

Colorado Legislative Council Staff Fiscal Note

**STATE  
FISCAL IMPACT**

**Drafting Number:** LLS 15-0736  
**Prime Sponsor(s):** Rep. Hamner  
 Sen. Lambert

**Date:** February 24, 2015  
**Bill Status:** House Judiciary  
**Fiscal Analyst:** Bill Zepernick (303-866-4777)

**BILL TOPIC:** OFFICE OF THE RESPONDENT PARENTS' COUNSEL

| Fiscal Impact Summary*   | FY 2015-2016       | FY 2016-2017     |
|--|--------------------|------------------|
| <b>State Revenue</b>   | <b>(\$15,000)</b>  |                  |
| Cash Funds   | (15,000)           |                  |
| <b>State Expenditures</b>  | <b>(\$618,145)</b> | <b>\$224,025</b> |
| General Fund   | (603,145)          | 224,025          |
| Cash Funds   | (15,000)           |                  |
| <b>TABOR Set Aside</b>   | <b>(\$15,000)</b>  |                  |
| <b>FTE Position Change</b>   | <b>(1.1 FTE)</b>   |                  |
| <b>Appropriation Required:</b> Net reduction of (\$618,145) - Judicial Department (FY 2015-16) |                    |                  |

\* This summary shows changes from current law under the bill for each fiscal year. Parentheses indicate a decrease in funds.

**Summary of Legislation**

Under current law, the Judicial Department is required to establish an Office of Respondent Parents' Counsel (ORPC) to represent parents involved in dependency and neglect proceedings who are unable to afford private counsel. The office is scheduled to be created and assume payment responsibility for court-appointed respondent parent counsel on January 1, 2016.

This bill, **recommended by the Joint Budget Committee**, pushes back the date that the ORPC is to assume responsibility for the appointment of respondent parents' counsel by six months to July 1, 2016. In addition, the bill creates a nine-member governing commission for the ORPC, appointed by the Colorado Supreme Court, and specifies the appointment criteria for the commission members. Commission members serve without compensation, but may be reimbursed for actual and reasonable expenses. The commission is required to appoint the director of the ORPC. The director's compensation is set by the General Assembly and may not be reduced during his or her term of appointment.

**Background**

Senate Bill 14-203 required that the Judicial Department study and make recommendations concerning the creation and structure of the ORPC and that the ORPC begin work on January 1, 2016. SB14-203 directed the Judicial Department to request funding for the ORPC based on these recommendations through the annual budget process. Based on the Judicial Department budget request and decisions by the Joint Budget Committee, the Long Bill for FY 2015-16 is anticipated to include funding for the ORPC totaling \$6.7 million and 6.9 FTE and

makes reductions in the Office of the State Court Administrator (OSCA) totaling (\$5.3 million) and (3.1 FTE). Thus, the net change due to the creation of the ORPC under current law is an increase of \$1.6 million and 3.8 FTE in the Judicial Department in FY 2015-16.

### **State Revenue**

By delaying full implementation of the ORPC by six months, the bill reduces cash fund revenue by about \$15,000 in FY 2015-16 in the ORPC from fees paid by training participants. This is a one-time impact, based on half of the training costs in the ORPC being paid with fee revenue.

### **TABOR Impact**

This bill reduces state revenue from fees by \$15,000, which will reduce the amount required to be refunded under TABOR. TABOR refunds are paid from the General Fund.

### **State Expenditures**

By delaying full implementation of the ORPC by six months, the bill reduces expenditures in the Judicial Department in FY 2015-16 compared with current law. Specifically, the bill affects costs in FY 2015-16 by:

- delaying the start of most staff in the ORPC;
- keeping payments for respondent parent counsel in the OSCA;
- keeping existing staff in the OSCA for an additional six months; and
- requiring reimbursement for commission member expenses.

For **FY 2015-16**, this bill reduces required General Fund expenditures by **(\$618,145) and (1.1 FTE)**. The difference between the funding required under current law and under this bill is shown in Table 1 on the following page.

For **FY 2016-17**, the bill increases costs by **\$224,025 General Fund**. This increase is from creation of the commission (\$8,400) and delaying in transfer of case management to the ORPC (\$215,625) which shifts this cost from the prior year.

### **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

### **State Appropriations**

The bill requires the following appropriations to the Judicial Department for FY 2015-16:

- a reduction to the Office of Respondent Parents' Counsel of (\$5,778,577), of which (\$5,763,577) is General Fund and (\$15,000) is cash funds and a reduction of (4.2 FTE); and
- an increase to the Office of the State Court Administrator of \$5,160,432 and 3.1 FTE.

**State and Local Government Contacts**

Judicial

Joint Budget Committee Staff

| <b>Table 1. Change in Expenditures in FY 2015-16 Under HB15-1149</b> |                             |                         |                             |
|--|-----------------------------|-------------------------|-----------------------------|
| <b>Cost Components</b>   | <b>Current Law</b>          | <b>HB 15-1149</b>       | <b>Difference</b>           |
| <b>Office of Parents' Respondent Counsel</b>                         | <b><u>\$6,738,570</u></b>   | <b><u>\$959,993</u></b> | <b><u>(\$5,778,577)</u></b> |
| <b>FTE</b>   | <b>6.9 FTE</b>              | <b>2.7 FTE</b>          | <b>(4.2 FTE)</b>            |
| Personal Services  | \$725,361                   | \$284,975               | (\$440,386)                 |
| Court Appointed Counsel  | 4,986,663                   | 0                       | (4,986,663)                 |
| Operating Expenses   | 6,571                       | 2,533                   | (4,038)                     |
| Capital Expenses and Space Build-Out                                 | 435,140                     | 435,140                 | 0                           |
| Case Management System   | 253,125                     | 37,500                  | (215,625)                   |
| Information Technology Services                                      | 117,000                     | 78,000                  | (39,000)                    |
| Commissioner Travel  | 0                           | 8,400                   | 8,400                       |
| Staff Travel   | 18,000                      | 6,900                   | (11,100)                    |
| Legal Services   | 49,505                      | 49,505                  | 0                           |
| Training   | 45,000                      | 15,000                  | (30,000)                    |
| Other Operating Costs  | 13,975                      | 7,600                   | (6,375)                     |
| Centrally Appropriated Costs   | 88,230                      | 34,440                  | (53,790)                    |
| <b>Office of the State Court Administrator</b>                       | <b><u>(\$5,160,432)</u></b> | <b><u>\$0</u></b>       | <b><u>\$5,160,432</u></b>   |
| <b>FTE</b>   | <b>(3.1 FTE)</b>            | <b>0.0 FTE</b>          | <b>3.1 FTE</b>              |
| Administration and Technology  | (64,211)                    | 0                       | 64,211                      |
| Trial Courts   | (109,558)                   | 0                       | 109,558                     |
| Court Appointed Counsel  | (4,986,663)                 | 0                       | 4,986,663                   |
| <b>TOTAL</b>   | <b><u>\$1,578,138</u></b>   | <b><u>\$959,993</u></b> | <b><u>\$618,145</u></b>     |
| <b>FTE</b>   | <b>3.8 FTE</b>              | <b>2.7 FTE</b>          | <b>(1.1 FTE)</b>            |