

Colorado Legislative Council Staff Fiscal Note

**STATE  
FISCAL IMPACT**

**Drafting Number:** LLS 14-0740 **Date:** February 14, 2014  
**Prime Sponsor(s):** Rep. Ryden **Bill Status:** House SVMA  
 Sen. Crowder **Fiscal Analyst:** Lauren Schreier (303-866-3523)

**SHORT TITLE:** VETERANS ASSISTANCE GRANT PROGRAM

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
<b>State Revenue</b> Cash Fund	Potential increase. See State Revenue section.	
<b>State Expenditures</b>	<b>\$1,003,245</b>	<b>\$1,004,265</b>
General Fund	\$1,000,000	\$1,000,000
Centrally Appropriated Costs**	3,245	4,265
<b>FTE Position Change</b>	0.4 FTE	0.5 FTE
<b>Appropriation Required: \$1,000,000 - Department of Military and Veterans Affairs (FY 2014-15)</b>		

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

\*\* These costs are not included in the bill's appropriation. See the State Expenditures section for more information.

**Summary of Legislation**

The bill creates the Veterans Assistance Grant Program within the Department of Military and Veterans Affairs (DMVA). The program will provide financial assistance to nonprofit organizations and governmental agencies providing services to improve the health and well-being of veterans in the state. On or before September 1, 2014, the Adjutant General, in consultation with the Board of Veterans Affairs, will adopt rules to administer the program. The bill also creates the Veterans Grant Program Cash Fund, which may receive gifts, grants, and donations, in addition to annual appropriations from the General Assembly. All excess funds will remain in the cash fund at the end of each fiscal year. The program and cash fund are repealed on September 1, 2024.

**Background**

The DVMA has awarded grants to veterans assistance programs in the state for the past two fiscal years and has received appropriations for this purpose. In FY 2013-14, the DVMA provided \$970,000 in grants to nonprofit organizations and governmental agencies supporting veterans. For FY 2014-15, the DVMA has also requested an appropriation of \$1,000,000 to fund the program.

**State Revenues**

The Veterans Assistance Grant Program Cash Fund may receive gifts, grants, and donations. This may result in a potential revenue increase for the program. However, at this time, no fund sources have been identified. The fiscal note assumes any increase in revenues from gifts, grants, and donations will be minimal.

**State Expenditures**

The bill will increase state General Fund expenditures for the DMVA by \$1,003,245 and 0.4 FTE in FY 2014-15 and \$1,004,265 and 0.5 FTE in FY 2015-16. In FY 2014-15, based on the August 6, 2014 effective date, the bill requires 0.4 FTE. The DMVA will be responsible for evaluating grant applications, awarding grants, and monitoring the cash fund balance.

<b>Table 1. Expenditures Under HB 14-1205*</b>		
<b>Cost Components</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>
Personal Services	\$20,672	\$25,840
FTE	0.4	0.5
Operating Expenses	\$5,353	\$650
Grant Program	\$973,975	\$973,510
Centrally Appropriated Costs*	\$3,245	\$4,265
<b>TOTAL</b>	<b>\$1,003,245</b>	<b>\$1,004,265</b>

\* Centrally appropriated costs are not included in the bill's appropriation.

**Grant management.** The DMVA will be responsible for developing grant standards, evaluating grant applications, and managing the cash fund. This work will require 0.5 FTE for the department. Personal services in the amount of \$25,840 each year are required, which is prorated in the first year due to the effective date of the bill and to account for the General Fund paydate shift. Standard operating and capital outlay costs are also included. Printing costs of \$50 and travel costs of \$125 per year are also required.

**Awarding grants.** The DVMA will provide up to \$973,975 in grants in FY 2014-15 and \$973,510 in grants in FY 2015-16 to selected nonprofit organizations and governmental agencies serving veterans in the state. These figures are based on the program being appropriated \$1,000,000 less the grant management and administrative costs.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

<b>Table 2. Centrally Appropriated Costs Under HB 14-1205*</b>		
<b>Cost Components</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$1,809	\$2,262
Supplemental Employee Retirement Payments	\$1,436	\$2,003
<b>TOTAL</b>	<b>\$3,245</b>	<b>\$4,265</b>

\*More information is available at: <http://colorado.gov/fiscalnotes>

**Effective Date**

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

**State Appropriations**

The bill requires an appropriation to the DMVA in FY 2014-15 of \$1,000,000 from the General Fund, and an allocation of 0.4 FTE. The DMVA will also require spending authority from the cash fund.

**State and Local Government Contacts**

Military and Veterans Affairs