



Legislative Council Staff

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REVISED FISCAL NOTE

(replaces fiscal note dated January 28, 2019)

Drafting Number: LLS 19-0577 Date: February 25, 2019
Prime Sponsors: Sen. Lee; Cooke Bill Status: Senate Appropriations
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Bill Topic: STATE COURT ADMINISTRATOR REMINDER PROGRAM

- Summary of Fiscal Impact:
[x] State Revenue [x] TABOR Refund
[x] State Expenditure [x] Local Government
[x] State Transfer [ ] Statutory Public Entity

This bill requires the state court administrator to implement a court reminder program. This bill decreases state revenue and both increases and decreases state expenditures. Local government revenue and expenditures are also decreased. These impacts are ongoing.

Appropriation Summary: For FY 2019-20, this bill requires an appropriation of \$203,612 to the Judicial Department.

Fiscal Note Status: This fiscal note has been revised to reflect the introduced bill, as amended by the Senate Judiciary Committee.

Table 1
State Fiscal Impacts Under SB 19-036

Table with 4 columns: Category, Sub-category, FY 2019-20, FY 2020-21. Rows include Revenue, Expenditures (General Fund), Transfers, and TABOR Refund.

## **Summary of Legislation**

This bill requires the state court administrator to implement a court reminder program in at least four judicial district courts beginning January 1, 2020, and for every eligible court by July 1, 2020.

**Eligible courts.** Eligible courts are defined in the bill as any district, county, or municipal court that uses the Integrated Colorado Online Network (ICON) on the Judicial case management system. A court that has its own text reminder system may choose to opt out of the court reminder program.

**Request for Proposal.** The state court administrator must issue a request for proposal (RFP) for a third-party vendor to develop and operate the court reminder program, but may choose to develop and operate the program internally after the RFP process.

**Court reminder notification and system requirements.** The court reminder program must:

- send at least two text message reminders for all criminal and juvenile court appearances that include at least the date, location, time of the court appearance, and court contact information;
- provide a text notification for any unplanned court closures such as a weather closure;
- provide an alert to defendants or juveniles who miss court and instruct him or her to contact the court or an attorney;
- track each time a text was sent to a working cell phone;
- identify defendants and juveniles with upcoming court dates that cannot be reached and attempt to gather current contact information; and
- collect data on the number of criminal defendants and juveniles who fail to appear in court despite having received one or more reminders to a working cell phone.

**Court reminder reporting requirements.** The state court administrator is required to report on this program during the department's annual SMART Act hearing. This report must include:

- the number of reminders sent to a criminal defendant's or juvenile's working phone;
- the number of criminal defendants or juveniles who failed to appear in court;
- the number of defendants or juveniles who were sent a reminder and failed to appear in court despite receiving the reminder; and
- any other data collected that is useful in determining the effectiveness of the program.

## **Background and Assumptions**

This analysis is based on the following assumptions.

**Court reminders.** Currently, 11 district and county courts have a notification system and 2 municipalities (Fort Morgan and Broomfield) use ICON. It is assumed that the court reminder program will provide court reminder texts for all 22 judicial district courts, 63 county courts, and the 2 municipalities that use the ICON beginning January 1, 2020. Using 2020, caseload projections, it is assumed that 2 texts will be sent for approximately 1.2 million adult court dates and 125,000 juvenile court dates, resulting in a total of approximately 2.6 million court date reminder texts annually.

**Failure to appear.** Under current law, failure to appear (FTA) in district, county, or municipal court often results in a bench warrant being issued. A bench warrant allows a law enforcement officer to arrest the defendant that failed to appear. In instances when a bench warrant is issued for failure to appear on a charge of a serious crime, such as a felony, law enforcement often likely actively pursue the offender until an arrest is made. Bench warrants for less serious crimes such as misdemeanors and traffic offenses are generally not actively pursued and instead the defendant is taken into custody only if they come in contact with law enforcement. According to the Judicial Department, there were 108,638 FTA issued in 2018 and 117,522 are projected in 2020. One text message reminder will be provided for each FTA. This combined with the other court reminders results in a total of approximately 2.7 million court text message reminders.

**Unplanned court closures.** Less than 5 unplanned court closures are anticipated per year and it is assumed that closure notifications can be provided with no additional contract cost.

## **State Revenue**

Beginning in 2019-20, to the extent that reminding defendants or juveniles of upcoming court dates reduces instances where a defendant fails to appear in court, this bill will decrease state cash fund revenue. This exact decrease will depend on the reduction in FTA warrants, the type of case in which those reductions occur (felony, misdemeanor, or traffic), and court rehearing fee decisions and has not been estimated. This revenue is subject to TABOR.

