



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 18-1044

**REVISED
FISCAL NOTE**

(replaces fiscal note dated January 19, 2018)

Drafting Number:	LLS 18-0536	Date:	February 20, 2018
Prime Sponsors:	Rep. Kraft-Tharp Sen. Priola	Bill Status:	Senate SVMA Aaron Carpenter 303-866-4918 Aaron.Carpenter@state.co.us
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Bill Topic: COLORADO CHILDREN'S TRUST FUND ACT

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue (<i>potential</i>)	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill changes the duties and membership of the Colorado Children's Trust Fund board. This bill increases state expenditures on an ongoing basis.

Appropriation Summary: The Legislative Department requires an appropriation of \$1,748 for FY 2018-19.

Fiscal Note Status: This fiscal note reflects the reengrossed bill.

**Table 1
State Fiscal Impacts Under HB 18-1044**

		FY 2018-19	FY 2019-20
Revenue		-	-
Expenditures	General Fund	\$1,748	\$1,748
	Cash Funds	up to \$5,000	up to \$5,000
	Centrally Appropriated	\$79	\$79
	Total	up to \$6,827	up to \$6,827
Transfers		-	-

Summary of Legislation

This bill makes several changes to the operations of the Colorado Children's Trust Fund (CCTF) and the membership of the CCTF board.

CCTF board membership and powers. First, the bill increases the membership of the CCTF board from 9 members to 21 members. The 12 new members include the director of the Department of Healthcare Policy and Financing (HCPF) and the director of the Department of Labor, the Child Protection Ombudsmen, and 9 members appointed by the Governor, including 2 members from the General Assembly and 7 community members with various backgrounds. This bill also expands the duties and powers of the CCTF board. Among other things, it specifies that the CCTF board can allocate grant money to programs that prevent child maltreatment fatalities and programs that help reduce adverse childhood experiences and authorizes the CCTF board to incorporate a non-profit entity for the purposes of receiving tax-deductible donations.

CCTF revenue and spending. This bill also changes the rules governing the revenue to and spending of the CCTF. Under current law, the CCTF board is only allowed to spend 75% of money credited to the CCTF until the total amount of assets in the trust fund exceeds \$5 million. When this threshold is met, the CCTF can no longer collect money from docket fees. This bill repeals the spending limit and the requirement that the CCTF stop collecting money from docket fees when it reaches \$5 million.

Reporting and repeal deadlines. Lastly, this bill extends two deadlines by one year. It extends the deadline for the Department of Human Services (DHS) to provide a report to General Assembly evaluating the impact of CCTF grants by one year to 2022 and extends the repeal date of the CCTF and board by one year to July 1, 2023.

Background

Under current law, the CCTF collects \$15 dollars from each docket fee paid in a proceeding for dissolution of marriage or civil union. Once the trust fund has \$5 million in assets, the trust fund must stop collecting this fee. In FY 2016-2017, the CCTF received \$341,551 in fees and had a year end balance of \$1.6 million.

State Revenue

This bill may increase cash fund revenue to the CCTF in the DHS from gifts, grants, and donations starting in FY 2018-19. The bill allows the CCTF board to incorporate a non-profit entity to promote the receipt of tax-deductible donations, which may increase donations to the CCTF. The exact increase in donations cannot be estimated at this time.

State Expenditures

This bill increases state expenditures in the Legislative Department by \$1,748 per year and the DHS by up to \$5,000 per year starting in FY 2018-19. These costs are shown in Table 2 and discussed below.

Table 2
Expenditures Under HB 18-1044

Cost Components	FY 2018-19	FY 2019-20
Legislator Per Diem and Travel Cost	\$1,748	\$1,748
CCTF Board Member Expenses	up to \$5,000	up to \$5,000
Centrally Appropriated Costs*	\$79	\$79
Total	up to \$6,827	up to \$6,827

* Centrally appropriated costs are not included in the bill's appropriation.

Assumptions. Currently, the CCTF meets quarterly. The fiscal note assumes that under this bill, the CCTF will continue to meet four times per year.

Legislative Department. The Legislative Department will have increased expenditures to reimburse the two members of the General Assembly who are appointed to the CCTF board. The per diem rate for one member is \$110.50 per meeting plus \$108 for estimated cost for travel and expenses. Therefore, General Fund expenditures will increase for the Legislature by \$1,748 per year beginning in FY 2018-19.

CCTF board membership. The Child Protection Ombudsman and the directors or designee of the Departments of HCPF and Labor will have a workload increase to serve on the CCTF. It is assumed that any workload increases can be accomplished within existing appropriations.

Department of Human Services. The DHS will have increased expenditures from the CCTF to the extent that new CCTF board members request reimbursement for per diem and travel expenses as allowed under current law. The DHS has not received any reimbursement requests from current CCTF board members; however, new members still have the option to receive reimbursement. In recent years, it is estimated that CCTF board member reimbursements could cost up to \$5,000 per year which can be accomplished within existing appropriations from the CCTF. DHS will also see a workload increase to assist the CCTF board in pursuing additional projects and grants under the expanded power and duties of the CCTF board. This workload can be accomplished with existing appropriations.

Grant spending. While the bill allows the CCTF board to award grants to additional types of programs, the fiscal note assumes that no change in appropriations from the CCTF is required. The CCTF board can prioritize the grant funds among different types of projects within the existing appropriation. Should additional spending authority for the CCTF be required, it is assumed that the DHS will request funding through the annual budget process.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which includes supplemental employee retirement payments, are estimated to be \$79 per year beginning in FY 2018-19.

Local Government

Counties and local entities that run programs that support the expanded mission of the CCTF board may apply for and potentially receive additional grant funding from the CCTF. Because the CCTF board has discretion on how to use trust fund money, the precise impact at the local level cannot be determined.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2018-19, this bill requires a General Fund appropriation of \$1,748 to the Legislative Department for per diem and travel expenses.

State and Local Government Contacts

Counties
Human Services
Local Affairs

Governor
Judicial
Labor

Health Care Policy and Financing
Information Technology
Legislative Council