



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 24-1047 Date: March 27, 2024
Prime Sponsors: Rep. Sirota; Taggart Bill Status: House Appropriations
Sen. Zenzinger; Kirkmeyer Fiscal Analyst: Shukria Maktabi | 303-866-4720
shukria.maktabi@coleg.gov

Bill Topic: EXPENDITURES FOR CARE ASSISTANCE PROGRAMS

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

Budget package bill. The bill allows the Department of Human Services to spend more than what is appropriated for two child care assistance programs if additional funding is required. The bill increases state expenditures in FY 2023-24 and FY 2024-25, and may increase expenditures in future years.

Appropriation Summary: The bill requires an appropriation to the Department of Human Services of \$17.0 million for the current FY 2023-24 and \$18.6 million for FY 2024-25.

Fiscal Note Status: The fiscal note reflects the introduced bill. The bill was recommended by the Joint Budget Committee as part of the FY 2024-25 budget package.

Table 1
State Fiscal Impacts Under HB 24-1408

Table with 5 columns: Category, Current Year FY 2023-24, Budget Year FY 2024-25, Out Year FY 2025-26. Rows include Revenue, Expenditures (General Fund, Cash Funds, Federal Funds, Total Expenditures), Transfers, and Other Budget Impacts (General Fund Reserve).

Summary of Legislation

The bill clarifies that the Relative Guardianship Assistance Program and the Adoption Assistance Program in the Department of Human Services (CDHS) are entitlement programs and authorized to spend beyond the program's appropriation when necessary to reimburse counties for up to 90 percent of costs. The CDHS is also required to report to the Joint Budget Committee every January on caseloads and expenditures for the programs.

Senate Bill 21-277 required the CDHS enter into a contract to develop a child welfare funding model that would be used to determine the child welfare funding allocation to counties beginning in FY 2024-25. The bill allows the model to "inform" instead of "determine" county allocations for child welfare.

State Expenditures

By clarifying that certain assistance programs are entitlements, the bill increases state expenditures in the CDHS to cover current estimated costs of the program. The increases amount to approximately \$17 million in FY 2023-24 and \$18.6 million in FY 2024-25, paid by federal, state, and cash funds (which come from county grant match), as shown in Table 2 below. Costs in future years may vary and will depend on budget decisions based on the anticipated caseloads for the programs every year.

As entitlement programs with authorization to over-expend, the increase in expenditures are expected to occur even if an appropriation is not included in the bill.

Workload will also minimally increase for the CDHS to prepare annual reports for the Joint Budget Committee. This can be accomplished within existing appropriations.

Table 2
Increase in Expenditures for Adoption/Guardianship-related Entitlement Programs

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
General Fund	\$4,021,240	\$4,632,795	\$1,057,073	\$1,066,791
Cash Funds	\$893,609	\$1,029,510	\$234,905	\$237,065
Federal Funds	\$12,101,247	\$12,914,803	\$1,057,072	\$1,066,790
Total	\$17,016,096	\$18,577,108	\$2,349,050	\$2,370,646

Local Government

To the extent state expenditures increase for these programs, funding for counties to implement the programs will increase, as well as the portion of funds provided by counties as reflected in the cash fund portion of the state expenditures described above.

Effective Date

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

State Appropriations

To align with anticipated expenditures, the bill requires the appropriations below.

For FY 2023-24, the bill requires a total appropriation of \$17,016,096 to the Department of Human Services, of which \$4,021,240 is from the General Fund, \$893,609 is from cash funds from county matching funds, and \$12,101,247 is from federal funds.

For FY 2024-25, the bill requires a total appropriation of \$18,577,108 to the Department of Human Services, of which \$4,632,795 is from the General Fund, \$1,029,510 is from cash funds from county matching funds, and \$12,914,803 is from federal funds.

State and Local Government Contacts

Joint Budget Committee

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](#).