

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



FY 2010-11 STAFF BUDGET BRIEFING

**DEPARTMENT OF MILITARY
AND VETERANS AFFAIRS**

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

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**FY 2010-11 BUDGET BRIEFING
STAFF PRESENTATION TO THE JOINT BUDGET COMMITTEE**

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

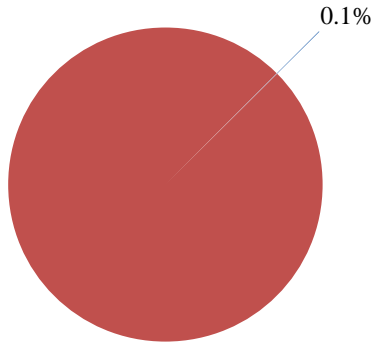
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**FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Military and Veterans Affairs**

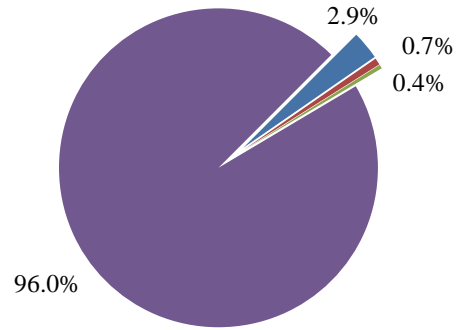
GRAPHIC OVERVIEW

Department's Share of Statewide General Fund



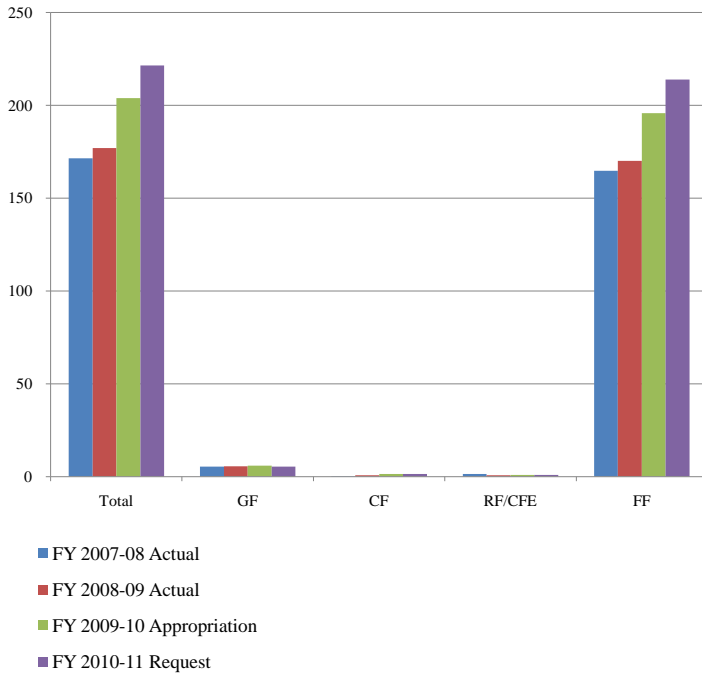
■ Department of Military and Veterans Affairs

Department Funding Sources

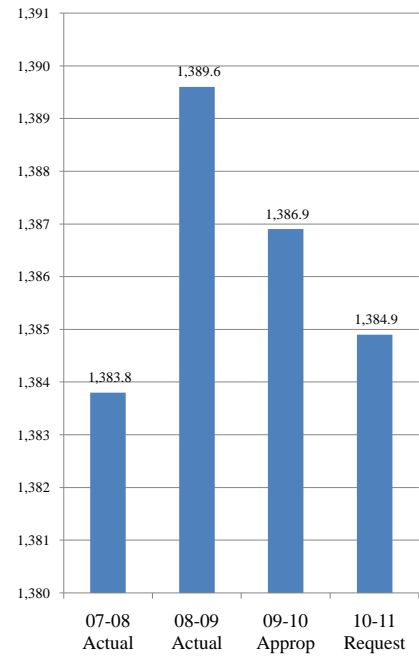


■ General Fund
■ Cash Funds
■ Reappropriated Funds
■ Federal Funds

**Budget History
(Millions of Dollars)**

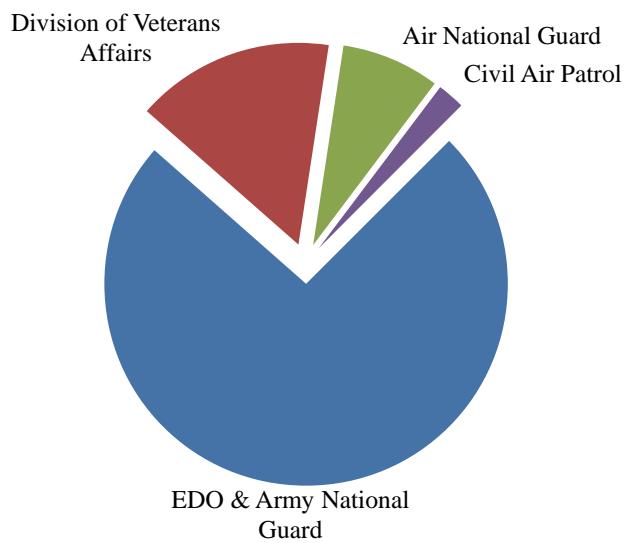


FTE History

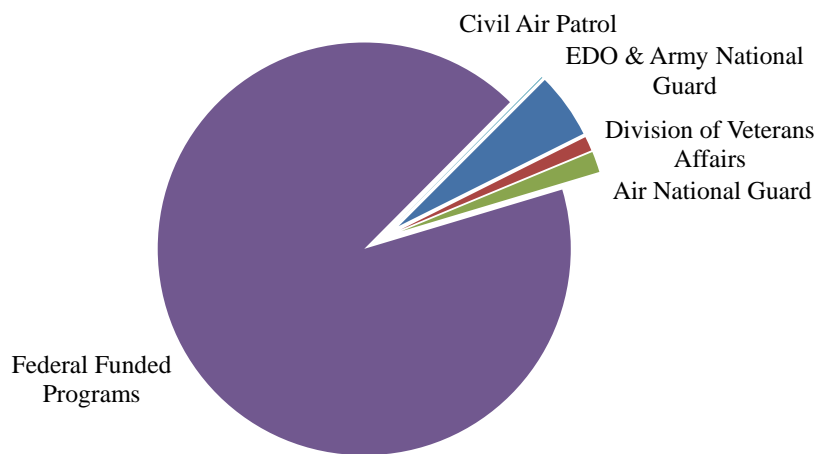


Unless otherwise noted, all charts are based on the FY 2009-10 appropriation.

