



**Colorado
Legislative
Council
Staff**

HB16-1158

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0472
Prime Sponsor(s): Rep. Lee
 Sen. Holbert

Date: February 11, 2016
Bill Status: House Judiciary
Fiscal Analyst: Chris Creighton (303-866-5834)

BILL TOPIC: SUNSET IDENTITY THEFT AND FINANCIAL FRAUD BOARD

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018	
This bill changes and continues a program that would otherwise end September 1, 2016, so the fiscal note shows the new and continuing fiscal impacts.	New	New	Continuation
State Revenue			
State Expenditures	0	Continued workload and possible expense increase.	
Appropriation Required: None.			
Future Year Impacts: Program costs continue through FY 2025-26.			

Summary of Legislation

This bill continues the Identity Theft and Financial Fraud Board in the Department of Public Safety (DPS) to September 1, 2025, and authorizes the appropriation of General Funds to the Colorado Fraud Investigators Fraud Cash Fund.

Background

The Identity Theft and Financial Fraud Board was created by House Bill 06-1347 to provide oversight to the Colorado Fraud Investigators Unit in DPS. The board meets quarterly and consists of ten members including the executive director of the DPS, the Attorney General, executive director of the Colorado District Attorneys Council, and seven members appointed by the Governor. The unit is cash funded through gifts, grants and donations and the following surcharges:

- \$4 on Uniform Commercial Code filings made with the Secretary of State (scheduled to decrease to \$3 on July 1, 2017);
- \$100 on each initial license and renewal for a supervised lender license issued by the Uniform Consumer Credit Office of the Attorney General's Office; and
- \$500 on initial licenses and renewals for each money transmitter license issued by the Division of Banking in the Department of Regulatory Agencies.

Fiscal Impact of Programs Set to Expire

This bill continues the Identity Theft and Financial Fraud Board in the Department of Public Safety that is set to repeal effective September 1, 2016. If the board is continued beyond the sunset date, workload for participation on the board will continue for the executive director of DPS and the Attorney General.

The Department of Public Safety receives an annual cash fund appropriation of \$654,871 and an allocation of 7.0 FTE to support the Colorado Fraud Investigators Unit which performs work at the direction of the board. The board does not receive a separate appropriation. Board members serve without compensation, but may be reimbursed for costs incurred in performance of their duties. If the Colorado Fraud Investigators Unit is re-authorized under House Bill 16-1159, no additional appropriation is needed for the board. If the unit is not continued under House Bill 16-1159, and the Identity Theft and Financial Fraud Board is continued under this bill, an appropriation would be needed to cover board member expense reimbursement. This appropriation would come from cash funds. If cash funds are not sufficient to cover these costs, a General Fund appropriation will be requested through the budget process.

Local Government Impact

Minimal local government impact is expected if this program is continued for the participation on the board of the police and sheriff appointed board members.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Public Safety