



Legislative
Council Staff

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FISCAL NOTE

Drafting Number:	LLS 18-0950	Date:	March 7, 2018
Prime Sponsors:	Rep. Roberts; Wilson Sen. Priola	Bill Status:	House Education
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Bill Topic: UNLAWFUL SALE OF ACADEMIC ASSIGNMENTS

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue (<i>minimal</i>)	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure (<i>minimal</i>)	<input checked="" type="checkbox"/> Local Government (<i>minimal</i>)
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill creates a class 3 misdemeanor for the unlawful sale of academic materials for submission to an institution of higher education. It increases state and local government revenue, expenditures and workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts under HB 18-1252

		FY 2018-19	FY 2019-20
Revenue	General Fund and Cash Funds	less than \$5,000	less than \$5,000
Expenditures		-	-
Transfers		-	-

Summary of Legislation

This bill creates a new criminal offense for the unlawful sale of academic materials for submission to an institution of higher education if a person sells or offers to sell an academic assignment or assistance in preparing that assignment, including providing answers to an online exam. It must be the intent of the buyer to submit the assignment in his or her name as part of meeting the requirements for a degree, diploma, certificate, or course of study. The new offense is a class 3 misdemeanor, and it is an affirmative defense to the crime if the person offers assistance through tutoring, typing, transcribing, assembling, reproducing or editing an assignment or answer to an online exam for a fee. The Attorney General and each district attorney may apply to any court with jurisdiction for injunctive relief.

Comparable Crime

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or changes an element of the existing crime that creates a new factual basis for the offense. The sale of academic materials for submission to an institution of higher education is not currently prohibited and no comparable crimes have been identified. The fiscal note assumes that individual schools have policies in place to monitor for and respond to incidents of suspected plagiarism and the submission of academic materials not attributable to the student. Based on the responses from Colorado institutions of higher education when canvassed for the bill, the fiscal note assumes all impacts are minimal.

State Revenue

Beginning in FY 2018-19, this bill is anticipated to increase state revenue by less than \$5,000 per year, credited to the Fines Collection Cash Fund in the Judicial Department. The fine penalty for a class 3 misdemeanor offense is \$50 to \$750. Because the courts have the discretion of incarceration, imposing a fine, or both, the precise impact to state revenue cannot be determined. However, based on the low number of fines imposed by the courts, the fiscal note assumes that any revenue generated is likely to be less than \$5,000. The bill will also increase state revenue credited to the General Fund and various cash funds for court-related fees, such as probation supervision or late fees. Some fee revenue is shared with local governments; refer to the Local Government section for additional information.

TABOR Refund

The bill increases state revenue subject to TABOR by a minimal amount in FY 2018-19 and in FY 2019-20. State revenue is not currently expected to exceed the TABOR limit in either year and no refund is required. Therefore, the bill is not expected to impact TABOR refunds in these years. However, refunds in future years when the state next collects a TABOR surplus will be increased.

State Expenditures

Beginning in FY 2018-19, costs and workload for several state agencies will increase as described below. No increases in state appropriations are expected under the bill.

Judicial Department. The bill creates a new criminal penalty for the unlawful sale of academic materials, which may increase workload for the trial courts. If offenders are assigned to probation, workload will also increase. Finally, the bill may increase workload for any court of competent jurisdiction to consider and order injunctive relief to address the unlawful sale of academic materials at the request of the district attorney or Attorney General's office.

Agencies providing representation to indigent persons. Workload and costs for the Office of the State Public Defender and the Office of the Alternate Defense Counsel (ADC) will increase under the bill. For illustrative purposes, it costs the ADC an average of \$440 to represent an individual in a class 3 misdemeanor case. To the extent this occurs, this analysis assumes the affected offices will request an increase in appropriations through the annual budget process.

Institutions of higher education. Workload may increase to assist in the investigation and prosecution of any individuals who unlawfully sell academic materials for submission to the institution. However, because institutions have policies in place to monitor and respond to plagiarism, these impacts are minimal.

Attorney General's Office. The Attorney General's Office in the Department of Law is granted authority to apply to any court with jurisdiction for injunctive relief for violations of the bill's requirements, which may increase workload by a minimal amount in the future.

Local Government

Overall, this bill is expected to increase local government revenue, workload, and costs as described below. The exact impact to a particular local government will vary depending on the number of offenses committed within its jurisdiction.

District attorneys. The bill increases workload and costs for district attorneys to prosecute any new offenses under the bill.

County jails. Under current law, a court may sentence an offender to jail for a class 3 misdemeanor for a period of between 0 and 6 months. Because the courts have the discretion of incarceration or imposing a fine, the precise impact at the local level cannot be determined. Estimated costs to house an offender in a county jail vary from \$53 to \$114 per day. For the current fiscal year, the state reimburses county jails at a daily rate of \$54.39 to house state inmates.

Denver County Court. The bill may also result in an increase in revenue and workload for the Denver County Court, managed and funded by the City and County of Denver. The court will try misdemeanor cases of unlawful sale of academic materials that occur in its jurisdiction. Probation services in the Denver County Courts may also experience a minimal increase in workload and revenue to supervise persons convicted under the bill within Denver County.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed. It applies to offenses committed on or after the bill's effective date.

State and Local Government Contacts

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