



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

# FINAL FISCAL NOTE

<b>Drafting Number:</b>	LLS 19-1066	<b>Date:</b>	September 3, 2019
<b>Prime Sponsors:</b>	Rep. Melton; Gonzales-Gutierrez Sen: Lee	<b>Bill Status:</b>	Signed into Law
		<b>Fiscal Analyst:</b>	Ariel Hammerquist   303-866-3469 Ariel.Hammerquist@state.co.us

**Bill Topic:** INTEREST ON ORDERS OF RESTITUTION

**Summary of Fiscal Impact:**

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

This bill lowers the interest rate on orders of restitution to three percent per annum and specifies that interest will not accrue in specified circumstances. This bill increases state expenditures in FY 2019-20.

**Appropriation Summary:** For FY 2019-20, this bill requires an appropriation of \$220,480 to the Judicial Department.

**Fiscal Note Status:** The fiscal note reflects the enacted bill.

**Table 1  
State Fiscal Impacts Under HB 19-1310**

		FY 2019-20	FY 2020-21
<b>Revenue</b>		-	-
<b>Expenditures</b>	Cash Funds	\$220,480	-
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

## **Summary of Legislation**

This bill lowers the interest rate on orders of restitution to three percent per annum and specifies that interest will not accrue while the defendant is serving a sentence in the Department of Corrections, if the defendant is under the age of sixteen or is in out-of-home placement through the Department of Human Services, or if they are current on any payment agreements. Under current law, the interest rate on orders of restitution is eight percent per annum.

## **State Revenue**

Beginning in FY 2019-20, this bill will have an indeterminate impact on state revenue. This bill will reduce the amount of interest assessed and collected on orders of restitution and may increase collection rates on other assessments if defendants are able to pay their restitution off more quickly.

## **State Expenditures**

In FY 2019-20, this bill increases state expenditures in the Judicial Department by \$220,480 to update a database for the new interest rates and to account for new instances when interest will not be assessed. The work will be completed by a contract software engineer and is expected to take 2,080 hours at a cost of \$106 per hour. It is assumed that these costs will be paid from the Judicial Collection Enhancement Cash Fund in the Judicial Department.

## **Effective Date**

The bill was signed into law by the Governor on May 28, 2019, and took effect July 1, 2019. It applies to orders of restitution entered into on and after this date.

## **State Appropriations**

For FY 2019-20, this bill requires and includes an appropriation of \$220,480 from the Judicial Collection Enhancement Cash Fund to the Judicial Department.

## **State and Local Government Contacts**

Corrections  
Information Technology

District Attorneys  
Judicial