



**Colorado  
Legislative  
Council  
Staff**

**HB17-1043**

**FINAL  
FISCAL NOTE**

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

**Drafting Number:** LLS 17-0624 **Date:** August 29, 2017  
**Prime Sponsor(s):** Rep. Navarro; Gray **Bill Status:** Signed into Law  
 Sen. Priola; Williams A. **Fiscal Analyst:** Chris Creighton (303-866-5834)

**BILL TOPIC:** CONTINUE FUNDING FRAUD INVESTIGATORS UNIT

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019	FY 2019-2020
<b>State Revenue</b>	<b>\$103,675</b>	<b>\$103,675</b>	<b>\$103,675</b>
<i>Continuing revenue</i>			
Cash Funds	103,675	103,675	103,675
<b>State Expenditures</b>	Workload continuation.		
<b>Appropriation Required:</b> None.			
<b>Future Year Impacts:</b> Revenue continuation through FY 2019-20.			

**Summary of Legislation**

Under current law, the Department of Public Safety must report on the activities of the Colorado Fraud Investigators Unit as part of its SMART Act hearing every year through 2017. This bill extends this requirement through 2020. Additionally, the unit is partially funded through a surcharge on uniform commercial code filings. In 2014, this surcharge was increased from \$3 to \$4 and is scheduled to revert back to \$3 on July 1, 2018. This bill extends the \$4 surcharge through June 30, 2020.

**Background**

The Colorado Fraud Investigators Unit, located in the Colorado Bureau of Investigation in the Department of Public Safety, assists local law enforcement agencies with the investigation and prosecution of identity theft and financial fraud. The unit provides educational materials, training, and consultation to local police and sheriff's departments, financial institutions, district attorneys, and the Attorney General. The unit is cash funded through gifts, grants, and donations, and the following surcharges:

- \$4 Uniform Commercial Code filing fee made with the Secretary of State. This \$3 surcharge was created in 2006 and increased to \$4 in 2014;
- \$100 on each initial license and renewal for a supervised lender license issued by the Uniform Consumer Credit Office in 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.

For FY 2015-2016, the \$4 surcharge was assessed on 103,675 uniform commercial code filings resulting in \$414,700 in Identify Theft Unit cash funds. This fiscal note assumes the same number of filings. Under the bill, the surcharge will revert back to \$3 in FY 2021-22.

### **State Revenue**

Beginning in FY 2017-18 and continuing for three fiscal years, this bill continues current Identity Theft Unit cash fund revenue. Specifically, by continuing the \$4 surcharge an estimated \$103,675 will be collected in each of the next three years.

### **Fee Impact on Individuals, Families or Business**

Section 2-2-322, C.R.S., requires legislative service agency review of measures which create or increase any fee collected by a state agency. The table below identifies the fee impact of this bill.

<b>Table 1. Fee Impact on Individuals, Families or Business</b>					
<b>Type of Fee</b>	<b>Current Fee (July 1, 2018)</b>	<b>Continued Fee</b>	<b>Fee Change</b>	<b>Number Affected</b>	<b>Total Fee Impact</b>
Uniform Commercial Code Filing Surcharge	\$3	\$4	\$1	103,675	\$103,675
<b>TOTAL</b>					<b>\$103,675</b>

### **State Expenditures**

With the extension of the SMART Act hearing requirement for the Colorado Fraud Investigators Unit, the Department of Public Safety will have continued workload to prepare this report through FY 2020-21.

### **Effective Date**

This bill was signed into law by the Governor and took effect on June 6, 2017.

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

Public Safety