



fiscal note cannot accurately project the number of domestic partnerships that would be entered into in Colorado should HB 06-1344 be enacted. For purposes of this analysis, the fiscal note assumes 3,500 annually.

### **State Revenues**

**Department of Public Health and Environment.** Total revenue is estimated at \$32,120 in FY 2006-07 and \$77,000 in FY 2007-08. The new revenue is due to license fees and certificates as noted below.

***Domestic Partnership License Fees.*** The bill authorizes a county clerk and recorder to collect a domestic partnership license fee of \$7, plus any additional amount established by the State Registrar. The fiscal note assumes 1,460 licenses in FY 2006-07 and 3,500 licenses in FY 2007-08. Thus, \$10,220 in license fees revenue will be collected in FY 2006-07 and \$24,500 thereafter. These moneys are retained by county clerks to offset their costs.

***Domestic Partnership Certificates.*** Additionally, Section 25-2-106.5 of the bill requires each county clerk and recorder to prepare a monthly report containing information on every duly executed domestic partnership certificate registered. The report shall be forwarded to the State Registrar. Any county clerk and recorder, in addition to the State Registrar, may issue certified copies of domestic partnership certificates. The State Registrar charges \$15 for birth and marriage certificates; it is assumed that the cost of domestic partnership certificates will be the same amount. The fiscal note assumes that certificates will be requested for the licenses issued resulting in increased revenue of \$21,900 in FY 2006-07 and \$52,500 thereafter. These moneys are deposited into the Vital Statistics Records Cash Fund.

### **State Expenditures**

At a minimum, the bill's net expenditure impact is estimated at \$56,392 cash funds and 0.7 FTE in FY 2006-07 and \$136,010 cash funds and 1.6 FTE in FY 2007-08.

**Department of Regulatory Agencies — \$56,392 in FY 2006-07 and \$136,010 in FY 2007-08.** Section 14-15-106 (5) (c) of the bill provides that legal benefits, protections, and responsibilities of spouses shall apply to domestic partners and prohibits discrimination based upon spousal status. FY 2006-07 costs are estimated at \$56,392 in the Civil Rights Division. Due to the bill's effective date, the department will incur costs for 0.5 FTE Compliance Investigator I in FY 2006-07, in addition to legal services for rules promulgation, case review, and determinations on hearing worthiness (1.0 FTE is required in FY 2007-08). These costs assume between 80 - 100 complaints filed annually alleging discrimination on the basis of employment, housing, and public accommodation (40 in year one due to bill's effective date of February 12, 2007). Of the complaints filed in year one, it is assumed that 4 cases will have sufficient probable cause to pursue and require a hearing in FY 2007-08. Total costs for FY 2007-08 are estimated at \$136,010.

**Department of Law — \$32,225 in FY 2006-07 and \$77,340 in FY 2007-08.** The department will require a cash funds exempt transfer of \$32,225 and 0.2 FTE for 500 hours of legal services to the Department of Regulatory Agencies, Civil Rights Division in FY 2006-07. Year two costs are estimated at \$77,340 and 0.6 FTE for 1,200 hours of legal services.

**Judicial Branch — Costs not Quantified.** The bill will lead to new cases regarding civil rights and responsibilities. Additionally, the courts are authorized to dissolve domestic partnerships through the provisions of Article 10 of Title 14, C.R.S. Because the bill establishes an avenue to the courts for a sector of the population currently not recognized or authorized to access the dissolution process, the number of cases cannot be estimated with any accuracy. The fiscal note assumes that once caseload data can be quantified, the need for additional funding will be addressed through the annual budget process.

**Department of Personnel and Administration — \$195,200 annually.** Section 14-15-106 (2) of the bill requires a domestic partner to be included in any definition or use of the term "dependent". Thus, it is assumed the state will recognize domestic partners as a new group of eligible dependents in its medical insurance coverage. That said, the department's actuary projects a minimal enrollment and fiscal impact due to two primary factors: (1) a domestic partner is likely to be fully employed elsewhere and already covered; and (2) the federal tax code does not recognize same-sex relationships so a portion of the employer contribution must be reported as taxable income. Additionally, when the University of Colorado began offering health insurance to domestic partners in its plans for nonclassified employees in 2003, enrollment increased by only 60 with a negligible impact on costs and rates. The state share for domestic partners as a new group of eligible dependents is estimated at \$195,200 for about 94 new enrollees. However, the state employee share could be as great as \$1.1 million. **Multiple funding sources are available to pay the state's share for medical insurance coverage, and are not identified at this time. The fiscal note assumes that if adopted by the voters, increased costs and funding sources for state medical insurance coverage will be addressed through the annual budget/supplemental process.**

**Department of Public Health and Environment.** The department is required to issue forms necessary to implement the act. The department indicates that it can meet the bill's requirements within existing appropriations.

**PERA (Public Employees' Retirement Association).** Because HB 06-1344 provides that persons in a domestic partnership have the same benefits as spouses, a surviving partner would be eligible for a PERA survivor benefit and enrollment in the PERACare health benefits program. Thus, the bill would minimally impact PERA benefit liabilities in the Pension Fund and the Health Care Trust Fund.

### **Election Expenditure Impacts (For Informational Purposes Only)**

The bill refers a measure to the voters at the November 2006 general election. This measure will be published in newspapers and an analysis of the measure will be included in the Blue Book mailed to all registered voter households prior to the election. Under current law, costs for these functions will be paid through a General Fund line item in the Long Appropriations Bill. The estimated costs for the 2006 Blue Book are outlined in Table 1.

<b>Table 1. Estimated Costs of Producing the 2006 Blue Book and Distributing to All Registered Voter Households</b>	
Printing	\$275,000
Postage	\$325,000
Translation	\$20,000
Newspaper Publication (English & Spanish)	\$600,000
<b>Total Expenses (for an estimated 12 issues)</b>	<b>\$1,220,000</b>
<b>Average Expense Per Issue</b>	<b>\$101,667</b>

### **Local Government Impact**

Currently, county clerk and recorders are responsible for processing marriage licenses. The fees collected (\$7 per license) are retained by the county clerk and recorders to offset their costs. Counties acting as employers will likely incur additional health insurance costs because persons in a domestic partnership shall be considered a dependent. Such increase in costs cannot be quantified at this time.

### **State Appropriations**

Although the bill contains appropriations for the amounts identified in this fiscal note, none is required at this time. Should this measure be approved by the voters at the 2006 general election, it is assumed that funding needs and costs identified in this fiscal note will be addressed through the annual budget/supplemental process.

### **Departments Contacted**

Human Services	Judicial
Labor and Employment	Law
Personnel and Administration	Public Health and Environment
Regulatory Agencies	PERA