



**Colorado
Legislative
Council
Staff**

HB17-1097

**FINAL
FISCAL NOTE**

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

Drafting Number: LLS 17-0003 **Date:** May 31, 2017
Prime Sponsor(s): Rep. Saine; Humphrey **Bill Status:** Postponed Indefinitely
 Sen. Marble; Neville T. **Fiscal Analyst:** Kerry White (303-866-3469)

BILL TOPIC: REPEAL AMMO MAGAZINE PROHIBITION

| Fiscal Impact Summary | FY 2016-2017 <i>(current year)</i> | FY 2017-2018 | FY 2018-2019 |
|--|--|------------------------------|--------------|
| State Revenue Cash Funds | Potential minimal reduction. See State Revenue section. | | |
| State Expenditures General Fund | Minimal reduction. See State Expenditures section. | | |
| TABOR Impact | | Potential minimal reduction. | |
| Appropriation Required: None. | | | |
| Future Year Impacts: Ongoing minimal reduction in state revenue and expenditures. | | | |

NOTE: This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

This bill repeals the prohibition on the sale, transfer, and possession of large-capacity ammunition magazines. It also repeals the requirement that a magazine manufactured in Colorado have a permanent stamp or marking indicating it was produced after July 1, 2013.

Background

The law repealed under this bill was created by House Bill 13-1224. Among its provisions, that bill established four new criminal offenses (one class 6 felony, two class 1 misdemeanors, and one class 2 misdemeanor). The fiscal note assumed that one offender every five years would be convicted of a class 6 felony and be incarcerated in the custody of the Department of Corrections (DOC). However, the DOC did not receive an appropriation for this assumed violation with that bill. Since HB13-1224 took effect, 37 cases have been filed. Of these 37 cases, 2 misdemeanor convictions have been entered (for 1 Caucasian male and 1 Hispanic male).

State Revenue

The fiscal note for HB13-1224 assumed a potential increase in state cash fund revenue of less than \$5,000 per year as a result of any convictions. In the past year, no revenue has been received and very few cases have been filed. Therefore, the fiscal note assumes any potential future reduction in fee and fine revenue will be minimal.

TABOR Impact

To the extent that this bill reduces state cash fund revenue from court fees and fines, it will reduce the amount of money required to be refunded under TABOR in FY 2017-18 and FY 2018-19 only. TABOR refunds are paid out of the General Fund. TABOR refund obligations are not expected for FY 2016-17. 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

Beginning in the current FY 2016-17, this bill will reduce state General Fund expenditures by a minimal amount, primarily by reducing workload for the trial courts in the Judicial Department. There have been 37 case filings and 2 convictions for violating the prohibition on high-capacity ammunition magazines and no cases of failure to apply a manufacturer's stamp since the enactment of HB13-1224. At the time that bill was enacted, it was assumed that any increase in workload for the courts and associated agencies within the Judicial Department could be addressed within existing appropriations. As such, no reductions in appropriations are required under this bill. In addition, while it was assumed one person every five years would be incarcerated for offenses of the prohibitions, no appropriation was provided to the DOC. Given that no one has been incarcerated under HB13-1224, no changes in costs for the DOC are anticipated with its repeal.

Local Government Impact

This bill could reduce costs and workload for local law enforcement and district attorneys not having to investigate or prosecute violations of the prohibitions against high-capacity ammunition magazines or failing to apply a manufacturer's stamp. It could also reduce jail costs and revenue for any persons who would have been convicted of an offense. Because the courts have the discretion of incarceration or imposing a fine, and no persons have been sentenced to jail, it is assumed that reductions in court revenue for the City and County of Denver, and costs for local governments under the bill will be minimal. The cost to house an offender in county jails varies from about \$53 to \$114 per day. For the current fiscal year, the state reimburses county jails at a daily rate of \$52.74 to house state inmates.

Effective Date

The bill was postponed indefinitely by the House State, Veterans, and Military Affairs Committee on February 8, 2017.

State and Local Government Contacts

Corrections
District Attorneys
Judicial
Municipalities
Sheriffs

Counties
Information Technology
Local Affairs
Natural Resources