



**Colorado  
Legislative  
Council  
Staff**

**HB16-1209**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-0414

**Date:** June 30, 2016

**Prime Sponsor(s):** Rep. Rankin; Becker K.

**Bill Status:** Postponed Indefinitely

**Fiscal Analyst:** Chris Creighton (303-866-5834)

**BILL TOPIC:** WORKING GROUP TO STUDY PROGRAM EVALUATION

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
<b>State Revenue</b>		
<b>State Expenditures</b>	<b><u>\$42,446</u></b>	<b><u>\$42,557</u></b>
General Fund	37,331	37,331
Centrally Appropriated Costs	5,135	5,226
<b>FTE Position Change</b>	0.4 FTE	0.4 FTE
<b>Appropriation Required:</b> \$13,690 - Legislative Department (FY 2016-17) \$23,641 - Governor's Office (FY 2016-17)		
<b>Future Year Impacts:</b> Ongoing state expenditure increase.		

**Note:** This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

**Summary of Legislation**

This bill creates a Results First Working Group (working group) that consists of up to ten members appointed by the Governor, no later than August 15, 2016. The membership structure and term of membership are also specified. Members of the working group are entitled to expense reimbursement and the working group will be staffed by the Governor's Office and Legislative Department, specifically Legislative Council Staff (LCS) and Joint Budget Committee Staff (JBC). Duties of the working group include:

- setting common definitions and standards for evidence based practices in the state;
- examining resource and infrastructure needs to build state program evaluation capacity;
- establishing state program evaluation practices that encourage continuous evaluation and innovation; and
- making legislative, policy, and budget recommendations to the General Assembly, the Governor's Office, and Executive Branch agencies regarding program evaluation practices.

The working group is set to repeal on December 31, 2019.

**Background**

The Results First Initiative, a project of The Pew Charitable Trusts and the John D. and Catherine T. MacArthur Foundation, is a cost-benefit analysis model designed to help states make decisions about resource allocation based on program evaluations. Colorado's project was initiated in July 2014 as a partnership between the Governor's Office and the General Assembly. The project is managed by Office of State Planning and Budgeting and has two dedicated full-time staff. Since its inception, the project has focused on the adult and juvenile justice and child welfare systems and is currently reviewing behavioral health programs.

**State Expenditures**

This bill increases state General Fund expenditures by **\$42,466 and 0.4 FTE in FY 2016-17 and \$42,557 and 0.4 FTE in FY 2017-18 and future years.** These costs are summarized in Table 1 and discussed below.

<b>Table 1. Expenditures Under HB-1209</b>		
<b>Cost Components</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
<b>Legislative Department (LCS &amp; JBC)</b>	<b>\$13,690</b>	<b>\$13,690</b>
Personal Services	\$11,254	\$11,254
FTE	0.2 FTE	0.2 FTE
Legislator Expense Reimbursement	2,436	2,436
<b>Governor's Office</b>	<b>\$23,641</b>	<b>\$23,641</b>
Personal Services	11,254	11,254
FTE	0.2 FTE	0.2 FTE
Working Group Member Cost Reimbursement	12,387	12,387
Centrally Appropriated Costs*	5,135	5,226
<b>TOTAL</b>	<b>\$42,466</b>	<b>\$42,557</b>

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

**Legislative Department.** It is assumed that the working group will meet six times per year and this will require \$13,690 for 0.2 FTE for LCS and JBC to staff the working group meetings. Staff will help organize meetings, provide technical assistance, and assist in drafting working group recommendations. This analysis also assumes two legislators will be appointed to the working group. Expense reimbursement costs for legislators participating in the working group include travel expenses and per diem totaling \$203 per meeting for a total of \$2,436 for six meetings. If more than two legislatures are appointed to the working group, additional appropriations for expense reimbursement will be needed and will be requested through the annual budget process.

**Governor's Office.** Governor's Office staff will also be required to staff the working group and this requires \$11,254 and 0.2 FTE. Expense reimbursements for the Governor's Office totals \$12,387 to members of the working group. This assumes:

- mileage reimbursement to attend six meetings for four non-legislative members located outside of the Denver metro area;

- travel costs for members or staff to attend two out-of-state program evaluation conferences; and
- travel costs associated with field experts traveling to Colorado to provide expertise on program evaluation.

This analysis also assumes that four members of the working group will be located in the Denver metro area and will not submit for expense reimbursements. Actual expense reimbursement costs will depend on the final make up of the working group after all appointments have been made and the number of meetings held. If additional appropriations are needed, they will be requested through the annual budget process.

**Other state agencies.** Workload increases are expected in other state agencies that will be participating in the working group or asked to provide data and information to help evaluate state programs. This includes the Judicial Department, which will have at least one member on the working group and the Department of Higher Education, which will work with the group to evaluate state education programs. The Department of Personnel and Administration will also incur additional workload to evaluate procurement practices and examine performance-based contracting. These workload increases are expected to be minimal and will not require an increase in 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. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

<b>Cost Components</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$3,209	\$3,209
Supplemental Employee Retirement Payments	1,926	2,017
<b>TOTAL</b>	<b>\$5,135</b>	<b>\$5,226</b>

### **Local Government Impact**

Minimal workload increases are expected for the local governments to submit program evaluations and respond to other requests for information.

### **Effective Date**

The bill was postponed indefinitely by the Legislative Council on May 6, 2016.

### **State Appropriations**

For FY 2016-17, this bill requires a General Fund appropriation of \$13,690 and an allocation of 0.2 FTE to the Legislative Department and a General Fund appropriation of \$23,641 and allocation of 0.2 FTE to the Governor's Office.

## State and Local Government Contacts

Governor's Office  
Judicial

Information Technology  
Legislative Council

Joint Budget Committee  
State Planning and Budgeting