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**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 15, 2018)

Drafting Number: LLS 18-0739 **Date:** March 12, 2018
Prime Sponsors: Rep. Saine; Kraft-Tharp **Bill Status:** Senate SVMA
 Sen. Donovan; Smallwood **Fiscal Analyst:** Ryan Long | 303-866-2066
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Bill Topic: BEST PRACTICES FOR STATE BOARDS & COMMISSIONS

Summary of Fiscal Impact:

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

This bill requires state agencies that are responsible for statutorily created boards or commissions to provide an annual training on specified topics. It will increase state workload on an ongoing basis.

Appropriation Summary: For FY 2018-19, this bill requires an appropriation of \$158,829 to the Governor's Office.

Fiscal Note Status: The revised fiscal note reflects the reengrossed bill and new information provided by the Governor's Office.

**Table 1
State Fiscal Impacts under HB 18-1198**

		FY 2018-19	FY 2019-20
Revenue			
Expenditures	General Fund	\$158,829	\$96,953
	Centrally Appropriated	\$16,187	\$10,020
Total		\$175,016	\$106,973
Total FTE		1.0 FTE	0.5 FTE
Transfers			

Summary of Legislation

Beginning January 1, 2019, state agencies that are responsible for a statutorily created board or commission must ensure that each board and commission receives an annual training on:

- understanding and operating within statutory directives;
- defining the board or commission's mission or role in project oversight;
- understanding and aligning the board or commission's process with the goal of the program it oversees;
- identifying and managing conflicts of interest;
- understanding the requirements of the Colorado Open Records Act (CORA);
- setting parameters regarding board or commission staff duties;
- identifying and securing data to help the board make informed decisions;
- ensuring involvement of members in key policy-making activities;
- ensuring members act in their role as public representatives;
- coordinating with others where responsibilities overlap; and
- annually reviewing management practices to ensure the use of best practices.

Background

As of March 2018, there are 385 statutorily created boards and commissions in the state.

State Expenditures

This bill will increase General Fund expenditures in the Governor's Office by \$175,016 and 1.0 FTE in FY 2018-19 and \$106,973 and 0.5 FTE in FY 2019-20 and future years. It will also increase workload for all state agencies. These impacts are displayed in Table 2 and described below.

**Table 2
Expenditures Under HB 18-1198**

Cost Components	FY 2018-19	FY 2019-20
Governor's Office		
Personal Services	\$64,553	\$42,855
Operating Expenses and Capital Outlay Costs	\$5,653	\$475
Legal Services	\$10,123	\$10,123
Consulting Costs	\$35,000	-
Travel Costs	\$43,500	\$43,500
Centrally Appropriated Costs*	\$16,187	\$10,020
FTE – Personal Services	1.0 FTE	0.5 FTE
FTE – Legal Services		
Total	\$175,016	\$106,973
Total FTE	1.0 FTE	0.5 FTE

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

Governor's Office. The Office of Boards and Commissions in the Governor's Office will require 0.5 FTE in FY 2018-19 and future years to provide staff support for the board and commission training required by this bill. Additionally, the Office of Boards and Commissions will require 0.5 FTE and 300 hours of consulting services in FY 2018-19 only to assist with the initial development of training programs. It is assumed that new personnel will begin in August 2018. To the extent that more resources are needed to provide staff support and training development, it is assumed that appropriations will be requested in the annual budget process.

Travel. It is assumed that travel expenses for all boards and commissions in the state will increase by \$43,500 per year to ensure all members receive the training required by this bill. The increase to specific boards and commissions will vary depending on the size and geographic location of each board or commission's members.

State agencies. Beginning in FY 2018-19, this bill will increase workload for all state agencies that oversee boards and commissions to conduct trainings. It is assumed that trainings will be either incorporated into existing board or commission trainings or provided with staff assistance by the Governor's Office.

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 include employee insurance, leased space, and supplemental employee retirement payments, are estimated to be \$16,187 in FY 2018-19 and \$10,020 in FY 2019-20.

Appropriations

For FY 2018-19, this bill requires an appropriation of \$158,829 from the General Fund to the Governor's Office, and an allocation 1.0 FTE.

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 and Local Government Contacts

All State Agencies