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Fiscal Note

Drafting Number: LLS 22-0781
Prime Sponsors: Rep. Bradfield
Sen. Ginal

Date: February 14, 2022
Bill Status: House HHS
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Bill Topic: STATE AUXILIARY SERVICES PROGRAM

Summary of Fiscal Impact:

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

The bill requires the Colorado Commission for the Deaf, Hard of Hearing, and DeafBlind to continue the operations of the state auxiliary services program indefinitely and expand the program to include all state agencies, including the Governor's Office. It establishes a new advisory board to oversee the implementation of the bill's requirements. The bill will increase state revenue and expenditures beginning in FY 2022-23.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$306,771 to the Department of Human Services.

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

Table 1
State Fiscal Impacts Under HB 22-1143

		Budget Year FY 2022-23	Out Year FY 2023-24	Out Year FY 2027-28 ¹
Revenue	Cash Funds	\$360,000	\$480,000	\$840,000
	Total Revenue	\$360,000	\$480,000	\$840,000
Expenditures	Cash Funds	\$306,771	\$398,197	\$776,197
	Centrally Appropriated	\$39,119	\$38,143	\$48,143
	Total Expenditures	\$345,890	\$446,340	\$824,340
	Total FTE	2.4 FTE	3.0 FTE	3.0 FTE
Transfers		-	-	-
Other Budget Impacts	TABOR Refund	\$360,000	\$480,000	\$840,000

¹ Fiscal impacts in FY 2027-28 represent the bill's full implementation.

Summary of Legislation

The bill requires the Colorado Commission for the Deaf, Hard of Hearing, and DeafBlind (commission) to continue indefinitely the state auxiliary services (SAS) program operations. The commission is required to centralize access to communication services for all state agencies for deaf, hard of hearing, and deafblind individuals, including:

- coordinating the scheduling of services;
- resolving issues with services;
- creating a process by which these services can be procured and supported.

The commission will establish an advisory council to make recommendations on the process and work with the Colorado Department of Human Services' (CDHS) executive director to set the rules necessary to carry out these requirements. The advisory committee will develop an annual report, including data, to be reported to the Governor and General Assembly.

Background

The Colorado Commission for the Deaf, Hard of Hearing, and DeafBlind is comprised of seven Governor-appointed interdisciplinary experts. The director and other staff support the commission to implement programs and services across the state. The Pilot State Auxiliary Services unit provides access to effective communication for deaf, hard of hearing, or deafblind individuals through qualified and certified staff or vendors who provide sign language interpretation or human-generated captioning, known as Communication Access to Realtime Translation or CART services. The SAS program currently provides these services to the Colorado State Courts, state administrative hearings, rural areas of the state (known as the Rural Auxiliary Services), and through the commission staff within the CDHS. Additionally, the SAS program ensures compliance with federal laws such as the Americans with Disabilities Act of 1990 (ADA) and state laws regarding auxiliary services. The unit is also responsible for reviewing policies, procedures, credentialing, training, outreach, and oversight/improvement of services provided throughout the state.

Assumptions

The fiscal note assumes the commission will implement the SAS program across all state agencies, including the Governor's office, over six years. Agencies that participated in the pilot program will implement the program first, with the rest of the state agencies fulfilling the bill's requirements in a yet undetermined order. The six-year implementation timeline assumed in the expenditure analysis is as follows:

- Year 1: CDHS and the Governor's Office Press Conferences
- Year 2: Two pilot agencies, the remainder of the Governor's Office, and the Lieutenant Governor's Office
- Year 3: Four agencies (two pilot agencies, two new agencies to be determined)
- Year 4: Five agencies (to be determined)
- Year 5: Five agencies (to be determined)
- Year 6: Six agencies (to be determined)

State Revenue

The bill will increase state revenue by \$360,000 in FY 2022-23 and \$380,000 in FY 2023-24, up to a total of \$840,000 per year in FY 2027-28 to the Telephone Users Disabilities Fund, as explained below. This revenue is subject to TABOR.

Fee impact on telephone users. Colorado law requires legislative service agency review of measures that create or increase any fee collected by a state agency. These fee amounts are estimates only. Actual fees will be set administratively by the Public Utilities Commission based on cash fund balance, estimated program costs and the estimated number of landline telephones, cell phones, and voice-over-internet-protocol (VOIP) phones subject to the fee. The current telephone surcharge fee was set in October 2019 and is six cents per month per telephone access line (\$0.72 per year). The surcharge rate can be updated once every 12 months and affects approximately 6 million current users. Under current law, the surcharge may not exceed 15 cents per month (\$1.80 per year). Table 2 identifies the fee impact estimates of this bill. FY 2024-25 through FY 2026-27 have been omitted for brevity, but the fee will continue to increase over these years until reaching the FY 2027-28 amount.

Table 2
Fee Impact on TDUF

Fiscal Year	Annual Fee Change	Total Fee Impact Change
FY 2022-23	\$0.06	\$360,000
FY 2023-24	\$0.08	\$480,000
FY 2027-28 ¹	\$0.14	\$840,000

¹ The FY 2027-28 fee impact represents the full fee increase necessary to implement the SAS program across all state agencies.

State Expenditures

The bill increases state expenditures in the CDHS by \$345,890 in FY 2022-23, \$446,340 in FY 2023-24, and \$824,340 in FY 2027-28 when the program is fully implemented. These expenditures, paid from the TUDF, are shown in Table 3 and detailed below.

Staffing. The commission requires three additional full-time staff positions to fulfill the bill's requirements. These include an assistant services manager, a services coordinator, and an American Sign Language (ASL)/English Interpreter. First-year costs are prorated to reflect a September 1 start date and standard operating and capital outlay costs are included. These staff positions are expected to support the expansion of the SAS program throughout the six-year implementation plan. These staff will:

- coordinate the expansion of the SAS program to include all state agencies;
- develop and execute contracts;
- invoice and process and payments; and
- provide direct services.

Auxiliary services. The fiscal note assumes an annual cost of \$18,900 per agency once they provide auxiliary services under the expanded program. As stated in the assumption section, the SAS program will roll out to about 4 to 6 new agencies each year over six years until all agencies participate. When fully implemented, auxiliary services are estimated to cost \$570,450 in FY 2027-28. Actual costs may vary based on actual usage of the services and will be adjusted through the annual budget process if needed.

**Table 3
Expenditures Under HB 22-1143**

	FY 2022-23	FY 2023-24	FY 2027-28
Department of Human Services			
Personal Services	\$168,081	\$201,697	\$201,697
Operating Expenses	\$3,240	\$4,050	\$4,050
Capital Outlay Costs	\$18,600	-	-
Auxiliary Services	\$116,850	\$192,450	\$570,450
Centrally Appropriated Costs ¹	\$39,119	\$48,143	\$48,143
FTE – Personal Services	2.4 FTE	3.0 FTE	3.0 FTE
Total Cost	\$345,890	\$446,340	\$824,340
Total FTE	2.4 FTE	3.0 FTE	3.0 FTE

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

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, including employee insurance and supplemental employee retirement payments, are shown in Table 3.

Other Budget Impacts

TABOR refunds. The bill is expected to increase the state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. This estimate assumes the December 2021 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2023-24. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2022-23, the bill requires an appropriation of \$306,771 to the Department of Human Services from the Telephone Users with Disabilities Fund and 2.4 FTE.

State and Local Government Contacts

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