



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number: LLS 20-1228	Date: May 26, 2020
Prime Sponsors: Rep. Ransom	Bill Status: House Appropriations
Sen. Zenzinger	Fiscal Analyst: Jeff Stupak 303-866-5834 Jeff.Stupak@state.co.us

Bill Topic: REPEAL PROVISIONS DIVERT GENERAL FUND REVERSIONS

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 checked="" type="checkbox"/> State Diversion	<input type="checkbox"/> Statutory Public Entity

Budget package bill. The bill requires that unexpended money for certain programs in the Department of Human Services revert to the General Fund, and repeals requirements that the General Assembly appropriate money to certain programs. The bill also eliminates the Child Support Collection Fund. The bill decreases appropriations in FY 2020-21, increases potential reversions to the General Fund on an ongoing basis, and allows the General Assembly greater flexibility to set appropriations in future years.

Appropriation Summary: In FY 2020-21, the bill includes a reduction in appropriations of \$4,254,999 to the Department of Human Services.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

**Table 1
State Fiscal Impacts Under HB 20-1388**

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	(\$4,254,999)	-
	FTE	(0.7 FTE)	
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill requires that unexpended money at the end of the fiscal year revert to the General Fund, rather than remaining in program-specific cash funds, for the following programs and funds in the Department of Human Services (DHS):

- Disability Benefits Application Assistance Program;
- Full Child Support Pass Through Program;
- Child Care Services and Substance Use Disorder Treatment Pilot Program; and
- High-Risk Families Cash Fund.

The bill also repeals requirements that the General Assembly appropriate funds to the Disability Benefits Application Assistance Program and the Child Care Services and Substance Use Disorder Treatment Pilot Program. The bill eliminates the Child Support Collection Fund created in House Bill 20-1100. Lastly, the bill reduces appropriations for these programs by \$4.3 million, primarily to the Disability Benefits Application Assistance Program.

Background

Application assistance program. The Disability Benefits Application Assistance Program assists applicants and recipients of Colorado's Aid to the Needy Disabled program in applying for federal Supplemental Security Income and Social Security Disability Insurance.

Child support pass-through. Under federal law, Temporary Assistance for Needy Families (TANF) recipients must assign their rights to child support payments to the state. The state is permitted to retain any child support collected on behalf of TANF recipients in order to reimburse the state, counties, and federal government for the cost of providing TANF benefits. With the implementation of the Full Child Support Pass Through Program, Colorado passes the full amount of child support through to TANF recipients.

Child Care Services and Substance Use Disorder Treatment Pilot Program. The pilot program supports child care services to children up to five years old of women engaged in substance use disorder treatment. The pilot program provides grants for existing child care resource and referral programs and for a public-private partnership pilot program to provide regional mobile child care.

High-Risk Families Cash Fund. The continuously appropriated High-Risk Families Cash Fund supports services to high-risk parents and children. The Fund supports the Children and Youth Mental Health Treatment program in DHS, the Special Connections program in the Department of Health Care Policy and Finance, and the Increasing Access to Effective Substance Use Disorder Services program in DHS.

State Diversions

Beginning in FY 2020-21, the bill potentially diverts money to the General Fund from the Disability Benefits Application Assistance Program Cash Fund, the Child Support Collection Fund, the Child Care Services and Substance Use Disorder Treatment Pilot Program, and the High-Risk Families Cash Fund. This diversion occurs by requiring that annual reversions of unspent appropriations go to the General Fund, rather than remaining in these program-specific funds. No estimate of future reversions is available at this time, as they depend on future appropriation decisions by the General Assembly and actual program spending.

State Expenditures

For FY 2020-21 only, the bill reduces General Fund appropriations in the DHS by \$4.3 million. Specifically, the bill decreases appropriations for the administration of the Adult Assistance Program by \$165,149 and 0.1 FTE, appropriations for the Disability Benefits Application Assistance Program will decrease by \$3,589,850, and appropriations for the Child Care Services and Substance Use Disorder Treatment Pilot Program will decrease by \$500,000. In future years, the General Assembly may set the amount appropriated to the Disability Benefits Application Assistance Program and the Child Care Services and Substance Use Disorder Treatment Pilot Program, as the bill removes statutory appropriation requirements for these programs.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2020-21, the bill includes a decrease in General Fund appropriations to the Department of Human Services of \$4,254,999 and 0.7 FTE.

State and Local Government Contacts

Human Services