

**STATE and LOCAL  
FISCAL IMPACT**

**Drafting Number:** LLS 14-0477  
**Prime Sponsor(s):** Rep. Vigil  
 Sen. Schwartz

**Date:** January 27, 2014  
**Bill Status:** House Judiciary  
**Fiscal Analyst:** Kori Donaldson (303-866-4976)

**SHORT TITLE:** UNDERFUNDED COURTHOUSE FACILITIES GRANT PROGRAM

<b>Fiscal Impact Summary*</b>	<b>FY 2014-2015</b>	<b>FY 2015-2016</b>
<b>State Revenue</b>		
<b>State Expenditures</b>	<b><u>\$1,500,000</u></b>	<b><u>\$3,000,000</u></b>
General Fund	1,500,000	3,000,000
<b>FTE Position Change</b>	1.0	1.0
<b>Appropriation Required:</b> \$1,500,000 - Office of the State Court Administrator (FY 2014-15)		

\* This summary shows changes from current law under the bill for each fiscal year.

**Summary of Legislation**

The bill creates the Underfunded Courthouse Facility Cash Fund (fund) and Commission within the Judicial Branch in order to evaluate and award grants for necessary repairs, renovations, improvements, or expansions of local district courthouse facilities. It also appropriates \$1.5 million for this purpose in FY 2014-15. Grants may be awarded to qualifying projects to address needs that arise from expanding caseloads, additional judges assigned to a district, aging facilities, natural disasters, or code compliance issues. Grant funds must be used for master planning; matching or leveraging grant opportunities; or to address emergency needs due to the imminent closure of a facility. Grant recommendations must be approved by the State Court Administrator. The bill lists financial and demographic factors to be met by a county in order to be considered for funding.

**State Expenditures**

This bill will increase state expenditures for the Office of the State Court Administrator in the Judicial Department by \$1,500,000 and 1.0 FTE in FY 2014-15 and by \$3,000,000 and 1.0 FTE in FY 2015-16. Table 1 and the discussion that follows describe the costs of the bill. Costs will be paid from the Underfunded Courthouse Facility Cash Fund, although the original source of funding is the General Fund.

<b>Table 1. Expenditures Under HB 14-1096</b>		
<b>Cost Components</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>
Personal Services	\$95,991	\$96,681
FTE	1.0	1.0
Operating Expenses and Capital Outlay Costs	2,180	950
Grant Program	1,350,000	2,700,000
Indirect Cost Recovery	51,829	202,369
<b>TOTAL</b>	<b>\$1,500,000</b>	<b>\$3,000,000</b>

**Assumptions.** This fiscal note assumes that a grant administrator will be hired to develop the grant program beginning in FY 2014-15 at an annual salary of \$76,584. It is further assumed that \$1,350,000 in grant awards will be made before the end of FY 2014-15 and that an additional \$2,700,000 in grant awards will be made before the end of FY 2015-16. These costs are based on a FY 2014-15 decision item presented to the Joint Budget Committee by the Judicial Branch for \$1.5 million General Fund in FY 2014-15 and \$3.0 million General Fund in FY 2015-16 on behalf of the program. These costs include 10 percent for program administration. This fiscal note assumes at all costs associated with the first year of the new grant program will be paid through the bill. Any unused administrative costs — after paying for expenses associated with the 1.0 FTE — will be used as indirect cost recoveries to pay central administrative expenses for the Judicial Branch.

This fiscal note further assumes that between two and five grant awards will be made each year, averaging between \$540,000 and \$1,350,000 per award in years in which the full \$3,000,000 is appropriated to the program.

**Local Government Impact**

The bill provide a source of state grant funding for county courthouse facilities.

**Effective Date**

Upon signature of the Governor, or upon becoming law without his signature.

**State Appropriations**

The bill, as introduced, includes an appropriation clause for \$1,500,000 for the FY 2014-15 costs associated with staffing and awarding grants in the first year of the program. The appropriation clause directs that \$1,500,000 General Fund be appropriated to the newly created Underfunded Courthouse Facility Cash Fund and subsequently appropriated to the Judicial Branch.

**State and Local Government Contacts**

Counties      Judicial      Local Affairs      Personnel      Treasury