



Legislative Council Staff  
Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

<b>Drafting Number:</b>	LLS 23-0724	<b>Date:</b>	July 17, 2023
<b>Prime Sponsors:</b>	Rep. Lynch; Bacon Sen. Gardner; Moreno	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** OFFICE OF JUDICIAL OMBUDSMAN

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill creates the Office of the Judicial Discipline Ombudsman in the Judicial Department to respond to and support judicial staff in reporting misconduct to the Commission on Judicial Discipline. The bill increases state expenditures on an ongoing basis.

**Appropriation Summary:** For FY 2023-24, the bill requires and includes an appropriation of \$100,453 to the Judicial Department.

**Fiscal Note Status:** The fiscal note reflects the enacted bill.

**Table 1  
State Fiscal Impacts Under HB 23-1205**

		Budget Year FY 2023-24	Out Year FY 2024-25	Out Year FY 2025-26
<b>Revenue</b>		-	-	-
<b>Expenditures</b>	General Fund	\$100,453	\$343,479	\$314,051
	Centrally Appropriated	-	\$52,529	\$56,505
	<b>Total Expenditures</b>	<b>\$100,453</b>	<b>\$396,008</b>	<b>\$370,556</b>
	<b>Total FTE</b>	<b>0.5 FTE</b>	<b>2.0 FTE</b>	<b>2.2 FTE</b>
<b>Transfers</b>		-	-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$15,068	\$51,522	\$47,108

## Summary of Legislation

The bill establishes the Office of the Judicial Discipline Ombudsman (OJO) in the Judicial Department as an independent agency. The bill also establishes the Judicial Discipline Ombudsman Selection Board, to be appointed no later than January 1, 2024, to appoint the ombudsman by March 1, 2024, and to oversee the office.

The OJO will act as an independent, confidential, informal, impartial, neutral, and nonpartisan office that responds to questions or concerns from a complainant about misconduct that occurs within the Judicial Department; supports a complainant in filing formal and informal complaints and grievances against members of the department; and analyzes data in order to report complaint and grievance trends, systemic problems, and organizational issues to the Commission on Judicial Discipline, the Judicial Department, and the General Assembly. The office's duties and functions include, but are not limited to, creating and maintaining an anonymous reporting system and hotline for complainants; helping complainants understand their rights and options; providing referrals; and data reporting.

The ombudsman is exempt from mandatory reporting rules, statutes, and policies, and may not report an incident made known by a complainant unless the complainant provides consent. The office may promulgate rules to support its operations. The office is required to maintain office space that is not physically located in or managed by the Colorado Judicial Center.

## Background

The Commission on Judicial Discipline was created through Senate Bill 22-201. The same bill created the Legislative Interim Committee on Judicial Discipline. The interim committee requested a similar bill concerning the creation of judicial ombudsman, but the measure was not referred to Legislative Council for approval.

## Assumptions

Because Senate Bill 23-228 passed, which creates the office of Administrative Services for Independent Agencies, the fiscal note assumes it will support the administrative functions of the OJO. The fiscal note assumes this office will be fully functioning by July 1, 2024.

Based on the OJO's need for central administrative support, it is assumed the OJO will come online July 1, 2024.

## State Expenditures

The bill increases General Fund expenditures in the Judicial Department by about \$100,000 in FY 2023-24, and by \$350,000 per year thereafter once fully implemented. Expenditures are detailed below and shown in Table 2.

**Table 2**  
**Expenditures Under HB 23-1205**

	FY 2023-24	FY 2024-25	FY 2025-26
<b>Judicial Department</b>			
Personal Services	-	\$208,028	\$226,940
Operating Expenses	-	\$2,700	\$2,700
Capital Outlay Costs	-	\$13,340	-
Computer Systems and Programming	-	\$45,000	\$10,000
Travel and Meeting Expenses	-	\$30,000	\$30,000
Legal Services	\$100,453	\$44,411	\$44,411
Centrally Appropriated Costs	-	\$52,529	\$56,505
FTE – Personal Services	-	1.8 FTE	2.0 FTE
FTE – Legal Services	0.5 FTE	0.2 FTE	0.2 FTE
<b>Total Cost</b>	<b>\$100,453</b>	<b>\$396,008</b>	<b>\$370,556</b>
<b>Total FTE</b>	<b>0.5 FTE</b>	<b>2.0 FTE</b>	<b>2.2 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Judicial Department.** The Judicial Department will have staffing costs for the new office, as well as costs for legal services, case management systems, and travel and meeting expenses. Standard operating and capital outlay costs are included, and first-year salary costs are prorated for the General Fund pay date shift. FY 2025-26 costs reflect the ongoing costs of the OJO.

- **Legal services.** The Department of Law will support the initial work of the selection board and establishing the memorandum of understanding between the OJO and the Judicial Department. On an ongoing basis, the department will assist the OJO with complaints. This work is estimated to require 950 hours, or 0.5 FTE, in FY 2023-24, and 420 hours, or 0.2 FTE, on an ongoing basis.
- **Judicial Ombudsman.** The bill creates the office, which is assumed to include 1.0 FTE ombudsman and 1.0 FTE assistant. Based on assumptions outlined above, the ombudsman will be selected March 1, 2024, and begin work July 1, 2024. The fiscal note assumes the ombudsman will be paid \$152,000 per year, commensurate with the current salary for the Child Protection Ombudsman (OCPO).
- **Support staff.** Support staff, including personnel, recruitment, payroll, benefits, budget, and accounting, is assumed to be provided by the newly created central support office discussed in the Assumptions section.
- **Computer systems.** A case management system for the office is estimated to cost \$45,000 initially, and \$10,000 ongoing.
- **Travel and meeting expenses.** Travel reimbursements, meeting expenses, and software subscriptions are required for the office and the board, estimated at \$30,000 per year based on the OCPO budget.

- **Other judicial offices.** Based on the OJO’s charge, the fiscal note assumes the Human Resources Division of the State Court Administrator’s Office and the Commission on Judicial Discipline will have an increase in complaint-related workload beginning at the end of FY 2023-24. Additional resources will be requested through the budget process as complaint-related workload is known.

**Department of Personnel and Administration.** To the extent that there is an increase in claims related to state employees, expenditures will increase for the state’s liability and risk management program managed by the DPA, and for legal representation provided by the Department of Law. The DPA can absorb up to five complaints assuming average legal defense and settlement costs. Additional resources will be requested through the annual budget process should complaints exceed this threshold.

**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, supplemental employee retirement payments, and leased space, are shown in Table 2.

## Other Budget Impacts

**General Fund reserve.** Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

## Effective Date

The bill was signed into law by the Governor and took effect on June 7, 2023.

## State Appropriations

For FY 2023-24, the bill requires and includes a General Fund appropriation of \$100,453 to the Judicial Department, to be entirely reappropriated to the Department of Law with an additional 0.5 FTE.

## Departmental Difference

The Judicial Department estimates \$6,600 and 0.1 FTE for costs related to OJO administration. The fiscal note assumes the department has limited requirements for administrative support, and has not included these costs.

## State and Local Government Contacts

Judicial

Personnel

Law