

**STATE  
FISCAL IMPACT**

**Drafting Number:** LLS 13-0383

**Date:** February 1, 2013

**Prime Sponsor(s):** Rep. Joshi

**Bill Status:** House SVMA

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

**TITLE:** CONCERNING A LIMIT ON THE AMOUNT OF GENERAL FUND APPROPRIATIONS TO THE EXECUTIVE BRANCH FOR COSTS ASSOCIATED WITH MEMBERSHIP TO PROFESSIONAL ORGANIZATIONS.

<b>Fiscal Impact Summary</b>	<b>FY 2013-2014</b>	<b>FY 2014-2015</b>
<b>State Revenue</b>		
<b>State Transfers</b> General Fund to the State Education Fund	See State Transfers section.	
<b>State Expenditures</b> General Fund	See State Expenditures section.	
<b>FTE Position Change</b>		
<b>Effective Date:</b> Upon signature of the Governor, or upon becoming law without his signature.		
<b>Appropriation Summary for FY 2013-2014:</b> None required.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

This bill places a cap on the amount of General Fund moneys that may be used by Executive Branch agencies to pay the cost of memberships in professional organizations. As of FY 2013-14, the cap is \$2 million General Fund. The difference between prior expenditures and the \$2 million cap is to be transferred from the General Fund to the State Education Fund on January 1, 2014. Beginning on January 1, 2015, and each January 1 thereafter, the Treasurer is directed to transfer an amount equal to the transfer on January 1, 2014, to the State Education Fund.

**Background**

Table 1, below, shows the estimated current professional membership costs paid for with General Fund moneys by department and as a percentage of total state spending. For memberships paid with multiple funding sources, only the General Fund portion has been included.

<b>Table 1. Estimated General Fund Membership Costs For Executive Branch Agencies</b>		
<b>Department</b>	<b>Total</b>	<b>Percent of Total</b>
Agriculture	\$20,000	3 percent
Corrections	114,304	15 percent
Education	54,873	7 percent
Governor's Office	29,628	4 percent
Health Care Policy and Financing	21,729	3 percent
Higher Education	125,000	16 percent
Human Services	131,503	17 percent
Labor and Employment	0	0 percent
Law	39,867	5 percent
Local Affairs	30,214	4 percent
Military and Veteran's Affairs	2,150	0 percent
Natural Resources	3,347	0 percent
Personnel & Administration	26,324	3 percent
Public Health and Environment	17,683	2 percent
Public Safety	23,884	3 percent
Regulatory Agencies	0	0 percent
Revenue	135,223	17 percent
State	0	0 percent
Transportation	0	0 percent
Treasury	no data	no data
<b>TOTAL</b>	<b>\$775,729</b>	<b>100 percent</b>

**State Transfers**

This bill requires the differences between prior appropriations and the \$2 million cap to be transferred to the State Education Fund in FY 2013-14. It also requires that, in future years, an amount equal to the FY 2013-14 transfer occur. This analysis assumes no transfer will occur for FY 2013-14 or future years because the amount of General Fund moneys expended for membership costs in FY 2013-14 is well below the \$2 million cap.

**State Expenditures**

Beginning in FY 2013-14, this bill limits the amount of General Fund moneys that may be appropriated for professional membership costs to \$2 million per year. As discussed in the Background section above, the amount of General Fund currently spent on annual professional membership costs is about \$775,000. This analysis assumes that expenditures will remain below the \$2 million level and not require changes in appropriations for any state agency.

**Departments Contacted**

All Departments