Distribution of General Fund by Division



Distribution of Total Funds by Division



**FY 2009-10 Joint Budget Committee Staff Budget Briefing
Department of Military and Veterans Affairs**

DEPARTMENT OVERVIEW

Key Responsibilities

- ▶ Provide trained and ready military forces for the U.S. active armed services.
- ▶ Provide trained and ready military units for the preservation of life and property during natural disasters and civil emergencies in Colorado.
- ▶ Provide support for federal and state homeland security missions.
- ▶ Maintain equipment and facilities for the state's military forces.
- ▶ Provide for safekeeping of the public arms, military records, relics and banners of the state.
- ▶ Assist veterans and National Guard members with claims for federal and state benefits.
- ▶ Maintain the Western Slope Military Veterans Memorial Cemetery.
- ▶ Provide support for and facilitate the operation of the Civil Air Patrol, Colorado Wing.
- ▶ Assist in fighting the spread of drug trafficking.

Factors Driving the Budget

The primary budget driver is the "federal force structure," or number of Guard personnel authorized by the U.S. National Guard Bureau, plus the state's ability to fill the force structure, which together determine the amount of federal funds flowing into and through the Department. **The majority of funds coming from the federal government do not flow through the state's accounting systems and therefore are shown for informational purposes in the Long Bill.** The federal government pays for the training and operations of National Guard units. The State is responsible for paying the costs of activating the Guard for State operations as well as some utilities and maintenance expenses.

The current strength of the two Guard components is 5,274, an increase of 180 in the last year. Of that number, the Army National Guard has 3,776 members and the Air National Guard has 1,498 members. Current authorized strength is 5,409, with the Army Guard at 3,878 and the Air Guard at 1,531.

The Air National Guard has seen its responsibilities increase since the attacks of September 11, 2001 with the requirement to keep fighter aircraft (currently F-16s) on alert for homeland security. The Air National Guard has also been deployed to assist in the Global War on Terror, as well as other assignments in the Balkans or for counter-terrorism or counter-narcotics operations.

Under federal rules, when National Guard units are activated for federal service, those costs come from the Army or Air Force and are not shown in the Long Bill. While the costs of these activations are not shown in the Long Bill, the increased tempo and level of deployments strain family and employer relations and add to the hardships associated with military service. Among those effects is increased use of the veterans assistance services of the Department. Table 1 shows the number of National Guard members activated since September 2001.

| Table 1 | | | |
|---|----------------------------|---------------------------|--------------|
| Colorado National Guard Deployments since September 2001 | | | |
| Year | Army National Guard | Air National Guard | Total |
| 2001-02 | 353 | 1,010 | 1,363 |
| 2002-03 | 1,076 | 569 | 1,645 |
| 2003-04 | 1,077 | 569 | 1,646 |
| 2004-05 | 302 | 338 | 640 |
| 2005-06 | 504 | 160 | 664 |
| 2006-07 | 850 | 272 | 1,122 |
| 2007-08 | 1,150 | 243 | 1,393 |
| 2008-09 | 600 | 450 | 1,050 |
| 2009-10 (as of September 30) | 529 | 230 | 759 |

Source: Department of Military and Veterans Affairs

More than 95 percent of Department's budget is funded by the federal government, primarily for training and operations of the national guard units. The federal government also provides most of the funding for the construction of armories and other military buildings. The State is responsible for all maintenance and utilities costs at armories located on state land, and 20 to 25 percent of those costs for facilities on federal lands. In addition, when Guard units are activated for state missions, the state must pay the costs of those units during state deployments.

Armory maintenance contributes to readiness to perform federal and state missions by providing safe, modern, well-maintained facilities for training and mobilization. Poorly maintained facilities have a negative impact on recruitment and retention. The high operations tempo of National Guard units together with the age of National Guard facilities (on average, more than 40 years old) has increased the need for facilities maintenance. In 2008, the General Assembly addressed this issue by increasing the Department's base for armory maintenance by \$254,419. However, the Governor's

recommended budget reductions presented in August 2009 cut this line by \$277,199 for both FY 2009-10 and the proposed FY 2010-11 budget. See the issue brief on Armory Maintenance on page 16.

Executive Director and Army National Guard

The Executive Director's Office is responsible for overall management of the Department. The Executive Director is both the civilian head of the Department and the Adjutant General in charge of the State's military forces. Because of the federal funding for the department, the department has four human resource offices, three accounting operations, two purchasing/contracting operations, three budgeting operations, and three separate information technology systems.

Colorado Army and Air National Guard

The National Guard is both a state and federal military force with two components, the Army National Guard and the Air National Guard. It is Colorado's state militia, under the Governor as commander-in-chief, and also serves as a supplement to regular U.S. military forces when called into the service of the United States.

The Executive Director of the Department also serves as the Adjutant General of the Colorado National Guard. Due to the requirements of the Federal Government, the Department has four Human Resource Offices, three accounting operations, two purchasing/contracting operations, three budgeting operations, and three separate IT systems. Each operation has a state office that handles functions for the state, and two or three different programs for the federal side of the Department.

The primary budget driver is the "federal force structure," or number of Guard personnel authorized by the U.S. National Guard Bureau, plus the state's ability to fill the force structure, which together determine the amount of federal funds flowing into and through the Department. The majority of funds coming from the federal government do not flow through the state's accounting systems and therefore are shown for informational purposes only in the Long Bill.

The Air National Guard's role has expanded in recent years with the requirement to keep F-16 aircraft on alert for homeland security as a result of the September 11, 2001 attacks. The Army National Guard was recently awarded a new 800 soldier infantry battalion.

The award of the new infantry battalion, and the 800 soldiers assigned to it, are contingent upon the State being able to pay its share of the construction of new facilities to house and train the battalion. The State's share of the constructions is estimated at \$20 million, which will bring in \$63 million in federal construction dollars. This is discussed further as a briefing issue later in this document.

Division of Veterans Affairs

The Division of Veterans Affairs serves veterans by representing them in federal benefits claims, by providing information to county veterans service officers, administering, through the State Board of Veterans' Affairs, and by maintaining the Western Slope Military Veterans Cemetery in Grand

Junction. The Division's five Veterans Service Officers represent veterans, under Powers of Attorney, in claims to the U.S. Veterans Administration and in proceeding before the U.S. Board of Veterans Appeals. The Division takes all claims, whether or not the staff believes they are meritorious.

The primary budget driver is the number of veterans who need assistance with federal benefits claims. The number of new claims has risen in recent years, from 1,273 in 2000 to 5,406 in FY 2008-09. There are an estimated 400,000 veterans living in Colorado.

Section 28-5-801, C.R.S., requires each county to establish a Veterans Service Office and appoint one or more County Veterans Service Officer (CVSO) for the county. Counties may act jointly in establishing the offices and appointing officers. The state reimburses the counties for part of those costs, based on whether the CVSO's were full or part-time. Counties with full-time Officers are reimbursed at a rate of \$200 per month, while counties with part-time Officers are reimbursed at a rate of \$100 per month. The budget for this line was \$88,800, while county expenditures in support of the CVSO's were more than \$1.2 million in FY 2005-06.

In order to raise the level of reimbursement closer to the actual costs incurred by the counties, the 2008 General Assembly approved a pilot program in five counties (Arapahoe, Denver, El Paso, Jefferson, and Mesa) to increase the reimbursement, based on the use of the additional funds to increase the effort of the CVSO's to register veterans. In order to receive the increased reimbursement, the counties have to show increased registration of veterans in those counties. An additional \$124,354 was appropriated for implementation of this program in FY 2008-09.

