

**CONDITIONAL FISCAL IMPACT**

**Drafting Number:** LLS 12-0672

**Date:** March 7, 2012

**Prime Sponsor(s):** Rep. Ferrandino; Vaad  
Sen. Johnston; King K.

**Bill Status:** House SVMA

**Fiscal Analyst:** Kerry White (303-866-3469)

**TITLE:** SUBMITTING TO THE REGISTERED ELECTORS OF THE STATE OF COLORADO AMENDMENTS TO THE COLORADO CONSTITUTION CONCERNING THE STATE PERSONNEL SYSTEM, AND, IN CONNECTION THEREWITH, EXPANDING THE VETERANS' PREFERENCE; INCREASING THE NUMBER OF CANDIDATES ELIGIBLE TO BE APPOINTED TO A POSITION; ADJUSTING THE DURATION OF ALLOWABLE TEMPORARY EMPLOYMENT; ALLOWING THE FLEXIBILITY TO REMOVE A LIMITED NUMBER OF POSITIONS FROM THE SYSTEM; MODIFYING THE RESIDENCY REQUIREMENT; ADJUSTING THE TERMS OF SERVICE FOR MEMBERS OF THE STATE PERSONNEL BOARD; AND REQUIRING MERIT-BASED APPOINTMENTS TO BE MADE THROUGH A COMPARATIVE ANALYSIS PROCESS.

<b>Fiscal Impact Summary</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
<b>State Revenue</b>		
<b>State Expenditures</b>	Increase - see State Expenditures section.	
<b>FTE Position Change</b>		
<b>Effective Date:</b> Upon voter approval at the 2012 general election.		
<b>Appropriation Summary for FY 2012-2013:</b> Upon voter approval at the 2012 general election.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

This concurrent resolution submits a ballot measure to amend Section 13 of Article XII of the Colorado Constitution, which describes the state personnel system. If approved, the amendment modifies the application of veterans' preferences in state employment and the appointment and service terms of members of the state personnel board. It also allows for the following changes in the state personnel system:

- appointments and promotions may be made on the basis of a comparative analysis of candidates using objective criteria rather than competitive tests of competence;
- selections for a position may be made from among any of the top six candidates on an eligibility list rather than only the top three;
- an out-of-state candidate may be appointed to a position if the state personnel director determines the position cannot be readily filled by a Colorado resident;

- positions that are located within 30 miles of the Colorado border are not limited to residents of Colorado;
- with the approval of the state personnel director, deputy department heads, senior executive service employees, chief financial officers, public information officers, legislative liaisons, human resource directors, and executive assistants may also be excluded from the state personnel system;
- up to 1 percent of the total number of employees of the state personnel system may be exempted from its provisions; and
- temporary employees may be appointed for up to nine months, rather than six.

### **State Expenditures**

Modifying the manner in which appointments to state employment and the state personnel board are made does not alter the number of employees hired or otherwise affect compensation decisions. However, should voters decide to approve the amendment, it is possible that workload for the state personnel board may increase as a result of persons challenging application of the new provisions on residency, comparative analyses, or veteran preferences, among others. The amount of increased workload is anticipated to be minimal and can be accomplished within existing appropriations.

### **Election Expenditure Impacts (For Informational Purposes Only)**

The bill refers a measure to the voters at the November 2012 general election. This measure will be published in newspapers and an analysis of the measure will be included in the Blue Book mailed to all registered voter households prior to the election. Under current law, costs for these functions will be paid through a General Fund line item in the Long Appropriations Bill. Table 1 below identifies the anticipated costs for the 2012 Blue Book.

<b>Table 1. Cost to Produce and Distribute the 2012 Blue Book to All Registered Voter Households</b>	
Printing	\$400,000
Postage	\$450,000
Translation	\$20,000
Newspaper Publication (English & Spanish)	\$500,000
<b>Total Cost (14 issues)</b>	<b>\$1,370,000</b>
<b>Average Cost per Issue</b>	<b>\$97,857</b>

### **Departments Contacted**

All Departments