



*Colorado Legislative Council Staff Fiscal Note*  
**STATE and LOCAL  
 FISCAL IMPACT**

**Drafting Number:** LLS 12-0850  
**Prime Sponsor(s):** Rep. Gerou  
 Sen. Hodge

**Date:** April 3, 2012  
**Bill Status:** House Appropriations  
**Fiscal Analyst:** Bill Zepernick (303-866-4777)

**TITLE:** CONCERNING THE REPEAL OF THE STATEWIDE STRATEGIC USE FUND.

<b>Fiscal Impact Summary</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
<b>State Revenue</b>		
<b>State Transfers or Diversions</b> Transfer from the Colorado Works Statewide Strategic Use Fund to the Colorado Long-term Works Reserve	(\$1,009,363)	
<b>State Expenditures</b> Federal Funds	Reduction. See State Expenditures section.	
<b>FTE Position Change</b>		
<b>Effective Date:</b> Upon signature of the Governor, or upon becoming law without his signature, except that sections 4 and 5 take effect on April 1, 2013.		
<b>Appropriation Summary for FY 2012-2013:</b> None required.		
<b>Local Government Impact:</b> See Local Government Impact section.		

**Summary of Legislation**

The bill repeals the Colorado Works Statewide Strategic Use Fund (SSUF) and the Strategic Allocation Committee in the Department of Human Services, which allocates federal TANF funds appropriated to the SSUF. Any unexpended, unencumbered funds in the SSUF are transferred to the Colorado Long-term Works Reserve.

**State Transfers or Diversions**

The bill is expected to transfer \$1,009,363 from the SSUF to the Colorado Long-term Works Reserve on December 30, 2012. This is the estimated amount of unexpended, unencumbered TANF funds on this date.

**State Expenditures**

By transferring funds from the SSUF to the Long-term Works Reserve, the amount of continuously appropriated TANF funds available to the Department of Human Services will be reduced. Instead, this money will be available for the General Assembly to appropriate for other TANF-eligible purposes. Given the recent reduction in TANF funds to the state and the spending down of the Long-term Works Reserve, the additional \$1,009,363 in the reserve can be used to offset reductions to other TANF-funded programs.

**Local Government Impact**

Repealing the SSUF eliminates a potential source of federal funds for counties. On the other hand, having additional funds in the Long-term Works Reserve can prevent reductions in other TANF-funded programs operated by the counties such as Colorado Works and child welfare programs.

**Departments Contacted**

Human Services      Counties      JBC