



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

HB 18-1140

FINAL  
FISCAL NOTE

**Drafting Number:** LLS 18-0160  
**Prime Sponsors:** Rep. McKean  
Sen. Moreno

**Date:** June 21, 2018  
**Bill Status:** Signed into Law  
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**Bill Topic:** PUBLIC OFFICIAL PERSONAL SURETY BONDS

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**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure ( <i>potential and minimal</i> )	<input checked="" type="checkbox"/> Local Government ( <i>potential and minimal</i> )
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill repeals statutory provisions related to personal surety bonds and authorizes public entities to purchase crime insurance instead. This bill may increase state and local government costs by a minimal amount on an ongoing basis.

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

**Fiscal Note Status:** This fiscal note reflects the enacted bill, which was recommended by the Statutory Revision Committee.

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### Summary of Legislation

Under current law a public entity may require an official to provide a personal surety bond which protects the entity from losses occurring from theft, fraud, or other impacts due to the official's failure to meet certain obligations. This bill repeals parts of statute where personal surety bonds are required from state department heads and subordinates that handle state funds, county officials, and municipal officials. Public entities are authorized to purchase crime insurance instead of accepting personal surety bonds.

### State Expenditures

To the extent that state agencies are currently requesting personal surety bonds, costs may increase to instead purchase crime insurance and workload to track the receipt of personal surety bonds from required officials will decrease. It is assumed that few state agencies require personal surety bonds; therefore, any increase in costs and decrease in workload is expected to be minimal and will not impact appropriations to any state agency.

## Local Government

Similar to the state, this bill may increase county and municipal government costs for purchasing crime insurance and decrease personal surety bond tracking workload. It is assumed that most county and municipal governments already purchase crime insurance; therefore, these impacts are minimal.

## Effective Date

This bill was signed into law by the Governor on March 15, 2018, and takes effect August 8, 2018, assuming no referendum petition is filed.

## State and Local Government Contacts

Counties

Municipalities