OFFICE OF LEGISLATIVE LEGAL SERVICES
COLORADO GENERAL ASSEMBLY

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MEMORANDUM

TO: Committee on Legal Services

FROM: Dan Cartin, Director

DATE: January 31, 2017

SUBJECT: OLLS' FY 2017-18 Budget Request

Attached for your review are the following materials related to the Office's budget request for Fiscal Year 2017-18:

- Budget overview and full budget narrative;
- Budget spreadsheet; and
- OLLS organizational chart.

As you are aware, discussion of the budget request is on the agenda for the COLS meeting this Friday, February 3 (SCR 357, 12:00 noon). Sharon Eubanks will present the budget request at the meeting. We will address any questions you may have at that time. Similarly, if you have any questions prior to the meeting, please let either of us know.

Thank you for your time and attention.

OFFICE OF LEGISLATIVE LEGAL SERVICES
FY 2017-18 BUDGET OVERVIEW

Prepared January 31, 2017

Summary

The Office of Legislative Legal Services budget request for FY 2017-18 reflects a 3.88 percent increase from the FY 2016-17 appropriation.

The budget request covers four primary areas of expenditures: Personal services, operating expenses, staff travel, and items related to the operation of the Colorado Commission on Uniform State Laws. An overview of each of these components is provided below. A detailed narrative and budget follow the overview and begin on page 3.

Personal Services

The FY 2017-18 personal services request is for $5,933,491. This is a 3.67 percent increase from the current year's budget level. Utilizing the employer contribution rates preliminarily approved by the Joint Budget Committee on January 20, 2017, and OLLS employee plan selections as of December 2016 or anticipated plan selection changes occurring prior to July 1, 2017, the request for the employer's contribution to health, dental, and life insurance premiums increased by 13.87 percent. The Joint Budget Committee has not yet made a decision regarding increases for salary survey or merit in FY 2017-18. In the absence of that direction from the Joint Budget Committee and the subsequent approval of the General Assembly, this budget request includes funding for a salary survey increase at the rate of 2.5 percent, which is the recommended rate contained in the Governor's November 2016 budget request. Likewise, no funding is requested for merit-based increases, which is also consistent with the Governor's November 2016 budget request. The OLLS budget request will need to be adjusted as necessary in the future to reflect final decisions of the Joint Budget Committee on these two budget items. Funding in the amount of $79,024 is requested for the OLLS transit allowance and EcoPass, which reflects no change from the amount contained in the FY 2016-17 budget.

Operating Expenses

The amount requested for operating expenses in FY 2017-18 is $453,810, which is a 1.40 percent increase from the amount appropriated to the OLLS in the current fiscal year. A small increase is requested in the funds utilized to purchase office supplies, in recognition of additional expenses that will be incurred in connection with the additional personnel hired pursuant to the authorization contained in Senate Bill 16-163, which established the Statutory Revision Committee. An additional $100 is also requested for Membership Dues, in anticipation of a small increase in the cost of OLLS' annual membership with the Mountain States Employers Council.

The amount requested for the contract printing of the Colorado Revised Statutes reflects a small increase, in anticipation of LexisNexis exercising the ability under the publications contract to increase up to 3% annually for the publishing of the statutes, the Session Laws of Colorado, and related items. As in prior years, $100,000 is requested for the payment of legal fees. These funds would be used to pay outside legal counsel retained to represent the General Assembly in lawsuits or other litigation.

OFFICE OF LEGISLATIVE LEGAL SERVICES
FISCAL YEAR 2017-18 BUDGET REQUEST NARRATIVE

Overview of the Office of Legislative Legal Services

The Office of Legislative Legal Services (OLLS) is created pursuant to section 2-3-501, C.R.S. The OLLS is under the direction of the Committee on Legal Services. The Executive Committee of the Legislative Council appoints the Director of the OLLS, who is an attorney-at-law. The Director is responsible for appointing a professional staff, which includes attorneys-at-law and technical and clerical personnel to assist in the operation of the OLLS.

Pursuant to section 2-3-504, C.R.S., the OLLS has the following duties:

- To draft or aid in drafting legislative bills, resolutions, memorials, amendments, conference committee reports, and other legislative documents;
- To prepare a digest of laws enacted by the General Assembly and approved or vetoed by the Governor;
- During the legislative interim, to prepare drafts of proposed legislation for legislative interim committees;
- To prepare summaries of existing laws affected by proposed legislation, compilations of laws in other states, and statements on the operation and effect of such laws;
- To keep records concerning legislative bills and proceedings of the General Assembly and related materials;
- To cooperate with other public and private legislative drafting offices and agencies; and
- To assist with the enrolling and engrossing of bills and such other services required by the General Assembly.

