

SB23-214 – FY 2023-24 Long Bill Heads to the Governor for Signature Andrea Wilkins, LWVCO Legislative Liaison April 17, 2023

The General Assembly has completed work on the 2023-24 state budget and SB23-214 - FY 2023-24 Long Bill, has been sent to Governor Polis for signature. While it is expected that Polis will approve the budget, it is the only legislation in which the Governor has line-item veto authority.

Development of the state budget is a months-long process with the General Assembly's Joint Budget Committee (JBC) receiving department briefings in the Fall and the Governor submitting his <u>budget recommendations</u> by November 1 of each year. In addition to consideration of the Governor's spending recommendations, the budget is based on economic forecasts provided by the General Assembly's Legislative Council and the Governor's Office of State Budget and Planning (OSBP). The forecast prepared by the staff of each agency can differ in their assessments and this year the JBC chose to base the 2023-24 budget on the forecast presented by the OSPB. Presentations of each agency's economic forecast can be accessed through the links below.

OSBP March Revenue Forecast Presentation: file:///C:/Users/andre/Downloads/3.2023%20OSPB%20Forecast%20Presentation.pdf

Legislative Council March Revenue Forecast Presentation: <u>https://leg.colorado.gov/sites/default/files/images/march_2023_forecast_presentation.p</u> <u>df</u>

Colorado's JBC is the General Assembly's permanent fiscal and budget review agency and sponsors the annual appropriations bill (called the "Long Bill") for the operations of state government.

The JBC has six members: the chairman and one majority and one minority member of the House Appropriations Committee, and the chairman and one majority and one minority member of the Senate Appropriations Committee. Current members include Chair Sen. Rachel Zenzinger, Vice Chair, Rep. Shannon Bird, Sens. Jeff Bridges and Barbara Kirkmeyer, and Reps. Emily Sirota and Rod Bockenfeld. Members serve twoyear terms and are selected following the general election. The JBC elects its own chair and vice-chair, one from the Senate membership and one from the House membership, for the first regular session. The chair and vice-chair exchange roles for the second regular session.

This year's budget bill was introduced in the Senate (chamber of initial introduction alternates each year) on March 27. After debate and deliberation, the amended version of the bill was introduced in the House on March 30. In total, the Senate considered 33 amendments to the original bill and the House considered 66. The Senate did not concur with the House amendments and the bill was sent to the JBC to act as a conference committee to reconcile the difference between the House and Senate amendments. Ultimately, the JBC adopted a new amended version of the bill and referred it back to the House and Senate for reconsideration. Both chambers repassed the bill in its final form on April 13.

The \$38.5 billion budget package increases spending by 8.9 percent, largely due to health care spending and adjustments needed for the state to compensate for the expiration of the enhanced federal Medicaid match tied to COVID-19. The budget also maintains a 15 percent general fund reserve to help support essential state operations and services in the event of an economic downturn.

In addition to SB23-214, the budget package includes over 30 "orbital bills" which are JBC-sponsored bills that make statutory changes related to the budget proposal and help balance the budget. These bills are introduced as part of the overall budget package. The 2023 orbital bills include:

- S.B. 23-215: State Employee Reserve Fund General Fund Transfer
- S.B. 23-216: Colorado Universal Preschool Program Funding
- S.B. 23-217: Separating Fees in Records & Reports Cash Fund
- S.B. 23-218: Repeal School Transformation Grant Program Administrative Cap
- S.B. 23-219: Supports to Students & Facility Schools
- S.B. 23-220: Public School Capital Construction Assistance Grants
- S.B. 23-221: Healthy School Meals for All Program Fund
- S.B. 23-222: Medicaid Pharmacy & Outpatient Services Copayment
- S.B. 23-223: Medicaid Provider Rate Review Process
- S.B. 23-224: Colorado Commission Policies Postgraduate Student Exchange Program
- S.B. 23-225: Specialty Education CSU Medical School Partnership
- S.B. 23-226: Extending Transitional Jobs Program
- S.B. 23-227: State Agency Attorney Hourly Rate
- S.B. 23-228: Office of Administrative Services for Independent Agencies
- S.B. 23-229: Statewide Behavioral Health Court Liaison Office
- S.B. 23-230: County Assistance for 23rd Judicial District
- S.B. 23-231: Amend Fund to Allow Payment Overdue Wage Claims
- S.B. 23-232: Unemployment Insurance Premiums Allocation Fed Law Compliance
- S.B. 23-233: Employment Services Funded By Wagner-Peyser Act
- S.B. 23-234: State Employee Insurance Premiums
- S.B. 23-235: DOL Funds for Unanticipated State Legal Needs

- S.B. 23-236: Electric Vehicle Service Equipment Fund
- S.B. 23-237: Transfer to Water Plan Implementation Cash Fund
- S.B. 23-238: Small Communities Water and Wastewater Grant Fund
- S.B. 23-239: Hazardous Site Response Fund Transfer
- S.B. 23-240: CDPHE Dairy Plant Fees
- S.B. 23-241: Creation of Office of School Safety
- S.B. 23-242: Community Corrections Financial Audit
- S.B. 23-243: General Fund Transfers to Capital Construction Fund
- S.B. 23-244: Technology Accessibility Cleanup
- S.B. 23-245: Transfer to Revenue Loss Restoration Cash Fund
- S.B. 23-246: State Emergency Reserve

The JBC long bill narrative and budget package report can be accessed here.