


Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 12-0584
Prime Sponsor(s): Sen. Mitchell

Date: February 2, 2012
Bill Status: Senate SVMA
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING NOTICES OF REPORTED BUSINESS FISCAL IMPACTS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures		
General Fund	\$25,168	\$21,406
FTE Position Change	0.4 FTE	0.4 FTE
Effective Date: August 7, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: See State Appropriations section.		
Local Government Impact: None		

Summary of Legislation

This bill allows Colorado businesses to submit comments on proposed legislation and rules and requires that the comments be summarized and compiled into a notice of reported business fiscal impacts. Comments must be submitted within a designated 5-day period following the introduction of legislation or notification of a proposed rule. Notices of reported business fiscal impacts are to be prepared by the Legislative Council Staff, but do not require any independent analysis by the staff. Instead, notices must briefly state the range of business fiscal impacts claimed by businesses, and any methodology submitted in support of the calculations.

Notices of reported business fiscal impacts for bills and other legislative measures must accompany the fiscal note; notices on proposed rules must be forwarded to the agency promulgating the rule and posted on the Legislative Council Staff website.

State Expenditures

Preparing notices of reported business fiscal impacts on all measures considered by the legislature and all rules proposed by the executive branch will cost an estimated **\$25,168 in FY 2012-13** and **\$21,406 per year thereafter**. These amounts are shown in Table 1 and include costs associated with 0.4 FTE. First-year costs also include initial office set up, such as computers and workstations.

Table 1. Expenditures Under SB 12-080		
Cost Components	FY 2012-13	FY 2013-14
Personal Services	\$21,026	\$21,026
FTE	0.4	0.4
Operating Expenses	380	475
Capital Outlay	3,762	0
TOTAL	\$25,168	\$21,501

Estimated costs are based on the following assumptions:

- notices will be prepared for 550 measures, including 300 bills and 250 rules. This estimate assumes that one-half of the 600 bills and 500 rules proposed each year will generate comments from Colorado businesses; and
- each notice will require an average of 1.4 hours of staff time. For the 300 bills, this average assumes that 200 bills will each require one hour; 75 bills will each require two hours; and the remaining 25 bills will each require four hours. The same proportions are applied to the 250 rules.

A portion of the effort required by this bill falls within the legislative session, so the actual number of new staff necessary to complete this work during the session exceeds the FTE identified in Table 1. Therefore, the capital outlay costs reflect more than one computer and workstation for each FTE. Leased space costs are not included in this fiscal note, although additional office space will likely be required. Legislative staff functions are paid from the General Fund.

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.

Table 2. Expenditures Not Included Under SB 12-080*		
Cost Components	FY 2012-13	FY 2013-14
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$2,840	\$2,840
Supplemental Employee Retirement Payments	1,121	1,291
TOTAL	\$3,961	\$4,131

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

State Appropriations

For FY 2012-13, the Legislative Council Staff requires a General Fund appropriation of \$25,168 and 0.4 FTE.

Departments Contacted

All departments