



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Fiscal Note

**Drafting Number:** LLS 22-0201      **Date:** February 28, 2022  
**Prime Sponsors:** Rep. Froelich; Young      **Bill Status:** House Judiciary  
 Sen. Fields; Simpson      **Fiscal Analyst:** Will Clark | 303-866-4720  
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**Bill Topic:**      **MANDATORY REPORTERS**

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<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 creates a mandatory reporter task force and makes changes to mandatory reporter requirements and procedures. Starting in FY 2022-23, the bill increases state and local expenditures on an ongoing basis.

**Appropriation Summary:** For FY 2022-23, the bill requires an appropriation of \$113,525 to multiple agencies.

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

**Table 1**  
**State Fiscal Impacts Under HB 22-1240**

		Budget Year FY 2022-23	Out Year FY 2023-24	Out Year FY 2024-25
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	General Fund	\$107,488	\$97,500	\$65,000
	Federal Funds	\$6,037	-	-
	<b>Total Expenditures</b>	<b>\$113,525</b>	<b>\$97,500</b>	<b>\$65,000</b>
<b>Transfers</b>		-	-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$16,123	\$14,625	\$9,750

## Summary of Legislation

The bill clarifies and adds new requirements to policies and procedures for mandatory reporters, creates the Mandatory Reporter Task Force, and requires employers to provide information about reporting requirements and related training to employees who are mandatory reporters.

**Modifications to mandatory reporting requirements.** The bill makes several changes to mandatory reporting requirements, including:

- clarifying that the requirement for immediate reporting means mandatory reporters must report applicable abuse and neglect within 24 hours after receiving relevant information;
- allowing mandatory reporters to ask clarifying questions before making a report;
- providing mandatory reporters with confidentiality protections;
- requiring mandatory reporters to report unlawful sexual behavior, and expanding upon mandatory reporters' duty to report; and
- reducing the state of mind that must be proven from "willfully" to "knowingly" with respect to violations of the mandatory reporting statute.

The bill also gives mandatory reporters up to 72 hours to report if they are creating a safety plan with a victim of domestic violence, sexual assault or stalking, and clarifies that reporting requirements do not apply to employees, agents or contractors of an attorney providing legal representation when the basis of the suspicion for reporting is solely in the course of the legal representation.

**Mandatory Reporter Task Force.** The bill creates the Mandatory Reporter Task Force in the Office of the Child Protection Ombudsman (CPO) to analyze best practices and recommend changes to training requirements and reporting procedures, specifically with regard to the impacts of mandatory reporting on families of color and under-resourced communities. The task force is made up of 27 members from state agencies, local government, and statewide organizations representing different community groups. The CPO must make appointments to the task force from a diverse range of member backgrounds and geographic locations. To fulfill its duties, the task force must use national best practices and consult with appropriate stakeholders to analyze and make recommendations in a number of areas specified in the bill, including the parameters and funding for a study of mandatory reporting effectiveness; training for mandatory reporters; and reporting requirements and processes, among other things.

The task force must convene by January 1, 2023, and meet at least monthly until it submits a final report to the General Assembly and the Governor. The task force must submit an initial status report with findings and recommendations by January 1, 2024, and submit its final report by January 1, 2025.

**Information and training for mandatory reporters.** Employers that are subject to mandatory reporting requirements must provide their employees with information explaining these requirements, and inform employees about free mandatory reporter training provided by the Department of Public Safety. The employer is responsible for all costs associated with printing and distributing materials to its employees.

## Comparable Crime Analysis

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. This section outlines data on crimes comparable to the offense in this bill and discusses assumptions on future rates of criminal conviction for those offense.

**Prior conviction data and assumptions.** This bill creates a new factual basis for the existing offense of violating mandatory reporting requirements, a class 2 misdemeanor, by reducing the state of mind required to prove a violation from “willfully” to “knowingly” failing to report. It also expands the mandatory reporting requirement to unlawful sexual behavior. From FY 2018-19 to FY 2020-21, two offenders have been sentenced and convicted for this offense, of which, one was male and one was female. Demographically, one was White and one was Hispanic. Though convictions could increase because of the lower burden required to prove a violation and the expanded type of behaviors that must be reported, the fiscal note assumes that most mandatory reporters will comply with the law and there will continue to be minimal or no additional criminal case filings or convictions for this offense under the bill. Because the bill is not expected to have a tangible impact on criminal justice-related revenue or expenditures at the state or local levels, these potential impacts are not discussed further in this fiscal note.

