



Legislative  
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*Nonpartisan Services for Colorado's Legislature*

**HB 20-1122**

**REVISED  
FISCAL NOTE**

(replaces fiscal note dated January 22, 2020)

**Drafting Number:** LLS 20-0738  
**Prime Sponsors:** Rep. Hooton; Larson  
Sen. Todd; Hisey

**Date:** March 26, 2020  
**Bill Status:** House Appropriations  
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**Bill Topic:** **HOMELESS YOUTH SERVICES ACT & GRANT PROGRAM**

**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

This bill repeals, reenacts, and makes updates to the Office of Homeless Youth Services in the Department of Local Affairs and creates a new grant program. This bill increases state expenditures through FY 2023-24.

**Appropriation Summary:** This bill requires an appropriation of \$1.3 million to the Department of Local Affairs. The bill also authorizes the Department of Local Affairs to use a continuously appropriated fund for the purposes outlined in the bill. See State Expenditures section.

**Fiscal Note Status:** This fiscal note reflects the introduced bill, as amended by the Public Health Care and Human Services Committee.

**Table 1  
State Fiscal Impacts Under HB 20-1122**

		FY 2020-21	FY 2021-22
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund*	up to \$1,269,252	\$17,327
	Centrally Appropriated	\$6,694	\$6,519
	<b>Total</b>	<b>up to \$1,275,946</b>	<b>\$23,846</b>
	<b>Total FTE</b>	<b>0.3 FTE</b>	<b>0.3 FTE</b>
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

\* The bill allows money in the Housing Development Grant Fund, which is continuously appropriated to DOLA, to be used to fund the grant program created by the bill. However, because it is unknown whether or not money will be available in the fund to support both the new program and current uses of the fund, the fiscal note assumes General Fund is required.

**Summary of Legislation**

This bill repeals, reenacts, and makes updates to the Office of Homeless Youth Services in the Department of Local Affairs (DOLA). In addition, the bill creates a new grant program to award up to five grants of \$250,000 each to existing organizations that provide a variety of services to homeless youth as outlined in the bill. Grants must be awarded by January 1, 2021. The bill allows DOLA to use money in the existing Housing Development Grant Fund to support the new grant program. The Housing Development Grant Fund is continuously appropriated to DOLA and is used to support a range of existing affordable housing initiatives. DOLA is required to submit a report to the General Assembly by March 1, 2023, summarizing the status of youth experiencing or at risk of experiencing homelessness and the impact of the grant program. The grant program is repealed on July 1, 2023.

**State Expenditures**

This bill increases expenditures in DOLA by up to \$1.3 million and 0.3 FTE in FY 2020-21 and by \$35,498 and 0.3 FTE in FY 2021-22 as shown in Table 2 and discussed below. It is assumed that these expenses will be paid from the General Fund. The bill will also increase workload in the Department of Public Health and Environment.

**Table 2  
 Expenditures Under HB 2020-1122**

	<b>FY 2020-21</b>	<b>FY 2021-22</b>
<b>Department of Local Affairs</b>		
Personal Services	\$19,252	\$28,879
Grant Rewards	up to \$1,250,000	-
Centrally Appropriated Costs*	\$6,694	\$6,619
FTE – Personal Services	0.3 FTE	0.3 FTE
<b>Total Cost</b>	<b>up to \$1,275,946</b>	<b>\$35,498</b>
<b>Total FTE</b>	<b>0.3 FTE</b>	<b>0.3 FTE</b>

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

**Department of Local Affairs.** Starting in FY 2020-21, DOLA requires 0.3 FTE to promulgate rules for the program, review applications, award grants, oversee the program, and report to the General Assembly. Costs for FY 2020-21 are prorated for the General Fund paydate shift and an August 1, start date, and are based on the costs of awarding the grants described below.

*Grant awards.* In FY 2020-21, expenditures in DOLA will increase by up to \$1.25 million to award up to five grants of \$250,000 each. The actual grant amount awarded will depend on the amount of money appropriated to the grant program. It is assumed that grants awarded in FY 2020-21 will be used by recipients across multiple years through the program's repeal on July 1, 2023.

*Funding assumptions.* The fiscal note assumes that General Fund will be required to fully fund the new grant program, as the Housing Development Grant Fund is currently used to support other affordable housing initiatives. DOLA is currently working with stakeholders and a task force to determine the uses of money in the Housing Development Grant Fund, and it is unknown how much, if any, will remain for the new program. If General Fund is not appropriated for the new grant program through this bill, available funding from the Housing Development Grant Fund may be less than the amounts authorized under this bill.

**Department of Public Health and Environment.** Starting in FY 2020-21, workload to the Colorado Department of Public Health and Environment will increase to the extent it is consulted by DOLA. No change in appropriations is required.

**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 supplemental employee retirement payments, and leased space, are estimated to be \$6,694 in FY 2020-21 and \$6,619 in FY 2021-22.

## Technical Note

Under the timeline established by the bill, the earliest that rules could be adopted through the normal rulemaking process is December 15, 2020. This allows just two weeks to make awards, which is a difficult timeline for the department to meet.

## 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

In FY 2020-21, this bill requires a General Fund appropriation of \$1,269,252 and 0.3 FTE to the Department of Local Affairs.

## State and Local Government Contacts

Counties  
Judicial

Human Services  
Local Affairs

Information Technology  
Public Health and Environment