

  
*Colorado Legislative Council Staff Fiscal Note*  
**STATE**  
**REVISED FISCAL IMPACT**  
(replaces fiscal note dated February 23, 2012)

<b>Drafting Number:</b> LLS 12-0524	<b>Date:</b> March 15, 2012
<b>Prime Sponsor(s):</b> Rep. McKinley Sen. Grantham	<b>Bill Status:</b> House Second Reading
	<b>Fiscal Analyst:</b> Harry Zeid (303-866-4753)

**TITLE:** CONCERNING THE ADMINISTRATION OF A NONPROFIT CEMETERY CORPORATION BY PERSONS WHO OWN THE RIGHT TO BURY A DECEASED PERSON WITHIN THE CEMETERY.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures		
FTE Position Change		
<b>Effective Date:</b> August 8, 2012, if the General Assembly adjourns on May 11, 2012, as scheduled, and no referendum petition is filed.		
<b>Appropriation Summary for FY 2012-2013:</b> None required.		
<b>Local Government Impact:</b> None.		

*This fiscal note is revised to reflect an amendment in the House Appropriations Committee as well as a previous House Second Reading amendment.*

**Summary of Legislation**

As amended, the bill affects the administration of a nonprofit cemetery corporation by persons who own the right to bury a deceased person within the cemetery. The bill requires that the board of directors of a nonprofit cemetery include at least one owner of a lot, grave, space, niche, or crypt. Owners are granted the right to inspect the bylaws, financial records, and board meeting records of the cemetery, and are authorized to attend any meeting of the corporation's board of directors. The bill further states that an owner or the owner's designee may enforce these provisions through a civil action seeking injunctive relief, damages, or both.

If information is provided to the Attorney General that a cemetery corporation is not fulfilling the duties required by the bill, the Attorney General must hold a hearing after 60 days notice to the cemetery and the person providing the information. The Attorney General retains oversight for as long as necessary to ensure compliance.

**State Expenditures**

This fiscal note assumes that nonprofit cemetery corporations will generally comply with their duties and obligations under the bill and that an owner of a lot, grave, space, niche, or crypt always maintains the right to resort to a civil action in cases of alleged noncompliance. Thus, it is the assessment of this fiscal note that existing resources of the department are sufficient to implement the bill and that no further appropriation is required for FY 2012-13. If legal resources are required of the Department of Law beyond those currently used by the department to investigate consumer complaints involving improper administration of a nonprofit cemetery, this fiscal note assumes that it will be addressed during the annual budget process.

It should be noted that the Department of Law's FY 2012-13 budget request for consumer protection is \$4.2 million and 46.0 FTE. The consumer protection section provides for the protection of Colorado consumers and business against fraud, enforcement of Colorado's Antitrust Act, and enforcement of the tobacco Master Settlement Agreement and related tobacco laws.

**Departments Contacted**

Secretary of State                      Judicial                      Law

**Departmental Differences**

The Department of Law has indicated an annual General Fund cost to the bill beginning in FY 2012-13, of \$2,389 for 50 hours time for an Assistant Attorney General, 25 hours for a Legal Assistant I, and mileage for a state vehicle. The estimate assumes the department's role at two hearings per year as a moderator between the parties for an informal airing of grievances. Also in question is whether the Attorney General would conduct any pre- or post-hearing investigation. The department further assumes that one hearing will take place in Denver and the other hearing will take place outside of Denver, requiring mileage for a state vehicle.

Given that the number of potential hearings that may occur as a result of the bill are unknown and highly speculative, this fiscal note assumes that such expenditures for the Department of Law may not be necessary and that the amount of resources currently utilized by the department to investigate claims against nonprofit cemetery corporations may be sufficient to fulfill its obligations under the bill. Therefore, it is the opinion of this fiscal note that no further appropriation is required to the Department of Law at this time.