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Fiscal Note

Drafting Number: LLS 21-0310 Date: March 05, 2021
Prime Sponsors: Rep. Bird; Rich Sen. Story; Woodward Bill Status: House Trans. & Local Govt.
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Bill Topic: ANNUAL PUBLIC REPORT ON AFFORDABLE HOUSING

- Summary of Fiscal Impact:
- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

This bill requires the Division of Housing in the Department of Local Affairs to prepare an annual report on funding for affordable housing. It increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2021-22, this bill requires an appropriation of \$207,597 to the Department of Local Affairs.

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

Table 1
State Fiscal Impacts Under HB 21-1028

Table with 4 columns: Category, Budget Year FY 2021-22, Out Year FY 2022-23, and values for Revenue, Expenditures, Transfers, and TABOR Refund.

Summary of Legislation

This bill requires the Division of Housing (DOH) in the Department of Local Affairs (DOLA) to prepare an annual report beginning October 1, 2021 identifying the sources and allocation of funding for affordable housing during the prior fiscal year. The report must include:

- the total amount of funding received from all sources;
- the total amount of funding spent through grants or loans;
- the characteristics of each project receiving assistance; and
- a comprehensive analysis of funding sources and any applicable restrictions.

The DOH is required to post the annual report on its website and report to the legislative committees of reference.

Background

The Division of Housing currently administers about 28 housing programs with different reporting requirements. Reports on program operations currently require an estimated workload of 4,000 staff hours annually. Many of these reports are produced on a federal fiscal or calendar year basis; as such, the data is not directly transferable to the annual report required by this bill.

State Expenditures

This bill increases state expenditures by \$220,150 and 0.8 FTE in FY 2021-22, and by \$90,261 and 0.6 FTE in FY 2022-23 and future years in the DOLA. These costs are shown in Table 2 and discussed below.

Table 2
Expenditures Under HB 21-1028

Cost Components	FY 2021-22	FY 2022-23
Department of Local Affairs		
Personal Services	\$50,317	\$30,676
Operating Expenses	\$1,080	\$810
Capital Outlay Costs	\$6,200	-
Consulting and Software Development	\$100,000	\$
Software Licensing and Data Management	\$50,000	\$50,000
Centrally Appropriated Costs ¹	\$12,553	8,775
FTE – Personal Services	0.8 FTE	0.6 FTE
Total	\$220,150	\$90,261
Total FTE	0.8 FTE	0.6 FTE

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

Personal Services. The reporting requirements require an estimated 1,828 additional staff hours to produce the initial annual report, with hours falling in subsequent years. This includes staff time to gather, verify, and format data, and translate information from existing reports into a state fiscal year. The majority of staff hours required are for reporting on federally-funded programs.

Software development and data management. In order to consolidate data and compile comprehensive reports, DOH requires management consulting and software development services to develop a data consolidation platform, or Enterprise Data Warehouse (EDW), and for ongoing software licensing and data management services.

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 \$12,553 in FY 2021-22 and \$8,775 in FY 2022-23.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2021-22, this bill requires a General Fund appropriation of \$207,597 to the Department of Local Affairs, and 0.8 FTE.

State and Local Government Contacts

Information Technology

Local Affairs