



**Colorado
Legislative
Council
Staff**

SB16-141

FISCAL NOTE

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

Drafting Number: LLS 16-0939
Prime Sponsor(s): Sen. Jones
Rep. Foote

Date: March 11, 2016
Bill Status: Senate Business, Labor, & Technology
Fiscal Analyst: Jessika Shipley (303-866-3528)

BILL TOPIC: MACHINE-READABLE IDENTIFICATION INFORMATION RETAIL

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue	<u><\$20,000</u>	<u><\$20,000</u>
Cash Fund	<20,000	<20,000
State Expenditures	Minimal workload increase.	
TABOR Impact	<\$20,000	<\$20,000
Appropriation Required: None.		
Future Year Impacts: Ongoing revenue increase and minimal workload increase.		

Summary of Legislation

This bill creates the class 1 misdemeanor offense of identification (ID) document misuse. The offense occurs when a person working in a retail establishment knowingly:

- reads, collects, or decodes any information from a machine-readable portion of an ID document;
- retains any information obtained from a machine-readable portion of an ID document after the retail transaction has concluded; or
- transmits to another person any information obtained from a machine-readable portion of an ID document.

The bill makes exceptions to the offense for peace officers, state agencies, or local government agencies that are acting within the course and scope of official duties. It also excludes a business entity that is acting as required by state or federal law or that is acting to prevent fraud or other criminal activity.

A person who commits ID document misuse in the course of the person's business, vocation, or occupation engages in a deceptive trade practice under the state's consumer protection laws.

State Revenue

Beginning in FY 2016-17, the bill is expected to increase state cash fund revenue from fines by less than \$20,000 per year, credited to the Fines Collection Cash Fund in the Judicial Department. The penalty for a class 1 misdemeanor is \$500 to \$5,000, between 6 and 18 months in a county jail, or both. Probation revenue from misdemeanor convictions may also increase by \$50 per month per person sentenced to probation under the bill. Because the courts have the discretion of imposing a fine, incarceration, probation or some combination of the three, the precise impact to state revenue cannot be determined; however, due to the relatively high number of convictions for the comparable crime of criminal possession of one or more ID documents issued to the same person over the past three years, some new fine revenue is expected.

TABOR Impact

This bill increases state revenue from fines, which will increase the amount of money required to be refunded under TABOR. TABOR refunds are paid out of the General Fund.

State Expenditures

The bill will minimally increase workload in the Judicial Department beginning in FY 2016-17.

Judicial Department. Workload will minimally increase in the Judicial Department to modify the ICON/Eclipse information technology system and to hear any new cases under the bill. Probation services may also experience a minimal increase in workload to supervise any offenders convicted under the bill. Finally, the bill may increase workload or costs for the Office of the State Public Defender and Office of Alternate Defense Counsel, to provide representation for any persons deemed to be indigent. The fiscal note assumes any such increases are minimal and can be addressed within existing appropriations.

Local Government Impact

The bill could affect local governments in the following manner.

Misdemeanor offenses in county courts. First, the bill may increase workload for district attorneys to prosecute any new offenses under the bill. Second, to the extent that this bill increases misdemeanor convictions and offenders are sentenced to jail, costs will increase. Because the courts have the discretion of incarceration or imposing a fine, the precise impact at the local level cannot be determined. 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. It is assumed that the impact of this bill will be minimal.

Denver County Court. The bill may result in an increase in revenue and workload for the Denver County Court, managed and funded by the City and County of Denver. The court will try misdemeanor cases of misuse of ID documents that occur within its jurisdiction. Probation services in the Denver County Courts may also experience a minimal increase in workload to supervise any persons convicted under the bill.

Comparable Crime

Colorado law requires Legislative Council Staff to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or changes an element of the existing crime that creates a new factual basis for the offense. The bill makes it both a class 1 misdemeanor and a deceptive trade practice to commit the new offense of ID document misuse. A comparable crime under current law is the class 1 misdemeanor of criminal possession of one or more ID documents issued to the same person.

From February 1, 2013, through February 1, 2016, there were 1,482 criminal cases filed where at least one charge included this offense. During the same period, there were 704 criminal cases that resulted in at least one conviction and sentence for this crime. Of those convictions, 236 individuals were female and 467 were male. The breakdown by race was 567 Caucasian, 70 Hispanic, 50 Black, 2 Asian, 5 American Indian, and 10 Other.

Effective Date

The bill takes effect July 1, 2016.

State and Local Government Contacts

Counties
Municipalities

Judicial
Public Safety

Law
Revenue