



**Colorado
Legislative
Council
Staff**

HB17-1253

FISCAL NOTE

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

Drafting Number: LLS 17-0339
Prime Sponsor(s): Rep. Danielson
Sen. Crowder

Date: March 20, 2017
Bill Status: House Public Health Care and
Human Services
Fiscal Analyst: Kerry White (303-866-3469)

BILL TOPIC: PROTECT SENIORS FROM FINANCIAL ABUSE

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue Cash Funds	Potential increase.	
State Expenditures General Fund	Potential increase.	
TABOR Impact	Potential increase.	
Appropriation Required: None.		
Future Year Impacts: Ongoing potential increase in state revenue and expenditures.		

Summary of Legislation

This bill requires certain financial professionals to report to the securities commissioner (commissioner) if they believe an at-risk person (covered adult) is being financially exploited, except that for mandatory reporters, making such a report does not satisfy the current law requirement to report directly to local law enforcement. The commissioner must forward any reports to local law enforcement and the county department of human or social services. The commissioner may access records for purposes of investigations, but may not release them under an open records request.

Financial professionals may notify any third party previously designated by or reasonably associated with the covered adult when he or she believes financial exploitation has occurred, except when that designated party is suspected of financial exploitation or other abuse of the covered adult. The bill provides for delayed disbursements of moneys and other protective services under specified circumstances and immunity from administrative or civil liability when a financial professional makes a disclosure when acting in good faith and exercising reasonable care to protect the information.

Background

Adult protective services. Colorado's Adult Protective Services (APS) system was first established in 1983. It is supervised by the Department of Human Services (DHS) with services administered at the local level by county departments of human or social services. The purpose

of the system is to intervene on behalf of vulnerable adults for which actual or imminent danger of physical, sexual, or financial abuse, caretaker neglect, exploitation, or self-neglect exists. Between 2013 and 2016, legislation expanded the scope of the system by implementing mandatory reporting for certain professions and groups. Mandatory reporters are required to file a report within 24 hours of witnessing or becoming aware that an at-risk adult has been or is at imminent risk for mistreatment. They are encouraged to report events affecting any at-risk person. According to data provided by DHS, in FY 2015-16, there were about 17,750 such reports taken by county departments.

Criminal penalties. Depending on the offense, crimes against at-risk persons range from a class 2 to a class 6 felony. Over the past three years, there have been about 190 convictions of offenses each year.

State Revenue

Beginning in FY 2017-18 and to the extent that this bill increases prosecutions and convictions of offenses against at-risk persons, state cash fund revenue credited to the Judicial Department for court and administrative fees and criminal penalties will increase. Any increase is assumed to be minimal.

TABOR Impact

This bill may increase state cash fund revenue from court fees and criminal fines, which may increase 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 may increase the TABOR refund obligation without a corresponding change in General Fund revenue, the amount of money available in the General Fund for the budget may decrease by an identical amount.

State Expenditures

Beginning in FY 2017-18 and to the extent that this bill increases prosecutions and convictions of offenses against at-risk persons, state General Fund expenditures and workload for the Judicial Department and Department of Corrections may increase. The bill may also increase workload for courts in circumstances where protective relief is sought on behalf of covered adults and workload for the commissioner to investigate and forward reports. These increases are assumed to be minimal. If additional appropriations are required, this analysis assumes that affected agencies can request them through the annual budget process.

Local Government Impact

Similar to the state, the bill may increase workload related to any additional prosecutions that occur for offenses against at-risk persons reported by financial professionals. Workload for affected county departments of human and social services is also anticipated to increase to receive and follow up on any new reports that arise under this bill.

Effective Date

The bill takes effect July 1, 2017, and applies to suspected or attempted financial exploitation that occurs on or after this date.

State and Local Government Contacts

Corrections
Human Services
Local Affairs
Sheriffs

Counties
Information Technology
Municipalities

District Attorneys
Judicial
Regulatory Agencies