

NO FISCAL IMPACT

Drafting Number: LLS 13-1011	Date: April 30, 2013
Prime Sponsor(s): Sen. Cadman; Morse Rep. Levy; Gerou	Bill Status: Senate Finance
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TITLE: CONCERNING THE PROCESS BY WHICH THE GENERAL ASSEMBLY APPROVES RECOMMENDATIONS MADE BY THE STATE CLAIMS BOARD FOR AN ADDITIONAL PAYMENT TO CLAIMANTS THAT EXCEEDS THE MAXIMUM LIABILITY UNDER THE "COLORADO GOVERNMENTAL IMMUNITY ACT".

Summary of Legislation

Under current law, the State Claims Board (SCB) may settle negligence cases and other tort claims brought against the state. If the amount of the settlement is the maximum allowable under the Colorado Governmental Immunity Act (CGIA), the SCB may also recommend an additional payment, subject to a General Fund appropriation by the General Assembly.

This bill amends the CGIA to specify a process for the issuance of certain additional payments to claimants that settle a case through the SCB. When the SCB recommends an additional payment and the General Assembly is not in session, the Joint Budget Committee (JBC) may authorize the additional payment by unanimous vote; except that in the specific case of payments related to the Lower North Fork Wildfire the additional payment is issued once the Attorney General's Office certifies that the settlement conforms to CGIA requirements. In all cases, while the bill accommodates approval of payments when the General Assembly is not in session, additional payments are limited to those funds already appropriated by the General Assembly.

The bill is effective upon signature of the Governor, or upon becoming law without his signature, and applies to additional payments made on or after January 1, 2013.

Background

The SCB consists of the state treasurer, the state attorney general, and the executive director of the Department of Personnel and Administration (DPA). The SCB may settle claims against the state and its agencies only to the limits established in the CGIA, which settlements are paid from the Risk Management Fund maintained by the DPA (also referenced as the state self-funded liability fund).

To fund compensation to victims of the March 2012 Lower North Fork Wildfire above the limits established by the CGIA, the General Assembly provided a \$2,835,738 General Fund appropriation in the 2013-14 Long Bill for additional payments recommended by the SCB. On April 26, 2013, the SCB recommended a total of \$1,047,595 in additional payments to five claimants in the Lower North Fork Wildfire case.

Assessment

The bill is assessed as having no fiscal impact. The bill clarifies CGIA's settlement process for the state and certain claimants, but is not expected to impact the number of cases reviewed by the SCB or the outcome of those cases. Additional payments exceeding CGIA limits are extraordinary, and clarification of the process to issue payments following an SCB recommendation and appropriation does not significantly effect the workload of any state agency. The fiscal note assumes that interim action by the JBC to approve additional payments can be accomplished in the normal JBC interim meeting schedule and will not require a special meeting.

Departments Contacted

Personnel and Administration
Public Safety
Law

Joint Budget Committee Staff
Higher Education

Treasury
Judicial