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Fiscal Note

Drafting Number:
Prime Sponsors:

LLS 22-0123
Rep. Duran; Ortiz
Sen. Pettersen

Date: February 28, 2022
Bill Status: House SCMVA
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Bill Topic:

VETERANS RESOURCE INFO CLEARINGHOUSE ONLINE PORTAL

Summary of Fiscal Impact:

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill requires the Department of Military and Veterans Affairs to create and maintain an online portal providing access to a resource clearing house, community support and health services. The bill will increase state expenditures on an ongoing basis.

Appropriation Summary:

For FY 2022-23, the bill requires an appropriation of \$434,924 to the Department of Veterans and Military Affairs.

Fiscal Note Status:

The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under HB 22-1219

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	General Fund	\$422,001	\$434,310
	Centrally Appropriated Costs	\$12,923	\$16,563
	Total Expenditures	\$434,924	\$450,873
	Total FTE	0.8 FTE	1.0 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$63,300	\$65,147

Summary of Legislation

Under current law, the Department of Military and Veterans Affairs (DMVA) must maintain a veterans' resource information clearinghouse with support, services, and assistance for veterans and their families. This bill requires DMVA to contract with a third-party vendor to create and maintain an online internet resource portal for veterans to access the clearinghouse. The portal must allow veterans to maintain a secure and personalized health record system and coordinate their healthcare, community, and support services. The portal must comply with Americans with Disabilities Act requirements and state accessibility standards.

State Expenditures

The bill increases state expenditures in DMVA by \$509,844 in FY 2022-23 and \$541,750 in FY 2023-24 from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under HB 22-1219

	FY 2022-23	FY 2023-24
Department of Military and Veterans Affairs		
Personal Services	\$54,721	\$72,960
Operating Expenses	\$1,080	\$1,350
Capital Outlay Costs	\$6,200	-
Third Party Vendor Contract	\$360,000	\$360,000
Centrally Appropriated Costs ¹	\$12,923	\$16,563
Total Cost	\$434,924	\$450,873
Total FTE	0.8 FTE	1.0 FTE

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

Department of Military & Veterans Affairs. The department will hire a marketing and communication specialist to oversee the online portal and create and maintain content on the portal, including outreach to the veterans' community. The position will also market the clearinghouse itself so that veterans, family members, and other stakeholders are aware of the resource and how to access it. Additionally, the department will hire an administrator to research and apply to existing grants that may cover the costs of the resource portal in fiscal out years. The administrator will also be responsible for data collection and ensuring that the third-party vendor is in compliance with grant provisions, regulations, and applicable statutes at the state and federal level. Personal services costs in FY 2022-23 are prorated for a September 1 start date and the General Fund pay date shift. Standard operating and capital outlay costs are included.

- **Third party vendor.** The bill authorizes the department to contract with a third party vendor to create and maintain the online portal. The department will organize and oversee a competitive bid process to source a third party vendor. The fiscal note estimates that \$360,000 will be needed annually to create, maintain, and regularly update the portal as needed. In out years, to the extent federal grant funds are obtained, the state cost associated with the third party contract will be less than estimated.

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 shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, which will decrease the amount of General Fund available for other purposes.

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 2022-23, the bill requires an appropriation of \$434,924 to the Department of Veterans and Military Affairs, and 0.8 FTE.

State and Local Government Contacts

Information Technology

Military Affairs