

# **Legislative Council Staff**

Nonpartisan Services for Colorado's Legislature

# **Revised Fiscal Note**

(replaces fiscal note dated March 1, 2024)

Drafting Number: Prime Sponsors:	LLS 24-0554 Rep. Joseph; Lindsay Sen. Roberts	Date: Bill Status: Fiscal Analyst:	April 16, 2024 House Second Reading John Armstrong   303-866-6289 john.armstrong@coleg.gov				
Bill Topic:	EQUAL JUSTICE FUND AUTHORITY						
Summary of Fiscal Impact:	<ul><li>☐ State Revenue</li><li>☒ State Expenditure</li></ul>	☐ State Transfer ☐ TABOR Refund	□ Local Government ⊠ Statutory Public Entity				
	The bill creates a new docket fee to assist indigent defendants with court fees. The bill increases state workload and statutory public entity revenue and expenditures beginning in FY 2024-25.						
Appropriation Summary:	No appropriation is required.						
Fiscal Note Status:	The revised fiscal note reflects the introduced bill, as amended by the House Judiciary and House Finance Committees.						

## **Summary of Legislation**

The bill creates the Equal Justice Authority (EJA), a special purpose authority. The EJA is governed by a seven-member appointed board and must meet at least four times per year. Board members serve without compensation but may be reimbursed for expenses as a result of their duties.

Beginning on January 1, 2025 the EJA assesses a \$30 Equal Justice Fee on docket filings in district courts for civil cases, court of appeals and probate courts. Civil case filings in county courts are assessed an equal justice fee of \$10, except for filings in small claims court. Revenues from these fees are not state revenue and must be used to provide access to legal representation for indigent defendants and to cover the EJA's direct and indirect administration costs. Persons whose income is below 250 percent of the federal poverty limit are exempt from paying the fee.

The EJA must report fund balances, the types of cases for the individuals served by the fund, and the number of individuals served by the fund to the General Assembly on an annual basis.

### **State Expenditures**

**Judicial Department**. The Judicial Department will update their information technology systems to create a new financial code for the new Equal Justice Fee, establish a process for determining

if a person is not subject to the fee due to income, and transmit fee revenues to the Equal Justice Authority. This additional workload is assumed to be minimal and can be accomplished within existing appropriations.

#### **Statutory Public Entity**

**Docket fee impact**. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. In this case, the fee is collected by the Judicial Department on behalf of the Equal Justice Authority. Fee amounts are outlined in the bill, resulting in an increase of \$30 for district civil, court of appeals and probate docket fees, as shown in Table 1 below. County civil fee amounts are \$10 and exclude small claims court. Individuals with incomes below 250 percent of the federal poverty guidelines will not be assessed the fee, accounting for approximately 23 percent of all case filers.

Table 1
Docket Fee Impact

Year	Type of Case	Cases	<b>Poverty Rate</b>	Payers	Fee	Total	
FY 2024-25 half-year Impact	County Civil	30,661	22%	23,916	\$10	\$239,160	
	District Civil	20,753	28%	14,942	\$30	\$448,260	
	Court of Appeals	292	28%	210	\$30	\$6,300	
	Probate	9,211	16%	7,737	\$30	\$232,110	
			FY 2024-25 Fee Revenue \$925,830				
FY 2025-26	County Civil	61,322	22%	47,831	\$10	\$478,310	
	District Civil	41,506	28%	29,884	\$30	\$896,520	
	Court of Appeals	584	28%	420	\$30	\$12,600	
	Probate	18,421	16%	15,474	\$30	\$464,220	
			FY 20	FY 2025-26 Fee Revenue			

**Equal Justice Authority.** The newly created EJA will provide funding for legal aid to indigent offenders using the revenue generated from the new docket fee, estimated at \$925,000 in FY 2024-25 and up to \$1.85 million in FY 2025-26 and ongoing. This revenue will also cover the EJA's administrative costs, which will be spent to convene commission members, and to distribute and report on funding.

#### **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

#### **State and Local Government Contacts**

Governor's Office Judicial Law

Personnel Treasury

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the <u>General Assembly website</u>.