


Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 07-0392
Prime Sponsor(s): Sen. Romer
 Rep. Rice

Date: January 20, 2007
Bill Status: Senate SVMA
Fiscal Analyst: Gary J. Estenson (303-866-4976)

TITLE: CONCERNING THE ESTABLISHMENT OF A PROGRAM TO REIMBURSE GROUP LIFE INSURANCE PREMIUMS PAID BY MEMBERS OF THE COLORADO NATIONAL GUARD.

Fiscal Impact Summary	FY 2007-2008	FY 2008-2009
State Revenue	\$0	\$0
State Expenditures		
General Fund	\$94,500	\$94,500
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: July 1, 2007.		
Appropriation Summary for FY 2007-2008: See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

The bill requires the Department of Military and Veterans Affairs to reimburse members of the Colorado National Guard the premiums paid for coverage through the Federal Servicemembers' Group Life Insurance Program (SGLI). Premium reimbursement will be for each month the member is deployed in a combat zone on and after July 1, 2007, and shall be limited to premiums paid for up to \$400,000 of policy coverage.

State Expenditures

The federal government reimburses a portion SGLI premium payments for military personnel serving in either Operation Enduring Freedom or Iraqi Freedom. Reimbursement is limited to the first \$150,000 in policy coverage. Under the bill, the state would reimburse premium payments for coverage amounts between \$150,000 and \$400,000. Monthly, the average number of Colorado National Guard service members serving in either Operation Enduring Freedom or Iraqi Freedom is 450. The monthly premium for \$150,000 in coverage is \$11.50 and the premium for \$400,000 in coverage is \$29.00, resulting in a difference of \$17.50. Assuming that all 450 service members are covered at \$400,000 and that deployment levels remain consistent, the bill's annual cost is \$94,500.

State Appropriations

The fiscal note indicates the Department of Military and Veterans Affairs should receive a General Fund Appropriation of \$94,500 in FY 2007-08.

Departments Contacted

Military and Veterans Affairs

Personnel and Administration