



Legislative Council Staff

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Fiscal Note

Drafting Number: LLS 21-1034
Prime Sponsors: Sen. Moreno; Rankin

Date: May 25, 2021
Bill Status: Senate Appropriations
Fiscal Analyst: Matt Bishop | 303-866-4796
Matt.Bishop@state.co.us

Bill Topic: **TECHNOLOGY RISK PREVENTION & RESPONSE FUND**

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 creates the Technology Risk Prevention and Response Fund for use the Office of Information Technology, and increases the limit of money transferred between items of appropriation made to principal departments and the Office of the Governor. It increases state expenditures beginning in FY 2021-22.

Appropriation Summary: The bill includes a General Fund appropriation of \$2.0 million to the Technology Risk Prevention and Response Fund.

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

**Table 1
State Fiscal Impacts Under SB 21-287**

	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue	-	-
Expenditures	Cash Funds up to \$1.0 million	up to \$1.0 million
Transfers	-	-
TABOR Refund	-	-

Summary of Legislation

The bill creates the Technology Risk Prevention and Response Fund and appropriates \$2.0 million to the fund for FY 2021-22. Half of the money in the fund at the beginning of each fiscal year is continuously appropriated to the Office of Information Technology to address one-time costs associated with an information technology emergency, ensuring compliance with the office's standards or policies, or preventing risk from information technology debt. Every three months, starting November 1, 2022, the office must submit a report to the Joint Budget Committee and the Joint Technology Committee on expenditures from the account.

The bill increases the limit of money transferred between items of appropriation made to principal departments and the Office of the Governor, which includes the Office of Information Technology, from \$5 million to \$10 million.

State Expenditures

In FY 2021-22, expenditures in the Office of Information Technology may increase by up to \$1.0 million if the conditions for an expenditure from the fund are met. This reflects half of the amount appropriated to the fund, as 50 percent of the fund's balance is continuously appropriated.

In subsequent years, potential expenditures depend on the same conditions being met, the fund's beginning balance, and any additional money transferred or appropriated to the fund by the General Assembly. Table 1 shows the maximum outyear expenditure if the fund is not used in FY 2021-22; any expenditures in FY 2021-22 will reduce the amount available in FY 2022-23 and subsequent fiscal years. Workload will also increase in the office to prepare and submit reports. This can be accomplished within existing appropriations.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2021-22, the bill includes an appropriation of \$2.0 million from the General Fund to the Technology Risk Prevention and Response Fund, for use by the Office of Information Technology.

State and Local Government Contacts

Governor	Information Technology	Joint Budget Committee Staff
Legislative	Personnel	Treasury