



Colorado  
Legislative  
Council  
Staff

Attachment B

Room 029 State Capitol, Denver, CO 80203-1784  
(303) 866-3521 FAX: 866-3855 TDD: 866-3472

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MEMORANDUM

February 8, 2012

**TO:** Representative John Kefalas  
**FROM:** Kirk Mlinek, Fiscal Analyst (303-866-3521)  
**SUBJECT:** Fiscal Assessment of Proposed Amendment **HB1041\_L.002**.

This memorandum is an assessment of the fiscal impact of the attached proposed amendment to **HB12-1041**. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

**Summary of Proposed Amendment**

HB12-1041 requires the Department of Public Health and Environment (DPHE) to establish an Electronic Death Registration System. Substantive provisions of Amendment L.002 are summarized below.

- To fund the system, the amendment establishes a funding split of equal thirds to come from increasing the fees associated with purchasing one or more death certificates; from a \$700 fee imposed on funeral homes and crematories; and from the General Fund.
- For fiscal years 2012-13 and 2013-14, the state registrar is directed to adjust fees on death certificates to cover the one-third share of costs, and to decrease fees accordingly in FY 2014-15.
- All additional fees are to be transmitted to the state treasurer for deposit in the Vital Statistics Records Cash Fund for application to the proposed system.

**Fiscal Impact of Amendment**

Amendment L.002 clarifies the funding mechanism to cover the costs of implementing the bill. The amendment reduces the amount that the fee for copies of death certificates will have to increase and provides two new sources of funding for the project. As stated in the revised fiscal note dated February 6, 2012, the impact discussed below continues to assume that DPHE will apply \$263,940 of existing fund balance to the project in FY 2012-13. This memorandum assumes that a fund balance of \$81,060 will be applied in FY 2013-14.

**Bill's Revised Fiscal Impact with Amendment**

For FY 2012-13, the Department of Public Health and Environment requires an appropriation of \$160,000 GF, \$584,940 from the Vital Statistics Records Cash Fund. Table 1 is a summary of revenue and expenditures under the bill, with Amendment L.002.

<b>Table 1. Revenue and Expenditures under HB12-1041, with Amendment L.002</b>		
<b>Fiscal Impact Summary</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>
<b>State Revenue</b>		
Cash Funds		
Vital Statistics Records Cash Fund	\$321,000	\$321,000
<b>State Expenditures</b>		
<u>Total</u>	<u>\$744,940</u>	<u>\$557,312</u>
General Fund	160,000	157,626
Cash Funds		
Vital Statistics Records Cash Fund	584,940*	399,686**
<b>FTE Position Change</b>		
<b>Effective Date:</b> August 8, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
<b>Appropriation Summary for FY 2012-2013:</b> See Appropriations section.		
<b>Local Government Impact:</b> See Local Government Impact section.		

\* Fund balance of \$263,940 plus \$160,000 raised from \$1 fee increase for death certificate copies plus \$161,000 collected from \$700 fee on funeral homes and crematories.

\*\* Fund balance of \$81,060 plus \$157,626 collected from \$0.83 fee increase for death certificate copies plus \$161,000 collected from \$700 fee on funeral homes and crematories. Revenues slightly exceed total expenditures due to rounding.

Table 2 summarizes the fee impact of the bill.

<b>Table 2. Fee Impact of HB12-1041 with L.002 on Individuals, Families or Business</b>					
<b>Type of Fee</b>	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Fee Change</b>	<b>Number Affected</b>	<b>Total Fee Impact</b>
<b>FY 2012-13</b>					
<b>State Registrar</b>					
Death Certificate					
1st Copy	\$17.00	\$18.00	\$1.00	32,000	\$32,000
Additional copies*	\$10.00	\$11.00	\$1.00	160,000	<u>160,000</u>
					\$192,000
Reduction due to 1st year effective date ( referendum clause)**					(32,000)
<b>Subtotal Registrar</b>					<b>160,000</b>
<b>FY 2012-13</b>					
<b>Regulatory Agencies</b>					
Funeral Homes Licensure				176	\$123,200
New	\$544	\$1,244	\$700		
Renewal	\$370	\$1,070	\$700		
Reinstatement	\$393	\$1,093	\$700		
Crematories Licensure				54	\$37,800
New	\$633	\$1,333	\$700		
Renewal	\$422	\$1,122	\$700		
Reinstatement	\$393	\$1,093	\$700		
<b>Subtotal Regulatory Agencies</b>					<b>\$161,000***</b>
<b>TOTAL**</b>					<b>\$321,000</b>

\* If purchased at the same time as the first certificate.

\*\* Year one total revenue available is 10/12 of the amount shown due to delay in implementation caused by the referendum clause. In year two, the fee increase raises the full \$192,000 unless reduced by the Registrar from \$1.00 to \$0.83.

\*\*\* Over collection of \$1,000 is due to rounding the fee up to \$700.



HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

HB12-1041 be amended as follows:

1 Amend the Health and Environment Committee Report, dated January 31,  
2 2012, page 1, after line 3 insert:

3 "Page 3 of the printed bill, line 2, after "C.R.S." add "THE COSTS TO  
4 CREATE AND IMPLEMENT AN ELECTRONIC DEATH REGISTRATION SYSTEM  
5 PURSUANT TO THIS PARAGRAPH (b) ARE FUNDED AS FOLLOWS:

6 (A) ONE-THIRD FROM AN INCREASE IN THE FEE IMPOSED PURSUANT  
7 TO SECTION 25-2-117 FOR A CERTIFIED COPY OF A DEATH CERTIFICATE;

8 (B) ONE-THIRD FROM A FEE IMPOSED ON FUNERAL  
9 ESTABLISHMENTS AND CREMATORIES PURSUANT TO SECTION 12-54-402 (1)  
10 (b), C.R.S.; AND

11 (C) THE REMAINING COSTS FROM THE GENERAL FUND."."