The State Board of Veterans Affairs advises the Division on veterans issues and administers the Colorado State Veterans Trust Fund. The Trust Fund receives one percent of the proceeds, up to \$1 million, from the Master Tobacco Settlement Agreement. Pursuant to Section 28-5-709 (1) (b), C.R.S., the trust fund may be used for:

- Capital improvements and amenities for state veterans nursing homes.
- Costs for the legislative oversight committee and the nursing home commission.
- Costs of state veterans cemeteries.
- Costs of the Division of Veterans Affairs.
- Veterans programs operated by non-profit veterans organizations.

The General Assembly passed, in the 2009 session, H.B. 09-1329, which changed the amount of moneys transferred to the Trust Fund that are available for appropriation. For FY 2008-09 and after, 90 percent of the transfer of moneys to the fund may be appropriated, along with any accumulated interest. The remaining 10 percent of the transfer must be retained in the Trust Fund.

The Western Slope Military Veterans Cemetery opened in July 2002, and currently has 1,652 interments. Under the terms of the federal grant to build the cemetery, the state must operate the cemetery for 20 years or repay the cost of construction. Funding for the Cemetery comes from the

General Fund, the Western Slope Military Veterans' Cemetery Fund, and from interment fees from the U.S. Department of Veterans Affairs.

Division of Civil Air Patrol

The Civil Air Patrol is a federally-chartered nonprofit corporation, created in Title 10 of the U.S. Code (10 U.S.C. 9441), as an auxiliary to the U.S. Air Force. Its statutory purposes include encouraging citizens to contribute to developing aviation and maintaining air supremacy; providing aviation education and training; and fostering civil aviation in local communities.

The Colorado Division of Civil Air Patrol was created to support the Civil Air Patrol, Colorado Wing, which is staffed by volunteers. The Patrol consists of 1,600 volunteers and has 17 aircraft around the State. The State provides General Fund for support, including one FTE, and part of minor aircraft maintenance and operating expenses of the patrol.

**FY 2009-10 Joint Budget Committee Staff Budget Briefing
Department of Department of Military and Veterans Affairs**

DECISION ITEM PRIORITY LIST

| Decision Item | GF | CF | RF | FF | Total | FTE |
|---|-------------------|------------|------------|------------|-------------------|------------|
| 1 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.0 |
| Restructure Civil Air Patrol and Federal Funded Programs Line Items | | | | | | |
| Executive Director and Army National Guard, Federal Funded Programs, Civil Air Patrol. Restructure Civil Air Patrol and Federal Funded Programs Long Bill Groups. Consolidates Civil Air Patrol from four to two lines, moves one of those lines (Personal Services) to the EDO, and consolidates the federal funded programs from three lines to one line. Federal funded programs are not managed by the State, nor do they flow through the State accounting systems. <i>Section 28-1-101, C.R.S.</i> | | | | | | |
| Non-prioritized | (16,301) | 0 | 0 | 0 | (16,301) | 0.0 |
| Statewide decision items | | | | | | |
| Executive Director and Army National Guard - Various line items. Statewide decision items to be presented at briefings for the Governor's Office, the Department of Law, and the Department of Personnel and Administration. | | | | | | |
| Total | (\$48,903) | \$0 | \$0 | \$0 | (\$48,903) | 0.0 |

BASE REDUCTION PRIORITY LIST

| Base Reduction | GF | CF | RF | FF | Total | FTE |
|--|--------------------|------------|------------|------------------|--------------------|------------|
| 1 | (\$70,000) | \$0 | \$0 | \$0 | (\$70,000) | 0.0 |
| Reduce Operations and Maintenance for Buckley Air Force Base. | | | | | | |
| Air National Guard - Operations and Maintenance for Buckley/Greeley. Reduces the line by \$70,000 by reducing maintenance and repair to health, life and safety projects. <i>Statutory Authority: Section 28-3-106 (q), C.R.S.</i> | | | | | | |
| 2 | (50,000) | 0 | 0 | 0 | (50,000) | 0.0 |
| Reduce the Division of Veterans Affairs Operating Expenses. | | | | | | |
| Division of Veterans Affairs - Veterans Service Operations. Eliminates one of two training conferences held for County Veterans Service Officers, reduces training courses, certifications, and reference materials used by the Division and Cemetery staff. <i>Statutory Authority: Section 28-3-106 (q), C.R.S.</i> | | | | | | |
| 3 | (277,199) | 0 | 0 | 0 | (277,199) | 0.0 |
| Reduce the Executive Director's Office Operating Expenses. | | | | | | |
| Executive Director and Army National Guard - Operating Expenses. Reduces maintenance expenses to only those repairs necessary for health, life and safety. <i>Statutory Authority: Section 28-3-106 (q), C.R.S.</i> | | | | | | |
| Non-prioritized | (25,598) | 0 | 0 | (2,710) | (28,308) | 0.0 |
| Statewide Base Reductions. | | | | | | |
| Executive Director and Army National Guard - Various Line Items. Statewide base reductions to be presented at briefings for the Governor's Office and the Department of Personnel and Administration. | | | | | | |
| Total | (\$422,797) | \$0 | \$0 | (\$2,710) | (\$425,507) | 0.0 |

**FY 2009-10 Joint Budget Committee Staff Budget Briefing
Department of Department of Military and Veterans Affairs**

OVERVIEW OF NUMBERS PAGES

The following table summarizes the total change, in dollars and as a percentage, between the Department's FY 2008-09 appropriation and its FY 2009-10 request.

Total Requested Change, FY 2008-09 to FY 2009-10 (millions of dollars)

| Category | GF | CF | RF | FF | Total | FTE |
|--------------------------|-----------|-----------|-----------|-----------|--------------|------------|
| FY 2008-09 Appropriation | \$5.9 | \$1.4 | \$0.8 | \$195.7 | \$203.8 | 1,386.9 |
| FY 2009-10 Request | 5.4 | 1.4 | 0.8 | 213.8 | 221.4 | 1,384.9 |
| Increase / (Decrease) | (\$0.5) | \$0.0 | \$0.0 | \$18.1 | \$17.7 | (2.0) |
| Percentage Change | -8.4% | 2.6% | -0.1% | 9.3% | 8.7% | -0.1% |

The following table highlights the individual changes contained in the Department's FY 2009-10 budget request, as compared with the FY 2008-09 appropriation. For additional detail, see the Numbers pages in Appendix A.

