



Legislative Council Staff
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***Fiscal Note
Memorandum***

April 26, 2024

TO: Members of the Senate Finance Committee

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SUBJECT: Fiscal Assessment of Proposed Amendment **HB1286_L.010**

This memorandum is an assessment of the fiscal impact of the attached proposed amendment L.010 to HB24-1286. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

Summary of Current Fiscal Impact

The latest published fiscal note, dated April 16, 2024, does not reflect the need for an appropriation. However, based on new information obtained since publication of that fiscal note, the Judicial Department is expected to require a General Fund appropriation \$461,396 and 0.9 FTE to implement the bill. This appropriation is for information technology upgrades needed to exempt individuals with incomes below 250% of the federal poverty line from paying the new Equal Justice fee and to employ 0.9 FTE additional court staff to process fee waivers. A revised fiscal note reflecting this new information is in progress and will be published if L.010 is not adopted.

Fiscal Impact of Amendment

Amendment L.010 eliminates the costs described above in the Judicial Department by eliminating the fee waiver for individuals with incomes below 250% of the federal poverty line.

Bill's Revised Fiscal Impact with Amendment

With Amendment L.010, the bill will minimally increase state workload in the Judicial Department and increase revenue to the new Equal Justice Authority as shown in Table 1, and this spending will be used to support legal aid.



State Expenditures

Judicial Department. The Judicial Department will update their information technology systems to create a new financial code for the new Equal Justice Fee, establish a process for determining if a person is not subject to the fee due to income, and transmit fee revenues to the Equal Justice Authority. This additional workload is assumed to be minimal and can be accomplished within existing appropriations.

Statutory Public Entity

Docket fee impact. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. In this case, the fee is collected by the Judicial Department on behalf of the Equal Justice Authority. Fee amounts are outlined in the bill, resulting in an increase of \$30 for district civil, court of appeals and probate docket fees, as shown in Table 1 below. County civil fee amounts are \$10 and exclude small claims court. Individuals with incomes below 250 percent of the federal poverty guidelines will not be assessed the fee, accounting for approximately 23 percent of all case filers.

**Table 1
Docket Fee Impact**

Year	Type of Case	Cases	Poverty Rate	Payers	Fee	Total
FY 2024-25 <i>half-year Impact</i>	County Civil	30,661	22%	23,916	\$10	\$239,160
	District Civil	20,753	28%	14,942	\$30	\$448,260
	Court of Appeals	292	28%	210	\$30	\$6,300
	Probate	9,211	16%	7,737	\$30	\$232,110
FY 2024-25 Fee Revenue						\$925,830
FY 2025-26	County Civil	61,322	22%	47,831	\$10	\$478,310
	District Civil	41,506	28%	29,884	\$30	\$896,520
	Court of Appeals	584	28%	420	\$30	\$12,600
	Probate	18,421	16%	15,474	\$30	\$464,220
FY 2025-26 Fee Revenue						\$1,851,650

Equal Justice Authority spending. The newly created EJA will provide funding for legal aid to indigent offenders using the revenue generated from the new docket fee, estimated at \$925,000 in FY 2024-25 and up to \$1.85 million in FY 2025-26 and ongoing. This revenue will also cover the EJA's administrative costs, which will be spent to convene commission members, and to distribute and report on funding.