

**STATE
FISCAL IMPACT**

Drafting Number: LLS 13-0382

Date: February 18, 2013

Prime Sponsor(s): Rep. Joshi

Bill Status: House SVMA

Fiscal Analyst: Kerry White (303-866-3469)

TITLE: CONCERNING A REDUCTION IN GENERAL FUND APPROPRIATIONS FOR THE SALARIES PAID TO LEGISLATIVE LIAISONS.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue	See State Revenue and Expenditures section.	
State Transfers or Diversions Transfer (or Diversion) from the General Fund to the Senior Services Account within the Older Coloradans Cash Fund	at least (\$1,218,888)	at least (\$1,218,888)
State Expenditures	See State Revenue and Expenditures section.	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

Beginning in FY 2013-14, this bill reduces the General Fund appropriation of state agencies and institutions of higher education with legislative liaisons and lobbyists and transfers an amount equal to 50 percent of those costs to the Senior Services Account within the Older Coloradans Cash Fund. Transfers are to be made by the State Treasurer each January 1, beginning on January 1, 2014.

State Transfers and Diversions

This bill reduces the General Fund appropriations for state agencies and institutions of higher education as shown in Table 1, below, and transfers at least \$1.2 million to the Senior Services Account within the Older Coloradans Cash Fund each year. This analysis assumes that all state agencies and institutions of higher education that receive General Fund moneys and employ a legislative liaison or contract lobbyist are impacted, irrespective of the fund used to pay these costs. As such, the bill does not affect the Departments of Labor and Employment, Regulatory Agencies, and Transportation, nor the Governor's Energy Office. In the Department of Local Affairs and Governor's Office of Information Technology, legislative duties are performed by management and are, therefore, excluded from this analysis.

Table 1. Reductions in General Fund Appropriations Required Under HB13-1173		
State Agency or Institution of Higher Education	Liaison and Lobbying Salary Only Costs	Transfer Amount (50 percent of costs)
Adams State University	\$97,728	\$48,864
Agriculture	40,000	20,000
Aims Community College	28,000	14,000
Colorado Mesa University	96,000	48,000
Colorado Mountain College	50,000	25,000
Colorado School of Mines	124,878	62,439
Colorado State University	unknown	unknown
Community College System	179,086	89,543
Corrections	88,308	44,154
Education	80,000	40,000
Governor's Office (General)	unknown	unknown
Governor's Office of Economic Development and International Trade	68,744	34,372
Health Care Policy and Financing*	72,884	36,442
Higher Education	84,000	42,000
Human Services	85,000	42,500
Judicial	84,000	42,000
Law	122,688	61,344
Metropolitan State University of Denver	84,000	42,000
Military Affairs	79,740	39,870
Natural Resources	147,000	73,500
Personnel	54,000	27,000
Public Health and Environment	69,996	34,998
Public Safety	169,764	84,882
Revenue*	46,425	23,213
Secretary of State	unknown	unknown
Treasury	unknown	unknown
University of Colorado	392,534	196,267
University of Northern Colorado	45,000	22,500
Western State Colorado University	48,000	24,000
TOTAL	\$2,437,775	\$1,218,888

*adjusted for the portion of costs related to legislative liaison duties.

Costs shown above are for salary only and do not include contributions to the Public Employees' Retirement Association (PERA), Medicare, or employee benefits.

Technical note. The bill states that on January 1, 2015, and each January 1 thereafter, the State Treasurer is to transfer an amount equal to the amount transferred to the State Education Fund on January 1, 2014. According to the Office of Legislative Legal Services, this is a technical error that will be amended. As such, the fiscal note assumes the bill requires the transfers occurring on and after January 1, 2015, to be an amount equal to the amount transferred to the Senior Services Account within the Older Coloradans Cash Fund on January 1, 2014.

State Revenue and Expenditures

As discussed above, the bill reduces General Fund appropriations for state agencies and institutions of higher education with legislative liaisons and lobbyists. The bill does not require a reduction in the salary of the legislative liaison or lobbyist, but reduces the entity's overall appropriation. As a result, the affected state agency or institution of higher education is free to choose how to reduce its expenditures. However, because in some cases the legislative liaison or lobbyist cost is paid with non-General Fund sources, the bill may affect General Funded activities. This analysis assumes that depending on the impact of a reduced General Fund appropriation on a state agency or institution of higher education, cash funded programs may increase revenue or additional appropriations may be requested through the annual budget process.

State Appropriations

For FY 2013-14, the bill requires adjustments in appropriations as shown in Table 1, above.

Departments Contacted

All Departments