



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Revised Fiscal Note

(replaces fiscal note dated March 25, 2021)

**Drafting Number:** LLS 21-0418  
**Prime Sponsors:** Rep. Williams

**Date:** May 10, 2021  
**Bill Status:** House Finance  
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**Bill Topic:** **DONATION TO NONPROFIT FOR TRAFFIC VIOLATIONS**

**Summary of Fiscal Impact:**

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

This bill allows individuals to donate time or money in lieu of paying a traffic fine and surcharge. The bill will increase state and local expenditures and reduce local revenue on an ongoing basis.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** This revised fiscal note reflects the introduced bill, as amended by the House State, Civic, Military, and Veterans Affairs

**Table 1**  
**State Fiscal Impacts Under HB 21-1175**

	<b>Budget Year</b> <b>FY 2021-22</b>	<b>Out Year</b> <b>FY 2022-23</b>
<b>Revenue</b>	-	-
<b>Expenditures</b>		
General Fund	-	\$21,883
Centrally Appropriated	-	\$5,440
<b>Total Expenditures</b>	-	<b>\$27,323</b>
<b>Total FTE</b>	-	<b>0.3 FTE</b>
<b>Transfers</b>	-	-
<b>TABOR Refund</b>	-	-

## Summary of Legislation

The bill allows individuals to donate time or money to an eligible nonprofit entity instead of paying a portion of a penalty assessment or surcharge for a state or local traffic offense that is not credited to a state fund. If a person chooses to donate to a nonprofit, the person must contact the court to determine the amount of the fine eligible for donation, and provide proof of the donation of an equal or greater amount of the traffic infraction to the court. If donating time, the person must provide the court a notarized statement from the nonprofit that converts the time donated into a monetary value that is equal or greater than the traffic fine. To calculate the monetary value, an individual must multiply the hours worked by the state's minimum wage. By December 1, 2024, the Judicial Department must submit a report the General Assembly a report on the number of people who resolved a penalty assessment through a donation and how the donations affected the revenue of the court.

## Background

From January 1, 2018, through December 31, 2020, 466,146 unique cases under Article 4 of Title 42 (Regulation of Vehicles and Traffic) were processed through the state courts, or about 155,382 per year. The average assessment made by the courts was \$179 per case. Depending on the offense and the jurisdiction where the citation occurred, portion of the assessments may either go to a state fund or be collected by the state court and passed through to a local government. Data is not available to parse the portions of the average fine that may go to the state or a local government. Traffic offenses may also be processed entirely at the local level, with a locally operated court imposing the fine, which is collected and retained at the local level.

## State Expenditures

The bill will increase expenditures in the Judicial Department by \$27,323 and 0.3 FTE in FY 2022-23 and each year thereafter, as shown in Table 3 and discussed below.

**Table 3**  
**Expenditures Under HB 21-1175**

<b>Cost Components</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>
<b>Judicial Department</b>		
Personal Services	-	\$15,045
Operating Expenses	-	\$238
Capital Outlay Costs	-	\$400
Centrally Appropriated Costs <sup>1</sup>	-	\$5,440
<b>Total</b>	-	<b>\$27,323</b>
<b>Total FTE</b>	-	<b>0.3 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Judicial Department.** Starting in FY 2022-23, the bill will require 0.3 FTE to review and record statements submitted to the trial courts for donations to nonprofits and to determine what part of the fine must be paid. The fiscal note assumes that 15,532 individuals will seek to pay their fine through a donation and that each attempt will require 2 minutes of work. Costs in the first year are prorated for the General Fund pay date shift.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$5,440 in FY 2022-23.

## Local Government

The bill will decrease local revenue from traffic fines to counties and municipalities. Impacts will vary based on jurisdiction depending on the number of offenses and individuals' decisions to donate in lieu of a fine. Similar to the state court impact described above, local courts will require additional staff time to process traffic offenses where a person is seeking to donate in lieu of paying a fine.

## Effective Date

The bill takes effect on July 1, 2022, assuming no referendum petition is filed.

## State and Local Government Contacts

Counties	District Attorneys	Information Technology
Judicial	Municipalities	Revenue
Transportation		