

*Colorado Legislative Council Staff Fiscal Note*  
**NO FISCAL IMPACT**

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**Drafting Number:** LLS 11-0911  
**Prime Sponsor(s):** Rep. Gardner B.

**Date:** April 20, 2011  
**Bill Status:** House Judiciary  
**Fiscal Analyst:** Alex Schatz (303-866-4375)

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**TITLE:** CONCERNING THE USE OF FORMS ESTABLISHED BY STATE GOVERNMENT.

### **Summary of Legislation**

Under this bill, a person is not liable for errors and omissions on forms issued by any branch of Colorado government. Legal forms issued by the state may be used and augmented by any person. The bill authorizes a person to produce basic legal materials, including, but not limited to, forms, provided a person includes a disclaimer stating that his or her product is not a substitute for the advice of an attorney.

The bill clarifies that officials responsible for administering certain Colorado laws related to consumer and commercial affairs may prescribe either electronic or paper forms for related documentation, including forms for registrations, complaints, reports, and civil discovery requests.

### **Assessment**

This bill concerns the ability of private parties to engage in the production of forms and legal materials and is assessed as having no fiscal impact.

A person's ability to rely on official forms is implied under current law. The ability of state officials to dictate electronic (or paper) format for forms, as well as the content of those forms, is also implied by current law. There is no cost or revenue impact to state agencies by codifying current law. Similarly, state revenue is not affected under the bill, by allowing forms to be used and modified in the public domain; the state does not presently charge for forms affected by the bill.

Based on unaffected current law, the fiscal note assumes that state agencies are allowed to establish standards for acceptable forms, including format (electronic or paper), content, layout, and what constitutes a completed form when submitted. The fiscal note also assumes that actions taken by private parties under this bill do not affect the state's compliance with federal law, such as Title VI of the Civil Rights Act, concerning limited English proficiency.

### **Departmental Differences**

The Departments of State, Labor and Employment, Revenue, Personnel and Administration, and Natural Resources expressed concern that the bill could or would have a fiscal impact. The departments are concerned that costs or revenue loss will result from:

- manually processing augmented forms that are currently standardized and automated;
- modifying software to recognize augmented forms;
- allowing individuals to rely on outdated forms;
- requiring acceptance of paper forms; and
- allowing augmentation of precise language that is required to meet legal requirements.

As examples of significant costs, the Department of State submits that information technology costs to manage augmented forms may cost millions of dollars annually, and administrators of the worker's compensation system believe that claims based on reliance on old forms would potentially double worker's compensation hearings each time forms are updated, at a cost of \$2.5 million. Additional potential costs and revenue losses were submitted by the noted departments to account for the submission of non-standard, paper, and outdated forms.

The bill as introduced does not alter the ability of state agencies to avoid or resolve these anticipated problems under existing law. The bill does not prevent state officials from requiring appropriate forms; departments may continue to issue and update standardized forms and promulgate rules regarding their completion. The language of the bill specifically allows state officials to determine whether electronic or paper forms will be required by their agencies.

### **Departments Contacted**

All Departments

Judicial Branch