

*Colorado Legislative Council Staff Fiscal Note*  
  
**STATE**

**REVISED CONDITIONAL FISCAL IMPACT**

(replaces fiscal note dated March 22, 2010)

**Drafting Number:** LLS 10-0710

**Date:** April 22, 2010

**Prime Sponsor(s):** Sen. Penry  
 Rep. Curry

**Bill Status:** Senate Appropriations

**Fiscal Analyst:** Kerry White (303-866-3469)

**TITLE:** CONCERNING THE CREATION OF EFFICIENCIES IN GOVERNMENTAL ENTITIES THAT PROVIDE SERVICES TO THE PEOPLE OF THE STATE.

Fiscal Impact Summary	FY 2010-11	FY 2011-12	FY 2012-13
State Revenue			
State Expenditures			
FTE Position Change			
<b>Effective Date:</b> Upon signature of the Governor, or upon becoming law without his signature.			
<b>Appropriation Summary for FY 2010-2011:</b> None required.			
<b>Local Government Impact:</b> None.			

**Summary of Legislation**

As amended by the Senate State, Veterans, and Military Affairs Committee, this bill, at the discretion of the governor, authorizes the state controller on June 30 of each fiscal year to:

- ▶ calculate an amount equivalent to the General Fund monies appropriated by all bills vetoed in whole or in part by the governor during any legislative session held within that fiscal year;
- ▶ calculate an amount equal to any General Fund remaining in excess of the amount required to be retained in reserve; and
- ▶ increase the General Fund held in reserve by the amounts vetoed by the Governor or calculated to be in excess of the required reserve, beginning in FY 2012-13.

**State Expenditures**

This bill is assessed as having a conditional fiscal impact. The bill does not affect net state expenditures, but as of FY 2012-13, it allows the governor to increase the amount of General Fund held in reserve at the end of a fiscal year. Should the governor exercise this option, the amount of monies otherwise available for appropriation to state agencies in the following fiscal year will be reduced.

Based on the actual bills vetoed by the governor and General Fund reversions from the past 4 fiscal years, the fiscal note assumes that on average, **an additional \$13,436,142 could be held in reserve in a given fiscal year.** It should be noted that this amount varies greatly from year to year, as shown in Table 1.

<b>Table 1. Net General Fund Reversions and Impact of Vetoed Bills</b>				
	<b>FY 2005-06</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>
Net GF Reversions	\$4,042,000	\$13,998,546	(\$13,934,308)	\$16,652,668
Net Bills Vetoed	32,903,270	57,745	24,646	0
<b>TOTAL</b>	<b>\$36,945,270</b>	<b>\$14,056,291</b>	<b>(\$13,909,662)</b>	<b>\$16,652,668</b>
<b>4-Year Average</b>				<b>\$13,436,142</b>

**Departments Contacted**

All Departments