



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 21-1035 **Date:** May 21, 2021
Prime Sponsors: Sen. Hansen; Rankin **Bill Status:** Senate Appropriations
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Bill Topic: **EVIDENCE-BASED EVALUATIONS FOR BUDGET**

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 establishes procedures to incorporate evidence-based research into the state budget process. It increases state expenditures on an ongoing basis.

Appropriation Summary: In FY 2021-22, the bill requires and includes an appropriation of \$41,245 to the Joint Budget Committee Staff in the Legislative Department.

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

Table 1
State Fiscal Impacts Under SB 21-284

	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue	-	-
Expenditures		
General Fund	\$41,245	\$109,986
Centrally Appropriated	\$6,171	\$19,513
Total Expenditures	\$47,416	\$129,499
Total FTE	0.3 FTE	1.0 FTE
Transfers	-	-
TABOR Refund	-	-

Summary of Legislation

The bill establishes procedures to incorporate evidence-based research into the state budget process. The bill provides definitions related to evidence-based evaluations of budget proposals. If a state agency or the Office of State Planning and Budgeting includes an evidence-based evaluation of a program in a budget request or budget amendment request, it must utilize the new definitions and provide the following:

- any research that supports the program implementation or expansion;
- any research that supports a decrease in funding for ineffective or harmful programs; and
- information on how the evidence was used in the development of the request.

If a state agency provides an evidence-based evaluation of a budget request, Joint Budget Committee (JBC) staff must:

- independently analyze and describe the program using the new definitions;
- include the evidence-based information in their recommendations;
- consider any available evidence-based information when determining the appropriate level of funding for a program; and
- upon request, assist legislators in incorporating evidence-based assessments into legislation.

State Expenditures

In FY 2021-21, the bill increases state expenditures for the JBC Staff by \$47,416 in FY 2021-22, and \$129,499 in FY 2022-23. Costs are paid from the General Fund and listed in Table 2.

Table 2
Expenditures Under SB 21-284

	FY 2021-22	FY 2022-23
Joint Budget Committee Staff		
Personal Services	\$35,045	\$105,136
Operating Expenses	-	\$3,750
Capital Outlay Costs	\$6,200	-
Professional Development	-	\$1,100
Centrally Appropriated Costs ¹	\$6,171	\$19,513
Total Cost	\$47,416	\$129,499
Total FTE	0.3 FTE	1.0 FTE

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

Legislative Department – JBC Staff. JBC Staff requires 0.3 FTE in FY 2021-22 and 1.0 FTE in FY 2022-23 to hire an additional legislative budget and policy analyst. Associated costs include capital outlay, operating expenses, and, beginning in FY 2022-23, professional development costs consistent with current JBC staff practices.

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 \$6,171 in FY 2021-22 and \$19,513 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, the bill requires and includes a General Fund appropriation of \$41,245 to the Joint Budget Committee Staff in the Legislative Department, and 0.3 FTE.

State and Local Government Contacts

Joint Budget Committee Staff