



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

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| Drafting Number: LLS 19-0905 | Date: April 22, 2019 |
| Prime Sponsors: Sen. Moreno | Bill Status: Senate Appropriations |
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Bill Topic: SMART COMMITTEE HEARINGS

Summary of Fiscal Impact:

| | |
|---|--|
| <input type="checkbox"/> State Revenue | <input type="checkbox"/> TABOR Refund |
| <input checked="" type="checkbox"/> State Expenditure | <input type="checkbox"/> Local Government |
| <input type="checkbox"/> State Transfer | <input type="checkbox"/> Statutory Public Entity |

The bill reschedules SMART Act hearings to the first two weeks of each regular legislative session. It decreases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2019-20, the bill requires a decrease in appropriations of \$37,422 to the General Assembly.

Fiscal Note Status: The fiscal note reflects the introduced bill, as recommended by the Joint Budget Committee.

Table 1
State Fiscal Impacts Under SB 19-252

| | FY 2019-20 | FY 2020-21 |
|------------------------|-------------------|-------------------|
| Revenue | - | - |
| Expenditures | | |
| General Fund | (\$37,422) | (\$37,422) |
| Centrally Appropriated | (\$1,871) | (\$1,871) |
| Total | (\$39,293) | (\$39,293) |
| Transfers | - | - |
| TABOR Refund | - | - |

Summary of Legislation

The bill changes the timing of departmental presentations to legislative joint committees of reference under the State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act. The hearings currently take place between November 1 and the commencement of the legislative session; the bill moves the hearings to within the first two weeks of the legislative session, starting in the 2020 legislative session. The bill eliminates a requirement that appointments to committees of reference take place by December 1 preceding the convening of the legislature.

Background

SMART Act hearings were established by House Bill 10-1119. The bill created performance-based budgeting requirements for state agencies and an oversight role for legislative committees over assigned state agencies within their subject matter jurisdiction. At these hearings, agencies present their performance plan, regulatory agenda, budget request, and legislative agenda.

State Expenditures

The bill reduces General Fund expenditures in the Legislative Department by \$39,293 in FY 2019-20 and future years. Legislators are eligible for per diem and expense reimbursement for attending committee meetings, including SMART Act hearings, that take place when the legislature is not in session. These costs average \$198 per member per meeting. The fiscal note assumes a reduction of 9 joint committees meeting once per year and averaging 21 legislators in attendance. Holding SMART Act hearings during the regular legislative session eliminates the per diem and reimbursement expenditures required to hold these hearings during the interim. These impacts are shown on Table 2.

Table 2
Reduced Expenditures Under SB 19-252

| | |
|---|-----------------|
| Legislative Department | |
| Number of Joint Committees of Reference | 9 |
| Number of Meetings | 1 |
| Legislators per Meeting | 21 |
| Per Diem and Reimbursement per Member per Meeting | \$198 |
| Annual Cost Savings | \$37,422 |

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. Supplemental employee retirement payments associated with legislator per diem are estimated to decrease by \$1,871 per year starting in FY 2019-20.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2019-20, the bill requires a decrease in General Fund appropriations to the General Assembly of \$37,422.

State and Local Government Contacts

All State Agencies