Requested Changes, FY 2008-09 Appropriation to FY 2009-10 Request

| Category | GF | CF | RF | FF | Total | FTE |
|---|--------------------|-----------------|------------|-----------------|--------------------|--------------|
| Executive Director and Army National Guard | | | | | | |
| Restructure Civil Air Patrol Line Items (DI # 1) | \$71,526 | \$0 | \$0 | \$0 | \$71,526 | 1.0 |
| Statewide Annual Fleet Vehicle Replacements | 3,614 | 0 | 0 | 0 | 3,614 | 0.0 |
| Annualize FY 2009-10 budget reductions | (300,569) | 0 | 0 | (2,710) | (303,279) | 0.0 |
| Statewide Common Policy Adjustments | (51,227) | 746 | 0 | 50,916 | 435 | 0.0 |
| Statewide Information Technology Consolidation | <u>(19,915)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>(19,915)</u> | <u>(2.0)</u> |
| Subtotal | (\$296,571) | \$746 | \$0 | \$48,206 | (\$247,619) | (1.0) |
| Division of Veterans Affairs | | | | | | |
| Annualize changes from HB 09-1329 (Veterans Trust Fund) | \$0 | \$36,077 | \$0 | \$0 | \$36,077 | 0.0 |
| Annualize FY 2009-10 budget reductions | <u>(50,000)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>(50,000)</u> | <u>0.0</u> |
| Subtotal | (\$50,000) | \$36,077 | \$0 | \$0 | (\$13,923) | 0.0 |

| Category | GF | CF | RF | FF | Total | FTE |
|--|--------------------|-----------------|------------|---------------------|---------------------|--------------|
| Air National Guard | | | | | | |
| Annualize FY 2009-10 budget reductions | <u>(\$76,606)</u> | <u>\$0</u> | <u>\$0</u> | <u>\$18,491</u> | <u>(\$58,115)</u> | <u>0.0</u> |
| Subtotal | (\$76,606) | \$0 | \$0 | \$18,491 | (\$58,115) | 0.0 |
| Federal Funded Programs | | | | | | |
| Estimated increase in Federal National Guard funding | \$0 | \$0 | \$0 | \$18,067,883 | \$18,067,883 | 0.0 |
| Restructure Federal Funded Programs Line Items | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0.0</u> |
| Subtotal | \$0 | \$0 | \$0 | \$18,067,883 | \$18,067,883 | 0.0 |
| Civil Air Patrol | | | | | | |
| Restructure Civil Air Patrol Line Items (DI # 1) | <u>(\$71,526)</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>(\$71,526)</u> | <u>(1.0)</u> |
| Subtotal | (\$71,526) | \$0 | \$0 | \$0 | (\$71,526) | (1.0) |
| Total Change | (\$494,703) | \$36,823 | \$0 | \$18,134,580 | \$17,676,700 | (2.0) |

**FY 2009-10 Joint Budget Committee Staff Budget Briefing
Department of Military and Veterans Affairs**

BRIEFING ISSUE

ISSUE: Armory Construction

In October 2007, the Federal National Guard Bureau awarded a new 800 soldier infantry battalion to Colorado. This increase in National Guard strength will bring \$8.2 million in annual federal payroll to the State, and require the construction of five new readiness centers (armories) around the state. The federal government will provide about \$63 million in construction funds, while the state must provide \$20 million.

SUMMARY:

- The new infantry battalion will bring in federal payroll of more than \$8 million annually, increasing state tax collections by more than \$500,000 annually.
- The new battalion requires the construction of five new readiness centers, with total construction costs of \$83 million, with more than 75 percent (\$63 million) coming from federal funds.
- According to the National Guard Cooperative Agreement, the State must match those federal funds with State construction funds, as well as pay a portion of the ongoing maintenance costs, and all of the utilities for those new facilities.
- If the State can not meet its obligations, Colorado could lose the infantry battalion, the construction dollars, and the payroll that comes with the battalion.

RECOMMENDATION:

Staff recommends that the Committee discuss this issue with the Department of Military and Veterans Affairs at the Department's hearing with the Committee. Staff recommends that the Department address the costs and benefits of the additional battalion, as well as the ability of the Department to fund the State's portion of future construction and operating costs of the battalion.

DISCUSSION:

The State of Colorado Army National Guard was awarded an 800 soldier infantry battalion in October 2007. This new battalion will require the construction of five new readiness centers (armories) in five locations in the State. The new centers will be located in North Colorado Springs, Grand Junction, Ft. Lupton, Alamosa, and Windsor. The locations are based on where the National Guard believes it can recruit soldiers to fill the authorized positions, as well as expanding the Guard's presence around the State.

The federal government pays approximately 75 percent of the construction costs, which the state is then required to maintain, as well as pay all utilities. If the State fails to maintain the facility according to the National Guard standards and the National Guard Cooperative Agreement, the State must repay the federal construction costs. After 15 years, the facility belongs to the state with no additional federal requirements. The projected construction costs are detailed in Table 1 below:

| Table 1 Department of Military and Veterans Affairs Readiness Center Construction | | | |
|--|----------------------|--------------------|-------------------|
| Location | Federal Funds | State Funds | Total |
| Grand Junction | \$11,228,713 | \$4,001,637 | \$15,230,350 |
| Ft. Lupton | 9,728,610 | 5,661,451 | 15,390,061 |
| Windsor | 9,014,565 | 5,681,260 | 14,695,825 |
| N. Colorado Springs | 24,908,163 | 1,500,000 | 26,408,163 |
| Alamosa | <u>7,710,702</u> | <u>3,574,831</u> | <u>11,285,533</u> |
| Total | \$62,590,753 | \$20,419,179 | \$83,009,932 |

In order to proceed with construction in the absence of Capital Construction Fund moneys, the Department is planning to use \$1.9 million in real estate proceeds (from the sale of unused armories), and \$4.6 million from the Colorado State Veterans Trust Fund. Use of the Veterans Trust Fund will require legislation in the 2010 General Assembly session. The Department has stated that veterans groups around the state have been supportive of this planned use of the Veterans Trust Fund. Utilizing the Trust Fund for this purpose will reduce interest earnings from the fund. By law, these interest earnings are part of what the department uses in providing grants to veterans organizations and amenities to state veterans nursing homes.

The State matching funds will be used to begin construction of the Grand Junction readiness center, and to proceed with land purchase and design of the Windsor and Alamosa readiness centers. These three projects will virtually exhaust the cash funds available to proceed with any further construction on the Windsor and Alamosa centers. Proceeding further will require additional State construction funds from another source.

Staff has inquired as to whether there is any movement in Congress to relax the matching funds requirements and has been told that there is currently no movement in that direction. The Department indicates that there are a number of states that are able to fund the matching requirements if Colorado is unable to fund its share.

The State stands to receive almost \$63 million in federal funds for the construction of these readiness centers, if the State is able to match the federal funds. If the State cannot match the federal funds, the battalion may be awarded to another state. This would mean the loss of \$8.2 million in annual federal payroll in the State, as well as the loss of the \$63 million in construction dollars. The annual

payroll for the battalion, along with *estimates* of the additional state taxes generated, are detailed in Table 2.

| Table 2 Payroll Impact of New Infantry Battalion on State Revenues <a> | | | | |
|---|------------|--------------------|-----------------|---------------------|
| Location | Personnel | Annual Payroll | Income Tax | State Sales Tax <c> |
| Colorado Springs | 344 | \$3,697,888 | \$171,212 | \$85,791 |
| Grand Junction | 131 | \$1,266,812 | \$58,653 | \$29,390 |
| Ft. Lupton | 131 | \$1,266,812 | \$58,653 | \$29,390 |
| Alamosa | 79 | \$741,108 | \$34,313 | \$17,194 |
| Windsor | <u>127</u> | <u>\$1,237,604</u> | <u>\$57,301</u> | <u>\$28,712</u> |
| Totals | 812 | \$8,210,224 | \$380,133 | \$190,477 |

- <a> Payroll amounts provided by the Department of Military and Veterans Affairs.
- Estimated income tax receipts based on 4.63% tax rate applied to annual payroll.
- <c> Estimated State sales tax collections are based on 80 percent of annual payroll. Local sales tax collections are in addition to the state sales tax.

