



# STATE FISCAL IMPACT

**Drafting Number:** LLS 14-0914  
**Prime Sponsor(s):** Rep. Melton  
 Sen. Todd

**Date:** February 25, 2014  
**Bill Status:** House SVMA  
**Fiscal Analyst:** Alex Schatz (303-866-4375)

**SHORT TITLE:** MILITARY FAMILY RELIEF FUND ELIGIBILITY

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures	Minimal workload increase. See State Expenditures section.	
FTE Position Change		
Appropriation Required: None.		

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

## Summary of Legislation

Under current law, a member of the Colorado National Guard must be involuntarily mobilized for at least 30 days on active military duty for the member or his or her family to be eligible for a grant from the Military Family Relief Fund (MFRF). This bill expands grant eligibility to Colorado National Guard members and the families of members who are called to state active duty by executive order of the governor.

## Background

**State missions of the Colorado National Guard.** The governor may order personnel from the Colorado National Guard, in the Department of Military and Veterans Affairs (DMVA), to state active duty in disasters or for other missions that defend the state and its laws. Recent governors have issued executive orders mobilizing the Colorado National Guard to respond to wildfire, flooding, and winter storms. In addition, since at least 2006, the Colorado National Guard has had, by executive order, a continuous mission to safeguard certain critical facilities in the state.

In 2013, the governor issued executive orders directing the Colorado National Guard to assist with seven different wildfire events, as well as an executive order to assist with flooding in Front Range counties that has been extended multiple times and is still in effect. The Colorado National Guard is often requested to provide helicopter assets for an initial attack on wildfire.

**Military Family Relief Fund.** Since its enactment in 2005 (Senate Bill 05-052), the MFRF has funded grants to members of the Colorado National Guard and their families through the Colorado National Guard Foundation. Revenue to the MFRF, shown for the last five tax years in Table 1, is provided by a state income tax checkoff, with annual expenditures typically depleting all available revenue. Approximately 30 to 35 grants are awarded per year based on current funding.

Table 1. Revenue to the Military Family Relief Fund (tax years 2009 through 2013)		
Tax year *	Number of Donations	Amount Donated
2009	14,779	\$213,982
2010	12,479	187,799
2011	12,246	175,363
2012	11,064	168,514
2013	10,089	155,592

\* Donations in a given tax year are expended in the trailing fiscal year. For example, MFRF revenue collected in tax year 2012 was expended in FY 2012-13.

## State Expenditures

The bill results in a minimal workload increase for the DMVA, which administers the grant application process for MFRF in collaboration with the Colorado National Guard Foundation. By broadening grant eligibility, the pool of applications is expected to grow, with a corresponding increase in workload. Verifying state active duty under executive order may also require modifications to forms and procedures. However, changes in eligibility under the bill are not expected to increase caseload beyond the current administrative capabilities of the DMVA. Also, the Colorado National Guard Foundation is authorized, if necessary, to charge additional administrative costs from the MFRF. Thus, additional work under the bill does not require new appropriations.

**Assumptions.** The bill does not significantly change the overall amount of revenue to the MFRF or the amount of grant assistance available to eligible families. While the average size of grants may be reduced or the distribution of grants adjusted to account for broader eligibility under the bill, it has no net effect on the income or eligibility of affected families for other public assistance programs.

## 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 and Local Government Contacts

Military and Veterans Affairs  
Personnel and Administration  
Health Care Policy and Financing

Revenue  
Law

Human Services  
Treasury