In addition, the OLLS performs a variety of other functions such as:

Review of Administrative Rules and Regulations: The OLLS has responsibility for implementing the statutory provisions for legislative review of administrative rules and regulations. Every rule adopted or amended by an executive agency is first reviewed by an OLLS employee to determine if the rule is within the power delegated to the agency and consistent with law. If the staff determines there is a problem with a rule, the rule is then reviewed by the Committee on Legal Services at a public hearing. Each legislative session, members of the Committee on Legal Services sponsor a bill to postpone the expiration of the rules scheduled to expire; except that those rules that the legislature finds to exceed the rule-making authority of the agency or to be inconsistent with law are designated to expire as scheduled. After each session of the General Assembly, the OLLS reviews existing rules to determine if they are in conflict with laws enacted during that session.

Coordination of Litigation: The OLLS, acting under the direction of the Committee on Legal Services, coordinates litigation involving the General Assembly. The OLLS is the conduit through which legal counsel retained by the Committee may communicate with members of the Committee. OLLS staff may assist such retained counsel in the preparation of briefs and in other

purpose. This is an increase of 13.87 percent from the amount budgeted for this purpose in FY 2016-17.

Pending direction from the Joint Budget Committee on the matters of salary survey and merit-based salary increases, this budget requests currently utilizes the recommendations contained in the Governor's November 2016 budget request. Specifically, $107,008 is requested for salary survey, which aligns with the 2.5% increase contained in the Governor's request. Similarly, no funding is sought for merit-based salary increases. Upon final direction from the Joint Budget Committee, the OLLS FY 2017-18 budget request will have to be revised as necessary based on that final direction on increases, if any, in salary survey and merit increases.

The preliminary funding level for salary survey increases results in corresponding increases in associated payroll-related costs for the employer portion of employee retirement, Medicare, and short-term disability insurance premium contributions. Accordingly, funding for these associated costs is included in the FY 2017-18 request.

$35,000 is requested for annual leave paid, which is the same amount as was appropriated for this purpose in recent years.

For FY 2017-18, the OLLS is again requesting $12,000 for payment of unemployment claims, which is the same amount as appropriated in FY 2016-17. The amount requested for compensatory time payments remains at $5,000 in recognition of reduced expenditures of that nature in recent years.

$79,024 is requested, in part, for transit allowance payments to OLLS staff. This provides funding for OLLS employees to help offset the costs of commuting to and parking within the downtown area. The funding also provides all OLLS employees with the option of utilizing the Regional Transportation District's EcoPass program. The amount requested in FY 2017-18 is the same as was budgeted for these purposes in FY 2016-17.

Operating Expenses: $453,810 is requested for FY 2017-18 operating expenses of the OLLS, which reflects a 1.40 percent increase from the amount budgeted for these expenses in the current fiscal year. With three exceptions, every individual budget line within the Operating Expenses portion of this request remains at the same level as funded in FY 2016-17. The first exception is the amount requested for Office Supplies reflects a $760 increase as a result of the increased operating expenses anticipated in connection with Senate Bill 16-163. An additional $100 is also requested for Membership Dues, in recognition of the possibility of an increase in the cost for OLLS' annual membership to the Mountain States Employers Council.

The $236,000 requested for contract printing, which is used to pay Lexis Nexis for the services it provides to print, publish, and distribute the official version of the Colorado Revised Statutes, as well as the Colorado Session Laws and related materials. This amount reflects a 2.35% increase from the amount budgeted in FY 2016-17, and is driven by recognition of an increase of up to 3.0 percent in the amount Lexis Nexis may charge for producing the Colorado Revised Statutes, the Session Laws of Colorado, and an associated publication known as the 'Red Book'.

