



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 24-0465	Date:	January 29, 2024
Prime Sponsors:	Sen. Coleman Rep. Herod; Ricks	Bill Status:	Senate State Affairs
		Fiscal Analyst:	John Armstrong 303-866-6289 john.armstrong@coleg.gov

Bill Topic: **RACIAL EQUITY STUDY**

Summary of Fiscal Impact:	<input checked="" 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 requires History Colorado to study how Colorado law has contributed to systemic racism towards Black Coloradans and establishes a committee to assist this effort. The bill will increase expenditures through FY 2026-27.

Appropriation Summary: For FY 2024-25, the bill requires an appropriation of \$612,475 to the Department of Higher Education.

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

Table 1
State Fiscal Impacts Under SB 24-053

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue	Cash Funds	\$100,000	-
	Total Revenue	\$100,000	-
Expenditures	General Fund	\$512,475	\$640,438
	Cash Fund	\$100,000	-
	Centrally Appropriated Costs	\$91,418	\$111,973
	Total Expenditures	\$703,893	\$752,411
	Total FTE	4.9 FTE	6.0 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$76,871	\$96,066

Summary of Legislation

The bill requires the State Historical Society (History Colorado) to study past and ongoing effects of slavery and systemic racism on Black Coloradans. The goals of the study are to determine policies that have harmed Black Coloradans and the economic impact of these policies to Black Coloradans. History Colorado may contract with a third party to complete this study provided the third party meets certain requirements.

The bill establishes the Black Coloradan Racial Equity Steering Committee, consisting of the Executive Director of History Colorado and appointees from the Governor, Speaker of the House and President of the Senate, totaling 12 members. Members of the committee serve without compensation but may be reimbursed for expenses incurred.

History Colorado must conduct at least two public comment sessions to support this study and deliver a report to the General Assembly no later than July 2026. The report must include recommendations to revise K-12 history standards and increase public awareness of systemic racism to Coloradans.

State Revenue

In FY 2024-25, the bill is expected to increase state revenue to the Museums and Preservation Operating Account Cash Fund in History Colorado by \$100,000 from gifts, grants, and donations to conduct the study, as required by the bill. In future years, revenue may increase from additional gifts, grants, and donations, but no sources of gifts, grants, and donations have been identified. Gifts, grants, and donations are not subject to the state's TABOR revenue limit.

State Expenditures

The bill increases state expenditures in History Colorado in the Department of Higher Education by \$703,893 in FY 2024-25, \$100,000 of which is paid from History Colorado's Museums and Preservation Operating Account Cash Fund and the remainder coming the General Fund. The bill increases expenditures to History Colorado in FY 2025-26 by \$752,411 and by \$39,069 in FY 2026-27, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under SB 24-053

	FY 2024-25	FY 2025-26
History Colorado		
Personal Services	\$373,553	\$457,758
Operating Expenses	\$6,272	\$7,680
Capital Outlay Costs	\$40,020	-
Consulting Expenses	\$175,000	\$175,000
Meeting Expenses	\$17,630	
Centrally Appropriated Costs ¹	\$91,418	\$111,973
Total Cost	\$703,893	\$752,411
Total FTE	4.9 FTE	6.0 FTE

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

History Colorado. History Colorado will have staff, consulting, and meeting costs to meet the bill's requirements, as outlined below.

- **Staff.** History Colorado will require 6.0 FTE to conduct research to complete the study and write the required reports. These FTE include 1.0 FTE Program Manager, 4.0 FTE Research Associates specializing in fiscal impacts, educational impacts, criminal justice impacts, and healthcare impacts to Black Coloradans, and 1.0 FTE Economist to complete the economic study. Costs are prorated to assume an September 1, 2024, start date in FY 2024-25 only. Standard operating expenses and capital outlay costs are included.
- **Consulting expenses.** History Colorado will contract with other research agencies, including economic consultants, community representatives, descendant scholars, survivors of racism, and other experts in order to complete the study. Costs assume 500 hours of economic impact consultation and 200 hours of other research consultation at a rate of \$250 per hour for both.
- **Meetings expenses.** Travel reimbursement, food, supplies, and facilitation staff will incur expenses for the two required public comment sessions at a cost of \$8,815 per meeting, totaling \$17,630 in FY 2024-25. This assumes the minimum amount of public comment sessions required in the bill. If additional public comment sessions are needed to complete the study, additional resources will be requested through the annual budget process.

Legislative Branch. The bill may have a minimal fiscal impact on the Legislative Branch to cover travel expenses for the two legislators appointed to the steering committee. Adjustments to travel expenses will occur through the annual budget process, as necessary.

Governor’s Office. Workload will minimally increase for the Governor’s Office of Boards and Commissions to make the required appointment under the bill. This work can be accomplished within existing appropriations.

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 shown in Table 2.

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, except that subsections 1, 3, 5, and 6, which concern conducting the study, do not take effect unless the state receives a gift, grant, or donation of \$100,000.

State Appropriations

For FY 2024-25, the bill requires an appropriation of \$612,475 and 4.9 FTE to the Department of Higher Education for use by History Colorado. Of this amount, \$100,000 is paid from the Museums and Preservation Operating Account Cash Fund and \$512,475 is paid from the General Fund.

State and Local Government Contacts

History Colorado

Legislative Council Staff

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](#).