



**Legislative Council Staff**

*Nonpartisan Services for Colorado's Legislature*

**Fiscal Note**

**Drafting Number:** LLS 23-0861  
**Prime Sponsors:** Sen. Fields; Liston  
Rep. Bradley

**Date:** March 14, 2023  
**Bill Status:** Senate Health & Human Services  
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**Bill Topic:** **COLORADO CHILD SUPPORT COMMISSION RECOMMENDATIONS**

- Summary of Fiscal Impact:**
- State Revenue
  - State Expenditure
  - State Transfer
  - TABOR Refund
  - Local Government
  - Statutory Public Entity

The bill makes changes to the child support system that were recommended by the Colorado Child Support Commission. The bill increases state workload in FY 2023-24, increases state expenditures beginning in FY 2024-25, and may increase state revenue beginning in FY 2023-24.

**Appropriation Summary:** No appropriation is required.

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

**Table 1**  
**State Fiscal Impacts Under SB 23-173**

		<b>Budget Year FY 2023-24</b>	<b>Out Year FY 2024-25</b>
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	-	\$163,635
	Centrally Appropriated	-	\$21,702
	<b>Total Expenditures</b>	-	<b>\$185,337</b>
	<b>Total FTE</b>	-	<b>1.0 FTE</b>
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	-	\$24,545

## **Summary of Legislation**

The bill enacts recommendations from the Colorado Child Support Commission concerning the child support system. These changes include:

- requiring the courts to provide written and verbal advisement to parents and caretakers on child support orders, as well as their ability to petition for an allocation of parental responsibility (APR) order when a child support action is filed;
- adjusting income calculations to reflect existing maintenance payments and account for tax deductions on some maintenance payments;
- changing the number of hours for calculating income of a parent to 32 hours a week for 50 weeks a year, and including transportation in income considerations;
- requiring parents to share their child's health insurance coverage information with each other and establishing a time frame for reimbursements of medical expenses, including mental health;
- requiring parents to report lump sums of social security payments received for the child and ensuring obligors receive credit on debt owed for the benefits received;
- appointing two obligors and obligees to the child support commission and requiring the commission cover certain topics in their review;
- reinstating fines and penalties for individuals submitting fraudulent income withholding orders and for employers who fail to withhold or distribute income as required;
- allowing retroactive support to be ordered for periods before the child support obligation began;
- excluding funeral and burial expenses from being paid through life insurance settlements for past-due child support; and
- removing the requirement to order overdue debt in temporary orders that will be calculated in permanent orders and allowing caretaker overdue debt and monthly support obligations to continue when the parties marry each other.

## **State Revenue**

Beginning in FY 2023-24, state revenue may increase from fines received by individuals who submit fraudulent notices to withhold income to employers. The fiscal note assumes individuals will generally comply with the law and any increase in fine revenue will be minimal.

## **State Expenditures**

The bill increases state expenditures in the Judicial Department by \$185,000 in FY 2024-25, paid from the General Fund. Workload for the Department of Human Services will also increase in FY 2023-24. Expenditures are shown in Table 2 and detailed below.

**Table 2  
 Expenditures Under SB 23-173**

	FY 2023-24	FY 2024-25
<b>Judicial Department</b>		
Personal Services	-	\$114,003
Operating Expenses	-	\$3,325
Capital Outlay Costs	-	\$46,307
Centrally Appropriated Costs <sup>1</sup>	-	\$21,702
FTE – Personal Services	-	1.0 FTE
<b>Total Cost</b>	-	<b>\$185,337</b>
<b>Total FTE</b>	-	<b>1.0 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Judicial Department.** Beginning in FY 2024-25, trial courts will require 1.0 FTE, including 0.5 FTE magistrate and 0.5 FTE support staff, to provide verbal advisements to parents for child support orders and APR orders when a child support action is filed. The fiscal note assumes 948 additional hours will be required to issue verbal advisements for 28,435 child support orders each year and 74 additional hours to issue verbal advisements for 4,420 child support and paternity cases a year, requiring 0.5 FTE magistrate. According to Judicial Department common policies, each magistrate also requires support staff. Because workload is limited only to advisement, the fiscal note assumes a 1-to-1 ratio for support staff, rather than the usual 1-to-3 ratio.

Workload may also increase from a greater number of petitions for APR orders. This is expected to be minimal and may be offset by the efficiencies to be gained from combining APR orders with an existing child support case, rather than initiating a separate domestic relations case.

**Department of Human Services.** Beginning FY 2023-24, workload will increase to implement the bill's changes to current child support services and systems. This workload is absorbable and can be accomplished within existing appropriations.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

**Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except sections 3, 4, 6, 9, 10, 12, 13, 14, 15, 16, 18, and 20 take effect July 1, 2023, sections 1, 7, 8, 11, 17, and 19 take effect September 1, 2023, and section 2 takes effect July 1, 2024.

**State and Local Government Contacts**

Counties  
Judicial

Health Care Policy and Financing  
Personnel

Human Services  
Regulatory Agencies