



Legislative Council Staff
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Revised Fiscal Note

(replaces fiscal note dated January 25, 2022)

Drafting Number:	LLS 22-0530	Date:	February 8, 2022
Prime Sponsors:	Sen. Fenberg; Holbert Rep. Garnett; McKean	Bill Status:	House Trans. & Local Govt.
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Bill Topic: **BOARDS & COMMISSIONS**

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue <input checked="" type="checkbox"/> State Expenditure <input type="checkbox"/> State Transfer	<input type="checkbox"/> TABOR Refund <input type="checkbox"/> Local Government <input type="checkbox"/> Statutory Public Entity
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The bill adds new members to several state boards and commissions to align with the newly created 8th congressional district, and makes various other changes to state board membership and appointment requirements. The bill increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$14,705 to multiple state agencies.

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

Table 1
State Fiscal Impacts Under SB 22-013

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	General Fund ¹	\$5,150	\$5,150
	Cash Funds	\$14,105	-
	Total Expenditures	\$19,255	\$5,150
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$90	\$90

¹ This fiscal note assumes that \$4,550 of the General Fund expenditures required by this bill will be paid using available General Fund or cash fund sources to the Community College System, and are shown here for informational purposes only.

Summary of Legislation

The bill makes changes to requirements for boards and commissions where membership is based on representation from congressional districts, as well as various other changes to procedures for membership and appointments, including when the boundaries of a district change and when boards gain or lose members due to congressional redistricting. These changes are described in more detail below.

Changes to elected board membership. Two new members are added to the State Board of Education in the Department of Education, including one member from the newly created eighth congressional district and one at-large member. One member of the Board of Regents of the University of Colorado that is currently elected at-large will instead be elected from the eighth congressional district which keeps the total number of members constant. These seats will be determined at the 2022 general election.

Changes to appointed board membership. The bill adds members to appointed boards as follows:

- two new members on the State Recreational Trails committee in the Department of Natural Resources;
- two new members on the Commission on the Aging in the Department of Human Services;
- two new members on the Colorado State Fair Authority in the Department of Agriculture;
- one new member on the State Board of Health in the Department of Public Health and Environment;
- one new member on the Office of the Utility Consumer Advocate and Utility Consumers' Board in the Department of Regulatory Agencies; and
- one new member on the State Board for Community Colleges and Occupational Education in the Department of Higher Education.

Other changes. The bill also makes other changes to requirements for state board and commission member terms and appointments. Most of these changes are clarifying in nature. The bill requires all boards and commissions, except where statute or constitutional provision provide otherwise, to:

- fill vacancies for the remainder of unexpired board member terms using the appointing authority that made the initial board member appointment;
- allow directors or executive directors who are ex officio members of a board to designate another person within their agency to fulfill their duties on the board;
- define "minimum majority" as the lowest number of members that is more than half of all board members;
- allow board members to participate remotely in board meetings; and,
- only count a partial term toward a member's term limit if it is greater than half the length of a standard term for the board.

Background

Candidates for state public office who do not seek party nomination must collect a certain number of signatures to petition onto the ballot, depending on the office being sought. Petition signatures are reviewed by the Department of State (DOS) to confirm that the persons signing are residents of Colorado and reside within the proper jurisdictional boundary. The DOS contracts with the Department of Personnel and Administration (DPA) to conduct these reviews. The review typically occurs in the fiscal year prior to the election that the candidates are seeking to run. For example, the DOS will review signatures for candidates seeking to run in the 2022 election during FY 2021-22, typically in March or April.

Assumptions

The bill requires the DOS to add two new Board of Education positions to the ballot for the November 2022 general election. This fiscal note assumes that one additional candidate will petition onto the ballot for each new position, requiring the DOS to review 2,000 additional signatures for the position representing the eighth congressional district and 4,500 signatures for the new at-large position.

State Expenditures

The bill increases state expenditures in the DOS by \$14,105 in FY 2022-23 from the Department of State Cash Fund. It also increases General Fund expenditures to multiple state agencies by \$5,150 per year beginning in FY 2022-23. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under SB 22-013

Cost Components	FY 2022-23	FY 2023-24
Department of State		
Document Management	\$14,105	-
DOS Subtotal	\$14,105	-
Department of Higher Education		
Board Member Reimbursement	\$4,550	\$4,500
DHE Subtotal	\$4,500	\$4,500
Department of Public Health and Environment		
Board Member Reimbursement	\$600	\$600
CDPHE Subtotal	\$600	\$600
Total	\$19,255	\$5,150

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

Department of State. The bill increases DOS expenditures by \$14,105 in FY 2022-23 from the Department of State Cash Fund, all of which is reappropriated to the DPA. These expenditures are for the Document Solutions Group in the DPA to process additional petition signatures for two candidates in the 2022 general election. Expenditures for the eighth congressional district position will continue every two years, and expenditures for the at-large position will continue every six years after the 2022 general election. Future costs related to these positions will be requested by DOS and DPA through the annual budget process. The DOS will also have a one-time workload increase to modify election-related databases, but this work can be accomplished within existing appropriations.

Department of Higher Education. Starting in FY 2022-23, the Department of Higher Education requires \$4,550 annually to reimburse a new member of the Community College System Board for meeting-related expenses. It is assumed this cost will be paid using available General Fund or cash fund revenues to the Community College System. The fiscal note shows these costs as General Fund for informational purposes. No change in appropriation is required.

Department of Public Health and Environment. For FY 2022-23 and thereafter, the Department of Public Health and Environment requires \$600 from the General Fund for the annual stipend of a new Board of Health member.

Other state agencies. The bill increases costs in various other state agencies to support new board members. These costs will be minimal and can be absorbed by the affected agencies. Should additional spending authority be needed in the future, it is assumed that funding will be addressed through the annual budget process. Affected agencies include the Department of Education, Department of Natural Resources, Department of Human Services, Department of Agriculture, and Department of Regulatory Agencies for the boards listed on page 1 of this fiscal note.

Governor's Office. The Governor's Office of Boards and Commissions, which coordinates executive branch appointments to boards and commissions and is responsible for recruiting, vetting, interviewing, and following certain appointments through the Senate confirmation process, will have increased workload to make additional appointments and incorporate the various changes under the bill into their processes. This work can be accomplished within existing appropriations.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on the appropriations estimated in this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by \$90 in FY 2022-23 and \$90 in FY 2023-24, which will decrease the amount of General Fund available for other purposes.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except that section 90 of the bill only takes effect if House Bill 22-1035 does not become law, and section 107 of the bill only takes effect if Senate Bill 22-042 does not become law.

State Appropriations

For FY 2022-23, the bill requires and includes appropriations totaling \$14,705 to multiple state agencies as follows:

- \$14,105 to the Department of State from the Department of State Cash Fund, all of which is reappropriated to the Department of Personnel and Administration; and
- \$600 to the Department of Public Health and Environment from the General Fund.

State and Local Government Contacts

All State Agencies