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Revised Fiscal Note

(replaces fiscal note dated March 5, 2021)

Drafting Number: LLS 21-0310 Date: March 24, 2021
Prime Sponsors: Rep. Bird; Rich Sen. Story; Woodward Bill Status: House Appropriations Fiscal Analyst: Elizabeth Ramey | 303-866-3522 Elizabeth.Ramey@state.co.us

Bill Topic: ANNUAL PUBLIC REPORT AFFORDABLE HOUSING

- Summary of Fiscal Impact: State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

This bill requires the Division of Housing in the Department of Local Affairs to prepare an annual report on funding for the preservation or production of affordable housing. It increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2021-22, this bill requires an appropriation of \$18,704 to the Department of Local Affairs.

Fiscal Note Status: This fiscal note reflects the introduced bill, as amended by the House Transportation and Local Government Committee

Table 1 State Fiscal Impacts Under HB 21-1028

Table with 4 columns: Category, Budget Year FY 2021-22, Out Year FY 2022-23, and values for Revenue, Expenditures, Transfers, and TABOR Refund.

Summary of Legislation

This bill requires the Division of Housing (DOH) in the Department of Local Affairs (DOLA) to prepare an annual report for its SMART Act hearings beginning in 2021 identifying the sources and allocation of funding for the preservation or production of emergency or affordable housing during the prior fiscal year. The report must include:

- the total amount of funding received;
- the total amount of funding spent through grants or loans;
- the characteristics of each project receiving assistance; and
- a summary describing the sources and amounts of funding.

The DOH is required to post the annual report on its website.

Background

The Division of Housing currently administers several programs for the preservation or production of affordable housing with different reporting requirements. The Division currently prepares a report on some of these programs, which account for approximately 16 percent of funding and takes approximately 80 to 120 staff hours annually. The annual report required by this bill will require reporting on additional programs as well as stimulus funds and translating all programs into a state fiscal year basis.

State Expenditures

This bill increases state expenditures by \$23,315 and 0.3 FTE in FY 2021-22, and by \$23,315 and 0.3 FTE in FY 2022-23 and future years in the DOLA. These costs are shown in Table 2 and discussed below.

Table 2
Expenditures Under HB 21-1028

Cost Components	FY 2021-22	FY 2022-23
Department of Local Affairs		
Personal Services	\$17,804	\$17,804
Software Licensing	\$900	\$900
Centrally Appropriated Costs ¹	\$4,611	\$4,611
Total	\$23,315	\$23,315
Total FTE	0.3 FTE	0.3 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Personal Services. Developing the report requires an estimated 520 additional staff hours on an ongoing basis. This includes staff time to gather, verify, and format data, and translate information into a state fiscal year.

Software licensing. The reporting requirements in this bill require administrative and data analysis software and ongoing licensing fees.

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 and supplemental employee retirement payments, are estimated to be \$4,611 in FY 2021-22 and FY 2022-23.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2021-22, this bill requires a General Fund appropriation of \$18,704 to the Department of Local Affairs, and 0.3 FTE.

State and Local Government Contacts

Information Technology

Local Affairs