State Civil Service System

Colorado Legislative Council Staff

FISCAL IMPACT STATEMENT

Date: June 10, 2004

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BALLOT TITLE: AMENDMENTS TO SECTIONS 13, 14, AND 15 OF ARTICLE XII AND SECTION 22 OF ARTICLE IV OF THE CONSTITUTION OF THE STATE OF COLORADO, CONCERNING REFORM OF THE STATE CIVIL SERVICE SYSTEM, AND, IN CONNECTION THEREWITH, MODIFYING THE MERIT PRINCIPLE, EXEMPTING CERTAIN POSITIONS FROM THE SYSTEM, MODIFYING THE NUMBER OF ELIGIBLE APPLICANTS FROM WHICH AN APPOINTMENT IS TO BE MADE, MODIFYING THE RESIDENCY REQUIREMENT, EXPANDING THE DURATION OF TEMPORARY EMPLOYMENT, SPECIFYING THE RULE-MAKING AUTHORITY OF THE STATE PERSONNEL BOARD AND THE STATE PERSONNEL DIRECTOR, ALLOWING THE GENERAL ASSEMBLY TO REALLOCATE THE RULE-MAKING AUTHORITY OF THE STATE PERSONNEL BOARD AND THE STATE PERSONNEL DIRECTOR, AUTHORIZING A MODIFICATION TO THE VETERANS' PREFERENCE, AND MAKING CONFORMING AMENDMENTS.

Fiscal Impact Summary	FY 2004/2005	FY 2005/2006
State Revenues General Fund		
State Expenditures General Fund		
FTE Position Change	0.0 FTE	0.0 FTE
Other State Impact: None		
Effective Date: Upon proclamation of approval of the voters.		
Appropriation Summary for FY 2004/2005: None		
Local Government Impact: None		

Summary of Measure

This proposal submits a constitutional amendment to the voters at the 2004 General Election to reform the State Civil Service System. The adoption of this resolution, except for the provisions regarding Veterans' Preference, will authorize statutory revisions to the State Personnel System Act as adopted by the General Assembly in House Bill 04-1373. The proposal amends provisions of the constitution with respect to:

- *merit principle* - appointments and promotions are to be made according to merit as ascertained by comparative assessments of qualifications;

- *membership in the State Personnel System* - exempts certain head of department administrative positions; limits the number of exemptions of officers and administrative staff of principal departments to forty-five one-hundredths percent (0.45% or 0.0045)of the total number of certified employees in the State Personnel System;
- *contracting for personnel services* - repeals authority of political subdivisions to contract with the State Personnel Board for personnel services;
- *appointments* - repeals the "rule of three"and provides an alternative method for qualified applicants to be considered; provides that appointments made in violation of the law shall be subject to civil and criminal liability;
- *residency* - requires appointees to reside in the United States and in the state, except as otherwise provided by law;
- *appointing authorities* - repeals provisions specifying appointing authorities for certain employees;
- *employment and discipline* - specifies that certified employees are entitled to their positions until retirement, resignation, reduction in force, or cause; requires all certified employees having similar duties to receive similar salaries, as provided by law; and specifies conditions for which certified employees are subject to discipline;
- *temporary and probationary employment* - specifies a minimum time period of nine months for temporary employment and a maximum time period for probation;
- *applicability* - establishes that persons certified to classifications under the State Personnel System prior to July 1, 2005, shall be certified to comparable classifications and shall not be subject to additional probationary periods;
- *State Personnel Board* - repeals provisions concerning initial appointments to the Board, limits members to two consecutive terms of office, modifies grounds for removal from the Board, and limits the rule-making authority of the Board;
- *Department of Personnel and State Personnel Director* - repeals the provision creating the Department; authorizes the Director to adopt rules to implement laws enacted pursuant to the amendment concerning administration of the State Personnel System; and authorizes the General Assembly to alter that rule-making authority by law;
- *appropriations* - requires adequate appropriations to be made to carry out the provisions of Section 13 and Section 14 of Article XII of the constitution; and
- *Veterans' Preference* - allows an employer (state or any political subdivision of the state), effective July 1, 2005, to use numerical and nonnumerical methods for assessing applicant qualifications, modifies the calculation by using percentage points rather than a specified number of points.

State Revenues

This proposal will not affect state revenues.

State Expenditures

This proposal will revise procedures by which state agencies and institutions of higher education select qualified persons for employment in the State Personnel System, evaluate the performance of those employees, and make a limited number of appointments to certain department head and administrative positions.

These revisions may generate additional state costs and/or cost savings. However, any resulting cost impact is anticipated to be minimal and may be absorbed within existing budgetary resources. This proposal is not anticipated to affected current appropriations to state agencies and institutions of higher education.

Local Government Impact

This proposal repeals the authority of political subdivisions, including local governments, to contract with the State Personnel Board for personnel services, and revises procedures by which preference must be granted to veterans applying for employment. These provisions are not anticipated to affect local government revenues or expenditures.

State Appropriations

No new state appropriations will be required.