

  
 Colorado *Legislative Council Staff Fiscal Note*  
**FINAL**  
**FISCAL NOTE**

**Drafting Number:** LLS 11-0567  
**Prime Sponsor(s):** Rep. Court  
 Sen. Carroll

**Date:** June 13, 2011  
**Bill Status:** Postponed Indefinitely  
**Fiscal Analyst:** Alex Schatz (303-866-4375)

**TITLE:** CONCERNING THE ADMINISTRATION OF TRUSTS WITH COURT-APPOINTED FIDUCIARIES.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
<b>State Revenue</b>		
Cash Funds		
Judicial Stabilization Cash Fund*	\$92,500	\$92,500
<b>State Expenditures</b>		
General Fund	\$1,341,221	\$980,511
Cash Funds		
Judicial Stabilization Cash Fund*		\$80,630
<b>FTE Position Change</b>	15.3 FTE	15.3 FTE
<b>Effective Date:</b> The bill was postponed indefinitely by the House Judiciary Committee on February 22, 2011.		
<b>Appropriation Summary for FY 2011-2012:</b> See State Appropriations section.		
<b>Local Government Impact:</b> None.		

\* *The collection of fees under this bill is not directed to a specific cash fund. Within the Judicial Branch, the Judicial Stabilization Cash Fund may be used for general purposes related to operations in the trial courts. Lacking specification in the bill, the fiscal note assumes that the Judicial Stabilization Cash Fund is authorized to receive fees and fund the registry of fiduciaries in the State Court Administrator's Office, supporting the use of the registry in the trial courts. Fees collected in FY 2011-12 will not be available for appropriation until FY 2012-13.*

**Summary of Legislation**

The bill requires a registry of approved fiduciaries to be created and maintained by the Judicial Branch. The registry is available to fiduciaries that serve as conservators, guardians, and court-appointed trustees. Registration requires a fiduciary to pay an annual fee and be subject to removal from the registry and appointment as a fiduciary for failure to file timely and complete reports. A court may not appoint a fiduciary unless the fiduciary has registered. The bill also adjusts a reporting period for guardians, conservators, and trustees from a yearly report to the court under current law to a quarterly report.

**State Revenue**

An annual fee is required by the bill, not to exceed the direct and indirect costs for the implementation and administration of the registry. This fee will be collected from approximately 1,250 registrants each year. To offset direct and indirect costs, the fee is estimated at \$74, subject to final determination by October 1, 2011. Fee revenue will be deposited in a cash fund account available to the Judicial Branch for later appropriation.

**Fee Impact on Individuals, Families or Business**

Section 2-2-322, C.R.S., requires legislative service agency review of measures which create or increase any fee collected by a state agency. The table below identifies the fee impact of this bill.

<b>Table 1. Fee Impact 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>
Fiduciary Registration Fee	\$0	\$74	\$74	1,250	\$92,500
<b>TOTAL</b>					<b>\$92,500</b>

**State Expenditures**

The Judicial Branch will incur total costs of \$1,341,211 and 15.3 FTE in FY 2011-12 to implement the bill. Though the bill is effective sooner with the governor's signature, the fiscal note assumes it will take effect on or about July 1, 2011.

The bill has two cost components for the Judicial Branch: creation of the registry of approved fiduciaries, and additional costs to the courts to review quarterly reports from fiduciaries. The trial courts will incur costs of \$980,511 for 14.3 FTE, including 4.8 magistrates, to perform administrative and bench review of 3 additional guardian and conservator reports in each of approximately 9,850 cases annually. It should be noted that the addition of magistrates drives the need for additional judges in the Judicial Branch; this fiscal note assumes this impact will be accounted for in separate legislation or in the annual budget process. To maintain the list of approved fiduciaries, the State Court Administrator's Office will incur costs of \$80,630 for 1.0 FTE. For FY 2011-12, capital outlay for new personnel will also increase costs in the Judicial Branch.

Table 2 provides an overview of the state expenditures required to implement the bill.

<b>Table 2. Expenditures Under HB 11-1232</b>		
<b>Cost Components</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
Personal Services	\$1,024,091	\$1,024,091
FTE	15.3	15.3
Operating Expenses	37,050	37,050
Capital Outlay	280,080	0
<b>TOTAL</b>	<b>\$1,341,221</b>	<b>\$1,061,141</b>

**Expenditures Not Included**

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. The centrally appropriated costs subject to this policy are summarized in Table 3.

<b>Table 3. Expenditures Not Included Under HB 11-1232*</b>		
<b>Cost Components</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$131,798	\$131,798
Supplemental Employee Retirement Payments	45,511	53,622
<b>TOTAL</b>	<b>\$177,309</b>	<b>\$185,420</b>

*\*More information is available at: <http://colorado.gov/fiscalnotes>*

**State Appropriations**

The Judicial Branch requires a General Fund appropriation of \$1,341,221 and 15.3 FTE for FY 2011-12.

**Departments Contacted**

Judicial Branch