



**Colorado
Legislative
Council
Staff**

SB16-195

**REVISED
FISCAL NOTE**

(replaces fiscal note dated April 22, 2016)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-1196
Prime Sponsor(s): Sen. Grantham
Rep. Rankin

Date: May 3, 2016
Bill Status: House Appropriations
Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: VETERANS CENTERS ANNUAL APPROP FROM CENTRAL FUND

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures		See State Expenditures section.
Appropriation Required: None.		
Future Year Impacts: None.		

Summary of Legislation

This *reengrossed* bill is recommended by the **Joint Budget Committee**.

Under current law, the Department of Human Services (DHS) may spend money in the Central Fund for Veterans Community Living Centers (the central fund) without further appropriation by the General Assembly.

For fiscal years beginning on and after July 1, 2017, this bill grants the DHS continuous spending authority from the central fund for the direct costs of the operation and administration of the veterans centers, and for capital construction in connection with the centers. The bill requires that department spending for indirect costs from the central fund be subject to annual appropriations by the General Assembly. In any fiscal year, the DHS may not spend more than five percent of total expenditures on indirect costs.

As part of the department's annual budget request, the DHS must provide the Joint Budget Committee a detailed report of the anticipated direct and indirect costs for the operation and administration of each veterans center for the upcoming fiscal year, including amounts for personal services, operating expenses, indirect costs, centrally appropriated costs, and the number of full time equivalent employees (FTE).

State Expenditures

While the bill does not directly affect costs paid from the central fund, the bill transfers authority from the Department of Human Services to the General Assembly to appropriate the money in the fund for indirect costs. The bill also places limits on the amount of indirect costs the

DHS may incur for operation of veterans centers. Compared with current law, the legislature will control spending authority over indirect costs for the DHS, and the department's spending will be adjusted by the limitation on overhead expenses.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Human Services Military Affairs