



General Assembly
State of Colorado
Denver

MEMORANDUM

August 17, 2009

TO: Members of the Executive Committee

FROM: President Shaffer and Speaker Carroll

RE: Budget Cuts

We have consulted with the staff's Legislative Management Team to develop the following cuts for the current fiscal year as well as one item for the next fiscal year. Approximately \$1,042,000 can be restricted and made available for reversion at the end of the current fiscal year (2009/2010). For an initial cut for the next fiscal year (2010/2011), approximately \$70,000, can be restricted and made available for reversion at the end of that fiscal year. The cuts include salary equal to 12 furlough days, a reduction in available special session days, house and senate travel, delay of new laptop computers for members, and elimination of most interim committees in 2010.

- **Equivalent of 12 Furlough Days.**

The General Assembly and the legislative staff agencies can restrict expenditures from personal services appropriations such that an overall savings can be made that will equal the amount that would be saved by imposing 12 furlough days.

Twelve furlough days for all full-time employees in the legislative branch will require that salaries be restricted by approximately \$700,000.¹ These savings can be accomplished in various ways. For example, agencies could utilize furloughs, not hire replacements as soon as would otherwise be the case, or hire replacements at lower salaries.

¹This figure reflect salaries only and does not include amounts for PERA and other related costs.

- **Restrict Budget for Special Session.**

The appropriations in the legislative budget for special sessions can be restricted so that approximately \$180,000 can be assured to revert to the general fund at the close of the current fiscal year.

The current budget contains \$300,000 for the possibility of conducting 15 days of special session. The General Assembly can commit that any special sessions following the regular session will be limited to a total of 6 days or fewer, allowing appropriations equivalent to 9 days of special session to be restricted. By restricting all but 6 days of the appropriation, we will assure that approximately \$180,000 will be available to revert to the general fund. Ultimately, if there is no special session, the entire amount appropriated could be available to revert. In addition, other funds that are contingent on the potential for special session could be available to revert. For example, funds are appropriated for the potential cost of publishing supplements to the Session Laws.

- **No Out of State Travel for Legislators.**

All out of state travel for members will be restricted and the out of state travel budget will be reverted at the end of the year.

The current budget contains \$100,000 for member out-of-state travel and \$29,000 for registration fees. If members do not travel out of state this fiscal year, the entire \$129,000 could be reverted.

- **Delay Computer Leases.**

Money for new member laptop leases will be reverted.

The member's laptops are leased. Every three years, the members receive new laptops as part of a new lease. The leases ended last year and new laptops are scheduled to be leased this year. However, because the last lease included a \$1 buyout at the end, the state currently owns the member's old laptops. Therefore, the upgrade to new laptops can be delayed and the members can continue to use the old laptops. This will result in a savings of up to \$33,000 that can be reverted at the end of the year. Because the current machines are out of warranty, member's machines that quit working will need to be repaired or replaced at state expense.

- **No Interim Committees in 2010/2011.**

No interim committee work will occur following adjournment of the next regular session in May of 2010 except for oversight functions.

In addition to any other efforts that may be initiated to save money during the budget cycle for the next fiscal year, curtailment of the interim and statutory committees will result in saving of approximately \$70,000. This does not include oversight committees such as the Audit Committee, the Joint Budget Committee, Legislative Council, and the Committee on Legal Services or the Capital Development Committee. The savings would be realized primarily from budget items relating to travel and compensation for legislators and other committee members. Some of these committees are statutory and would require a law change approved by the entire General Assembly and the Governor.

This effort would be considered only an initial step at making cuts for fiscal year 2010/2011.

Information from the National Conference of State Legislatures (NCSL) regarding the relative spending of the Colorado General Assembly when compared with other states.

NCSL has provided figures that detail the general expenditures made by states for their legislatures. Colorado ranks 47th in spending per capita on the legislative branch. Colorado ranks 45th when measured by the percentage of general government spending dedicated to the legislature.