



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 22-0906	Date:	March 28, 2022
Prime Sponsors:	Rep. McCluskie; Ransom Sen. Hansen; Zenzinger	Bill Status:	House Appropriations
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Bill Topic: **STREAMLINE PROCESSING OF JUDICIAL DEPT COLLECTIONS**

Summary of Fiscal Impact:

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

Budget package bill. The bill combines two cash funds and changes the distribution of two state surcharges used for administrative expenses in the Judicial Department. As a result, the bill redirects state revenue to different cash funds and may decrease state workload starting in FY 2022-23.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2022-23 Long Bill package.

Summary of Legislation

The bill combines two cash funds used by the Judicial Department's Collections Investigator Program and changes the administrative funding distribution of two state surcharges.

Cash fund combination. The Collections Investigator Program, which works to increase compliance with court payment orders, is currently funded by two different cash funds. The bill eliminates one of these, the Fines Collection Cash Fund, and deposits related fine revenue into the Judicial Collection Enhancement Cash Fund starting in FY 2022-23. In FY 2021, around \$950,000 was deposited into the Fines Collection Cash Fund and \$6.7 million was deposited into the Judicial Collection Enhancement Cash Fund for use by the Collections Investigator Program.

Surcharge distribution. Individuals convicted of drug and alcohol-related offenses must pay Drug Offender and Rural Alcohol and Substance Abuse surcharges. Current law requires that 5 percent of these surcharges be retained by court clerks for administering the disbursement of the surcharges. This bill allows this funding to instead be deposited directly into the Judicial Stabilization Cash Fund for administering the disbursement of the surcharges.

State Revenue and Expenditures

Starting in FY 2022-23, the bill redirects about \$950,000 per year in state cash fund revenue from the repealed Fines Collection Cash Fund to the Judicial Collection Enhancement Cash Fund. It also deposits 5 percent of state cash fund revenue from the Drug Offender and Rural Alcohol and Substance Abuse surcharges into the Judicial Stabilization Cash Fund, rather than retaining this percentage of the surcharges as an entry on a balance sheet account. On net, state cash fund revenue will not increase or decrease as a result of these changes. Workload will decrease in the Judicial Department to the extent that the new cash fund distributions simplify management and administration of the programs that are funded by these revenue sources.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Judicial

Treasury