



Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 12-0345
Prime Sponsor(s): Sen. Shaffer B.
 Rep. Kerr A.

Date: February 13, 2012
Bill Status: Senate SVMA
Fiscal Analyst: Kirk Mlinek (303-866-4782)

TITLE: CONCERNING SUSPENSION OF PAYMENTS TO A MEMBER OF THE GENERAL ASSEMBLY IN THE EVENT THAT THE GENERAL ASSEMBLY FAILS TO PASS BILLS CRITICAL TO FINANCING GOVERNMENT OPERATIONS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2012-2013: None required.		
Local Government Impact: None.		

Summary of Legislation

The bill suspends all compensation and reimbursement of expenses otherwise allowed for all members of the General Assembly if the General Assembly fails to send to the Governor both the annual appropriation act (Long Bill) and the annual School Finance Act. The suspension of pay begins the first day of the interim following the end of any regular session of the General Assembly in which the aforementioned bills are not passed. Payments start again when said bills are presented to the Governor, or December 1 of the same year, whichever comes first. When payments are restarted, a member of the General Assembly is entitled to receive all suspended payments on the next regularly scheduled pay period.

For information purposes, during the interim members receive their salaries and are entitled to \$99 per day for committee attendance, actual and necessary expenses, and legislative mileage for vehicle travel while attending to legislative business.

State Expenditures

The bill will increase the workload in Legislative Council and in the Department of Personnel and Administration, but not to the extent that will require any new appropriations. The impacts are discussed below.

Legislative Council. Members' health, life, and dental insurance policies are not subject to cancellation under the bill. As is true for any employee, when a member's share of a medical premium is larger than the member's paycheck, the member is required to pay his or her share of the contributions not covered by the paycheck. Under the bill, a member would have to pay the full employee portion of the premium to maintain coverage. Coverage is cancelled if a payment is not received within the grace period designated by rule.

The General Assembly's centralized accounting function resides in the Legislative Council. This fiscal note assumes that members who participate in the state's health plan will make the necessary monthly payments to maintain coverage. This increase in the central accounting office's workload will be absorbed within existing appropriations.

The hold harmless provision of the bill requires members to be paid in full once the appropriations bill and school finance bills are forwarded, or on December 1, whichever comes first, thus, it may affect the timing of payments to members, but not the overall amount paid. In the event that the withholding spans two fiscal years, expenses will be charged to the proper fiscal year.

Department of Personnel and Administration (DPA). Health plans are administered by the DPA. Although Legislative Council will collect health plan premiums, related data input and tracking at DPA will increase the DPA's workload. Legislative Council's accounting unit will work with the department to track and properly account for the payment of members' health benefit premiums.

Departments Contacted

Personnel and Administration

PERA

Legislative Council