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Fiscal Note

Drafting Number:	LLS 24-0533	Date:	January 23, 2024
Prime Sponsors:	Sen. Pelton R.; Fields Rep. Frizell; Lindstedt	Bill Status:	Senate State Affairs
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Bill Topic: COUNTY VETERANS SERVICE OFFICES ADMINISTRATION

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill updates and clarifies the administrative structure and requirements for veterans service offices. It also changes how counties request payments from the state for veterans services. The bill minimally increases state workload and may impact local revenue.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill, which was recommended by the Legislative Audit Committee.

Summary of Legislation

Under current law, counties must appoint veterans service officers (VSOs) to help veterans and their dependents obtain benefits to which they are entitled, such as U.S. Veterans Affairs pensions, disability compensation, medical care, education assistance, among others. Counties are paid semiannually by the Department of Military and Veterans Affairs (DMVA) to cover the cost of a VSO based on reporting data supplied by counties.

The bill modifies the responsibility of the DMVA from supervising county VSOs to monitoring them. To receive DMVA funding for VSOs, the bill requires that eligible counties submit an application at the time and in a form and manner developed by DMVA. The bill gives boards of county commissioners flexibility to appoint multiple VSOs if the board determines it necessary. Finally, the bill requires that VSOs have specified state and federal certifications to serve.

Background

The Office of the State Auditor (OSA) released a performance audit of the DMVA in September 2022 which found that the Division of Veterans Affairs and the Colorado Board of Veterans Affairs do not sufficiently plan for, supervise, and support veterans services, which are largely provided by county VSOs. The audit, 2710P, is available on the [OSA's website](#).

State Expenditures

The bill minimally increases workload in the DMVA to create a new VSO reimbursement application system for counties and perform related outreach. While the bill changes the frequency of VSO payments, no substantive change in the overall amount of payments to counties is expected. No change in appropriations is required.

Local Government

Counties may have a minimal workload increase to apply for VSO funding and to ensure VSOs have the adequate level of training, which the DMVA offers free of charge.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Counties

Military Affairs

State Auditor

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](#).