

DEPARTMENT OF MILITARY & VETERANS AFFAIRS  
FY 2024-25 JOINT BUDGET COMMITTEE HEARING AGENDA

Wednesday, December 6, 2023  
2:30 pm – 3:00 pm

**2:30-2:35 INTRODUCTIONS AND OPENING COMMENTS**

Presenter: Brigadier General (BG) Laura Clellan, The Adjutant General, Executive Director

**2:35-2:40 COMMON QUESTIONS**

Main Presenters:

- BG Laura Clellan, The Adjutant General, Executive Director

Topics:

- Question 1: Page 1, 8
- Question 2: Page 1, 8
- Question 3: Page 2, 8

**2:40-2:50 R1 CONG RECRUITING AND RETENTION**

Main Presenters:

- BG Laura Clellan, The Adjutant General, Executive Director

Topics:

- Tuition Assistance: Page 2, 9
- Enlistment & Retention Bonus: Page 2, 9
- Request Rationale: Page 3, 9

**2:50-3:00 OTHER DECISION ITEMS**

Main Presenters:

- BG Laura Clellan, The Adjutant General, Executive Director

Topics:

- R2: Construction and Facilities Operating: Page 3, 10
- R4: VTF Expanded Spending Authority: Page 3, 11
- R5: CAP / JROTC Capacity Building Page 4, 12

DEPARTMENT OF MILITARY & VETERANS AFFAIRS  
FY 2024-25 JOINT BUDGET COMMITTEE HEARING

Wednesday, December 6<sup>th</sup>  
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COMMON QUESTIONS FOR DISCUSSION AT DEPARTMENT HEARINGS

- 1 Please describe one-time state and federal stimulus funds that have been allocated to the Department but are not expended as of September, 30, 2023, by bill, budget action, executive action, or other source that allocated funds. The description should include but is not limited to funds that originate from one-time or term-limited General Fund or federal funds originating from the American Rescue Plan Act (ARPA)/State and Local Fiscal Recovery Funds/Revenue Loss Restoration Cash Fund. Please describe the Department's plan to obligate or expend all allocated funds that originate from ARPA by December 2024.

Please further describe any budget requests that replace one-time General Fund or ARPA funded programs with ongoing appropriations, including the following information:

- a. Original fund source (General Fund, ARPA, other), amount, and FTE;
- b. Original program time frame;
- c. Original authorization (budget decision, legislation, other);
- d. Requested ongoing fund source, amount, and FTE; and
- e. Requested time frame (one-time extension or ongoing).

*HB22-1329 (FY23 Long Bill) provided three Controlled Maintenance Projects to DMVA through the Revenue Loss Restoration Cash Fund: SLFRF , 3 projects Total \$1,428,972*

1. 2023-049M22 / Fire Alarm Replacement, AFB Aviation Readiness Center (Building 1000), \$168,179
2. 2023-073M22 / Roof Replacement and Site Security Upgrades, Joint Forces Headquarters, \$662,985
3. 2023-078M22 / Roof Replacements at Fort Collins, Watkins, and Aurora Readiness Centers., \$597,808

*The existing SLFRF-funded projects are now with 4610 Capital Construction Fund and federal funds provided by CONG in FY 2023-24. These projects are expected to be completed by July 2024, February 2025 and May 2024 respectively. DMVA is not requesting any budget to replace SLFRF funding.*

- 2 Please provide a description, calculation, and the assumptions for the fiscal impact of implementing compensation provisions of the Partnership Agreement, as well as a qualitative description of any changes to paid annual, medical, holiday or family leave as a result of the Agreement. Please describe any compensation and leave changes for employees exempt from the Agreement if applicable.

*The department is working with OSPB and DPA to provide the JBC with a breakdown of the fiscal impact of implementing the Partnership Agreement. The Governor's November 1, 2023 budget included funding for the economic articles of the partnership agreement. The department expects that any compensation and leave changes for employees exempt from the Agreement would be minimal.*

- 3 Provide a prioritized list of budget reductions the Department would propose if 10.0 percent General Fund appropriation reductions were required of every Department.

*We appreciate the question and the desire to partner with the Department on identifying reductions. On November 1st the Governor submitted a balanced budget that provided decision items for increases and reductions that we spent over a half a year to identify and prioritize across the entire Executive Branch. The proposed budget is balanced, maintains a reserve of 15%, and does not require a 10.0 percent reduction in the General Fund to balance. If the economic conditions change the Governor will take actions to propose reduced expenditures and submit a plan to address the shortfall to the General Assembly. If the Joint Budget Committee wants feedback on specific reduction proposals, we welcome the opportunity to work with JBC staff on estimating the impacts and tradeoffs of those proposals.*

## R1 CONG RECRUITING AND RETENTION

**Rep. Sirota:** For your table on page 14, what does “up to 100 percent tuition assistance” mean for Colorado? Please provide additional detail on the qualifications and constraints on the tuition assistance program.

