



*Colorado Legislative Council Staff Fiscal Note*  
**STATE and LOCAL  
 FISCAL IMPACT**

**Drafting Number:** LLS 08-1001  
**Prime Sponsor(s):** Sen. Veiga  
 Rep. Judd

**Date:** March 11, 2008  
**Bill Status:** Senate Business, Labor and Technology  
**Fiscal Analyst:** Clare Pramuk (303-866-2677)

**TITLE:** CONCERNING THE EXPANSION OF PROHIBITIONS AGAINST DISCRIMINATION.

<b>Fiscal Impact Summary</b>	<b>FY 2008-2009</b>	<b>FY 2009-2010</b>
<b>State Revenue</b> General Fund	Possible Increase	
<b>State Expenditures</b> General Fund	\$83,485	\$82,258
<b>FTE Position Change</b>	0.4 FTE	0.4 FTE
<b>Effective Date:</b> Upon signature of the Governor or upon becoming law without his signature.		
<b>Appropriation Summary for FY 2008-2009:</b> See State Appropriations section of fiscal note.		
<b>Local Government Impact:</b> See Local Government section of fiscal note.		

**Summary of Legislation**

This bill adds the prohibition of discrimination based on sexual orientation to non-discrimination statutes for 23 areas, including housing, employment not covered by HB07-025, education, public accommodations and health care. It also allows for the appointment of people who have been, or might be discriminated against because of sexual orientation, to the Civil Rights Commission. Prohibitions against discrimination on the basis of sex, marital status, disability, age, national origin, ancestry, and religion, are added as necessary for consistency in all non-discrimination statutes including consumer credit transactions, jury service, issuance of a license to practice law, and public accommodations. Violations of anti-discrimination laws are misdemeanors subject to fines up to \$5,000, two years imprisonment in a county jail, or both.

**State Revenue**

Many anti-discrimination statutes include provisions for misdemeanor penalties up to \$5,000, 2 years imprisonment in county jail, or both. Fine revenue not otherwise appropriated is deposited into the Fines Collection Cash Fund. Because the courts have the discretion of incarceration or imposing a fine, the impact to state revenue cannot be determined so the fiscal note shows only a possible increase in General Fund revenue.

**State Expenditures**

The bill has an estimated General Fund fiscal impact of \$83,485 and 0.4 FTE for FY 2008-09 and \$82,258 and 0.4 FTE for FY 2009-10 for the Department of Regulatory Agencies.

*Department of Regulatory Agencies, Colorado Civil Rights Division* — will address increases in telephone calls and outreach efforts with existing staff. Additional staff and legal expenses will be required for an expected increase of 30 cases of discrimination based on sexual orientation each fiscal year. An estimated 3 court cases are expected.

<b>Table 1. Expenditures Under SB08-200 for the Department of Regulatory Agencies</b>		
<b>Cost Components</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>
Personal Services	\$19,970	\$19,970
FTE	0.4	0.4
Operating Expenses	2,060	2,215
Capital Outlay (one-time cost)	1,382	
Legal Services*	60,073	60,073
<b>TOTAL</b>	<b>\$83,485</b>	<b>\$82,258</b>

\*Provided by the Department of Law.

*Judicial Branch* — will see an increase in cases filed in district courts for discrimination on the basis of sexual orientation, but expects to address these within current appropriations.

*Other State Agencies* — State Personnel Board rules already prohibit the types of discrimination addressed in the bill, so no fiscal impact is expected for state agency operations.

**Local Government Impact**

Depending on the applicable statute, the penalty for a misdemeanor violation of anti-discrimination law ranges from fines of \$10 and 6 months imprisonment in a county jail to \$5,000 or up to 2 years imprisonment in a county jail, or both. Because the courts have the discretion of incarceration or imposing a fine, the impact at the local level cannot be determined. The cost to house an offender in county jails varies from \$45 to \$50 per day in smaller rural jails to \$62 to \$65 per day for larger Denver-metro area jails. For the current fiscal year, the state reimburses county jails a daily rate of \$49.69 to house state inmates. It is assumed that the impact of this new misdemeanor will be minimal and will not create the need for additional county jail space.

Counties may also incur administrative and legal costs to review and revise merit systems in accordance with SB08-200, but these costs cannot be determined.

**Expenditures Not Included**

Pursuant to a Joint Budget Committee policy, funding for the items noted below will not be included in fiscal note expenditure estimates. However, indirect costs are calculated to reflect the total direct and indirect costs required to support a particular program. These total \$8,014 for SB08-200.

- group health, life and dental insurance (\$2,520)
- short-term disability (\$23)
- amortization equalization disbursements (\$286)
- indirect costs (\$4,968)
- supplemental amortization equalization disbursements (\$89)
- risk management (\$54)
- worker's compensation (\$74)

**State Appropriations**

To implement the bill, the Department of Regulatory Agencies requires a General Fund appropriation of \$83,485 for FY 2008-09 and 0.4 FTE. Of this, the Department of Law requires \$60,073 and 0.5 FTE (reappropriated funds).

**Departments Contacted**

All Departments