



**Legislative Council Staff**  
*Nonpartisan Services for Colorado's Legislature*

**Fiscal Note**

<b>Drafting Number:</b>	LLS 24-0510	<b>Date:</b>	February 1, 2024
<b>Prime Sponsors:</b>	Rep. Bradley Sen. Van Winkle	<b>Bill Status:</b>	House State Affairs
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**Bill Topic:** **MINIMUM SENTENCE CRIMES AGAINST PROSTITUTED CHILDREN**

<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill requires a court to sentence certain offenses for child prostitution to the Department of Corrections. The bill decreases state expenditures in FY 2024-25 and increases state and local expenditures on an ongoing basis beginning in FY 2025-26.

**Appropriation Summary:** For FY 2024-25, the bill requires a reduction in appropriations of \$96,972 to the Judicial Department.

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

**Table 1**  
**State Fiscal Impacts Under HB 24-1092**

		<b>Budget Year FY 2024-25</b>	<b>Out Year FY 2025-26</b>
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	(\$96,972)	\$437,184
	Centrally Appropriated	(\$23,671)	(\$23,671)
	<b>Total Expenditures</b>	<b>(\$120,643)</b>	<b>\$413,513</b>
	<b>Total FTE</b>	<b>(1.3 FTE)</b>	<b>(1.3 FTE)</b>
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	(\$14,546)	\$65,578

## **Summary of Legislation**

The bill requires the courts to sentence certain offenses involving child prostitution to the Department of Corrections (DOC) for a term of at least the minimum of the presumptive range for the felony class – at least four years for a class 3 felony and at least 8 years for a class 2 felony. These offenses include:

- soliciting for child prostitution (class 3 felony);
- pandering of a child (class 2 or 3 felony);
- procurement of a child (class 3 felony);
- keeping a place of child prostitution (class 3 felony);
- pimping a child (class 3 felony);
- inducement of child prostitution (class 3 felony); and
- patronizing a prostituted child (class 3 felony).

## **Comparable Crime Analysis**

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. The following section outlines crimes that are comparable to the offense in this bill and discusses assumptions on future rates of criminal convictions resulting from the bill.

**Prior conviction data.** This bill changes the penalty structure for several existing offenses related to child prostitution. The section below provides sentencing data and demographics for each offense.

- **Soliciting for child prostitution (class 3 felony).** From FY 2020-21 to FY 2022-23, 72 individuals have been convicted and sentenced for this offense. Of the persons convicted, all 72 were male. Demographically, 53 were White, 7 were Black/African American, 7 were Hispanic, 3 were Asian, and 2 were classified as "Other."
- **Pandering of a child (class 2 and 3 felony).** From FY 2020-21 to FY 2022-23, 4 individuals have been convicted and sentenced for this offense. Of the persons convicted, all 4 were males. Demographically, 3 were White and 1 was Black/African American.
- **Procurement of a child (class 3 felony).** From FY 2020-21 to FY 2022-23, 1 Black/African American individual was convicted and sentenced for this offense.
- **Keeping a place of child prostitution (class 3 felony).** From FY 2020-21 to FY 2022-23, 1 black/African American woman was convicted and sentenced for this offense.
- **Pimping a child (class 3 felony).** From FY 2020-21 to FY 2022-23, 4 have been convicted and sentenced for this offense. Of the persons convicted, all 4 were male. Demographically, 1 was White, and 3 were Black/African American.
- **Inducement of child prostitution (class 3 felony).** From FY 2020-21 to FY 2022-23, 5 individuals have been convicted and sentenced for this offense. Of the persons convicted,

all 5 were male. Demographically, 3 were White, 1 was Black/African American, and 1 was Hispanic.

- **Patronizing a prostituted child (class 3 felony).** From FY 2020-21 to FY 2022-23, 9 individuals have been convicted and sentenced for this offense. Of the persons convicted, all 9 were males. Demographically, 6 were white, 2 were Black/African American, and 1 was Hispanic.

**Assumptions.** Comparable crime analysis considers the data for each offense separately. In the case of this bill, certain individuals above were sentenced for multiple offenses. The fiscal note identified unique case numbers across all these offenses and identified 89 individuals, or about 30 per year, that were sentenced for the child prostitution crimes in the bill. The Judicial Department reports that it supervises, on average, 22 offenders per year who were convicted for these crimes. This analysis assumes that these offenders will now be sentenced to DOC instead of probation under the bill, adding 22 additional sentences to the DOC per year. The bill’s minimum sentence mandate is at least four years, and the average length of stay for sex offenses is higher, so the analysis assumes these 22 additional sentences will compound for at least four years. Visit [leg.colorado.gov/fiscalnotes](http://leg.colorado.gov/fiscalnotes) for information about criminal justice costs.