Agency: Office of Legislative Legal Services
Prepared: January 31, 2017

	Actual Expenditures FY 2015-16 Total Funds	FTE	Approp. FY 2016-17 Total Funds	FTE	Request FY 2017-18 Total Funds	FTE	% change over FY 2016-17 Approp	Notes:
OLLS - PERSONAL SERVICES								
Director		1		1		1		
Deputy Director		1		1		2		
Assistant Directors		3		3		2		
Revisor of Statutes		1		1		1		
Managing Senior Attorneys		8		8		7		
Senior Attorneys		9.5		9.5		10.5		
Staff Attorneys		7.8		8.3		7.9		
Publications Coordinator		1		1		1		
Assistant Publications Coordinator		1		1		0		
Senior Legislative Editors/Assistants/Specialists		10		10		10		
Legislative Editors/Specialists		7		7.2		9		
Front Office Coordinator		1		1		1		
Office Manager		1		1		1		
Office Systems Administrator		1		1		1		
Salary/FTE Subtotal	**$4,287,857**	**53.3**	**$4,504,395**	**54**	**$4,664,451**	**54.4**	**3.55%**	See Footnote 1.
Salary Survey Request			**$3,644**		**$107,008**		**2836.55%**	See Footnote 2.

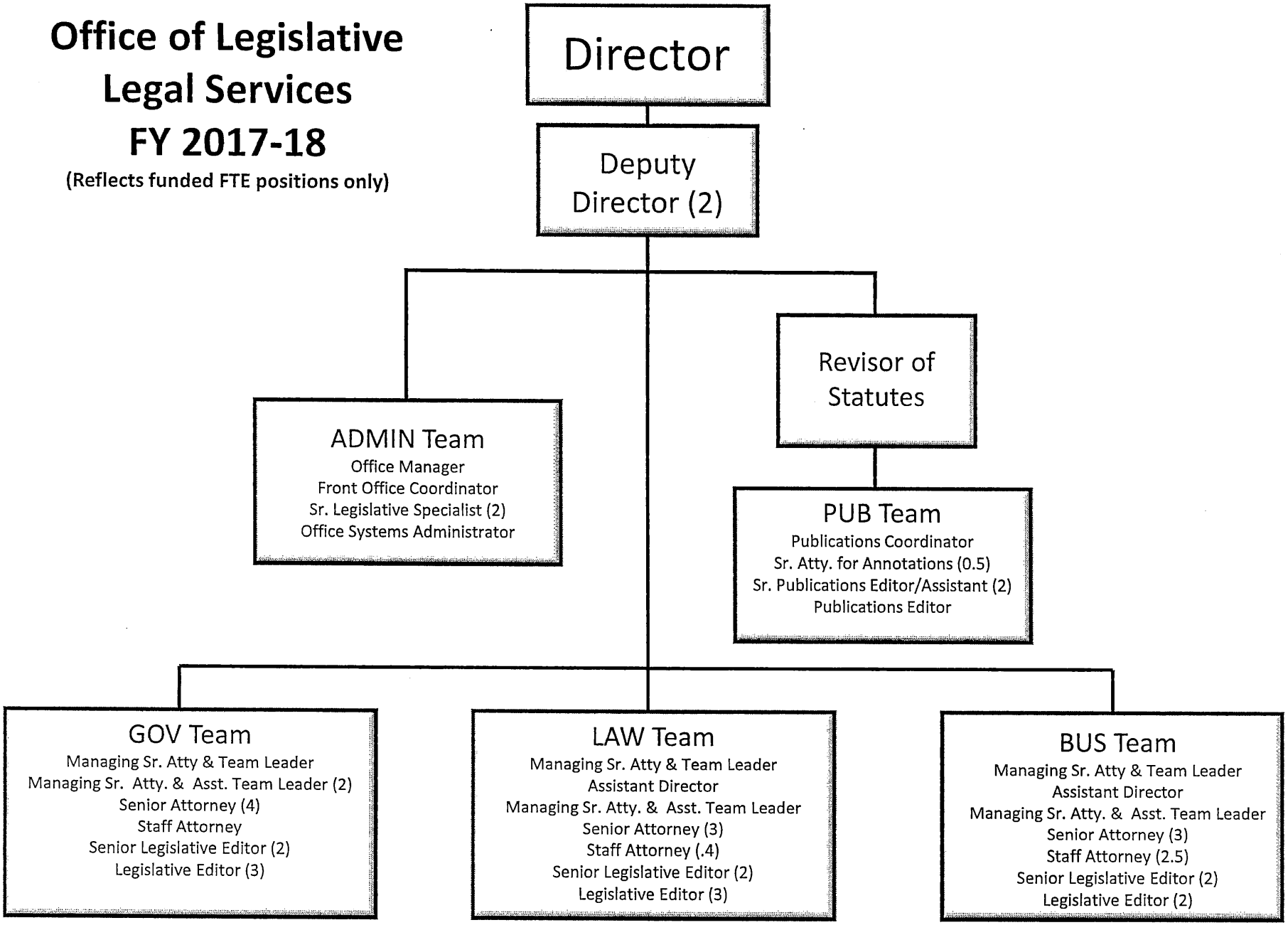
Footnote 1: The $4,504,395 listed for FY 2016-17 reflects the $4,463,138 contained in the FY 2016-17 OLLS budget plus the personal services appropriations received pursuant to House Bill 16-1077 ($16,756) and Senate Bill 16-163 ($24,501). Those bills also added an additional 0.7 FTE in FY 2016-17 (0.5 Staff Attorney and 0.2 Legislative Editor) and an additional .4 FTE (Legislative Editor) in FY 2017-18. The amount requested in FY 2017-18 funds only 50.4 FTE, and the remaining 4.0 FTE are unfunded. In all three fiscal years, 0.3 FTE and $19,589 are included as a result of the appropriations contained in House Bill 13-1079 and Senate Bill 13-007.

