



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated March 1, 2022)

Drafting Number:	LLS 22-0649	Date:	March 30, 2022
Prime Sponsors:	Rep. Benavidez; Bockenfeld Sen. Ginal	Bill Status:	Senate Judiciary
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Bill Topic: CATALYTIC CONVERTER RECORDS AND GRANT PROGRAM

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill requires assessments of commodity metals dealers and creates a grant program. It increases state expenditures beginning in FY 2022-23.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$405,871 to the Department of Public Safety. See State Appropriations section for detail.

Fiscal Note Status: The revised fiscal note reflects the reengrossed bill.

**Table 1
State Fiscal Impacts Under HB 22-1217**

		Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-
Expenditures	General Fund	\$405,871	\$310,978
	Centrally Appropriated	\$18,844	\$1,988
	Total Expenditures	\$424,715	\$312,966
	Total FTE	1.0 FTE	0.1 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$60,881	\$46,647

Summary of Legislation

The bill creates a grant program and requires assessments of transactions of catalytic converters, which are elements of a car’s exhaust system that makes exhaust gas less polluting.

Grant program. The bill creates the Catalytic Converter Identification and Theft Prevention Grant Program in the Department of Public Safety (CDPS) to raise awareness of catalytic converter theft and for catalytic converter identification and tracking efforts. CDPS must adopt rules for the program, consistent with guidelines established in the bill. By June 30 of each year beginning in 2023, the department must submit a report to the legislature on the status of the grant program. The program repeals on July 1, 2025.

Assessments of commodity metals dealers. CDPS must create an assessment for commodity metals dealers to complete in 2023 regarding their compliance with existing records retention laws and report on the findings of the assessments to the Commodity Metals Task Force each year. Dealers who do not voluntarily respond to the assessment may prompt a law enforcement inspection. The Colorado State Patrol must develop an inspection form consistent with the assessment’s requirements.

State Expenditures

The bill increases state expenditures in CDPS by \$424,715 in FY 2022-23 and \$312,966 in FY 2023-24 from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under HB 22-1217

Cost Components	FY 2022-23	FY 2023-24
Grant Program—DPS		
Grant Program	\$300,000	\$300,000
Grant Program Subtotal	\$300,000	\$300,000
Assessments—DPS		
Personal Services	\$98,321	\$10,978
Operating Expenses	\$1,350	-
Capital Outlay Costs	\$6,200	-
Centrally Appropriated Costs ¹	\$18,844	\$1,988
Assessments Subtotal	\$124,715	\$12,966
Total	\$424,715	\$312,966
Total FTE	1.0 FTE	0.1 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Department of Public Safety. Beginning in FY 2022-23, expenditures will increase in CDPS to administer the grant program and conduct assessments.

- **Grant program.** Expenditures will increase by \$300,000 from the General Fund to administer the grant program. The fiscal note assumes that approximately 30 grants averaging \$10,000 will be awarded, but the General Assembly has the discretion to determine this amount. Workload will increase to adopt rules for the program, review grant applications, monitor grantees, and compile the annual report.
- **Assessments of commodity metals dealers.** Expenditures will increase to create and maintain a database to support the assessments. This is provided by the Office of Information Technology and requires 1.0 FTE in FY 2022-23 and 0.1 FTE in FY 2023-24. Standard operating and capital outlay costs are included. Workload in CDPS will increase to create, distribute, and synthesize assessments, to develop the inspection form, and to report on the findings, beginning in FY 2022-23. This workload can be accomplished within existing appropriations.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, which will decrease the amount of General Fund available for other purposes.

Local Government

Revenue and expenditures will increase in municipalities, counties, special districts, and other units of local government to the extent that they apply for and receive grants.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except that the section pertaining to assessments of Commodity Metals Dealers only takes effect if Senate Bill 22-009 becomes law.

State Appropriations

For FY 2022-23, the bill requires a General Fund appropriation of \$405,871 to the Department of Public Safety. Of this, \$105,871 is reappropriated to the Office of Information Technology, including 1.0 FTE. The reappropriated funds are only required if Senate Bill 22-009 becomes law.

State and Local Government Contacts

Information Technology
Law
Public Health and Environment

Judicial
Legislative Council Staff
Public Safety