

**STATE  
FISCAL IMPACT**

**Drafting Number:** LLS 12-0333

**Date:** February 6, 2012

**Prime Sponsor(s):** Rep. Tyler

**Bill Status:** House SVMA

**Fiscal Analyst:** Kirk Mlinek (303-866-4782)

**TITLE:** CONCERNING THE ESTABLISHMENT OF A REGULATOR NAVIGATOR.

<b>Fiscal Impact Summary</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
<b>State Revenue</b>		
<b>State Expenditures</b>		
General Fund	\$242,194	\$223,535
<b>FTE Position Change</b>	4.5 FTE*	5.0 FTE
<b>Effective Date:</b> Upon signature of the Governor, or upon becoming law without his signature.		
<b>Appropriation Summary for FY 2012-2013:</b> See Appropriation section.		
<b>Local Government Impact:</b> See Local Government Impact section.		

\* Year 1 expenditures are reduced to reflect common policies associated with the pay date shift for positions funded with General Fund.

**Summary of Legislation**

The bill requires Legislative Council's research director to create the position of regulator navigator (navigator). The role of the navigator is to refer callers seeking information about state, local, or federal government rules or regulations to the appropriate agency or to the correct web site. Public access to the navigator is through a single telephone number and the navigator is to be linked to web sites of the state, the governor, Legislative Council, and others deemed necessary. The bill directs executive directors of principal departments to provide information requested by Legislative Council in order to facilitate the navigator's duties.

The director is required to collect data on inquiries received. The governor, the director of research, and the executive director of the Department of Regulatory Agencies are required to prepare a joint report to the General Assembly that 1) summarizes the data collected, and 2) that includes recommendations regarding the continuation of the navigator position and its location in state government.

**Background**

A call center is a centralized office created for the purpose of receiving and transmitting a large volume of telephone requests. In addition to the telephony element, contact centers are distinguished by the inclusion of other features such as accessibility through email, a web site, an on-line chat feature, and instant messaging.

The City and County of Denver began its call center, Denver 311, in 2005 with a startup budget of \$3 million. Housed in the Wellington Webb building, Denver 311 receives annual funding of approximately \$1.5 million and is staffed with 28.0 FTE. According to Denver's *311 Annual Report ~2010 ~* Denver 311 handled 467,081 calls in 2010, an increase of 1.5 percent over the prior year. In 2010, call volume by month ranged from about 27,000 to 40,000. Requests lodged on line ranged from 1,800 to 3,600 per month, with an annual total of 29,260. Statistical data show that 70 percent of all calls and online requests are lodged from persons inside Denver City and County.

The Department of Regulatory Agencies (DORA) established a call center in August 2010. The center was established after consultations with Denver 311 and the Governor's Office of Information Technology. The center is DORA's central point of contact for the public and is designed to provide quick answers to basic questions without the need to refer the caller to one of the department's ten divisions. DORA's call center is staffed with 3.0 FTE who also serve as receptionists in the building's lobby, with a fourth person available to cover for absences. For the period June 2010 through July 2011, the call center received 224,892 calls, or an average of 18,741 per month.

A certain level of telephony-based technology is necessary for efficient call center operation and for data gathering, with VOIP-based systems providing the greatest level of optimization. VOIP has not been extended to the State Capitol Building, and this fiscal note assumes that the call center will be housed outside of the capitol. The bill does not prescribe which metrics are to be collected. Most call centers track quantitative (*e.g.*, the number of calls received, average wait time, length of call, and the number of calls dropped) and qualitative information, such as the purpose of the call, to whom the call was referred, and required follow up, if any.

## **State Expenditures**

State expenditures will increase by \$242,194 GF and 4.5 FTE in FY 2012-13, and by \$223,535 GF and 5.0 FTE per year thereafter. This analysis assumes that:

- a call center will be established in not less than 1,100 square feet of leased space in close proximity to the capitol;
- the call center will be staffed with 5.0 FTE (FY 2012-13 impact is 4.5 FTE) comprised of 3.0 Call Center Professional I employees compensated at a rate of \$32,000 per annum (Denver 311 entry level), 1.0 Call Center Professional II compensated at a rate of \$38,000 per annum, and 1.0 FTE Systems Analyst II compensated at the rate of \$54,000 per annum;
- the call center will operate from 8:00 a.m. to 5:00 p.m. Monday through Friday;
- CenturyLink will modify existing telephone infrastructure to implement necessary call center technology; and
- Service Desk software will be installed, establishing a ticketing tracking system for calls that require follow up.

Table 1 details expenditures under HB12-1025.

<b>Table 1. Expenditures Under HB12-1025</b>		
<b>Cost Components</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>
Personal Services	\$188,845*	\$209,825
FTE	4.5	5.0
Operating Expenses and Capital Outlay	25,439	4,750
Call Center Technology		
Hosted Service (CenturyLink)		
Automatic Call Distribution System	150	0
Customization and Training	7,000	0
5 incoming call ports	4,380	4,380
1 reporting supervisor port	1,380	1,380
Service Desk (ticketing tracking system)		
Extend existing license (new module)	5,000	0
Server	6,000	0
Microsoft Windows server license	1,000	200
Help desk solution (technical assistance)	3,000	3,000
<b>TOTAL</b>	<b>\$242,194</b>	<b>\$223,535</b>

\*Year 1 personal services expenditures are reduced due to the pay date shift.

**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 2.

<b>Table 2. Expenditures Not Included Under HB12-1025</b>		
<b>Cost Components</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$27,525	\$30,583
Supplemental Employee Retirement Payments	10,068	12,879
Leased Space	13,893	13,893
<b>TOTAL</b>	<b>\$51,486</b>	<b>\$57,355</b>

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

**Local Government Impact**

The bill includes a requirement that the navigator provide easy access to information for local government rules and regulations. The navigator will use existing resources when possible. Legislative Council intends to populate a database with state, local, and federal information and, as part of that process, will call on local governments for assistance. The extent to which that process will drive an increase in expenditures at the local level has not been estimated in this fiscal note.

**State Appropriations**

For FY 2012-13, the Legislative Council requires an appropriation of \$242,194 GF and 4.5 FTE to implement the bill.

**Departments Contacted**

All            Colorado Counties            Municipal League