

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING FUNDING FOR THE TONY GRAMPAS YOUTH SERVICES PROGRAM.

Prime Sponsors: Representative Benefield  
Senator Kester

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**Summary of Amendments Made to the Bill After the 02/10/07 Legislative Council Staff Fiscal Note was Prepared (Amended by the Education Committee 02/12/07)**

The Education Committee amendment added an effective date clause, which states that the act will take effect on July 1, 2007. This amendment does not alter the fiscal impact of the bill as indicated in the Legislative Council Staff Fiscal Note dated February 10, 2007.

**JBC Staff Concurrence with Legislative Council Staff Fiscal Note**

**Concurs**                       **Does Not Concur**                       **Updated Analysis**

**Amendments/Appropriation Status**

This bill requires an appropriations clause. Staff has drafted amendment **J.001** (attached), which appropriates \$1,000,000 cash funds and 1.0 FTE from the Colorado Student Before-and-after-school Project Fund, which is created by this bill, to the Colorado Student Before-and-After-School Project for FY 2007-08. This appropriation corresponds to the appropriation indicated in the February 10, 2007 Legislative Council Staff Fiscal Note. The Department will pay the salary of the FTE and the related operating expenses from this appropriation.

**Sponsor Amendments**

Staff is not aware of any sponsor amendments to be offered.

**Points to Consider**

1. This bill diverts one million dollars of revenue that would otherwise flow to the General Fund into a new Colorado Student Before-and-After School Fund. It then uses the money to support the Colorado Student Before-and-After School Project. This funding arrangement may conflict with the following provision from the Arveschoug-Bird ("Six Percent") limit on the growth of General Fund appropriations:

**Section 24-75-201.1 (1) (a) (V).** No state cash fund appropriation which either supplants any state general fund appropriation or, if not made, would necessitate a state general fund appropriation shall be made in order to circumvent the limitation on the level of state general fund appropriations set forth in subparagraph (II) of this paragraph (a). The provisions of this subparagraph (V) shall not apply to any state cash fund appropriation:

(A) Which authorizes an increase in expenditures necessary to offset an increase in costs to provide an existing program or service due to inflation or any increase in the number of recipients which does not result from any requirement of state law which either enlarges an existing class of recipients or adds a new class of recipients; or

(B) Which is funded by user charges that do not exceed the cost of the goods or services provided, and the purchase of such goods or services by the user is voluntary.

2. Section 25-20.5-205 (4), C.R.S., which would be added to statute by this bill, states that "The division may expend up to two percent of the moneys annually appropriated from the fund to offset the costs incurred in implementing this section." The February 10, 2005 Legislative Council Staff Fiscal Note indicates that the department plans to expend \$51,743, cash funds to implement this program with 1.0 FTE, which equals 5.2 percent of the program's \$1,000,000 appropriation. Hence the program will violate the 2 percent cap if it receives an appropriation of 1.0 FTE.

By way of comparison, the Tony Grampas Youth Services Programs currently has 2.0 FTE who administer an appropriation of about \$3.5 million. Salary and benefits for these FTE cost about \$120,000 and operating expenses account for another \$23,000, bringing annual program implementation costs to about \$143,000 or 4.1 percent of total program expenditures. Similar statutory limits on Departmental administrative expenses for other programs generally equal 5 percent. Staff is not aware of any limits below 5 percent.

<b>Program</b>	<b>Citation</b>	<b>Limit</b>
HIV and AIDS Prevention Program	25-4-1415.	5%
Cancer, Chronic and Pulmonary Disease	25-20.5-306	5%
Tobacco Education and Prevention	25-3.5-808	5%
Dental Loan Repayment Program	25-23-104	10%
Nurse Home Visitor	25-31-107	5%

