,931	-
	Total Expenditures	\$4,183,931	-
Transfers	General Fund	(\$1,933,931)	-
	Capital Construction Fund	\$1,933,931	-
	Net Transfer	\$0	-
Other Budget Impacts		-	-

Summary of Legislation

The bill provides funding for two capital construction projects.

Collocation and Consolidation to Auraria. The Department of Revenue (DOR) will relocate part of its operations to the Auraria Higher Education Center (AHEC) from 1881 Pierce Street, which it leases from the Department of Personnel and Administration (DPA). The project consolidates several DOR services in a centralized, downtown location and reduces the department's overall facility footprint. The project is funded in part by a loan from History Colorado, which DOR will repay using savings from lease payments through FY 2028-29.

History of Colorado storage facility. The bill provides funding for History Colorado to start relocating its storage operations to the 1881 Pierce Street space vacated by DOR.

Background

The DOR project is materially similar to its FY 2024-25 capital budget request, which can be found [here](#). More information on History Colorado storage operations can be found in its FY 2023-24 capital budget request, which can be found [here](#). Adjustments to lease payments for these state agencies have been addressed through the budget process for FY 2024-25.

State Transfers

In FY 2024-25, the bill increases the amount transferred from the General Fund to the Capital Construction Fund by \$1,933,931 on July 1, 2024.

State Expenditures

The bill increases state expenditures from FY 2024-25 to FY 2026-27 in the Department of Revenue by \$3.5 million, paid from the Capital Construction Fund and the State Museum Cash Fund, and in History Colorado by \$2.3 million, paid from the State Museum Cash Fund. While these costs are shown in FY 2024-25, expenditures will occur over three fiscal years, as is typical for capital construction projects. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under SB 24-222

	FY 2024-25	FY 2025-26
Department of Revenue		
Collocation and Consolidation to Auraria	\$3,533,931	-
History Colorado		
Storage Facility Relocation	\$650,000	-
Total	\$4,183,931	-

Department of Revenue. The bill increases expenditures to renovate space on the Auraria campus and to facilitate its relocation from the 1881 Pierce Street property. Expenditures also increase for four years to repay the loan to History Colorado. These payments, which come from the General Fund, are offset by reductions in lease payments made to the Department of Personnel and Administration.

History Colorado. The bill increases expenditure to conduct design work for the project to relocate its North Storage Facility operations to 1881 Pierce Street. Costs are expected to increase in future years to renovate that space and to relocate artifacts. Future costs will be addressed through the annual budget process.

DPA and AHEC lease payments. The bill impacts leased space payments to these state entities, which are reappropriated from History Colorado and DOR. Based on FY 2024-25 budget documents, DOR's lease payments to DPA will decrease by about \$210,000 per year and its lease payments to AHEC are estimated at \$365,000 per year. History Colorado will make lease payments to DPA when it moves into 1881 Pierce Street. This lease amount has not been estimated.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2024-25, the bill includes the following appropriations, which include roll-forward spending authority through FY 2026-27:

- \$2,250,000 to History Colorado from the State Museum Cash Fund, of which \$1,600,000 is reappropriated to the Department of Revenue; and
- \$1,933,931 to the Department of Revenue from the Capital Construction Fund.

For FY 2024-25, the bill includes a reduction in appropriation to the Department of Revenue from the General Fund of \$400,000 for leased space, and instead appropriates that money to the department for operating expenses.

State and Local Government Contacts

Higher Education
Revenue

History Colorado

Personnel

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).