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Revised Fiscal Note

(replaces fiscal note dated March 1, 2024)

Drafting Number: LLS 24-0941 Date: April 5, 2024
Prime Sponsors: Rep. Marshall; Soper Bill Status: House Appropriations
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Bill Topic: ACCESS TO STATE GRANT OPPORTUNITIES

Summary of Fiscal Impact:
State Revenue [] State Transfer [] Local Government [x]
State Expenditure [x] TABOR Refund [] Statutory Public Entity []

The bill creates a state grant database and a program to help local governments identify and apply for grants. The bill increases state expenditures, and will impact local government revenues and expenditures beginning in FY 2024-25.

Appropriation Summary: For FY 2024-25, the bill requires an appropriation of \$1.3 million to two state agencies.

Fiscal Note Status: The revised fiscal note reflects the introduced bill, as amended by the House SVMA Committee. It has also been updated to reflect new information.

Table 1
State Fiscal Impacts Under HB 24-1287

Table with 4 columns: Category, Sub-category, Budget Year FY 2024-25, and Out Year FY 2025-26. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and Other Budget Impacts (General Fund Reserve).

Summary of Legislation

By December 31, 2025, the bill requires the Department of Personnel and Administration (DPA) to create a publically accessible database with specified information concerning grant opportunities that are funded with state money, or administered by the state.

The bill also creates the Grant Assistance to Rural Communities Program in the Department of Local Affairs (DOLA) to assist public and private rural entities to identify and apply for grant opportunities. The department must adopt rules for administration, and designate one or more employees residing in rural communities to implement the program.

State Expenditures

The bill increases state General Fund expenditures by \$741,000 million in FY 2024-25 and by \$664,000 in FY 2025-26 and ongoing. Expenditures, which are in the DPA and DOLA, are shown in Table 2 and detailed below.

Table 2
Expenditures Under HB 24-1287

	FY 2024-25	FY 2025-26
Department of Personnel and Administration		
Personal Services	\$50,676	\$63,345
Operating Expenses	\$1,024	\$1,280
Capital Outlay Costs	\$6,670	-
System Costs	\$135,000	\$5,000
Centrally Appropriated Costs ¹	\$14,299	\$17,874
FTE – Personal Services	0.8 FTE	1.0 FTE
DPA Subtotal	\$207,669	\$87,499
Department of Local Affairs		
Personal Services	\$316,726	\$380,072
Operating Expenses	\$6,400	\$7,680
Capital Outlay Costs	\$40,020	-
Travel and Lodging Reimbursement	\$82,080	\$82,080
Centrally Appropriated Costs ¹	\$88,525	\$106,230
FTE – Personal Services	5.0 FTE	6.0 FTE
DOLA Subtotal	\$533,751	\$576,062
Total Costs	\$741,420	\$663,561
Total FTE	5.8 FTE	7.0 FTE

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

Department of Personnel and Administration. The DPA will have staffing and system costs to develop the grant database.

- **Staff.** Beginning in FY 2024-25, the DPA requires 1.0 FTE to continually manage the state database and provide training and assistance to state agencies using the database. Costs are prorated for a September 1, 2024, start date.
- **System Costs.** The DPA requires \$135,000 initially in FY 2024-25, and \$5,000 annually thereafter for system maintenance, to create the state grant database. This estimate is based on past system costs in the department. This work will be done by the Office of Information Technology, using reappropriated funds from DPA.

Department of Local Affairs. DOLA will have staffing and travel costs to implement the grant assistance program.

- **Staff.** Beginning in FY 2024-25, DOLA requires 6.0 FTE to provide grant assistance to eligible rural entities. Staff will provide grant research, grant writing services, and technical assistance for eligible rural communities, including up to 42 counties, 201 municipalities, and the public or private organizations and school districts in those areas. The fiscal note assumes 60 entities will receive support from staff in identifying eligible grants and grant writing, and 120 entities will be assisted with grant performance and provided with technical assistance. To the extent that a greater number of entities request assistance, additional FTE to manage the workload will be requested through the budget process. Staff costs are prorated for a September 1, 2024, start date.
- **Travel and lodging costs.** DOLA requires approximately \$82,000 annually for staff travel to provide services to eligible entities in rural areas of the state, including costs for mileage and lodging reimbursements. The fiscal note assumes an annual 84,000 miles reimbursed at \$0.60 per mile for 6.0 FTE to each complete two, 140 mile roundtrips to rural entities per week, and to have two overnight stays per month at \$220 per night.

Other state agencies. Workload will increase for state departments to submit grant information to the database. This workload will be minimal and can be accomplished within existing appropriations.

Local Government

The bill may impact workload and revenue for any local government entity that receives grant assistance through the program or that applies for and receives grant funding.

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 2024-25, the bill requires General Fund appropriations totaling \$638,596 as follows:

- \$193,370 to the Department of Personnel and Administration, and 0.8 FTE, of which \$135,000 is reappropriated to the Office of Information Technology; and
- \$445,226 to the Department of Local Affairs, and 5.0 FTE.

State and Local Government Contacts

Counties	Education	Information Technology
Local Affairs	Municipalities	Personnel

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).