In addition to the Capital Construction costs, the State is responsible for approximately 50 percent of the annual utilities and maintenance costs for the operation of the armories. The armories will be built to be more energy efficient, and as new armories, they should have lower maintenance costs for several years, however, because the armories are larger, the overall costs will be higher than most current armories. Table 3 shows the estimated annual operating costs for the armories.

| Table 3 State Share of Operating Costs of New Infantry Battalion | | |
|---|-----------------------|--|
| Armory | Total Operating Costs | Approximate State Share of Operating Costs |
| Colorado Springs HQ | \$235,185 | \$117,593 |
| Colorado Springs Armory | 163,062 | 81,531 |
| Grand Junction Armory | 163,062 | 81,531 |
| Ft. Lupton Armory | 163,062 | 81,531 |
| Alamosa Armory | 163,062 | 81,531 |
| Windsor Armory | <u>163,749</u> | <u>81,875</u> |
| Total | 1,051,182 | 525,591 |

Due to the State's fiscal condition, the Department's Operating Expenses budget line was reduced by \$277,199 for FY 2009-10 and the proposed FY 2010-11 budget continues that reduction. This places the Department in the position of cutting armory and other maintenance to health, life, and safety issues, before the increases in costs, especially utilities, from the operations of the new infantry battalion armories.

**FY 2010-11 Joint Budget Committee Staff Budget Briefing
Department of Military and Veterans Affairs**

ISSUE: Maintenance of The Department's Aging Facilities

The age and condition of a number of armories around the State increases the State's financial responsibility for repairs and maintenance to these facilities and impacts the State's ability to respond to National and State missions.

SUMMARY:

- ❑ The State's oldest armory was built in 1922, making it 87 years old. The median age of the State's armories is 49 years old, while the average age of the armories is 43 years old.
- ❑ The State is required to fund 100 percent of the maintenance and utilities costs for armories on State land and 25 percent of the costs for armories on federal land.
- ❑ In the economic downturn earlier in this decade, the Department's operating budget for maintenance was cut by \$185,170 annually over a three-year period. Maintenance was reduced to issues of health, life and safety. By the end of that period, a maintenance backlog of \$669,837 was identified, even though three armories and other facilities were closed and sold.
- ❑ In the FY 2006-07 budget, the funding cuts were restored, and the Department was granted approximately one-third of the maintenance backlog in the next three years. For FY 2009-10, the Department's operating budget for maintenance was increased by \$254,419
- ❑ As part of the Governor's FY 2009-10 budget reduction proposal, the Department's Operating Expenses in the Executive Director and Army National Guard, and the Air National Guard were reduced by \$277,199 General Fund, with those reductions being proposed to continue for FY 2010-11.
- ❑ The opening of five new armories in coming years will cause a further reduction in the financial capability of the Department to maintain its existing armory base.

RECOMMENDATIONS:

Staff recommends that the Committee discuss this issue with the Department of Military and Veterans Affairs at the Department's hearing with the Committee. Staff recommends that the Department address the Department's plans to deal with maintenance of its existing armories in a period of budget cuts. The Department should address its plans for maintaining its existing facilities

as restoration of the budget reductions could take considerably longer than in the last downturn (2002-2004). This discussion should include the impact of the lack of maintenance and the ability of the Department to manage the impact on recruiting and retaining soldiers to fill the State's obligations under its cooperative agreements.

DISCUSSION:

During the State's fiscal downturn in 2001 through 2003, the Department's Operating Expense (General Fund) line item was reduced from \$544,245 in FY 2001-02 to \$359,075 in FY 2002-03, a decrease of 185,170, or about one-third. This line was essentially static over a four-year period of time until FY 2006-07. This reduction was focused on reducing the Department's maintenance expense. The reduction caused the Department to reduce maintenance expenditures to only those affecting life and safety.

As a result, by 2006, a backlog of \$669,837 in deferred maintenance had built up. In the FY 2006-07 Long Bill, in addition to restoring funding to FY 2001-02 levels, the General Assembly provided funds to address about one-third of this total of deferred maintenance. The third installment on the funding for the backlog was made permanent in FY 2009-10, an increase of \$254,419.

What the restored funding does not address is the continued cost of maintaining aging facilities and the functionality of those facilities in meeting the needs of the National Guard to be ready to respond to its missions. Quality of life is an important component to recruiting and retention of the force. The declining quality of the facilities the state provides negatively impacts training and the pride that the soldiers have in their unit.

Table 1 below shows each National Guard facility in the state, when it was built, and its age.

| Table 1 Age of National Guard Facilities | | |
|---|-------------------|--------------------|
| <u>Facility</u> | <u>Year Built</u> | <u>Age (years)</u> |
| Canon City | 1922 | 87 |
| Boulder | 1949 | 60 |
| La Junta | 1949 | 60 |
| Longmont | 1954 | 55 |
| Sterling | 1955 | 54 |
| Colorado Springs | 1957 | 52 |
| Grand Junction | 1959 | 50 |
| Las Animas | 1960 | 49 |
| Ft. Collins | 1960 | 49 |
| Pueblo | 1963 | 46 |

| Table 1 Age of National Guard Facilities | | |
|---|--------------------------|---------------------------|
| <u>Facility</u> | <u>Year Built</u> | <u>Age (years)</u> |
| Aurora | 1967 | 42 |
| Centennial (2 Buildings) | 1983 | 26 |
| Montrose | 1990 | 19 |
| Buckley AFB (2 Buildings) | 1990 | 19 |
| Durango | 1992 | 17 |
| Watkins | 1997 | 12 |
| Denver | 1999 | 10 |
| Average Age | | 43 |
| Median Age | | 49 |

The older facilities no longer meet the requirements of the modern National Guard, and according to the Department, the Department should be replacing an armory every five years. As of the current time, the Department has not built a new armory in ten years, and the new armories scheduled for construction will be new armories, not replacements.

Because of the budget cuts proposed for the current and next fiscal year, maintenance will again be deferred. Such deferred maintenance often causes the ultimate expense to be greater than had the repair been conducted in a timely fashion. When the Department's maintenance and repair budget was cut in FY 2002-03 by one-third, the Department built up a backlog of maintenance and repair items that was addressed by restoring the cut funds in FY 2006-07, and then allocating \$670,000 over the next three fiscal years to address the backlog. The budget reduction in this years request of \$277,199 represents more than one-third of the Department's maintenance and repair budget.