*The Colorado National Guard offers servicemembers tuition assistance of up to 100%. The "up to" is due to the fact that there is a finite amount of funds, at \$1.4 million, in the Tuition Assistance Fund. That \$1.4 million is the only allocation for the entire academic year, thus, as tuition assistance is paid out in the order that it is received, the DMVA cannot guarantee servicemembers their tuition benefit throughout the year as funds may not be available in later months if there has been high usage.*

*Other states have made use of tuition waivers, rather than a pot of money to rectify this issue, and others have increased allocations in their tuition assistance fund.*

**Rep. Taggart:** On page 15, the document notes a \$10,000 enlistment and retention bonus to 45 service members depending on time in service and length of enlistment contract. Please discuss the criteria for this program and the potential equity tradeoffs for other service members that may have just missed the opportunity.

*We are finalizing the details for retention bonus program criteria, conducting analysis on needed military occupational specialty (MOS) for Colorado's force structure not covered by federal bonus programs, and whether to provide a span of bonus amounts based on the number of years a service member reenlists or extends a current contract, up to six years. We anticipate releasing new guidance annually to meet evolving retention needs.*

*If a service member must reenlist prior to the implementation of this program, they can re-enlist for a shorter duration of 2 years, then choose to extend that enlistment once the retention bonus is implemented to meet the bonus requirements.*

**Sen. Bridges:** The Governor requested \$500,000 for this purpose. Please provide additional detail on what the Department might be able to accomplish if the General Assembly provided more funding than requested in R1. What would the Department propose to do with additional funding, and what results would the Department anticipate in light of its goals.

*Retention:*

*Additional funding would allow us to attain an additional 200 reenlistments a year at a rate of \$5,000 for a 3 year reenlistment. This would also allow us to incentivize In Service Recruits; these are personnel leaving active duty and the reserves, bringing more skilled labor to Colorado, especially in Aerospace and Cyber security. This would also allow us to request out to the Marines or Sailors seeking to leave active duty or the reserves with a similar bonus and similar impact to Colorado's workforce.*

*Recruiting:*

*Additional funding could allow us to branch into an enlistment bonus to supplement the decrease in the federal bonus, which is only limited to 2 military occupational specialty (MOS). Federal bonus went from \$20,000 for 6 years to \$10,000 for 3 years.*

## R2 – CONSTRUCTION AND FACILITIES OPERATING

**Sen. Zenzinger:** Why is this coming as an operating request rather than a capital request when it is for building construction and maintenance?

*The primary purpose of this request is to cover the increased costs related to day to day operating expenses; utilities and small repair and maintenance projects rather than major construction projects or upgrades more appropriate to controlled maintenance capital requests.*

## R4 – VTF EXPANDED SPENDING AUTHORITY

**Rep Bird:** We want to make sure that whatever is drawn from the trust fund is sustainable. Please provide additional details on the use of the fund and whether the \$250,000 request is enough. If the fund could sustain more, is a larger request warranted?

*In this current fiscal year we received a little over \$150,000 in grant requests in excess of the current budget. The \$250,000 should be more than enough to cover that gap. The grant program's current administrative capacity can handle the requested increase.*

**Sen. Kirkmeyer:** Please provide an update on the implementation of H.B. 23-1088 and the relationship between this request and the implementation of that bill.

*Implementation: A work-group between the DMVA and DHS was set-up in September of this year. That work-group has established a procedural framework for the program and has drafted the interagency agreement that will govern the program processes. Both positions created to manage the program have been created and are currently with our human resources office for posting. We estimate that we should be able to begin processing payments and providing services starting in March of 2024.*

*Relationship: While H.B. 23-1088 and the VTF Grants programs share the broad policy goals of providing services to veterans they are fairly different in working details and implementation. The VTF Grants are reimbursement made to non-profits for a much wider range of services - to include mental health - while the funds from H.B. 23-1088 are specifically used to pay for therapy sessions for the residents of the state's Veteran Community Living Centers.*

## R5 – CAP / JROTC CAPACITY BUILDING

**Sen. Bridges:** Please provide additional detail on how the Department expects this request to increase/improve participation in these programs. What outcomes and possible positive externalities does the Department expect if this funding is approved?

*A liaison could coordinate with all the separate CAP, JROTC, and Young Marine chapters at different schools throughout the state and work to get resources to school districts that don't currently have a chapter. They can work as a point of contact to coordinate with all of the various chapters and schools to help facilitate accessibility and organize resources. The liaison could also work as a touchpoint for students coming out of these chapters to help access further employment and educational resources.*



**COLORADO**

**Department of Military  
and Veterans Affairs**



**Presentation to  
Joint  
Budget  
Committee  
6 December 2023**







# COLORADO

## Department of Military and Veterans Affairs



**MISSION:** Colorado's Department of Military and Veterans Affairs supports the Division of the Colorado National Guard in delivering land, air, space, and cyber power in support of state and federal operations; enables the Division of Veterans Affairs to deliver high quality service to the state's veterans and their families; and oversees the operations of the Colorado Wing of the Civil Air Patrol in delivering aerospace education and emergency services.

