



Legislative Council Staff *Nonpartisan Services for Colorado's Legislature*

Fiscal Note

Drafting Number: LLS 21-0214
Prime Sponsors: Rep. Ransom
Sen. Buckner

Date: March 29, 2021
Bill Status: House Judiciary
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Bill Topic: **PRESERVING FAMILY RELATIONSHIPS IN CHILD PLACEMENT**

Summary of Fiscal Impact:

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill adds provisions on parent-child visitation in the child welfare system and allows adoptive parents and birth parents to enter into post-adoption contracts. The bill will increase state revenue and expenditures on an ongoing basis.

Appropriation Summary: For FY 2021-22, the bill requires appropriations totaling \$341,967 to the Judicial Department and the Department of Human Services.

Fiscal Note Status: This fiscal note reflects the introduced bill.

**Table 1
State Fiscal Impacts Under HB 21-1101**

	Budget Year FY 2021-22	Out Year FY 2022-23
Revenue	-	-
Expenditures		
General Fund	\$334,494	\$287,934
Federal Funds	\$7,473	-
Centrally Appropriated	\$38,700	\$67,128
Total Expenditures	\$380,667	\$355,062
Total FTE	2.0 FTE	2.8 FTE
Transfers	-	-
TABOR Refund	-	-

Summary of Legislation

The bill requires courts to allow parents visitation during a dependency and neglect case and establishes open adoption agreements, as described below.

Visitation rights. The bill adds several provisions regarding visitation rights for parents and children in the child welfare system. First, a court may find good cause to delay or continue visitation with a child under the age of 6 if there was significant delay or interruption due to a public health emergency. The bill also requires a court to order in-person visitation with a parent unless the visits would endanger the child's health or welfare. Thirty days after a dependency and neglect petition has been filed, a county department of human services must make recommendations to the court on how visits should take place. Before visitations can be reduced or suspended, or the level of supervision increased, the parent has a right to a hearing in front of the court, unless there is an agreement between parties to the change. Nothing restricts a guardian ad litem (GAL) or a county department of human services from increasing parent-child visits.

Open adoption agreements. The bill allows adoptive parents to enter into a post-adoption contract agreement with a child's birth parent, relative, or tribe. A contract may include provisions for contact, visitation, or the exchange of information, and is enforceable by the court. Depending on the age of the child, the court may appoint a GAL or another attorney to represent the adopted child at the time of enforcing the contract or the termination of one. The court may assess a fee to the parties for the cost of the appointment of a GAL or attorney.

Assumptions

The fiscal note makes the following assumptions:

- that 30 percent (or 693 cases) of temporary custody hearings will require an additional 30 minutes, on average, to litigate matters relating to reduction or restrictions of parental visitations in dependency and neglect cases; and
- that 50 percent of adoption cases (1,182 cases) will enter into a post-adoption agreement and that 50 percent of those agreements (591 cases) will require a hearing averaging 2 hours on the enforcement of the agreement.

State Revenue

To the extent that the court charges parties for the appointment of a GAL or a private attorney for a child, revenue to the Judicial Department will increase. Because it is up to the discretion of the court when to appoint an attorney and when to charge a fee, this increase in revenue cannot be estimated. Revenue to the Judicial Department is subject to the state's TABOR revenue limit.

State Expenditures

The bill will increase state expenditures by \$380,667 and 2.0 FTE in FY 2021-22 and \$355,062 and 2.8 FTE in FY 2022-23 as shown in Table 2 and discussed below.

**Table 2
 Expenditures Under HB 1101**

Cost Components	FY 2021-22	FY 2022-23
Judicial Department		
Personal Services	\$205,266	\$279,749
Operating Expenses	\$3,930	\$4,585
Capital Outlay Costs	\$111,419	\$3,600
Centrally Appropriated Costs ¹	\$38,700	\$67,128
FTE – Personal Services	2.0 FTE	2.8 FTE
Judicial Subtotal	\$359,315	\$355,062
Department of Human Services		
TRAILS Modification ²	\$21,352	-
DHS Subtotal	\$21,352	-
Total	\$380,667	\$348,700
Total FTE	2.0 FTE	2.8 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

² DHS expenditures are paid 65 percent from the General Fund and 35 percent from federal funds.

Judicial Department. Based on amount of additional hearing time outlined in the Assumptions section, this bill increases Judicial Department staffing by a total of 2.8 FTE. The Judicial Department will require an additional 0.7 FTE Magistrate, and 2.1 FTE of prorated support staff, including a court clerk, law clerk, and court reporter. Costs in FY 2021-22 are also prorated for the General Fund pay date shift and for a September 1, 2021, start date. Based on Judicial Department common policies, standard operating and capital outlay costs are included for judges and support staff. Judges costs consist of funding for law library materials, travel expenses, judge robe expenditures, and computer hardware and software, as well as furnishings for the judge chambers, law library, jury room, and conference room.

Department of Human Services. In FY 2021-22 only, the bill will increase expenditures in the Department of Human Services by \$21,352, which reflects 136 hours of work at \$157 per hour, to update the child welfare information system (TRAILS) to document open adoption agreements. Costs are paid 65 percent from the General Fund (\$13,879) and 35 percent from federal funds (\$7,473).

Office of the Child’s Representative. Expenditures in the Office of the Child’s Representative will increase if courts appoint more GALs during adoption agreement preceding. In addition, to the extent the bill decreases the amount of time spent on child welfare cases, expenditures will decrease. Because it is unknown if a court will appoint a GAL, the fiscal note assumes any increase in expenditures will be handled through the annual budget process.

Office of the Respondent Parents’ Counsel. To the extent adoption agreements settle dependency and neglect cases faster, expenditures in the Office of the Respondent Parents’ Counsel will decrease. The fiscal note assumes that any reduction in appropriations due to a decrease of case time will be handled through the annual budget process.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$38,700 in FY 2021-22 and \$67,128 in FY 2022-23.

TABOR refunds. The bill increases state revenue subject to TABOR. For FY 2022-23, the March 2021 LCS forecast projects revenue to fall short of the TABOR limit by \$28.6 million, or 0.2 percent of the limit. If actual revenue exceeds the limit, the bill will increase the amount required to be refunded to taxpayers from the General Fund in FY 2023-24.

Effective Date

The bill takes effect September 1, 2021.

State Appropriations

For FY 2021-22, the bill requires the following appropriations:

- \$320,615 and 2.0 FTE from the General Fund to the Judicial Department; and
- \$21,352 to the Department of Human Services, including \$13,879 from the General Fund and \$7,473 from federal funds.

State and Local Government Contacts

Counties	Judicial
Human Services	Information Technology