August 15, 2024



Drafting Number:

LLS 24-0533

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Prime Sponsors: Sen. Pelton R.; Fields Signed into Law **Bill Status:** Rep. Frizell; Lindstedt Fiscal Analyst: Hamza Syed | 303-866-4976 hamza.syed@coleg.gov **Bill Topic:** COUNTY VETERANS SERVICE OFFICES ADMINISTRATION ☐ State Revenue ☐ State Transfer Summary of **Fiscal Impact:** ☐ TABOR Refund ☐ 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** No appropriation is required. **Summary: Fiscal Note** This final fiscal note reflects the enacted bill, which was recommended by the Status: Legislative Audit Committee.

Date:

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 was signed into law by the Governor on March 22, 2024 date, and took effect on August 7, 2024.

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 <u>General Assembly website</u>.