According to the Legislative Council Economic Forecast in September 2009, this recession will last longer and the recovery will be weaker, meaning that restoration of these funds could be delayed for more years than in the last downturn in the economy. Routine maintenance of the Department's facilities will be deferred for an extended period of time, and the costs of those deferred repairs will increase over time. These costs will be evident even before accounting for the increased costs that will come from the new armories discussed in the previous issue briefing.

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|---|----------------------|--------------------|-----------------------------|-----------------------|--------------------|
| DEPARTMENT OF MILITARY AND VETERANS AFFAIRS | | | | | |
| Major General H. Michael Edwards, Adjutant General and Executive Director | | | | | |
| (1) EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD | | | | | |
| Provides trained and ready forces to the U.S. active armed services and provides trained and ready forces for the preservation of life and property during natural disasters and civil emergencies in Colorado. The cash funds sources are armory rental fees, the Western Slope Military Veterans Cemetery Fund; real estate proceeds; and the Distance Learning Cash Fund. Reappropriated funds source is the Colorado Commission on Higher Education financial assistance program. | | | | | |
| Personal Services | 1,810,915 | 2,130,962 | 2,185,881 | 2,111,373 | |
| FTE | <u>28.6</u> | <u>34.0</u> | <u>34.3</u> | <u>33.3</u> | |
| General Fund | 1,680,424 | 1,882,446 | 1,955,272 | 1,876,566 | DI #1, NP DI |
| Cash Funds | 0 | 0 | 3,717 | 3,786 | |
| Federal Funds | 130,491 | 248,516 | 226,892 | 231,021 | |
| Health, Life and Dental | <u>126,962</u> | <u>191,992</u> | <u>533,727</u> | <u>520,184</u> | NP DI |
| General Fund | 126,962 | 191,992 | 185,560 | 177,358 | |
| Cash Funds | 0 | 0 | 458 | 451 | |
| Federal Funds | 0 | 0 | 347,709 | 342,375 | |
| Short-term Disability | <u>3,633</u> | <u>3,423</u> | <u>9,078</u> | <u>9,414</u> | NP DI |
| General Fund | 3,633 | 3,423 | 3,256 | 3,211 | |
| Cash Funds | 0 | 0 | 95 | 101 | |
| Federal Funds | 0 | 0 | 5,727 | 6,102 | |
| S.B. 04-257 Amortization Equalization Disbursement | <u>33,276</u> | <u>41,236</u> | <u>121,118</u> | <u>145,749</u> | NP DI |
| General Fund | 33,276 | 41,236 | 42,855 | 48,977 | |
| Cash Funds | 0 | 0 | 1,288 | 1,593 | |
| Federal Funds | 0 | 0 | 76,975 | 95,179 | |

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| S.B. 06-235 Supplemental Amortization Equalization | | | | | |
| Disbursement | <u>5,942</u> | <u>18,645</u> | <u>74,416</u> | <u>106,278</u> | NP DI |
| General Fund | 5,942 | 18,645 | 25,721 | 34,819 | |
| Cash Funds | 0 | 0 | 797 | 1,170 | |
| Federal Funds | 0 | 0 | 47,898 | 70,289 | |
| Salary Survey and Senior Executive Service | <u>82,000</u> | <u>86,388</u> | <u>0</u> | <u>0</u> | |
| General Fund | 82,000 | 86,388 | 0 | 0 | |
| Cash Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 0 | 0 | 0 | 0 | |
| Performance-based Pay Awards | <u>37,299</u> | <u>38,360</u> | <u>0</u> | <u>0</u> | |
| General Fund | 37,299 | 38,360 | 0 | 0 | |
| Cash Funds | 0 | 0 | 0 | 0 | |
| Federal Funds | 0 | 0 | 0 | 0 | |
| Shift Differential - Federal funds | 22,286 | 24,052 | 17,829 | 19,242 | |
| Workers' Compensation | <u>61,602</u> | <u>78,566</u> | <u>75,800</u> | <u>79,130</u> | |
| General Fund | 21,295 | 26,711 | 25,847 | 26,937 | |
| Federal Funds | 40,307 | 51,855 | 49,953 | 52,193 | |
| Operating Expenses | <u>1,010,410</u> | <u>2,290,613</u> | <u>2,334,706</u> | <u>2,057,507</u> | BR |
| General Fund | 762,041 | 1,425,222 | 1,459,134 | 1,181,935 | |
| Cash Funds | 0 | 161 | 46,000 | 46,000 | |
| Cash Funds Exempt | 3,895 | 0 | 0 | 0 | |
| Federal Funds | 244,474 | 865,230 | 829,572 | 829,572 | |
| Information Technology Asset Maintenance - GF | 26,013 | 22,372 | 22,372 | 22,372 | |

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|--|----------------------|--------------------|-----------------------------|-----------------------|--------------------|
| Legal Services for 110 Hours - General Fund | 1,082 | 7,715 | 8,292 | 8,292 | |
| Purchase of Services from Computer Center - GF | 543 | 10,581 | 10,581 | 135,799 | NP DI |
| Multiuse Network Payments | <u>403,389</u> | <u>11,235</u> | <u>11,235</u> | <u>23,187</u> | |
| General Fund | 172,389 | 11,235 | 11,235 | 23,187 | |
| Federal Funds | 231,000 | 0 | 0 | 0 | |
| Management and Administration of OIT - GF | 0 | 14,977 | 15,718 | 60,774 | NP DI |
| Payment to Risk Management and Property Funds - GF | 97,727 | 153,342 | 139,501 | 19,156 | |
| Vehicle Lease Payments - General Fund | 24,294 | 25,300 | 50,440 | 54,054 | NP DI |
| Leased Space - General Fund | 37,765 | 38,930 | 44,978 | 44,978 | |
| Capitol Complex Leased Space (Camp George West) | <u>68,472</u> | <u>81,972</u> | <u>99,734</u> | <u>89,200</u> | |
| General Fund | 42,126 | 60,347 | 79,982 | 64,660 | |
| Federal Funds | 26,346 | 21,625 | 19,752 | 24,540 | |
| Communications Services Payments - General Fund | 10,754 | 11,233 | 11,233 | 12,331 | |
| Utilities | <u>1,142,106</u> | <u>0</u> | <u>0</u> | <u>0</u> | |
| General Fund | 607,899 | 0 | 0 | 0 | |
| Federal Funds | 534,207 | 0 | 0 | 0 | |
| Local Armory Incentive Plan - Cash Funds | 11,947 | 2,096 | 46,610 | 46,610 | |
| Distance Learning - Cash Funds | 0 | 0 | 3,000 | 3,000 | |

