



**Colorado
Legislative
Council
Staff**

SB17-175

FISCAL NOTE

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

Drafting Number: LLS 17-0811
Prime Sponsor(s): Sen. Lambert
Rep. Hamner

Date: February 7, 2017
Bill Status: Senate Appropriations
Fiscal Analyst: Ryan Long (303-866-2066)

BILL TOPIC: TRANSFERS BETWEEN STATE SELF-INSURANCE FUNDS

| Fiscal Impact Summary | FY 2017-2018 | FY 2018-2019 | FY 2019-2020 |
|---|----------------------------|--------------|--------------|
| State Revenue | See State Revenue section. | | |
| Cash Funds | | | |
| State Expenditures | | | |
| Appropriation Required: None, funds are continuously appropriated. | | | |
| Future Year Impacts: Transfers and expenditures are ongoing. | | | |

Summary of Legislation

This bill, **recommended by the Joint Budget Committee**, authorizes the executive director of the Department to Personnel and Administration (DPA) to request the state treasurer to transfer money from one state self-insurance fund's reserve balance to another self-insurance fund with an insufficient balance. The amount of the requested transfer cannot exceed the amount of the deficiency. State self-insurance cash funds consist of:

- the Risk Management Fund;
- the Self-insured Property Fund; and
- the State Employee Workers' Compensation Account in the Risk Management Fund.

The State Treasurer is required to make the requested transfer, and the General Assembly is required to appropriate an amount to enable the return of the transfer amount in the next annual long bill. DPA is prohibited from using the transferred amounts for the costs of operating the risk management system.

Background

Each state self-insurance fund includes a reserve balance for extraordinary claims; all three self-insurance fund reserves totaled \$7.7 million for FY 2016-17.

State Revenues

State transfers. To the extent that DPA requests fund balance transfers, this bill will create state transfers between the Risk Management Fund, the Self-insured Property Fund, and the State Employee Compensation Account in DPA.

Effective Date

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

State and Local Government Contacts

Personnel