## State Expenditures

On net, the bill decreases state General Fund expenditures by about \$121,000 in FY 2024-25 and increases expenditures by about \$414,000 in FY 2025-26, with expenditures increasing in future fiscal years. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under HB 24-1092**

	FY 2024-25	FY 2025-26
<b>Judicial Department</b>		
Personal Services	(\$93,017)	(\$93,017)
Operating Expenses	(\$3,435)	(\$3,435)
Capital Outlay Costs	(\$520)	(\$520)
Centrally Appropriated Costs <sup>1</sup>	(\$23,671)	(\$23,671)
FTE – Personal Services	(1.3 FTE)	(1.3 FTE)
<b>Judicial Subtotal</b>	<b>(\$120,643)</b>	<b>(\$120,643)</b>
<b>Department of Corrections</b>		
Bed Impact (See Table 3)	-	\$534,156
<b>DOC Subtotal</b>	<b>-</b>	<b>\$534,156</b>
<b>Total</b>	<b>(\$120,643)</b>	<b>\$413,513</b>
<b>Total FTE</b>	<b>(1.3 FTE)</b>	<b>(1.3 FTE)</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Judicial Department.** The bill decreases expenditures in the Judicial Department by about \$121,000 per year starting in FY 2024-25 due to the assumed decrease in probation sentences. Based on the assumed number of cases now sentenced to the DOC, and based on the current supervision standards for offenders under the Sex Offender Intensive Supervision Program, the reduction in probation workload results in a reduction of 1.3 FTE. This amount includes supervisor and support service costs along with a probation officer.

In addition to the reduced expenditure, trial courts and offices that represent indigent offenders will see an increase in costs to the extent there are fewer plea deals and therefore longer trials. However, because the bill mandates a DOC sentence, workload will decrease as less time is needed during a sentencing hearing. The fiscal note assumes that the change in workload can be accomplished within existing appropriations.

**Department of Corrections prison and parole costs (five-year fiscal impact).** Based on the assumptions provided in the Comparable Crime Analysis section, this bill increases prison operating costs for the DOC by a total of \$5.3 million over the five-year period beginning in FY 2024-25. The fiscal note assumes no prison operating impacts will occur in the first year due to the amount of time required for criminal filing, trial, disposition and sentencing of each case. An offender released from prison is assigned to parole; however, since the bill mandates a minimum sentence of four or eight years for the offenses in the bill, any parole impact falls outside the five-year estimate. Table 3 shows the estimated cost of the bill over the next five fiscal years.

**Table 3  
Prison and Parole Operating Costs Under HB 24-1092**

<b>Fiscal Year</b>	<b>Prison ADP Impact</b>	<b>Prison Cost</b>	<b>Total Cost</b>
FY 2024-25	-	-	-
FY 2025-26	22.00	\$534,156	\$534,156
FY 2026-27	44.00	\$1,068,311	\$1,068,311
FY 2027-28	66.00	\$1,602,467	\$1,602,467
FY 2028-29	88.00	\$2,136,622	\$2,136,622
		<b>Total</b>	<b>\$5,341,556</b>

**Department of Corrections capital construction costs.** In addition to the five-year operating and parole impacts discussed above, Section 2-2-703, C.R.S., requires that the General Assembly consider increased capital construction costs for the DOC to house additional inmates. Based on the average per bed construction costs of previous prison facilities, capital construction costs of \$15.7 million would be required to increase prison bed space in line with the estimated increase in prison population under this bill. This amount represents the max amount of beds within the 5-year forecast window. If the General Assembly determines that additional prison bed space is needed, this bill should include a transfer of General Fund to the Capital Construction Fund, to be reappropriated to the Corrections Expansion Reserve Fund. Money in the Corrections

Expansion Reserve Fund is available for future DOC construction projects, which would be identified and funded through the annual budget process based on the state's overall prison needs.

**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 shown in Table 2.

## Other Budget Impacts

**General Fund reserve.** Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to decrease the amount of General Fund held in reserve in FY 2024-25 and increase the amount of General Fund held starting in FY 2025-26 by the amounts shown in Table 1, increasing the amount of General Fund available in FY 2023-24 and decreasing the amount in FY 2024-25 for other purposes.

## Local Government

Similar to the state, to the extent the bill results in fewer plea deals and longer trials, workload to district attorney offices will increase. However, to the extent the time for sentencing hearings decrease, workload will decrease. On net, any change is expected to be minimal.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, and applies to offenses committed on or after this date.

## State Appropriations

For FY 2024-25, the bill requires a reduction in General Fund appropriations of \$96,972 and 1.3 FTE from the Judicial Department.

## State and Local Government Contacts

Corrections

District Attorneys

Judicial

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).