



Legislative  
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*Nonpartisan Services for Colorado's Legislature*

**HB 19-1229**

**FINAL  
FISCAL NOTE**

**Drafting Number:** LLS 19-0250      **Date:** September 11, 2019  
**Prime Sponsors:** Rep. Roberts; Snyder      **Bill Status:** Signed into Law  
                                  Sen. Gardner; Lee      **Fiscal Analyst:** Ariel Hammerquist | 303-866-3469  
    Ariel.Hammerquist@state.co.us

**Bill Topic:** ELECTRONIC PRESERVATION OF ABANDONED ESTATE DOC

**Summary of Fiscal Impact:**

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

This bill creates the Colorado Electronic Preservation of Abandoned Estate Planning Documents Act. The Act creates a procedure to determine if an original estate planning document is abandoned, and the process to create an electronic estate planning document. This bill increases state revenue and expenditures on an ongoing basis.

**Appropriation Summary:** No appropriation is required for this bill.

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

**Table 1  
State Fiscal Impacts Under HB 19-1229**

		FY 2019-20	FY 2020-21	FY 2021-22
<b>Revenue</b>	Cash Funds	-	-	at least \$68,750
<b>Expenditures</b>	General Fund	-	\$153,376	-
	Cash Funds	-	-	\$67,653
	Centrally Appropriated	-	\$12,619	\$15,949
	<b>Total</b>	-	\$165,995	\$83,602
	<b>Total FTE</b>	-	0.3 FTE	0.8 FTE
<b>Transfers</b>		-	-	-
<b>TABOR Refund</b>		-	-	-

## Summary of Legislation

This bill creates the Colorado Electronic Preservation of Abandoned Estate Planning Documents Act. If an original estate planning document has been abandoned, the act requires the creation of an electronic estate planning document. An estate planning document is deemed to be abandoned if the possession of the original document cannot be transferred to the creator after conducting a thorough search. This bill also creates the Electronic Preservation of Abandoned Estate Planning Documents Cash Fund and allows the state court administrator's office (SCAO) in the Judicial Department to set and collect fees to cover the costs of electronically preserving estate planning documents. In addition, the SCAO may enter into an interagency agreement with another state agency to maintain any computer folder or profile required under this bill. Finally, the bill creates a process for the SCAO to grant access to electronic documents and provides requirements for the storage and deletion of such documents.

## Assumptions

The bill takes effect on January 1, 2021. The newly created cash fund will not have revenue to cover the expenditures created by this bill until individuals can access the electronic documents system. The fiscal note assumes a General Fund appropriation is required for six months during the program implementation period.

## State Revenue

Beginning in FY 2021-2022, state cash fund revenue to the Electronic Preservation of Abandoned Estate Planning Documents Cash Fund is expected to increase by at least \$68,750 per year, as shown in Table 2. This estimate is based on the assumption that there will be between 2,500 and 5,000 individuals who will access the system per year. This cash fund revenue is subject to TABOR.

**Fee Impact on Estate Planning Custodian.** Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only, actual fees are set administratively by the Judicial Department based on cash fund balance, actual program costs, and the estimated number of individuals who access documents in the system. Assuming at least 2,500 individuals access the system, a fee of \$27.50 will generate approximately \$68,750 in cash fund revenue. The table below identifies the fee impact of this bill.

**Table 2**  
**Fee Impact on HB 19-1229**

<b>Fiscal Year</b>	<b>Type of Fee</b>	<b>Proposed Fee</b>	<b>Number Affected</b>	<b>Total Fee Impact</b>
FY 2021-22	Document Access	\$27.50	2,500	at least \$68,750
			<b>FY 2021-22 Total</b>	<b>at least \$68,750</b>

**State Expenditures**

This bill increases state expenditures in the Judicial Department by \$165,995 and 0.3 FTE in FY 2020-21, \$83,602 and 0.8 FTE in FY 2021-22 and future years. These impacts are show in Table 3 and are discussed below. First year costs assume a January 2020 start date and reflect standard operating expenses and capital outlay costs.

**Table 3  
Expenditures Under HB 19-1229**

	FY 2019-20	FY 2020-21	FY 2021-22
<b>Judicial Department</b>			
Personal Services	-	\$23,063	\$51,893
Operating Expenses and Capital Outlay Costs	-	\$5,083	\$760
One-time License Purchase and Set Up Fee	-	\$80,230	-
System Development	-	\$45,000	-
Maintenance	-	-	\$15,000
Centrally Appropriated Costs*	-	\$12,619	\$15,949
<b>Total Cost</b>	-	<b>\$165,995</b>	<b>\$83,602</b>
<b>Total FTE</b>	-	<b>0.3 FTE</b>	<b>0.8 FTE</b>

\* Centrally appropriated costs are not included in the bill's appropriation.

**Judicial Department.** The bill increases state expenditures in the Judicial Department beginning in FY 2020-21 for a court programs analyst to process inquiries and access requests, ensure individuals are authorized to receive documents, and maintain a searchable database. In addition, the Judicial Department must create an electronic filing system for abandoned estate documents. The initial system set up is anticipated to cost \$125,230. Starting in FY 2021-22, annual maintenance costs of the system will be \$15,000.

**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 estimated to be \$12,619 in FY 2020-21, \$15,949 in FY 2021-22.

**Local Government**

Beginning in FY 2021-22, local governments will have an increase in workload to change administrative procedures regarding locating and executing estate planning documents that have been abandoned. This impact is assumed to be minimal and absorbable within existing resources.

## Effective Date

The bill was signed into law by the Governor on May 22, 2019, and takes effect July 1, 2021, assuming no referendum petition is filed.

## State and Local Government Contacts

Counties  
Judicial  
Regulatory Agencies

County Clerks  
Local Affairs

Information Technology  
Personnel