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FISCAL NOTE

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|---------------------------------------|--------------------------------------------------------------------------------------|
| Drafting Number: LLS 18-0688 | Date: February 6, 2018 |
| Prime Sponsors: Rep. Benavidez | Bill Status: House Judiciary |
| | Fiscal Analyst: Chris Creighton 303-866-5834 Chris.Creighton@state.co.us |

Bill Topic: STATE COURT ADMINISTRATOR REMINDER CALL CENTER

Summary of Fiscal Impact:

| | |
|----------------------------------------------------------------------|------------------------------------------------------|
| <input checked="" type="checkbox"/> State Revenue (<i>minimal</i>) | <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 |

This bill creates a division in the Judicial Department responsible for reminding criminal defendants of upcoming court dates. This bill increases state expenditures and decreases state and local government costs and workload. These impacts are ongoing.

Appropriation Summary: This bill requires an appropriation of \$82,101 to the Judicial Department.

Fiscal Note Status: This fiscal note reflects the introduced bill.

**Table 1
State Fiscal Impacts Under HB 18-1081**

| | | FY 2018-19 | FY 2019-20 |
|---------------------|------------------------|-------------------|-------------------|
| Revenue | | - | - |
| Expenditures | General Fund | \$82,101 | \$102,406 |
| | Centrally Appropriated | \$6,177 | \$7,959 |
| | Total | \$88,278 | \$110,365 |
| | Total FTE | 0.4 FTE | 0.5 FTE |
| Transfers | | - | - |

Summary of Legislation

This bill requires the State Court Administrator in the Judicial Department to create a division responsible for reminding criminal defendants of their upcoming appearance date in county and district courts. All district and county courts must utilize this court date reminder service, unless they have their own service that satisfactorily reminds defendants of upcoming court dates.

Background and Assumptions

Under current law, failure to appear in district or county court often results in a bench warrant being issued. At the time of this writing, at least 8 of 22 judicial districts have some form of court date notification system. This analysis assumes that this new division in the Judicial Department will implement court date notifications for all 22 district courts and 64 county courts with notifications being provided 48 hours prior to the court date for all criminal felony, misdemeanor, and traffic cases. Notifications will not be provided for civil cases and are not required by the bill.

State Revenue

Under current law, a \$30 outstanding judgement warrant fee is assessed for the failure to appear in court in traffic cases. 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. To the extent that, by reminding defendants of upcoming court cases reduces instances where a defendant fails to appear in court, this bill is expected to decrease state cash fund revenues from this fee. This exact impact is unknown, but is expected to be minimal.

TABOR Impact

The bill increases state revenue subject to TABOR in FY 2018-19 and FY 2019-20. State revenue is not currently expected to exceed the TABOR limit in either year and no refund is required. Therefore, the bill is not expected to impact TABOR refunds in these years. However, refunds in future years when the state next collects a TABOR surplus will be increased.

State Expenditures

This bill increases General Fund expenditures in the Judicial Department by \$88,278 and 0.4 FTE in FY 2018-19 and \$110,365 and 0.5 FTE in FY 2019-20 and in future years. These expenditures are shown in Table 2 and discussed below.

**Table 2
Expenditures Under HB 18-1081**

| | FY 2018-19 | FY 2019-20 |
|---------------------------------------------|-------------------|-------------------|
| Judicial Department | | |
| Personal Services | \$31,448 | \$41,931 |
| Operating Expenses and Capital Outlay Costs | \$5,653 | \$475 |
| Notification Contract | \$45,000 | \$60,000 |
| Centrally Appropriated Costs* | \$6,177 | \$7,959 |
| FTE – Personal Services | 0.4 FTE | 0.5 FTE |
| Total Cost | \$88,278 | \$110,365 |
| Total FTE | 0.4 FTE | 0.5 FTE |

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

Court date notification contract. This analysis assumes the Judicial Department will create the division required by this bill through a contract with a notification provider. Based on a similar contract in the 21st Judicial District and statewide projected call volume, and subject to the request for proposal (RFP) process, the cost of this contract is estimated to be \$60,000 per year. This cost is prorated in the first year based on a October 1, 2018, contract start date. This is one month prior to the expected start for the notifications required by this bill in November 2018 to allow time for programing, testing, and other related startup activities.

Program manager. The Judicial Department will need 0.5 FTE on an ongoing basis to provide program management for this new division. This includes creating a RFP and selecting a vendor, managing the vendor contract, promulgating division rules and procedures, performing outreach, responding to customer inquires, tracking all district and county notifications to ensure compliance, and producing performance reports. Standard operating and capital outlay expenses are assumed as well as a September 1, 2018, start date. FY 2018-19, costs are prorated for the General Fund payday shift.

Trial courts. This bill potentially reduces the number of district and county court rehearings that must be scheduled due to the failure of the defendant to appear and staff time to produce a failure to appear bench warrant, however no change in appropriations is anticipated at this time. Should this bill result in a significant decrease in the number of scheduled rehearings, any reductions in appropriations will be addressed in the annual budget process.

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 estimated to be \$6,177 in FY 2018-19 and \$7,959 in FY 2019-20.

Local Government Impact

This bill decreases local government costs and workload as described below. These impacts will vary by county and judicial district based on the number of reduced failure to appear arrests, court procedures, and existing notification systems.

County jail. This bill is expected to decrease the number of instances where defendants are arrested for failing to appear in court in counties that do not currently have a court date notification system. 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. To the extent that the number of arrests for failing to appear decreases, savings will be realized by counties that do not currently have notification systems. Potential jail savings ranges from \$53 to \$114 per day, per offender in county jail.

County court date notification systems. Additionally, it is assumed that this new division in the Judicial Department will provide statewide notifications in all judicial districts and counties, therefore county expenditures will decrease for counties that have an existing court date notification system as this new division will replace those systems. This amount has not been estimated as of this writing.

Denver County Court. Failure to appear in Denver County court may result in a \$50 failure to appear penalty and a \$30 outstanding judgment warrant fee. To the extent that this bill reduces the number of incidents where a defendant fails to appear in Denver County Court, revenue will be decreased. Workload related the scheduling and holding of rehearings will also decrease.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2018-19, this bill requires a General Fund appropriation of \$88,278 and an allocation of 0.4 FTE to the Judicial Department.

State and Local Government Contacts

Counties Judicial Sheriffs