

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING AN ELECTRONIC FILING SYSTEM FOR DOCUMENTS RECORDED WITH A COUNTY CLERK AND RECORDER, AND, IN CONNECTION THEREWITH, CREATING THE ELECTRONIC RECORDING TECHNOLOGY BOARD, WHICH IS AN ENTERPRISE; AUTHORIZING THE BOARD TO SET AN ADDITIONAL FILING SURCHARGE FOR A FIVE-YEAR PERIOD; REQUIRING COUNTIES TO TRANSMIT THE PROCEEDS OF THE BOARD'S SURCHARGE TO THE STATE FOR DEPOSIT IN A CASH FUND ADMINISTERED BY THE BOARD; REQUIRING THE BOARD TO MAKE GRANTS FROM THE FUND TO COUNTIES TO CREATE, MAINTAIN, IMPROVE, OR REPLACE ELECTRONIC FILING SYSTEMS; ESTABLISHING REPORTING REQUIREMENTS FOR THE BOARD; AND INCREASING A LOCAL FILING SURCHARGE.

Prime Sponsors: Senator Martinez Humenik

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Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 02/11/16.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Local Government Committee Report (02/16/16) includes an amendment to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendment does not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$5,289 cash funds from the Department of State Cash Fund to the Department of State for FY 2016-17. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.1 FTE.

Points to Consider*TABOR/Excess State Revenues Impact*

With the exception of a small amount of federal funding, the Department of State is entirely supported by cash funds revenue from fees for business filings and other licencing and registration programs. Pursuant to Section 24-21-104, C.R.S., the Department is authorized to adjust fees so revenue approximates the Department's direct and indirect costs. This individual bill may not necessitate a fee increase on its own, but it would contribute to overall expenditures from the Department of State Cash Fund. If the Department of State needed to implement a fee increase to ensure there was sufficient revenue to support all required expenditures, this bill would contribute to that increase and thus to anticipated refunds under TABOR, reducing the amount of General Fund available for other purposes.

Please note, the TABOR considerations described above only apply to expenditures from the Department of State Cash Fund required by this bill. The bill also establishes the Electronic Recording Technology Fund, which is continuously-appropriated to the Electronic Recording Technology Board. The Board is designated as an enterprise, which exempts it from TABOR. As a result, the cash fund revenue generated by this portion of the bill would not have an impact on anticipated TABOR refunds or available General Fund.