Footnote 2: In recognition of the 'pay date shift' in which employees' payroll expenses for the month of June are paid at the beginning of the following fiscal year, the Salary Survey amount appropriated in FY 2016-17 reflects funding for the month of June 2016 (calculated on the June salary levels at the FY 2015-16 rate of 1.0%) and the months of July 2016 through May 2017 (calculated on July salary levels at the FY 2016-17 rate of 0.0%). The Salary Survey amount requested in FY 2017-18 funds increases for the month of June 2017 (calculated on the June salary levels at the FY 2016-17 rate of 0.0%) and the months of July 2017 through May 2018 (calculated on July salary levels at the FY 2017-18 rate of 2.5%).

Agency: Office of Legislative Legal Services
Prepared: January 31, 2017

	Actual Expenditures FY 2015-16 Total Funds	FTE	Approp. FY 2016-17 Total Funds	FTE	Request FY 2017-18 Total Funds	FTE	% change over FY 2016-17 Approp	Notes:
OPERATING EXPENSES								
General Operating Expenses								
Equipment / Building Maintenance	$1,074		$2,000		$2,000		0.00%	
Rental Equipment	$6,891		$6,500		$6,500		0.00%	
Advertising	$50		$250		$250		0.00%	
Communications	$21,590		$25,000		$25,000		0.00%	
Other ADP Purchased Services	$10,473		$14,000		$14,000		0.00%	
Printing Reproduction	$34		$75		$75		0.00%	
Photocopy Reimbursement	$0		$25		$25		0.00%	
Data Processing Supplies	$1,391		$3,500		$3,500		0.00%	
Software Purchases	$4,079		$5,450		$5,450		0.00%	
Education Supplies	$250		$750		$750		0.00%	
Food Services	$1,418		$1,000		$1,000		0.00%	
Books/Periodicals/Subscriptions	$2,766		$3,990		$3,990		0.00%	
Office Supplies	$6,036		$11,610		$12,370		6.55%	See footnote 4.
Postage	$1,140		$1,500		$1,500		0.00%	
Noncapitalized Equipment	$6,960		$5,000		$5,000		0.00%	
Membership Dues	$5,200		$5,200		$5,300		1.92%	
Official Functions	$4,132		$3,900		$3,900		0.00%	
Registration Fees								
Seminar & Training Registration	$8,979		$11,925		$11,925		0.00%	
Attorney Registration Fee Reimbursements	$8,450		$8,775		$8,775		0.00%	
General Operating Expenses Subtotal	**$90,913**		**$110,450**		**$111,310**		**0.78%**	
Contract Printing								
Purchased Serv./Prof.	**$173,802**		**$230,587**		**$236,000**		**2.35%**	
Legal Fees								
Purchased Serv./Prof.	**$36,367**		**$100,000**		**$100,000**		**0.00%**	
Other Purchases Serv./Prof.								
Purchased Serv./Prof.	**$12,066**		**$6,500**		**$6,500**		**0.00%**	
TOTAL OPERATING EXPENSES	$313,148		$447,537		$453,810		1.40%	

Footnote 4: The $11,610 listed for FY 2016-17 reflects the $10,000 contained in the FY 2016-17 OLLS budget plus the $1,610 operating expenses appropriation received for FY 2016-17 pursuant to Senate Bill 16-163. The $12,370 figure listed for FY 2017-18 includes the additional $760 operating expenses appropriation received for FY 2017-18 pursuant to SB 16-163.

Office of Legislative Legal Services FY 2017-18

(Reflects funded FTE positions only)