**Traffic warrant fee.** Under current law, a \$30 outstanding judgement warrant fee is assessed for the failure to appear in court in traffic cases. For informational purposes, assuming 50 percent of the 117,522 FTA warrants projected for 2020 are for traffic offenses and this bill results in a 25 percent or 14,690 reduction of FTA warrants, this bill would decrease outstanding judgement warrant fee revenue by \$220,354 in FY 2019-20 and \$440,708 FY 2020-21.

**Additional court fees.** While no other specific outstanding judgement or failure to appear fees are assessed, the court may assess additional court administrative fees to a defendant that fails to appear during the rehearing. Because they type of additional fee and the amount is unknown, this impact has not been estimated.

## **State Expenditures**

This bill increases Judicial Department expenditures by \$203,612 in FY 2019-20 and \$109,304 in FY 2020-21 and beyond. These expenditures will be offset by a reduction in costs and workload to the extent that the number of FTA rehearings needed decreases. These impacts are shown in Table 2 and discussed below.

**Table 2**  
**Expenditures Under SB 19-036**

	<b>FY 2019-20</b>	<b>FY 2020-21</b>
<b>Judicial Department</b>		
Court Reminder Contract	\$54,652	\$109,304
Computer Programming	\$148,960	-
<b>Total Cost</b>	<b>\$203,612</b>	<b>\$109,304</b>

**Court reminder contract.** This analysis assumes the Judicial Department will choose to contract with a vendor rather than develop and operate an internal system. Subject to the results of the RFP process, the cost of this contract is estimated to be \$109,304 per year. This cost is prorated in the first year based on a January 1, 2020, contract start date. This assumes approximately 2.7 million texts per year and a cost of \$0.04 per text.

**Computer Programming.** It is estimated that 960 hours of computer programming will be needed at a blended rate of \$155 per hour to integrate the chosen vendor court reminder system with the judicial court case management system. This will allow the court reminder system to generate the text messages using judicial department court date and contact information, identify FTA instances, segregate collected phone numbers from other personal information, and to create a notification opt-out for offenders that do not want to receive a text message notification. These hours and costs depend on the RFP process and the terms of the vendor contract agreement and could be less if the vendor agrees to perform some of this work or if efficiencies are found during system integration.

**Trial courts.** This bill will reduce the number of district and county court rehearings that must be scheduled due to FTA and staff time to produce a FTA bench warrant. Assuming a 25 percent reduction in FTA warrants, this bill will reduce the number of rehearings by 29,381. The exact impact will depend on reduction in the number of FTA warrants and type of case in which the reduction occurs. This impact has not been estimated. This analysis assumes any reductions in appropriations, if necessary, will be addressed through the annual budget process.

**Judicial workload.** This analysis assumes any reductions in Judicial Department appropriations, if necessary, will be addressed through the annual budget process after data has been collected on the effectiveness of the court reminder program at reducing the number of FTA warrants issued and rehearings held.

**TABOR refunds.** To the extent that this bill reduces state revenue, state General Fund obligations for TABOR refunds will be decrease in FY 2019-20. Under current law and the December 2018 Legislative Council Staff forecast, the bill will correspondingly reduce 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.

## **Local Government**

This bill decreases local government costs and workload as described below. These impacts will vary by local government based on the reduction in FTAs, FTA warrants issued, arrests, and the number of rehearings held.

**District Attorneys.** To the extent that this bill decreases the number of instances where a defendant or juvenile fails to appear in court, district attorney workload will decrease. This impact has not been estimated.

**County jail.** This bill is expected to decrease the number of instances where defendants and juveniles are arrested for failing to appear in court. Costs associated with failing to appear include staff time to produce a bench warrant, sheriff deputy staff time to serve the warrant, or process server fees in some cases, transportation costs for transporting arrested defendants to the appropriate county jail, and county jail incarceration costs. Potential jail savings ranges from \$43.65 to \$350.21 per day, per offender in county jail.

**County and municipal court date notification systems.** Because the Judicial Department will provide statewide notifications in all judicial districts, counties, and the two municipalities on the judicial case management system, county and municipal expenditures will decrease for counties and municipalities that have an existing court date notification system as it is assumed that this new program will replace those systems. This amount has not been estimated.

### **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. Section two of the bill takes effect July 1, 2020.

### **State Appropriations**

For FY 2019-20, this bill requires a General Fund appropriation of \$203,612 to the Judicial Department.

### **State and Local Government Contacts**

Counties	District Attorneys	Information Technology
Judicial	Law	Sheriffs