



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number: LLS 18-0833 **Date:** February 9, 2018
Prime Sponsors: Sen. Cooke **Bill Status:** Senate Finance
Rep. Williams D.; **Fiscal Analyst:** Aaron Carpenter | 303-866-4918
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Bill Topic: CAPITOL IDENTIFICATION CARDS

- Summary of Fiscal Impact:**
- State Revenue
 - State Expenditure
 - State Transfer
 - TABOR Refund
 - Local Government (*minimal*)
 - Statutory Public Entity

This bill creates a capitol identification card that allows members of the public to bypass security if they pay a fee and submit to a background check. The bill is expected to increase state revenue and expenditures on an ongoing basis and increase revenue and workload to local governments on an ongoing basis.

Appropriation Summary: No appropriation is required.

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

Table 1
State Fiscal Impacts Under SB18-116

		FY 2017-18	FY 2018-19	FY 2019-20
Revenue	Cash Funds	\$14,475	\$51,531	\$30,977
Expenditures	Cash Funds	\$750	\$2,608	\$1,355
Transfers		-	-	-

Summary of Legislation

This bill allows members of the public to enter the Capitol Building, State Services Building, and the Legislative Services Building through public entrances, without submitting to a search by security personnel if they hold a capitol identification access card. To get an access card, an individual must fill out an application and file it with either the Secretary of the Senate or the Chief Clerk of the House of Representatives and pay a fee of \$250. The Legislative Council of the General Assembly may increase the fee to no more than \$500. As part of the application process, an individual must pay to get their fingerprints taken and for a criminal history background check. An applicant who has been convicted of a felony will be denied an access card. The access card is valid for two years, after which an individual must submit a renewal form, pay another \$250, and submit to another background check. The Secretary of the Senate and the Chief Clerk of the House of Representatives can cancel or deny a card based on an unsatisfactory criminal check, a violation of the rules of Colorado's State Patrol, unauthorized use of the card, or criminal activity of the holder in the Capitol. Any applicant who was denied can appeal the decision to the Legislative Council.

All fees collected are credited to the Capitol Identification Card Account created in this bill and housed in the Legislative Department Cash Fund. Money to the Capitol Identification Card Account is continuously appropriated to the House and Senate for the original issuance and renewal of the access cards. Under current law, the Legislative Department Cash Fund is continuously appropriated. The bill also creates the Capitol Identification Enterprise, which can issue revenue bonds with money from the Capitol Identification Card Account to finance the issuance and administration of the access card. The Capitol Identification Enterprise is authorized to accept gifts, grants, and donations. The Legislative Council has oversight over the enterprise.

Assumptions

Although the program is open to the public, the fiscal note assumes that due to the cost of the access card, lobbyists will be the primary users of the program. Based on contacts kept by the Office of Legislative Legal Services and on income disclosure numbers from the Secretary of State, the fiscal note estimates that a total of 285 lobbyists will take advantage of the program. The fiscal note assumes that the effective date will be April 1, 2018. Of the 285 lobbyists, it is estimated that 50 of them will apply for cards in the current fiscal year, 178 will apply the following fiscal year, and 57 will apply in the third year with 50 renewals.

State Revenue

This bill will increase state revenue by \$14,475 in FY 2017-18, \$51,531 in FY 2018-19 and \$30,997 in FY 2019-20. Revenue to the Legislative Department Cash Fund and the Department of Public Safety (DPS) is illustrated in Table 2 and discussed below.

Fee impact. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only, actual fee calculations will be set administratively by the Legislative Council and the DPS based on cash fund balance, estimated program costs, and the estimated number of access cards subject to the fee. The table below identifies the fee impact of this bill.

**Table 2
Fee Impact for SB18-116**

Fiscal Year	Type of Fee	Proposed Fee	Number Affected	Total Fee Impact
FY 2017-18	New Applicants Application Fee	\$250	50	\$12,500
	New Applicants Background Check Fee	\$39.50	50	\$1,975
FY 2017-18 Total				\$14,475
FY 2018-19	New Applicants Application Fee	\$250	178	\$44,500
	New Applicants Background Check Fee	\$39.50	178	\$7,031
FY 2018-19 Total				\$51,531
FY 2019-20	New Applicants Application Fee	\$250	57	\$14,250
	New Applicants Background Check Fee	\$39.50	57	\$2,252
	Renewal Application Fee	\$250	50	\$12,500
	Renewal Background Check Fee	\$39.50	50	\$1,975
FY 2019-20 Total				\$30,977

Legislative Department. The application fee will increase revenue to the Legislative Department Cash Fund by \$12,500 in the current FY 2017-18, \$44,500 in FY 2018-19 and by \$26,750 in FY 2019-20. The fiscal note assumes that in FY 2019-20 the 50 applicants in FY 2017-18 will all renew their access cards. Because of renewals, revenue will increase on an ongoing basis. The fiscal note assumes that although the Capitol Identification Enterprise has bonding authority, it will not exercise it. No sources of gifts, grants, or donations have been identified.

Background checks. The Colorado Bureau of Investigation (CBI) conducts background checks for each applicant. The applicant must pay a \$39.50 fee for the CBI to conduct a background check. This will increase revenue to the CBI Identification Unit Fund by \$1,975 in first year, \$7,031 in the second year and \$4,227 in the third year. Applicants must submit to a background check every two years when they renew their access card. It is assumed that revenue will continue to increase in a similar manner on an ongoing basis.

TABOR Refund

The bill increases state revenue subject to TABOR by \$1,475 in FY 2017-2018, \$5,251 in FY 2018-19 and \$3,157 in FY 2019-20 for the state portion of background check fees collected for fingerprint processing. 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. Revenue to the Capitol Identification Enterprise is not subject to TABOR due to its enterprise status.

State Expenditures

This bill will increase state expenditures by \$750 in FY 2017-18, \$2,608 in FY 2018-19, and \$1,355 in FY 2019-20. Expenditure impacts for each department are discussed below.

Legislative Department. Senate Bill 18-116 will increase expenditures from the Legislative Department Cash Fund starting in FY 2017-18. The access cards will cost an estimated \$5 per card to produce. The Legislative Department will also see an increase in workload on an ongoing basis to administer applications and for the Legislative Council to hear any appeals of denial. It is assumed that any increase of workload can be accomplished within existing appropriations.

Department of Public Safety. The CBI within the DPS will have workload increased on an ongoing basis to provide background checks to all applicants. Based on the estimated number of applicants, it is assumed that any workload increase can be accomplished within existing appropriations. For every background check, the CBI must pass \$10 to the federal government. \$500 in FY 2017-18, \$1,178 in FY 2018-19, and \$1,070 FY 2019-20 will be passed on to the federal government. The bill also gives the DPS rulemaking authority over the program. Any rulemaking will increase workload but any increase can be accomplished within existing appropriations.

Department of Law. Due to the rulemaking authority granted to the DPS, the Department of Law may see an increase in workload to oversee the rulemaking process. Any increase in workload is assumed to be minimal and can be accomplished within existing appropriations to the DPS.

Local Government

Local law enforcement agencies will see an increase of revenue and workload to fingerprint individuals who want an access card. The bill mandates that applicants, at their own expense, go to local law enforcement agencies or approved third parties to obtain a fingerprint card. Based on the assumed number of applicants, it is estimated that any increases in revenue and workload will be minimal.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Information Technology	Judicial	Legislative Council Staff
Municipalities	Personnel	Secretary of State
Sheriffs	Senate	House
Public Safety		