



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

**Drafting Number:** LLS 21-0300  
**Prime Sponsors:** Sen. Story

**Date:** March 22, 2021  
**Bill Status:** Senate Judiciary  
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**Bill Topic:** **CLAIMS FOR ECONOMIC DAMAGES INCURRED BY MINORS**

**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 |

This bill makes changes to common law regarding claims for economic damages of a minor child before they reach the age of 18, and increases the statute of limitations for certain civil claims. The bill will have an indeterminate impact on state expenditures on an ongoing basis.

**Appropriation Summary:** No appropriations are required by the bill.

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

## Summary of Legislation

This bill eliminates the common law rule that only a parent may recover for the economic losses of a minor child before they reach the age of 18, and permits a minor to bring a claim to recover those damages. The bill also clarifies that only one person may recover for these economic losses.

Under current law, there is a two year statute of limitations for civil claims against health care institutions and professionals. However, there is an exception for claims brought by or on behalf of a minor who is under eight years old. The bill extends this exception to claims brought by a person entitled or required to bring a claim to recover damages for a minor's economic loss before the age of 18.

## State Expenditures

Beginning in FY 2021-22, the bill will have an indeterminate fiscal impact on expenditures for the Department of Personnel and Administration, the Department of Health Care Policy and Financing, and the Judicial Department. These impacts are described in more detail below.

**Department of Personnel and Administration.** The bill may increase the amount of economic damages that are awarded from claims paid from the department’s liability pool, which may impact the liability pool’s solvency. If there is a significant increase in the cost of claims as a result of this bill, the department may request adjustments through the annual budget process.

**Department of Health Care Policy and Financing.** The Department of Health Care Policy and Financing currently recovers money from legally responsible third parties when the department has paid claims on behalf of a Medicaid member. The bill may increase department recoveries from damages for minor children in cases where Medicaid has paid a claim. Higher recoveries will decrease expenditures of state funds. Such recoveries depend on numerous factors and any change under the bill cannot be estimated. The bill may also reduce the department’s use of legal services from the Department of Law. Any changes to department expenditures as a result of this bill will be addressed through the annual budget process, if needed.

**Judicial Department.** The extension of the statute of limitations under this bill could result in additional filings in trial courts. This increase is likely to be minimal and absorbable within existing appropriations.

## **Effective Date**

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

## **State and Local Government Contacts**

Judicial  
Personnel

Health Care Policy and Financing  
Regulatory Agencies

Information Technology