



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# Fiscal Note

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<b>Drafting Number:</b>	LLS 22-0492	<b>Date:</b>	March 18, 2022
<b>Prime Sponsors:</b>	Rep. Carver; Daugherty Sen. Fields; Gardner	<b>Bill Status:</b>	House Judiciary
		<b>Fiscal Analyst:</b>	Matt Bishop   303-866-4796 Matt.Bishop@state.co.us

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**Bill Topic:** LOCAL ENFORCEMENT TO PREVENT HUMAN TRAFFICKING

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**Summary of Fiscal Impact:**

<input checked="" type="checkbox"/> State Revenue	<input checked="" 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

The bill authorizes certain local governments to regulate massage facilities to prevent human trafficking, including through licensure. It may increase state and local revenue and expenditures beginning in FY 2022-23.

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**Appropriation Summary:** No appropriation is required.

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

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## Summary of Legislation

The bill authorizes counties and home rule municipalities to regulate massage facilities to prevent human trafficking, including through licensure. The bill establishes parameters for local licensure programs, including eligibility, fees, prohibited activities, and exemptions. Local licensing authorities are encouraged to report criminal activity regarding massage therapists to the Department of Regulatory Agencies, which regulates massage therapists.

## State Revenue and Expenditures

The bill may increase state revenue and expenditures for several state agencies, depending on regulatory decisions made by local governments.

**Background checks.** If local licensing authorities require license applicants to submit to a background check, revenue and expenditures will increase in the Colorado Bureau of Investigation in the Department of Public Safety. These impacts are expected to be minimal and no change in appropriations is required. Some background check fee revenue is subject to TABOR.

**Regulation of massage therapists.** To the extent that local licensing authorities make reports regarding massage therapists to the Department of Regulatory Agencies, workload in the department will increase to review and investigate reports and to take disciplinary actions as necessary. This workload is expected to be minimal and no change in appropriations is required.

**Civil case filings.** Revenue and workload may increase in the Judicial Department to the extent that the bill increases civil case filings, either for injunctions against massage businesses that have been designated a public nuisance or for administrative matters relating to licensure or disciplinary decisions. The fiscal note assumes the number of such cases will be small, and no change in appropriations is required. Court fees and fines are subject to TABOR.

## Local Government

Revenue and expenditures may increase in any local government that adopts new regulations under the bill. Because it is not known how many governmental entities will pursue new regulations, these impacts have not been estimated. If any such regulations include new crimes, workload may also increase for district attorneys to prosecute violations. District attorney offices are funded by counties.

## Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## State and Local Government Contacts

Counties	District Attorneys	Judicial
Criminal	Municipalities	Public Safety
Regulatory Agencies		