

**STATE
FISCAL IMPACT**

Drafting Number: LLS 13-0956
Prime Sponsor(s): Sen. Lambert
 Rep. Levy

Date: March 25, 2013
Bill Status: Senate SVMA
Fiscal Analyst: Kirk Mlinek (303-866-2756)

TITLE: CONCERNING A TRANSFER OF MONEYS FROM THE STATE GENERAL FUND TO THE COLORADO STATE VETERANS TRUST FUND FOR THE PURPOSE OF REPAYING MONEYS FROM THE TRUST FUND THAT WERE USED TO BUILD NATIONAL GUARD ARMORIES.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
Cash Funds		
Colorado State Veterans Trust Fund	approx. \$58,000	approx. \$58,000
State Transfers or Diversions		
Transfer from the General Fund to the Colorado State Veterans Trust Fund	\$3,860,429	
State Expenditures		
Cash Funds		
Colorado State Veterans Trust Fund		Interest Earnings
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: None.		

Summary of Legislation

Recommended by the Joint Budget Committee, the bill requires a transfer of \$3,860,429 from the General Fund to the Colorado State Veterans Trust Fund on July 1, 2013, to repay moneys borrowed for construction of National Guard armories.

Background

House Bill 10-1140 allowed the principal balance in the Colorado State Veterans Trust Fund to be used for construction projects to build National Guard armories in Alamosa, Grand Junction, and Windsor. The bill indicated that these moneys would be repaid with interest. This bill accomplishes the repayment as required under current law.

State Revenue

Moneys transferred to the Colorado State Veterans Trust Fund are to be retained as principal, resulting in an increase in interest earnings to the fund beginning in FY 2013-14. Assuming a 1.5 percent return, the fund will earn approximately \$58,000 per year.

State Transfers

The bill requires a transfer of \$3,860,429 from the General Fund to the Colorado State Veterans Trust Fund on July 1, 2013.

State Expenditures

The moneys transferred to the Colorado State Veterans Trust Fund must remain in the fund and cannot be appropriated for program activities; only interest earnings may be used for activities approved by the Colorado State Veterans Board. Assuming a 1.5 percent return, approximately \$58,000 in additional funds will be available for these activities beginning in FY 2013-14.

Departments Contacted

Joint Budget Committee

Treasury

Military and Veterans Affairs