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| | FY 2007-08 Actual | FY 08-09 Actual | FY 2009-10 Appropriation | FY 2010-11 Request | Change Requests |
|--|------------------------------|----------------------------|-------------------------------------|-------------------------------|-------------------------------------|
| Colorado National Guard Tuition Fund | <u>825,803</u> | <u>814,164</u> | <u>1,046,157</u> | <u>1,046,157</u> | |
| General Fund | 175,803 | 164,164 | 246,157 | 246,157 | |
| Cash Funds Exempt/Reappropriated Funds | 650,000 | 650,000 | 800,000 | 800,000 | |
| Army National Guard Cooperative Agreement - Federal Funds a/ FTE | 3,916,046 51.5 | 4,371,738 51.5 | 3,546,684 51.5 | 3,546,684 51.5 | |
| Administrative Services | 296,127 | 0 | 0 | 0 | |
| FTE | <u>5.1</u> | <u>0.0</u> | <u>0.0</u> | <u>0.0</u> | |
| General Fund | 112,411 | 0 | 0 | 0 | |
| Federal Funds | 183,716 | 0 | 0 | 0 | |
| | | | | | <i>Request v. Appropriation</i> |
| SUBTOTAL - (1) EXECUTIVE DIRECTOR AND ARMY NATIONAL GUARD | 10,056,393 | 10,469,892 | 10,409,090 | 10,161,471 | -2.4% |
| FTE | <u>85.2</u> | <u>85.5</u> | <u>85.8</u> | <u>84.8</u> | <u>-1.2%</u> |
| General Fund | 4,061,678 | 4,234,619 | 4,338,134 | 4,041,563 | -6.8% |
| Cash Funds | 11,947 | 2,257 | 101,965 | 102,711 | 0.7% |
| Cash Funds Exempt/Reappropriated Funds | 653,895 | 650,000 | 800,000 | 800,000 | 0.0% |
| Federal Funds | 5,328,873 | 5,583,016 | 5,168,991 | 5,217,197 | 0.9% |

a/ Pursuant to H.B. 09-1290, these funds are reappropriated from the Department of Higher Education to the National Guard Tuition Assistance Program

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|--|----------------------|--------------------|-----------------------------|-----------------------|-------------------------------------|
| (2) DIVISION OF VETERANS AFFAIRS | | | | | |
| Represents veterans in claims for federal benefits, supports county veterans service officers, administers the Colorado State Veterans Trust Fund, and maintains the Western Slope Military Veterans Cemetery. Cash funds sources are the Colorado State Veterans Trust Fund and the Western Slope Military Veterans Cemetery Fund. Reappropriated funds source is the Colorado State Veterans Trust Fund. | | | | | |
| Veterans Service Operations | 546,495 | 486,835 | 610,200 | 560,200 | |
| FTE | <u>8.0</u> | <u>8.0</u> | <u>8.0</u> | <u>8.0</u> | |
| General Fund | 544,581 | 483,326 | 606,691 | 556,691 | BR |
| Cash Funds | 0 | 0 | 0 | 0 | |
| Cash Funds Exempt/Reappropriated Funds | 1,914 | 3,509 | 3,509 | 3,509 | |
| County Veterans Service Officer Payments - GF | 71,200 | 160,856 | 190,654 | 190,654 | |
| Colorado State Veterans Trust Fund Expenditures | <u>643,904</u> | <u>643,336</u> | <u>1,078,911</u> | <u>1,114,988</u> | |
| Cash Funds | 67,784 | 643,336 | 1,078,911 | 1,114,988 | |
| Cash Funds Exempt | 576,120 | 0 | 0 | 0 | |
| Western Slope Veterans Cemetery | 271,885 | 218,508 | 415,683 | 415,683 | |
| FTE | <u>4.5</u> | <u>4.5</u> | <u>4.5</u> | <u>4.5</u> | |
| General Fund | 133,479 | 167,185 | 135,369 | 135,369 | |
| Cash Funds | 0 | 51,323 | 229,314 | 229,314 | |
| Cash Funds Exempt | 76,065 | 0 | 0 | 0 | |
| Federal Funds | 62,341 | 0 | 51,000 | 51,000 | |
| | | | | | <i>Request v. Appropriation</i> |
| SUBTOTAL - (2) DIVISION OF VETERAN AFFAIRS | 1,533,484 | 1,509,535 | 2,295,448 | 2,281,525 | -0.6% |
| FTE | <u>12.5</u> | <u>12.5</u> | <u>12.5</u> | <u>12.5</u> | <u>0.0%</u> |
| General Fund | 749,260 | 811,367 | 932,714 | 882,714 | -5.4% |
| Cash Funds | 67,784 | 694,659 | 1,308,225 | 1,344,302 | 2.8% |
| Cash Funds Exempt/Reappropriated Funds | 654,099 | 3,509 | 3,509 | 3,509 | 0.0% |
| Federal Funds | 62,341 | 0 | 51,000 | 51,000 | 0.0% |

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|--|----------------------|--------------------|-----------------------------|-----------------------|-------------------------------------|
| (3) AIR NATIONAL GUARD | | | | | |
| Provides ready forces to the U.S. active armed services and provides ready forces for the preservation of life and property during natural disasters and civil emergencies in Colorado | | | | | |
| Operations and Maintenance Agreement for Buckley/Greeley | 1,454,779 | 1,285,742 | 2,091,521 | 2,033,406 | |
| FTE | <u>26.1</u> | <u>26.1</u> | <u>26.1</u> | <u>26.1</u> | |
| General Fund (M) | 448,095 | 342,236 | 461,320 (M) | 384,714 | BR |
| Federal Funds | 1,006,684 | 943,506 | 1,630,201 | 1,648,692 | |
| Buckley Cooperative Agreement - Federal Funds | 1,316,155 | 1,627,832 | 1,027,331 | 1,027,331 | |
| FTE | 15.0 | 20.5 | 17.5 | 17.5 | |
| Security for Space Command Facility at Greeley - FF | 177,486 | 238,500 | 224,382 | 224,382 | |
| FTE | 5.0 | 5.0 | 5.0 | 5.0 | |
| | | | | | <i>Request v. Appropriation</i> |
| SUBTOTAL - (3) AIR NATIONAL GUARD | 2,948,420 | 3,152,074 | 3,343,234 | 3,285,119 | -1.7% |
| FTE | <u>46.1</u> | <u>51.6</u> | <u>48.6</u> | <u>48.6</u> | <u>0.0%</u> |
| General Fund | 448,095 | 342,236 | 461,320 | 384,714 | -16.6% |
| Federal Funds | 2,500,325 | 2,809,838 | 2,881,914 | 2,900,405 | 0.6% |

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|--|----------------------|--------------------|-----------------------------|-----------------------|-------------------------------------|
| (4) FEDERAL FUNDED PROGRAMS | | | | | |
| Trains state military forces. Note: This section is included in the Long Bill for informational purposes only. These funds are not subject to appropriation by the General Assembly and do not pass through the state accounting system. Totals are reported based on the federal fiscal year beginning October 1, not the State fiscal year beginning July 1. | | | | | |
| Personal Services - Federal Funds | 86,102,647 | 88,685,726 | 91,345,949 | 0 | DI #1 |
| FTE | 1,239.0 | 1,239.0 | 1,239.0 | 0.0 | |
| Operating and Maintenance - Federal Funds | 57,419,961 | 59,142,560 | 60,916,837 | 0 | DI #1 |
| Construction - Federal Funds | 13,100,000 | 13,100,000 | 34,600,000 | 0 | DI #1 |
| Special Programs - Federal Funds | 128,933 | 715,700 | 715,700 | 0 | DI #1 |
| Federal Funded Programs Operations - Federal Funds | 0 | 0 | 0 | 205,646,369 | DI #1 |
| FTE | | | | 1,239.0 | |
| | | | | | <i>Request v. Appropriation</i> |
| SUBTOTAL - (4) FEDERAL FUNDED PROGRAMS - | | | | | |
| Federal Funds | 156,751,541 | 161,643,986 | 187,578,486 | 205,646,369 | 9.6% |
| FTE | 1,239.0 | 1,239.0 | 1,239.0 | 1,239.0 | 0.0% |