**VISION:** We are an inclusive organization that earns and maintains the trust and confidence in those we serve at the local, state and federal levels; we are recognized for excellence in service to our veterans, service members, and families; and, we are the state of choice for future force structure gains, equipment modernization, and infrastructure investment.





# COLORADO

## Department of Military and Veterans Affairs



The Adjutant General of Colorado  
BG Laura Clellan



Deputy Executive Director  
Michael Bruno



Director, Division of Veterans Affairs  
Dr. David Callahan



Division of the National Guard



Wing Commander, Civil Air Patrol  
Col. Michael Fay



Assistant Adjutant General - Army  
BG Bren Rogers



Director of Joint Staff  
Brig Gen Michael Bruno



Assistant Adjutant General - Air  
Brig Gen D. Micah Fesler





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Department of Military  
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## Common Questions

### 1. State and Local Fiscal Recovery Funds

- DMVA received funding totally \$1,428,972 through the FY23 Long Bill for three Controlled Maintenance Projects
- In FY24 DMVA is not requesting any budget to replace SLFRF funding

### 2. Partnership Agreement

- DMVA is working with OSPB and DPA to provide a breakdown of the fiscal impact of implementing the Partnership Agreement.
- The Governor's November 1 budget included funding for the economic articles of the Partnership Agreement.

### 3. General Fund Balance

- Our proposed budget is balanced and does not require a 10.0% reduction in the General Fund to balance.



# COLORADO

Department of Military  
and Veterans Affairs



## Decision Item Discussion

### R-01: Colorado National Guard Recruiting and Retention

The Department of Military and Veterans Affairs (DMVA) is requesting an ongoing \$500,000 General Fund increase to support recruiting and retention efforts for the Colorado National Guard (CONG).

\$50,000 will be earmarked for the Joint Enlistment Enhancement Program and \$450,000 for up to a \$10,000 enlistment and retention bonus.

The CONG is facing recruiting and retention setbacks, with a current progress at 96.9% of a reduced NGB mission goal. Our actual end strength is 90% (COARNG) and 99% (COANG) of total authorized positions as of October 2023.

The reduction in our mission goal reduces full-time unit support and federal funding allocated to our units today. Over time, continued issues with recruiting and retention will lead to force divestiture.

Similar bonus programs have been implemented in Minnesota with an end strength improvement from 99.3% to 101.3%

In addition to better preparedness and mission response states with high end strength numbers are more likely to receive new units and infrastructure investments from the federal government.



# COLORADO

Department of Military  
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## Decision Item Discussion

### R-02: Construction and Facilities Management Office Operating Fund

DMVA is requesting an ongoing increase of \$195,000 General Fund to cover operations, maintenance, and utilities for all Colorado Army National Guard Facilities across Colorado.

This request is intended to cover the increases costs associated with day to day maintenance and utility costs.

DMVA has not asked for a General Fund increase in this area since FY2015.

DMVA's Construction and Facilities Management Office estimates that as of FY2022 costs on routine repairs and maintenance has increases 12.6%, electricity costs by 13%, and gas by 64%.

To mitigate the rising costs and financial strain the Department has had to defer repairs and improvements to state facilities in order to cover cost increases.



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## Decision Item Discussion

### R-04: Veterans Trust Fund Spending Authority

DMVA is requesting a \$250,000 increase in cash fund spending authority for the Veterans Trust Fund (VTF) in FY 2024-25.

As of July 13, 2023 the VTF had a total balance of \$4,571,078.

Not all VTF grant requests are currently funded, leaving veterans' needs across the state unmet.

The majority of funding in the past has gone towards providing veterans with emergency financial assistance, to include groceries, fuel, car repair, heating costs, electricity, housing costs, and other essential items.

An increase will assist DMVA in identifying and advancing public and private partnership opportunities designed to improve veterans' services.



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## Decision Item Discussion

### R-05: Civil Air Patrol and JROTC Capacity Buidling

DMVA requests an ongoing appropriation of \$193,400 General Fund for FTE for outreach with the Civil Air Patrol and Junior Reserve Officer Training Corps.

The FTE is intended to facilitate participation in the CAP and JROTC chapters through outreach with schools statewide.

Currently the CAP Cadet and JROTC chapters rely entirely on volunteer coordination. The expanded FTE capacity will enable the department to reach out to schools, CAP Cadet Squadrons, and JROTC to promote collaboration, communication, and accessibility.

These programs promote learning, professional development, and graduation rates.



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## Questions?

