



**Colorado  
Legislative  
Council  
Staff**

**HB17-1162**

**REVISED  
FISCAL NOTE**

(replaces fiscal note dated February 22, 2017)

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

**Drafting Number:** LLS 17-0429  
**Prime Sponsor(s):** Rep. Gray

**Date:** April 6, 2017  
**Bill Status:** House Appropriations  
**Fiscal Analyst:** Ryan Long (303-866-2066)

**BILL TOPIC:** OUTSTANDING JUDGMENTS AND DRIVER LICENSES

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
<b>State Revenue</b> Cash Funds	Potential minimal revenue reduction.	
<b>State Expenditures</b> General Fund	<b>\$108,000</b> \$108,000	Potential minimal workload decrease.
<b>TABOR Impact</b>	Potential minimal revenue reduction.	
<b>Appropriation Required:</b> \$108,000 - Department of Revenue (FY 2017-18).		
<b>Future Year Impacts:</b> Ongoing potential revenue and workload decrease.		

**Summary of Legislation**

This bill, *as amended by the House Judiciary Committee*, changes the penalty for driving with a license that is restricted by an outstanding judgment. The penalty changes from an unclassified misdemeanor with a maximum penalty of six months of imprisonment and a fine of \$500 to a class A traffic infraction punishable by an assessment of three points to a violator's driver license. Municipal courts will be able to enforce violations for driving with an outstanding judgment, but cannot waive the three-point penalty assessment against a driver license.

**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. From January 2014 to December 2016, there were 25,080 individuals convicted for driving with a restricted license. This number does not include any sealed, suppressed, or juvenile cases. Of this number, 18,135 were male, 6,918 were female, and there were 27 for which gender information was not available; 19,696 were Caucasian, 2,978 were African American, 1,888 were Hispanic, 155 were American Indian, 115 were Asian, and 248 for which race data are unavailable. It is unknown how many of these offenses involve driving with a license that was restricted for an outstanding judgment, but the number is assumed to be minimal.

## State Revenue

Beginning in FY 2017-18, there may be a minimal revenue reduction from traffic fines in the state-operated county courts in the Judicial Department. As the bill allows municipal courts to enforce the violations in this bill, the fiscal note assumes there may be a corresponding fine revenue increase for municipalities as discussed in the Local Government section.

## TABOR Impact

This bill may reduce state cash fund revenue from fees, which will reduce the amount of money required to be refunded under TABOR for FY 2017-18 and FY 2018-19. TABOR refunds are paid out of the General Fund. Since the bill reduces the TABOR refund obligation without a corresponding change in General Fund revenue, the amount of money available in the General Fund for the budget will increase by an identical amount.

## State Expenditures

In FY 2017-18, there will be \$108,000 increase in expenditures from the Licensing Services Cash Fund in the Department of Revenue (DOR) and a potential workload decrease in the trial courts of the Judicial Department. These impacts are described below.

**Department of Revenue.** In FY 2017-18, the bill requires a cash fund expenditure of \$108,000 to modify the Driver License, Record, Identification and Vehicle Enterprise Solution (DRIVES) and myDMV systems to incorporate the changes under this bill. This will require 480 hours of programming at the rate of \$225 per hour. Additionally, there will be workload increases in the Driver Control section of the DOR to conduct testing in the DRIVES system, train employees, and update procedure manuals to implement the changes in this bill, which can be accomplished within existing appropriations.

**Judicial Department.** Beginning in FY 2017-18, the state-operated county courts in the Judicial Department may have a minimal workload decrease for any cases that will instead be heard in municipal courts.

## Local Government Impact

Overall, this bill may increase municipal government revenue from enforcement of violations for driving with an outstanding judgment. Additionally, allowing municipalities to enforce violations for driving with an outstanding judgment will minimally decrease revenue and workload in the Denver County Court. These impacts are explained below.

**Fine revenue.** The bill will minimally increase municipal government revenue from enforcement of violations for driving with an outstanding judgment. The fiscal note assumes the number of violations for driving with an outstanding judgment will be minimal.

**Misdemeanor offenses.** First, the bill may decrease workload for district attorneys to prosecute offenses under the bill, as this work will now be done by city attorneys. To the extent that this bill decreases the number of offenders sentenced to jail, costs will decrease. Because the

courts have the discretion of incarceration or imposing a fine, the precise impact at the local level cannot be determined. The cost to house an offender in county jails varies from about \$53 to \$114 per day. It is assumed that the impact of this bill will be minimal.

**Denver County expenditures.** The bill may result in decreased revenue and workload for the Denver County Court, managed and funded by the City and County of Denver. The court may try fewer misdemeanor cases as a result of the bill. Probation services in the Denver County Courts may also experience a minimal decrease in revenue and workload to the extent that the agency would have supervised persons convicted for driving with an outstanding judgment.

**Effective Date**

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed.

**State Appropriations**

In FY 2017-18, this bill requires an appropriation of \$108,000 from the Licencing Services Cash Fund to the Department of Revenue.

**State and Local Government Contacts**

Counties  
Municipalities

Information Technology  
Revenue

Judicial  
Transportation

Law