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Fiscal Note

Drafting Number: LLS 21-0865 **Date:** April 9, 2021
Prime Sponsors: Rep. Amabile **Bill Status:** House HHS
 Sen. Story; Hisey **Fiscal Analyst:** Aaron Carpenter | 303-866-4918
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Bill Topic: COLORADO CHILDREN'S TRUST FUND ACT

Summary of Fiscal Impact:

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

The bill expands and changes the power, duties, and membership of the Colorado Children's Trust Fund Board. The bill increases state expenditures on an ongoing basis, and potentially diverts fee revenue if certain conditions are met.

Appropriation Summary: The bill requires an appropriation of \$890 to the Legislative Department.

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

Table 1
State Fiscal Impacts Under HB 21-1248

	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue	-	-
Expenditures		
General Fund	\$890	\$3,294
Centrally Appropriated	\$79	\$138
Total Expenditures	\$969	\$3,432
Transfers	-	-
TABOR Refund	-	-

Summary of Legislation

This bill makes several changes to the operations of the Colorado Children's Trust Fund (CCTF) and the membership of its board.

CCTF board membership and powers. The bill increases the membership of the CCTF board from 9 to 17 members. The bill adds 10 new members and removes 2 members that are appointed by the Governor. The bill also imposes a two-term limit on appointed board members.

The new members include:

- the director of the Department of Health Care Policy and Financing (HCPF) or their designee;
- the director of the Department of Local Affairs (DOLA) or their designee;
- the Child Protection Ombudsman;
- two members who represent county leadership in public health, human, or social services;
- three members appointed by the executive director of DHS who are community members with certain lived experiences; and
- two legislators, with one member appointed by the President of the Senate and one member appointed by the Speaker of the House of Representatives.

The bill also renames the fund as the "Colorado Child Abuse Prevention Trust Fund" and expands the duties and powers of the board to:

- advise and make recommendations regarding any state plan developed to prevent child maltreatment;
- develop strategies to increase child and caregiver well-being and achievement and to decrease child maltreatment;
- assist public and private agencies in coordinating efforts on behalf of families;
- identify opportunities for, and barriers to, the alignment of standards, rules, policies, and procedures across programs and agencies that support families;
- collaborate with other relevant boards, commissions, and councils that exist within the executive branch to address services and supports for families;
- promote academic research on the efficacy and cost-effectiveness of child maltreatment prevention initiatives; and
- distribute money and make grant awards from the Colorado Child Abuse Prevention Trust Fund;

CCTF revenue and spending. Under current law, the CCTF board is only allowed to spend 75 percent of money credited to the CCTF until the total amount of assets in the fund exceeds \$5 million, and once this threshold is reached, court docket fees are no longer deposited into the fund. This bill repeals these statutory restrictions on both fee collection to and spending from the fund. The bill removes the authority to award grants to home visitation programs, and does not allow grants to be used for political, election, or lobbying purposes.

Reporting and repeal deadlines. The bill extends the deadline for the Department of Human Services (DHS) to provide a report to the General Assembly evaluating CCTF expenditures and impacts of grants from November 1, 2021 to November 1, 2026. The bill also extends the repeal date of the CCTF and board to July 1, 2027.

Background

Under current law, the CCTF collects \$15 from each docket fee collected on a proceeding for the dissolution of marriage or civil union. In addition, the CCTF receives a portion of the General Fund appropriation for child sexual abuse prevention activities. According to the CCTF board's 2021 meeting schedule, the board meets once a month.

Assumptions and Data

The fiscal note assumes that the CCTF board will meet once a month and that 4 meetings in FY 2021-22 and 7 meetings in FY 2022-23 will occur during the interim, requiring legislator per diem. In addition, the fiscal note assumes that the first meeting a legislator may attend is in October 2021 and that meetings will be held virtually in FY 2021-22.

For FY 2021-22, the CCTF is estimated to have a fund balance of about \$2.5 million. Fee revenue to the fund is approximately \$426,000 per year from docket fees on domestic relations case filings.

State Diversions

By allowing court docket fees to be deposited into the CCTF even when the fund balance exceeds \$5.0 million, the bill potentially diverts fee revenue from the General Fund to the CCTF. The diversion would be approximately \$426,000 per year. However, since the CCTF fund balance is not expected to exceed \$5.0 million over the forecast period of this fiscal note, no diversion from the General Fund is expected.

State Expenditures

The bill will increase state General Fund expenditures in the Legislative Department by \$969 in FY 2021-22 and \$3,432 in FY 2022-23. It also increases workload for various agencies. These costs are summarized in Table 2 and discussed below.

Table 2
Expenditures Under HB 21-1248

	FY 2021-22	FY 2022-23
Legislature Department		
Legislator Per Diem	\$890	\$1,558
Travel	-	\$1,736
Centrally Appropriated Costs ¹	\$79	\$138
Total Cost	\$969	\$3,432

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

Legislative Department. The Legislative Department will have increased costs of \$890 in FY 2021-22 and \$3,293 in FY 2022-23 to provide per diem and reimbursement of travel expenses the two members of the General Assembly who are appointed to the CCTF board. This cost is based on per diem of \$111 and travel costs of \$124 per member for each meeting. Travel costs only occur in FY 2022-23 due to the assumption that in-person meetings of the CCTF board will not begin until FY 2022-23. Per diem and travel expenses are only provided for meetings occurring outside of the legislative session.

CCTF Board Membership. The Office of the Child Protection Ombudsman, HCPF, and DOLA will have increased workload for staff to serve on the CCTF board. The Colorado Department of Public Health and Environment and the Colorado Department of Education, which currently have representatives on the board, may also have increased workload associated with the expanded duties of the board. In addition, workload to the DHS will increase to support additional members of the board. These increases can be accomplished within existing appropriations to each agency.

Child abuse prevention spending. By removing the restriction on spending from the CCTF, the bill increases the amount of funding available for grants and other disbursements from the fund. Money in the CCTF is subject to annual appropriation by the General Assembly and any change in appropriations is at the discretion of the General Assembly. To the extent that more grants are provided, or the modified board directs grant funding for different purposes, the bill may impact the number of dependency and neglect case filings and the services provided by various agencies in the judicial and child welfare systems, and their associated costs. These impacts cannot be estimated and will be addressed through the annual budget process.

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 \$79 in FY 2021-22 and \$138 in FY 2022-23.

Local Government

Among the new board members, two appointees must be representatives of county leadership in the areas of public health and human or social services. This workload impact for counties is expected to be minimal. To the extent additional grant funding is made available from the CCTF or grant funding is distributed in a different manner, funding to any recipient counties may be impacted.

Effective Date

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

State Appropriations

The bill requires a General Fund appropriation of \$890 to the General Assembly within the Legislative Department.

State and Local Government Contacts

Child Protection Ombudsman
Health Care Policy and Financing
Legislative Council Staff
Public Health and Environment

Counties
Human Services
Local Affairs