

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING AUTHORIZATION OF DOMESTIC PARTNERSHIPS BETWEEN SAME-SEX COUPLES, AND, IN CONNECTION THEREWITH, CREATING THE "COLORADO DOMESTIC PARTNERSHIP BENEFITS AND RESPONSIBILITIES ACT" TO EXTEND BENEFITS, PROTECTIONS, AND RESPONSIBILITIES TO SUCH COUPLES.

Prime Sponsors: Representative Plant
Senator Fitz-Gerald

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Date Prepared: March 22, 2006

Summary of Amendments Made to the Bill After the 03/20/06 Legislative Council Staff Revised Fiscal Note was Prepared

None.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs **Does Not Concur** **Updated Analysis**

Reason for the Update

The \$32,225 legal services expenditure projection in the March 20, 2006 Legislative Council Staff Revised Fiscal Note is based upon the FY 2005-06 blended legal services rate of \$64.45. Staff has updated the legal services appropriation to \$33,885 to reflect the FY 2006-07 blended legal services rate of \$67.77 recently approved by the Joint Budget Committee. The following table shows the resulting fiscal impact:

Updated Fiscal Impact Summary	FY 2006/07	FY 2007/08
State Revenues		
Cash Funds — Vital Statistics Records Cash Fund	\$32,120	\$77,000
Cash Funds — Civil Rights Division Cash Fund	65,700	157,500
State Expenditures		
Cash Funds — Department of Regulatory Agencies	58,052	139,994
Cash Funds Exempt — Department of Law	33,885	81,324
FTE Position Change		
Department of Regulatory Agencies	0.5 FTE	1.0 FTE
Department of Law	0.2 FTE	0.6 FTE

Amendments/Appropriation Status

Joint Budget Committee staff has consulted with the Office of Legislative Legal Services and has concluded that this bill could be submitted to voters with or without an appropriation clause; either approach would be acceptable. Staff has prepared amendment **J.001** (attached) in case the Committee wishes to include an appropriation. If an appropriation clause is not added to the bill, an appropriation would be contained in the implementing legislation.

Amendment **J.001** contains the following FY 2006-07 appropriations:

1. \$24,167 cash funds from the Civil Rights Division Cash Fund and 0.5 FTE to the Department of Regulatory Agencies, Colorado Civil Rights Division;
2. \$33,885 cash funds from the Civil Rights Division Cash Fund to the Department of Regulatory Agencies, Executive Director's Office; and
3. \$33,885 cash funds exempt and 0.2 FTE to the Department of Law out of the appropriation to the Department of Regulatory Agencies' Executive Director's Office.

These appropriations correspond to those indicated in the updated fiscal impact summary table above.

Sponsor Amendments

Sponsor amendment **L.008** (attached) would strike the Finance Committee report. As a consequence, the Civil Rights Division Cash Fund would not be created and the domestic partnership license fee would equal \$7, the level in the printed bill. License fee revenue would be directed to the Department of Public Health and Environment's Vital Statistics Records Cash Fund, as in the printed bill. The expenditures of the Department of Regulatory Agencies and the Department of Law would have to be paid from the General Fund. The following table shows the resulting fiscal impact:

Fiscal Impact Summary with L.008	FY 2006/07	FY 2007/08
State Revenues		
Cash Funds — Vital Statistics Records Cash Fund	\$32,120	\$77,000
State Expenditures		
General Fund — Department of Regulatory Agencies	58,052	139,994
Cash Funds Exempt — Department of Law	33,885	81,324

Fiscal Impact Summary with L.008	FY 2006/07	FY 2007/08
FTE Position Change		
Department of Regulatory Agencies	0.5 FTE	1.0 FTE
Department of Law	0.2 FTE	0.6 FTE

As described above, this bill could be submitted to voters with or without an appropriation clause; either approach would be acceptable. Staff has prepared amendment **J.002** (attached) in case the Committee wishes to include an appropriation. If an appropriation clause is not added to the bill, an appropriation would be contained in the implementing legislation.

Amendment **J.002** (attached) contains the following FY 2006-07 appropriations:

1. \$24,167 General Fund and 0.5 FTE to the Department of Regulatory Agencies, Colorado Civil Rights Division;
2. \$33,885 General Fund to the Department of Regulatory Agencies, Executive Director's Office; and
3. \$33,885 cash funds exempt and 0.2 FTE to the Department of Law out of the appropriation to the Department of Regulatory Agencies' Executive Director's Office.

These appropriations correspond to those indicated in the updated table labeled "Fiscal Impact Summary with L.001" above.

Amendments J.001 and J.002 are both optional.

If amendment L.008 is adopted, amendment J.002 could be adopted but amendment J.001 should not be adopted.

If amendment L.008 is *not* adopted, amendment J.001 could be adopted but amendment J.002 should not be adopted.

Points to Consider

1. Domestic partners would qualify as dependents under this bill. The March 20, 2006 Legislative Council Staff Revised Fiscal Note projects that the state share of expenditures for domestic partners as a new group of eligible dependents will equal \$195,200 and possibly may be as great as \$1.1 million. Since the distribution and amount of these added expenditures among state agencies is unknown, it is impossible to make a corresponding appropriation at the current time.

These expenditures would be included in future Long Bill appropriations once the amount and distribution becomes known. The funding source would be a combination of General Fund, cash funds and federal funds.

2. This measure will be referred to voters. No appropriation is required for the costs of publishing this measure in newspapers or for the cost of producing and distributing the Blue Book since these costs are paid through the Long Bill.
3. (Point to Consider if L.008 is not adopted.) As the March 20, 2006 Legislative Council Staff Revised Fiscal Note observes, the number of domestic partnership licenses that would be issued and the number of investigations that would be performed under the terms of this bill is speculative. If revenues turn out to be less than projected or investigation and legal expenditures turn out to be greater than projected, General Fund appropriations in future Long Bills would be required.