(5) CIVIL AIR PATROL

The Division supports the U.S. Civil Air Patrol, Colorado Wing, a non-profit organization which is a civilian auxiliary of the United States Air Force. Its primary mission is search and rescue. It is also chartered with promoting aerospace education and operating a cadet program. The State supports the Wing with 1.0 FTE and provides operating costs and minor maintenance.

| | | | | | |
|----------------------------------|--------|--------|--------|-----|-------|
| Personal Services - General Fund | 65,419 | 68,703 | 71,526 | 0 | DI #1 |
| FTE | 1.0 | 1.0 | 1.0 | 0.0 | |

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|--|------------------------------|----------------------------|-------------------------------------|-------------------------------|--|
| Operating Expenses - General Fund | 13,309 | 13,324 | 13,324 | 0 | DI #1 |
| Aircraft Maintenance - General Fund | 45,277 | 45,287 | 45,314 | 0 | DI #1 |
| Civil Air Patrol Operations - General Fund | 0 | 0 | 0 | 58,638 | DI #1 <i>Request v. Appropriation</i> |
| SUBTOTAL - (5) CIVIL AIR PATROL - General Fund | 124,005 | 127,314 | 130,164 | 58,638 | -55.0% |
| FTE | 1.0 | 1.0 | 1.0 | 0.0 | -100.0% |
| | | | | | <i>Request v. Appropriation</i> |
| TOTAL - DEPARTMENT OF MILITARY AND VETERANS AFFAIRS | 171,413,843 | 176,902,801 | 203,756,422 | 221,433,122 | 8.7% |
| FTE | <u>1,383.8</u> | <u>1,389.6</u> | <u>1,386.9</u> | 1,384.9 | -0.1% |
| General Fund | 5,383,038 | 5,515,536 | 5,862,332 | 5,367,629 | -8.4% |
| Cash Funds | 79,731 | 696,916 | 1,410,190 | 1,447,013 | 2.6% |
| Cash Funds Exempt/Reappropriated Funds | 1,307,994 | 653,509 | 803,509 | 803,509 | 0.0% |
| Federal Funds | 164,643,080 | 170,036,840 | 195,680,391 | 213,814,971 | 9.3% |

DI #_ = Decision Item Priority #_
 NP DI = Non-prioritized Decision Item
 BR = Base Reduction

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APPENDIX B: SUMMARY OF MAJOR LEGISLATION

- ❑ **H.B. 09-1054 (Looper/Tapia): Unemployment Insurance Award Military Death Surviving Spouse.** Provides eligibility for unemployment insurance to individuals who leave employment to relocate to a new place of residence after the individual's active duty military spouse is killed in combat.
- ❑ **H.B. 09-1058: (Marostica/Morse): Abandoned Military Remains Disposition.** Grants members of the armed forces, veterans of the armed forces, and organizations that support members of the armed forces the right to access the remains and records thereof for cases where the remains have been abandoned for at least 180 days. If the remains are identified as those of a veteran, the person in possession of the remains shall transfer them to the nearest U.S. military cemetery.
- ❑ **H.B. 09-1205 (Looper/Williams): Voting by Overseas Armed Forces.** Requires the Secretary of State to establish a pilot program to allow members of the military serving overseas to vote over the internet. Program will not be established until sufficient funding is available in the Internet-based Voting Pilot Program fund.
- ❑ **H.B. 09-1280 (Looper/Tapia): Colorado Youth Challenge Corps.** Creates the Colorado Youth Challenge Corps Program for certain at-risk youth who are between 16 and 19 years of age. Directs the Department to apply for any available federal moneys, and permits the Department to accept gifts, grants, or donations to implement the program. Creates the Youth Challenge Corps Program Fund and continuously appropriates moneys in the fund for the purpose of implementing the program. Obligates the Department to operate the program only if adequate funding is available.
- ❑ **H.B. 09-1290 (Nikkel/Harvey): Student Financial Aid National Guard.** Increases the maximum moneys that the Colorado Commission on Higher Education provides for the Colorado National Guard Tuition Fund from \$650,000 to \$800,000 annually.
- ❑ **H.B. 09-1291 (Nikkel/Shaffer B): Veterans Resource Information Clearinghouse.** Creates the Veterans Resource Information Clearinghouse in the Division of Veterans Affairs to identify the resources available to provide support services and assistance to veterans and their families. Specifies that the clearinghouse 's scope of operations are subject to available state and federal resources, and authorizes the Department to accept and expend gifts, grants, and donations, including volunteer services and in-kind donations, for this purpose.

- ❑ **H.B. 09-1315 (Todd/Williams): Clarification of Public Employer Leave.** Clarifies language that specifies fifteen days of military leave be the "leave year" established by the employer, not a calendar year.
- ❑ **H.B. 09-1325 (Todd/Bacon): Governor's Authority National Guard.** Authorizes the Governor to activate the National Guard, in addition to the reasons in current statute, for service in a national special security event or in situations of imminent danger of disaster or emergency.
- ❑ **H.B. 09-1329 (Marostica/White): Veterans Trust Fund Percentages.** Specifies that, commencing in FY 2008-09, 90.0 percent of the tobacco litigation settlement moneys transferred to the Colorado State Veterans Trust Fund (plus any accumulated interest) shall be available for appropriation for the purposes outlined in statute, while 10.0 percent must be retained in the fund. Appropriated an additional \$350,000 in FY 2008-09 and \$439,500 in FY 2009-10 from the Fund.

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**APPENDIX C: UPDATE OF FY 2009-10
LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION**

Long Bill Footnotes

- 37 Department of Military and Veterans Affairs, Federal Funded Programs** -- These federal funds are shown for informational purposes. These funds are not to be included in the spending authority for the Department because these funds do not flow through the accounting system of the state. It is the intent of the General Assembly that these programs, funding, and FTE are included to demonstrate the full scope of activities of the Department of Military and Veterans Affairs.

Comment: This is an informational footnote and no action is required of the Department to comply.

Requests for Information

1. **All Departments, Totals** -- Every department is requested to submit to the Joint Budget Committee, by November 1, 2009, information on the number of additional federal and cash funds FTE associated with any federal grants or private donations that are applied for or received during FY 2009-10, and that are not otherwise included in the Long Bill.

Comment: This request does not apply to the Department of Military and Veterans Affairs, therefore, no response was necessary from the Department.