

**STATE
FISCAL IMPACT**

Drafting Number: LLS 14-0871	Date: March 21, 2014
Prime Sponsor(s): Sen. Carroll; Cadman Rep. Ryden; Nordberg	Bill Status: Senate SVMA Fiscal Analyst: Josh Abram (303-866-3561)

SHORT TITLE: DMVA COMMISSION REPORT VALUE US MIL ACTIVITIES

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue	Potential increase.	
State Expenditures	\$300,000	
General Fund	\$300,000	
FTE Position Change		
Appropriation Required: \$300,000 - Department of Military and Veterans Affairs (FY 2014-15)		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

This bill requires the Department of Military and Veterans Affairs (DMVA) to issue a request for proposals (RFP) for an outside contractor to prepare a report demonstrating to policymakers in the federal Department of Defense (DOD) the strategic and economic advantages of maintaining and expanding military missions, defense spending, and defense-related investment in Colorado. The DMVA may consult with the Governor's Office of Economic Development and International Trade (OEDIT) to prepare the RFP and select a contractor.

No later than August 1, 2014, the DMVA must solicit proposals from prospective contractors. The bill identifies the minimum qualifications the DMVA must consider when selecting a contractor, and the specific subjects the contractor must address in the final report. The DMVA must award the contract no later than October 1, 2014, and the contractor must complete the report no later than April 15, 2015.

The bill creates the Comprehensive Report on the Value of United States Military Activities Fund in the State Treasury to finance the report. The fund consists of any moneys the General Assembly appropriates to it, as well as any money collected by the DMVA from federal grants or from private donations. The bill is repealed July 1, 2016.

State Revenue

The bill allows the DMVA to accept federal grants or private donations to help fund the bill. As of the writing of this fiscal note, no federal or private revenue sources have been identified.

State Expenditures

This bill increases state expenditures by \$300,000 for FY 2014-15 only. The DMVA will request proposals for an outside contractor to prepare a report evaluating federal DOD activities in Colorado. The DMVA will have a small increase in workload for department staff to manage the RFP process and to serve as a liaison between the contractor and the department during the preparation of the report. Expenses for printing and staff travel are also anticipated. Based on similar studies conducted in other states, the cost to procure a contractor with appropriate subject matter expertise and the qualifications necessary to prepare the report is estimated to be \$300,000.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2014-15, this bill requires an appropriation of \$300,000 General Fund to the Comprehensive Report on the Value of United States Military Activities Fund (the fund). The fund is administered by the Adjutant General, acting as the executive director of the DMVA.

State and Local Government Contacts

Military Affairs
Personnel

Office of Economic Development and International Trade
Treasury