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Fiscal Note

Drafting Number:	LLS 24-0885	Date:	February 13, 2024
Prime Sponsors:	Sen. Hinrichsen; Pelton B. Rep. Hartsook; Ortiz	Bill Status:	Senate State Affairs
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Bill Topic: CONTINUE COLORADO VETERANS' SERVICE-TO-CAREER PROGRAM

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill continues the Colorado Veterans' Service-to-Career Program in the Colorado Department of Labor and Employment until September 1, 2025. The bill increases state expenditures in FY 2024-25.

Appropriation Summary: For FY 2024-25, the bill requires an appropriation of \$500,000 to the Colorado Department of Labor and Employment

Fiscal Note Status: The fiscal note reflects the introduced bill.

**Table 1
State Fiscal Impacts Under SB 24-109**

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	General Fund	\$500,000	\$6,523
	Centrally Appropriated	\$9,359	\$1,560
	Total Expenditures	\$509,359	\$8,083
	Total FTE	0.5 FTE	0.1 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$75,000	-

Summary of Legislation

The bill extends the repeal of the Veterans' Service-to-Career program (program) in the Department of Labor and Employment (CDLE) from July 1, 2024 to September 1, 2025, and repeals the authority to appropriate money from the Marijuana Tax Cash Fund for the program. Instead, the program will be supported using General Fund.

State Expenditures

The Veterans' Service-to-Career program has been funded annually at \$500,000 from the Marijuana Tax Cash Fund and has 0.5 FTE for an administrator. As shown in Table 2, the fiscal note estimates that current spending levels on administration and grants will both continue the end of FY 2024-25, and staff costs only would continue for two months in FY 2025-26 through the program's repeal date in September 2025 (see Technical Note regarding the timing of the program extension). Centrally appropriated costs, which include employee insurance and supplemental employee retirement payments, are also estimated based on the continuation of current staff. Pursuant to Joint Budget Committee Policy, these costs are appropriated through the annual budget process, rather than in this bill.

Table 2
Expenditures Under SB 24-109

	FY 2024-25	FY 2025-26
Colorado Department of Labor and Employment		
Personal Services	\$38,497	\$6,416
Operating Expenses	\$640	\$107
Grant Funds	\$460,863	-
Centrally Appropriated Costs ¹	\$9,359	\$1,560
FTE – Personal Services	0.5 FTE	0.1 FTE
Total Cost	\$509,359	\$8,083

¹ Centrally appropriated costs are not included in the bill's appropriation.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

Technical Note

Currently the bill is anticipated to take effect on August 7, 2024, 90 days after the General Assembly adjourns sine die. The Veterans' Service-to-Career program is currently scheduled to repeal on July 1, 2024. Based on the bill's current effective date, the program would not have statutory authority to continue operations for about five weeks between Jul 1 and August 7. Should the program temporarily repeal, it may impact program operations, and FY 2024-25 expenditures would be less than estimated in this fiscal note.

State Appropriations

For FY 2024-25, the bill requires a General Fund appropriation of \$500,000 to the Colorado Department of Labor and Employment, and 0.5 FTE.

State and Local Government Contacts

Labor

Military Affairs

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).