12 Page 1 of the report, line 13, strike "2014." and substitute "2014.

13 **SECTION 2.** In Colorado Revised Statutes, 25-2-121, **amend** (2)  
14 (a) and (2) (b) (I) as follows:

15 **25-2-121. Fee adjustments - vital statistics records cash fund**  
16 **created - repeal.** (2) (a) (I) The office of the state registrar shall propose,  
17 as part of its annual budget request, an adjustment in the amount of each  
18 fee that the office of the state registrar is authorized by law to collect. The  
19 budget request and the adjusted fees for the office of the state registrar  
20 shall reflect its direct and indirect costs and the direct and indirect costs  
21 necessary to maintain and operate the Colorado responds to children with  
22 special needs program.

23 (II) FOR THE 2012-13 AND 2013-14 FISCAL YEARS, THE OFFICE OF  
24 THE STATE REGISTRAR SHALL PROPOSE AN ADJUSTMENT OF THE FEES  
25 IMPOSED FOR OBTAINING A CERTIFIED COPY OF A DEATH CERTIFICATE IN  
26 AN AMOUNT THAT REFLECTS ONE-THIRD OF THE DIRECT AND INDIRECT  
27 COSTS OF CREATING AND IMPLEMENTING AN ELECTRONIC DEATH  
28 REGISTRATION SYSTEM AS REQUIRED BY SECTION 25-2-110 (1) (b). ONCE  
29 THE SYSTEM IS IMPLEMENTED, BUT NOT LATER THAN THE 2014-2015  
30 FISCAL YEAR, THE OFFICE OF THE STATE REGISTRAR SHALL PROPOSE A  
31 CORRESPONDING DECREASE IN THE FEES FOR OBTAINING A CERTIFIED COPY  
32 OF A DEATH CERTIFICATE. THIS SUBPARAGRAPH (II) IS REPEALED,  
33 EFFECTIVE JULY 1, 2015.

34 (b) (I) Based upon the appropriation made, and subject to the  
35 approval of the executive director of the department of public health and  
36 environment AND THE LIMITATION ON THE AMOUNT OF THE FEE INCREASE

1 SPECIFIED IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION  
2 (2) FOR THE IMPLEMENTATION OF AN ELECTRONIC DEATH REGISTRATION  
3 SYSTEM, the office of the state registrar shall adjust its fees so that the  
4 revenue generated from said fees approximates its direct and indirect  
5 costs and the direct and indirect costs necessary to maintain and operate  
6 the Colorado responds to children with special needs program. Such fees  
7 shall remain in effect for the fiscal year for which the budget request  
8 applies. All fees collected by the office of the state registrar shall be  
9 transmitted to the state treasurer, who shall credit the same to the vital  
10 statistics records cash fund, which fund is hereby created. All moneys  
11 credited to the vital statistics records cash fund and all interest earned  
12 thereon shall be subject to appropriation by the general assembly to be  
13 used as provided in this section and shall not be deposited in or  
14 transferred to the general fund of this state or any other fund.

15 **SECTION 3.** In Colorado Revised Statutes, **amend** 12-54-402 as  
16 follows:

17 **12-54-402. Fees - repeal.** (1) (a) The director shall establish and  
18 collect the fees for a registration issued under this article pursuant to  
19 section 24-34-105, C.R.S.

20 (b) IN ADDITION TO COLLECTING REGISTRATION FEES, AND AT THE  
21 TIME THE DIRECTOR COLLECTS REGISTRATION FEES DURING THE 2012-13  
22 AND 2013-14 FISCAL YEARS, THE DIRECTOR SHALL COLLECT AN  
23 ADDITIONAL FEE OF SEVEN HUNDRED DOLLARS FROM EACH FUNERAL  
24 ESTABLISHMENT AND CREMATORY TO FUND A PORTION OF THE COSTS OF  
25 THE OFFICE OF THE STATE REGISTRAR IN CREATING AND IMPLEMENTING AN  
26 ELECTRONIC DEATH REGISTRATION SYSTEM AS REQUIRED BY SECTION  
27 25-2-110(1)(b), C.R.S. THE DIRECTOR SHALL TRANSMIT THE ADDITIONAL  
28 FEE COLLECTED PURSUANT TO THIS PARAGRAPH (b) TO THE STATE  
29 TREASURER FOR DEPOSIT IN THE VITAL STATISTICS RECORDS CASH FUND  
30 CREATED IN SECTION 25-2-121, C.R.S. THIS PARAGRAPH (b) IS REPEALED,  
31 EFFECTIVE JULY 1, 2014.

32 (2) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF SUBSECTION (1) OF  
33 THIS SECTION, all fees collected by the director shall be transmitted to the  
34 state treasurer, who shall credit the same pursuant to section 24-34-105,  
35 C.R.S., and the general assembly shall make annual appropriations for  
36 expenditures of the director required to perform his or her duties under  
37 this article, which expenditures shall be made from such appropriations  
38 upon vouchers and warrants drawn pursuant to law. The division shall  
39 employ, subject to section 13 of article XII of the state constitution, such  
40 clerical or other assistants as are necessary for the proper performance of  
41 its work."



1 Renumber succeeding section accordingly."

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