


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

Drafting Number: LLS 12-0683
Prime Sponsor(s): Rep. Scott
 Sen. Foster

Date: February 13, 2012
Bill Status: House Local Government
Fiscal Analyst: Harry Zeid (303-866-4753)

TITLE: CONCERNING AN INVENTORY OF LOCAL GOVERNMENTAL ENTITIES CREATED BY THE SECRETARY OF STATE, AND, IN CONNECTION THEREWITH, SPECIFYING THE INFORMATION THAT MUST BE INCLUDED IN THE INVENTORY.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
Cash Funds		
Department of State Cash Fund*		\$12,000
State Expenditures		
Cash Funds		
Department of State Cash Fund	\$66,896	\$12,000
FTE Position Change		
Effective Date: August 8, 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 the State Appropriations section.		
Local Government Impact: See the Local Government section.		

* An access fee will be assessed to database users once the inventory becomes operational in August 2013, to cover ongoing maintenance costs. It is assumed that no fees will be collected in FY 2012-13.

Summary of Legislation

The bill requires the Secretary of State to develop an inventory of local governmental entities. By August 8, 2013, each local governmental entity in the state must provide the Secretary of State with the following information: official name and principal address of the local governmental entity; mailing address if different than the principal address; name and mailing address of the registered agent; street address of the registered agent; and the taxes levied by the local governmental entity and the rate or amount of each tax. Information must be updated by the local governmental entity as necessary. The inventory will be made available on the Secretary of State's website but a fee sufficient to recover the actual costs of maintaining the inventory will be charged to access data related to registered agents. A registered agent is defined as a person designated by a local governmental entity to receive a filing of a notice of claim pursuant to the Colorado Governmental Immunity Act.

State Revenue

The bill authorizes the Secretary of State to charge a fee to access the registered agent's name and mailing address information. The fee must be sufficient to recover the actual costs of maintaining the inventory, which is projected to be \$12,000 per year beginning in FY 2013-14. Access to other information in the database can be viewed free of charge.

It is assumed that the cost to develop the database will be paid from the Department of State Cash Fund, but the access fee is only meant to cover the ongoing maintenance costs for the inventory database. That fee will be charged by the Secretary of State to access registered agent information beginning in FY 2013-14. The amount of the user fee will depend on the estimated number of users who will access the data. No estimate of the fee per database access has been made at this time.

State Expenditures

The Secretary of State will develop a new online registration system for local governmental entities that includes the name and address of registered agents authorized to receive notices of claims under the Colorado Governmental Immunity Act. The Department of State requires \$66,896 from the Department of State Cash Fund in FY 2012-13 to develop the database. This expenditure will provide for an estimated 904 hours of contracted computer programming services at the rate of \$74 per hour to complete the project. Beginning in FY 2013-14, the Secretary of State requires \$12,000 annually to maintain the online system.

Local Government Impact

There are 3,395 local governmental entities in the state, including cities, counties, special districts, school districts, and other units of local government. The time required to provide the Secretary of State with the requested information is minimal. Therefore, it is assumed that each local government will be able to provide the information about registered agents and taxes in a timely manner within current budgeted resources.

State Appropriations

In FY 2012-13, the Department of State requires an appropriation of \$66,896 from the Department of State Cash Fund.

Departments Contacted

Secretary of State

Local Affairs

Education