



Legislative Council Staff

Research Note

Version: Final

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Bill Number

Senate Bill 16-117

Sponsors

**Senator Sonnenberg
Representative Coram**

Short Title

**Limit State Agency Authority to
Impose Fines**

Research Analyst

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Status

This research note reflects the reengrossed version of the bill. The bill was postponed indefinitely by the House Finance Committee on May 5, 2016.

Summary

This bill would have limited the authority of state agencies to impose fines. Specifically, the bill prohibited any state agency from imposing a fine of \$1,000 or more or in total for related violations unless the agency mailed written notice of the violation of the law or rule, and the offender failed to correct the violation on or before the 30th calendar day after mailing of the written notice. The bill capped these fines as follows:

- for an individual, 10 percent of the taxable income reported on his or her last state income tax return;
- for a business, 10 percent of the operating revenue reported on its income statement for the last fiscal year; and
- for a political subdivision of the state, 5 percent of its tax revenue for the last fiscal year.

The bill specified that a state agency could request that an offender provide income information that would allow the agency to determine the maximum allowable fine. If the offender failed to provide income information, the cap on fines would not have applied. The bill did not apply to criminal penalties.

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Senate Action

Senate Finance Committee (February 25, 2016). Individuals representing the Department of Human Services, the Department of Public Health and Environment, and the Department of Revenue testified in opposition to the bill. Individuals representing the Colorado Municipal League and the Rocky Mountain Agribusiness Association testified in support of the bill. The committee adopted amendment L.002, which replaced the term "discretionary fine" with the term "designated fine" throughout and changed the length of time an offender has to correct a violation from 20 business days to 30 calendar days after a fine notification is mailed. The committee referred the bill, as amended, to the Senate Appropriations Committee.

Senate Appropriations Committee (April 15, 2016). The committee adopted amendment J.001, which added an appropriations clause. The committee referred the bill, as amended, to the Senate Committee of the Whole.

Senate second reading (April 20, 2016). The Senate adopted the Senate Finance and Senate Appropriations committee reports and passed the bill on second reading with no additional amendments.

Senate third reading (April 25, 2016). The Senate passed the bill on third reading with no amendments.

House Action

House Finance Committee (May 5, 2016). Individuals representing the Department of Human Services, the Department of Public Health and Environment, the Department of Revenue, and the Worker's Compensation Education Association testified in opposition to the bill. One individual representing the Colorado Municipal League testified in support of the bill. The committee voted to postpone the bill indefinitely.

House Action

Relevant Research