


Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 12-0541
Prime Sponsor(s): Rep. McKinley

Date: March 12, 2012
Bill Status: House Appropriations
Fiscal Analyst: Kirk Mlinek (303-866-4782)

TITLE: CONCERNING BUDGET CUTS TO PROVIDE MORE FUNDING FOR PUBLIC SCHOOLS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Transfers Transfer from the General Fund to the State Education Fund	(\$206,804,368)	
State Expenditures	No net change.	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2012-2013: See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

The bill requires the General Assembly to reduce General Fund appropriations by the rate of unemployment and transfers that amount to the State Education Fund. The reductions apply across all branches of state government, but not to the Department of Education or the Department of Health Care Policy and Financing. The reduction is based on the March 1, 2012, unemployment rate as published by the United States Department of Labor Bureau of Labor Statistics (BLS), multiplied by General Fund appropriations in FY 2011-12.

State Transfers

Effective January 1, 2013, the State Treasurer will transfer \$206,804,368 from the General Fund to the State Education Fund. The transfer amount is based on Colorado's 8.3 percent unemployment rate as reported by the BLS for February 2012 (most recent available), and amounts listed in the *Appropriations Report: Fiscal Year 2011-12*, published by the Joint Budget Committee. The fiscal note will be updated when the March unemployment rate is published by the BLS.

State Appropriations

For FY 2012-13, negative appropriations totaling \$206,804,368 General Fund are required to implement the bill. Specific reductions by executive department and for the Judicial and Legislative branches are shown in Table 1.

Table 1. Appropriations Required Under HB12-1109		
Department/Branch	FY 2011-12 General Fund Appropriation	FY 2012-13 Transfer to State Education Fund
Agriculture	\$5,164,362	(\$428,642)
Corrections	634,934,029	(52,699,524)
Governor	11,175,194	(927,541)
Higher Education	623,962,700	(51,788,904)
Human Services	614,650,877	(51,016,023)
Law	9,393,105	(779,628)
Local Affairs	10,383,966	(861,869)
Military Affairs	5,421,658	(449,998)
Natural Resources	23,422,123	(1,944,036)
Personnel	5,079,400	(421,590)
Public Health and Environment	27,478,228	(2,280,693)
Public Safety	82,676,491	(6,862,149)
Regulatory Agencies	1,599,183	(132,732)
Revenue	53,446,170*	(4,436,032)
Treasury	7,903,000	(655,949)
<i>Subtotal Executive Branch</i>	2,116,690,486	(175,685,310)
Judicial	340,243,578	(28,240,217)
Legislature	34,684,832	(2,878,841)
TOTAL	\$2,491,618,896	(\$206,804,368)

* This amount excludes \$19.3 million for Heat and Fuel and Property Tax Assistance Grants for the Elderly and the Cigarette Tax Rebate program.

Departments Contacted

All Judicial Legislature