Visit [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes) for more information about criminal justice costs in fiscal notes.

## State Expenditures

The bill increases state expenditures in the CPO by \$89,375 in FY 2022-23, by \$97,500 in FY 2023-24 and by \$65,000 in FY 2024-25, paid from the General Fund. Costs in the Department of Human Services will increase by \$24,150 in FY 2022-23 only, paid from the General Fund and federal funds. The bill also minimally increases expenditures in multiple agencies on an ongoing basis. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under HB 22-1240**

<b>Cost Components</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>
<b>Office of the Child Protection Ombudsman</b>			
Task Force Facilitation	\$89,375	\$97,500	\$65,000
<b>CPO Subtotal</b>	<b>\$89,375</b>	<b>\$97,500</b>	<b>\$65,000</b>
<b>Department of Human Services</b>			
Training Curriculum Updates	\$24,150	-	-
<b>DHS Subtotal</b>	<b>\$24,150</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>\$89,375</b>	<b>\$97,500</b>	<b>\$65,000</b>
<i>General Fund</i>	\$107,488	\$97,500	\$65,000
<i>Federal Funds</i>	\$6,037	-	-

**Office of the Child Protection Ombudsman.** The bill increases expenditures in the CPO through FY 2024-25 to create, facilitate and serve as chair of the Mandatory Reporter Task Force, which is tasked with analyzing systemic issues and best practices for mandatory reporting, as well as recommending changes to training requirements and reporting procedures. The CPO must make appointments to the task force by December 1, 2022, provide an initial status report with findings and recommendations to the General Assembly and the Governor by January 1, 2024, and submit its final report by January 1, 2025.

The fiscal note assumes the CPO will hire a contractor at \$97,500 per year to help facilitate the task force. The contractor will be responsible for coordinating and facilitating task force meetings; assisting with communications; developing and distributing materials in advance of meetings; preparing agendas and other administrative services; securing experts and stakeholders; developing and facilitating work groups; assisting with production and publication of reports; and helping with implementation of the task force's final recommendations. Costs in FY 2022-23 are prorated for an August 1<sup>st</sup> start date and costs in FY 2024-25 are prorated for a February 28<sup>th</sup> end date.

**Department of Human Services.** In FY 2022-23 only, expenditures in the department will increase to update its mandatory reporter training curriculum, which is provided to county departments of human and social services, service providers, first responders and Division of Child Welfare staff. The fiscal note assumes that these costs are eligible for a 25 percent federal match.

**All state agencies engaged with mandatory reporters.** State agencies that employ mandatory reporters may have additional costs to print and distribute materials explaining state mandatory reporting requirements and the availability of free mandatory reporter training. These costs will vary by agency, and depend on the number of employees who are mandatory reporters, as well as the extent to which agencies are currently providing these materials. Costs will also increase for some agencies to conduct outreach and education about the new mandatory reporting requirements. These costs have not been estimated, but the fiscal note assumes they are absorbable within existing appropriations.

## Other Budget Impacts

**General Fund reserve.** Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1 above, which will decrease the amount of General Fund available for other purposes.

## Local Government and School Districts

In FY 2022-23, workload will increase for local governments and school districts to update their policies, procedures and training materials to reflect changes in mandatory reporter requirements. Costs will also increase on an ongoing basis in some local governments and school districts to print and distribute materials explaining state mandatory reporting requirements and the availability of free mandatory reporter training. These costs will vary by local government and school district, and depend on the number of employees who are mandatory reporters and to what extent these materials are currently being provided.

## Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## State Appropriations

For FY 2022-23, the bill requires total appropriations of \$113,525 including:

- \$89,375 General Fund to the Office of the Child Protection Ombudsman; and
- \$24,150 to the Department of Human Services, of which \$18,113 is General Fund and \$6,037 is federal funds.

## State and Local Government Contacts

Counties  
Health Care Policy and Financing  
Information Technology  
Local Affairs  
Public Health and Environment  
School Districts

District Attorneys  
Higher Education  
Judicial  
Municipalities  
Public Safety  
Sheriffs

Education  
Human Services  
Law  
Personnel  
Regulatory Agencies