



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

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Prime Sponsors: Sen. Woodward Bill Status: Senate Judiciary
Rep. Herod Fiscal Analyst: Katie Ruedebusch | 303-866-3001
Katie.Ruedebusch@state.co.us

Bill Topic: PENALTIES FOR DRIVING UNDER RESTRAINT

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

The bill modifies penalties related to driving under restraint. The bill will decrease state revenue on an ongoing basis; increase state expenditures in FY 2020-21 only; and may decrease state and local workload on an ongoing basis.

Appropriation Summary: The bill requires an appropriation of \$16,200 to the Department of Revenue.

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

Table 1
State Fiscal Impacts Under SB 20-065

Table with 3 columns: Category, FY 2020-21, FY 2021-22. Rows include Revenue, Expenditures (Cash Funds), Transfers, and TABOR Refund.

## **Summary of Legislation**

In Colorado, persons cannot drive after their driver license has been denied, revoked, or suspended in any state, referred to as driving under restraint. Under current law, persons driving under restraint for any reason other than an alcohol-related offense are guilty of a misdemeanor and must pay a penalty of up to \$500. Upon a second conviction, persons driving under restraint are not eligible to get a driver license for three years after the second offense. This bill repeals the driver license penalty if the driving under restraint was for any reason other than alcohol-related.

In addition, under current law, a person is an habitual offender for driving purposes when the person has three or more convictions of driving under restraint. Habitual offenders' driver licenses are revoked and a driver license cannot be issued for five years. This bill removes the three convictions requirement of driving under restraint from the definition of habitual offender as long as the driving under restraint was not alcohol-related. Therefore, the Department of Revenue (DOR) is not required to revoke a driver license for multiple convictions of driving under restraint.

## **Background**

In FY 2018-19, the DOR revoked 2,505 driver licenses for a second or subsequent conviction of driving under restraint. In addition, in FY 2018-19, the DOR revoked 2,643 driver licenses of habitual offenders. Before a driver can have their license restored, they must first pay a \$95 driver license restoration fee; of this amount, \$73 goes to the Driver License Administrative Revocation Account and \$22 goes to the First Time Drunk Driving Account, both which are within the Highway Users Tax Fund (HUTF).

## **State Revenue**

To the extent that fewer driver licenses are revoked under the bill, revenue will decrease to the HUTF. Of revenue distributed to the HUTF, 65 percent is distributed to the State Highway Fund for use by the Department of Transportation for transportation needs. HUTF revenue is subject to TABOR.

In addition, to the extent that persons will be able to reinstate their licenses earlier, state revenue will increase. However, although the bill impacts when a person's driver license can be reinstated, it does not increase the overall number of license reinstatements.

## **State Expenditures**

The bill will increase state cash fund expenditures in the DOR by \$16,200 in FY 2020-21 only. The bill may also decrease workload for the Judicial Department. These expenditure impacts are discussed below.

**Department of Revenue.** In FY 2020-21, one-time programming costs of \$16,200 are required to update the Driver License, Record, Identification and Vehicle Enterprise Solutions (DRIVES) system. Programming costs are calculated at 72 hours at a rate of \$225 per hour and are paid from the DRIVES Vehicle Services Account. The bill may also decrease workload for DOR to handle second or subsequent driving under restraint sanctions and habitual offender revocations. This decrease is expected to be minimal and no change in appropriations is required.

**Judicial Department.** The bill may decrease workload for the trial courts in the Judicial Department. Although the bill will not impact the number of cases, defendants may be more likely to accept a plea, which reduces the trial court workload. Any workload decrease is expected to be minimal and no change in appropriation is required.

**TABOR refund.** The bill may decrease state General Fund obligations for TABOR refunds. Under current law and the December 2019 Legislative Council Staff forecast, the bill will correspondingly decrease the amount refunded to taxpayers via sales tax refunds made available on income tax returns for tax years 2021 and 2022, respectively. A forecast of state revenue subject to TABOR is not available beyond FY 2021-22.

### **Local Government**

Similar to the state, to the extent that fewer driver licenses are revoked under the bill, revenue will decrease to the HUTF. HUTF revenue is distributed to counties (26 percent) and municipalities (9 percent) for transportation needs. Also, as stated above, to the extent that persons will be able to reinstate their licenses earlier, local government HUTF revenue will increase. However, although the bill impacts when a person's driver license can be reinstated, it does not increase the overall number of license reinstatements.

In addition, the bill may decrease workload for district attorneys offices by reducing the length of time spent on each case. This workload decrease is expected to be minimal.

### **Effective Date**

The bill takes effect September 1, 2020, if no referendum petition is filed. The bill applies to offenses committed on or after the bill's effective date.

### **State Appropriations**

In FY 2020-21, the bill requires a cash fund appropriation of \$16,200 to the Department of Revenue from the DRIVES Vehicle Services Account.

### **State and Local Government Contacts**

Alternate Defense Counsel  
Information Technology  
Public Defender  
Transportation

Counties  
Judicial  
Public Safety

District Attorneys  
Municipalities  
Revenue