


**Legislative
Council Staff**
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FISCAL NOTE

Drafting Number:	LLS 20-0210	Date:	February 11, 2020
Prime Sponsors:	Sen. Fields; Lee Rep. Larson; Michaelson Jenet	Bill Status:	Senate HHS
		Fiscal Analyst:	Jeff Stupak 303-866-5834 Jeff.Stupak@state.co.us

Bill Topic: HOME VISITING EXPANSION GRANT PROGRAM

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue <input checked="" type="checkbox"/> State Expenditure <input type="checkbox"/> State Transfer	<input type="checkbox"/> TABOR Refund <input type="checkbox"/> Local Government <input type="checkbox"/> Statutory Public Entity
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The bill creates a grant program in the Department of Human Services to expand access to home visiting programs to improve children's school readiness. The bill increases state expenditures beginning in FY 2020-21.

Appropriation Summary: The bill requires an appropriation of \$623,040 to the Department of Human Services in FY 2020-21.

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

Table 1
State Fiscal Impacts Under SB 20-144

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	\$714,068	\$712,229
	Centrally Appropriated	\$28,231	\$32,208
	Total	\$742,299	\$744,437
	Total FTE	0.4 FTE	0.5 FTE
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill creates a grant program in the Department of Human Services (DHS) to increase access to early childhood home visiting programs. The purpose of the grant program is to improve children's school readiness. The grant program has two cycles of three years each, and will award up to a total of \$2 million in grants for each cycle. The State Board of Human Services may develop criteria for the grant program, including eligibility of applicants and home visiting program models, timeline, and review and selection criteria. The grant program is repealed September 1, 2028.

DHS is required to prepare an evaluation report for each grant cycle, and to present the report as part of its next SMART Act report to its committee of reference.

Background

The Division of Community and Family Support within the DHS currently administers funding to five home visiting models. Three of these models are shown to improve school readiness: Parents as Teachers, Home Instruction for Parents of Preschool Youngsters, and Healthy Steps. DHS currently employs one FTE that administers two funding streams to support these three programs, which currently receives about \$8.6 million in funding.

Assumptions

The fiscal note assumes that funding will be administered to Home Instruction for Parents of Preschool Youngsters and Healthy Steps, as these programs have shown the strongest school readiness outcomes at the lowest cost.

State Expenditures

In FY 2020-21, the bill will increase general fund expenditures for DHS by \$742,299 and 0.4 FTE, and by \$744,437 and 0.5 FTE in FY 2021-22, as shown in Table 2 and discussed below.

Table 2
Expenditures Under SB 20-144

	FY 2020-21	FY 2021-22
Department of Human Services		
Personal Services	\$37,407	\$44,888
Operating Expenses	\$675	\$675
Capital Outlay Costs	\$6,200	-
Travel Mileage	\$3,120	-
Home Visiting Grants	\$666,666	\$666,666
Centrally Appropriated Costs*	\$28,231	\$32,208
Total Cost	\$742,299	\$744,437
Total FTE	0.4 FTE	0.5 FTE

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

Staff. DHS will hire 0.5 FTE program manager to manage the new grant program, write and promulgate rules, and prepare annual reporting. The program manager will also conduct program site visits, meet with local communities, and hold a grantee meeting each cycle, resulting in additional travel costs. Personal services costs in FY 2020-21 are prorated to reflect the August effective date and General Fund pay date shift.

Home visiting grants. The fiscal note assumes that the General Assembly will appropriate \$666,666 per year for the program (\$2.0 million per three-year grant cycle). Of these funds, \$600,000 will be expended on program contracts, which includes the cost of personnel for home visitors and supervisors; mileage for home visitors and travel costs for training; home visiting model affiliation or licensing fees; client support materials; and supplies and equipment. And \$66,666 will be expended on intermediary contracts, which includes the costs of providing training, coaching, and support for home visitors and supervisors; data systems for data collection; model fidelity monitoring; and evaluation. These expenditures will result in an additional 125 open slots in Home Instruction for Parents of Preschool Youngsters and another 516 open slots in Healthy Steps per year.

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. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$28,231 in FY 2020-21 and \$32,208 in FY 2021-22.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2020-21, this bill requires an appropriation of \$714,068 from the General Fund to the Department of Human Services.

Departmental Difference

The Department of Human Services estimates that under the bill it will have costs of \$796,995 and 0.8 FTE in FY 2020-21, and \$802,681 and 1.0 FTE in FY 2021-22 paid from the General Fund. However, DHS currently administers two home visiting programs totaling about \$8.6 million each year utilizing 1.0 FTE. Given that the new grant program will require the administration of approximately \$666,666 annually, the fiscal note assumes DHS will be able to accomplish this increase in workload with 0.5 FTE.

State and Local Government Contacts

Human Services

Information Technology

Law