SB10-148

Colorado Legislative Council Staff Fiscal Note

FINAL FISCAL NOTE

Drafting Number:	LLS 10-0808	**Date:**	May 12, 2010
Prime Sponsor(s):	Sen. White	**Bill Status:**	Signed into Law
	Rep. Lambert	**Fiscal Analyst:**	Kerry White (303-866-3469)

TITLE: CONCERNING THE TRANSFER OF THE ENTERPRISE FACILITY FOR OPERATIONAL RECOVERY, READINESS, RESPONSE, AND TRANSITION SERVICES FROM THE DEPARTMENT OF STATE TO THE OFFICE OF INFORMATION TECHNOLOGY IN THE OFFICE OF THE GOVERNOR, AND, IN CONNECTION THEREWITH, DEVELOPING A TIMELINE TO TRANSFER FUNDING OF THE FACILITY FROM THE DEPARTMENT OF STATE CASH FUND TO THE COMPUTER SERVICES REVOLVING FUND OVER A PERIOD OF FOUR YEARS.

Fiscal Impact Summary	FY 2011-2012	FY 2012-13	FY 2013-14
State Revenue			
State Expenditures			
General Fund	$465,898	$945,854	$1,411,812
Various Fund Sources*	310,599	630,669	941,208
Cash Funds			
Department of State Cash Fund	(776,497)	(1,576,523)	(2,353,020)
FTE Position Change			
Effective Date: The bill was signed by the Governor and became law on April 15, 2010.			
Appropriation Summary for FY 2010-2011: None required.			
Local Government Impact: None.			

***** *Includes federal funds and various cash funds that will be reappropriated from all state agencies to the Computer Services Revolving Fund through the annual budget process.*

Summary of Legislation

This bill transfers management responsibilities of the statewide disaster recovery center (E-Fort) from the Department of State to the Governor's Office of Information Technology (OIT) as of July 1, 2010. All personnel, property, contracts, and rules related to the E-Fort under the Department of State will also be transferred, although the Department of State will continue to provide its funding. Beginning in FY 2011-12, payment for the E-FORT's operating expenses will shift from the Department of State Cash Fund to the Computer Services Revolving Fund in the OIT over a period of 3 years.

The bill also grants the Chief Information Officer the authority to enter into contracts with any local government, state agency, state-supported institution of higher education, or political subdivision to provide disaster recovery services.

State Expenditures

SB10-148 is not expected to change total expenditures, but shifts the funding source for their payment. Current costs for the E-Fort are $2,353,020 and 2.0 FTE, paid in whole by the Department of State Cash Fund. Beginning in FY 2011-12, the bill reduces expenditures in the Department of State Cash Fund and increases expenditures in the Computer Services Revolving Fund by an equal amount.

The OIT will recover its costs from state agencies through central appropriations in the annual budget process. Based on the OIT's current funding mix, it is estimated that 60 percent of the funding will be General Fund and 40 percent will include federal funds and various cash funds. Table 1 shows the transition of funding for the E-Fort under SB10-148.

Table 1. Funding of Expenditures Under SB10-148

Fiscal Year	Total E-Fort Costs	Department of State Cash Funds	Computer Services Revolving Fund		
			Total	General Fund	Other Funds*
			100 percent	60 percent	40 percent
FY 2010-11	$2,353,020	$2,353,020	$0	$0	$0
FY 2011-12	2,353,020	1,576,523	776,497	465,898	310,599
FY 2012-13	2,353,020	776,497	1,576,523	945,854	630,669
FY 2013-14	2,353,020	0	2,353,020	1,411,812	941,208

**Includes federal funds and various cash funds of state agencies.*

Departments Contacted

Law	OIT	Personnel & Administration
State	Treasury	