



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**FISCAL NOTE**

**Drafting Number:** LLS 19-0578  
**Prime Sponsors:** Rep. Kraft-Tharp; Saine  
 Sen. Fields; Smallwood  
**Date:** February 5, 2019  
**Bill Status:** House Finance  
**Fiscal Analyst:** Ariel Hammerquist | 303-866-3469  
 Ariel.Hammerquist@state.co.us

**Bill Topic:** LOTTERY INTERCEPTS

**Summary of Fiscal Impact:**

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

This bill allows lottery winnings to be intercepted for the payment of outstanding criminal court fines, fees, costs, or surcharges. This bill increases state revenue on an ongoing basis and minimally increases state expenditures.

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

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

**Table 1**  
**State Fiscal Impacts Under HB 19-1128**

		FY 2019-20	FY 2020-21
<b>Revenue</b>	General Fund and Cash Funds	\$61,500	\$61,500
<b>Expenditures</b>		-	-
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

## **Summary of Legislation**

This bill allows lottery winnings to be intercepted for the payment of outstanding criminal court fines, fees, costs, or surcharges. In addition, the bill specifies that lottery winnings should first be applied to offset child support debt, arrearages, or child support costs. The remaining lottery winnings shall then be applied to outstanding restitution, fines, fees, costs, or surcharges.

## **Background**

The Office of State Auditor found that the Judicial Department could have received \$123,000 in revenue over a two year period from lottery winnings that had been claimed by individuals who owed judicial obligations other than restitution. As a result, the fiscal notes assumes an average increase of \$61,500 per year in revenue from fines, fees, costs, or surcharges.

## **State Revenue**

Beginning in FY 2019-20, the state will see a revenue increase of \$61,500 credited to the Fines Collection Cash Fund, various other cash funds in the Judicial Department, and the General Fund. The exact funds receiving the increased payment will depend on the type of fine or fee owed and is not known at this time. Criminal fine and court fee revenue is subject to TABOR.

## **State Expenditures**

Beginning in FY 2019-20, this bill will minimally increase workload for the Judicial Department to manage data and make minor programming changes to receive lottery intercepts. Any increase in workload can be accomplished within existing appropriations.

**Tabor refunds.** This bill is expected to minimally increase state General Fund obligations for TABOR refunds in FY 2019-20. Under current law and the Legislative Council Staff December 2018 forecast, the bill will correspondingly increase the amount refunded to taxpayers via sales tax refunds on income tax returns for tax year 2020. The state is not expected to collect a TABOR surplus in FY 2020-21.

## **Effective Date**

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

## **State and Local Government Contacts**

Corrections

Information Technology

Judicial

Revenue