



Legislative
Council Staff

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FISCAL NOTE

Drafting Number:	LLS 18-1192	Date:	April 19, 2018
Prime Sponsors:	Sen. Lundberg Rep. Humphrey	Bill Status:	Senate SVMA
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Bill Topic: COLORADO CHILDREN FIRST ACT

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue (<i>minimal</i>)	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill prohibits the state government from taking certain adverse action against a person or organization for their religious beliefs in relation to adoptive and foster care services. The bill increases state revenue and expenditures on an ongoing basis and increases local expenditures.

Appropriation Summary: For FY 2018-19, the bill requires a General Fund appropriation to the Department of Human Services of \$12,787, which will be reappropriated to the Department of Law.

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

**Table 1
State Fiscal Impacts Under SB 18-241**

		FY 2018-19	FY 2019-20
Revenue		-	-
Expenditures	General Fund	\$12,787	\$12,787
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill prohibits the state government and political subdivisions from taking certain adverse action in regards to tax treatment, contracting, fines, licensing and other areas if:

- a person or organization provides or declines to provide foster or adoptive services based on sincerely held religious beliefs; or
- a person raises a foster or adoptive child based on a sincerely held religious belief.

The bill allows affected individuals to file a civil action against the state government and to recover damages or seek other relief for any adverse action taken that is contrary to the provisions of the bill. Finally, the bill waives sovereign, governmental, and qualified immunity in such cases.

State Revenue and TABOR Refund

To the extent that more civil cases are filed with the trial courts in the Judicial Department, the bill will increase state revenue from court filing fees starting in FY 2018-19. It is expected that any such increase will be minimal. On net, this bill increases state revenue subject to TABOR, which will minimally increase the amount of money required to be refunded under TABOR for FY 2018-19 and FY 2019-20. TABOR impacts are not estimated beyond FY 2019-20.

State Expenditures

Starting in FY 2018-19, the bill increases General Fund costs in the Department of Human Services (DHS) by \$12,787 per year and potentially increases expenditures for the Department of Personnel and Administration (DPA), and Judicial Department as discussed below.

Department Human Services. The bill will increase expenditures in the DHS by \$12,787 starting in FY 2018-19. Because the bill waives the requirement of exhaustion of administrative remedies, litigation and legal costs will increase. Although an increase in cases is expected to be minimal, it is assumed that 120 hours of legal services, costing \$106 per hour, will be needed annually to support DHS. To the extent that the bill may violate federal policy, federal funding and grants to DHS may be reduced, resulting in either a reduction of spending or the need to increase funding from the General Fund. Because it is unknown if, or how, the federal government would sanction the state, the exact impact has not been estimated.

Department of Personnel and Administration. Because the bill waives the state's sovereign, governmental, and qualified immunity in such cases, the bill may result in additional costs paid from the Risk Management Fund. To the extent that this bill results in more civil actions and potential judgement against the state, expenditures to the Risk Management Fund will increase and additional funds may be needed to keep the fund solvent. It is assumed that the DPA will seek these funds through the normal budget process, if required.

Judicial Department. Starting in FY 2018-19, workload will increase for trial courts to hear additional cases involving allegations of discriminatory actions by the State. It is assumed that government agencies will comply with the new law and that any increase in workload is expected to be minimal.

Judicial agencies that represent indigent parents and children. Under the bill, the Office of the Respondent Parent's Council and Office of the Child's Representative may have increased workload to the extent that the bill increases litigation on the placement and treatment of children in foster care. It is assumed that such any increase in workload that requires an appropriation will be handled through the annual budget process.

Local Government

To the extent that the bill results in more legal action against county departments of human or social services, expenditures will increase for county governments. The Denver County Court may also see an increase in revenue, expenditures, and workload if civil filings increase within its jurisdiction.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State Appropriations

The bill requires a General Fund appropriation of \$12,787 to the Department of Human Services in FY 2018-19, which is reappropriated to the Department of Law for legal services.

State and Local Government Contacts

Counties Law	Human Services Personnel	Information Technology Regulatory Agencies	Judicial Revenue
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