



**Colorado  
Legislative  
Council  
Staff**

**Bill 1**

**PRELIMINARY  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-0335  
**Prime Sponsor(s):**

**Date:** October 23, 2015  
**Bill Status:** Profiling-Initiated Contacts by Law Enforcement Interim Committee Bill Request  
**Fiscal Analyst:** Jessika Shipley (303-866-3528)

**BILL TOPIC:** ELECTRONIC CITATION DATA COLLECTION PILOT PROJECT

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
<b>State Revenue</b>		
<b>State Expenditures</b>	<b><u>\$7,739,924</u></b>	<b><u>\$929,021</u></b>
General Fund	5,503,063	770,704
Cash Funds	2,126,215	66,055
Centrally Appropriated Costs	110,646	92,262
<b>FTE Position Change</b>	7.0 FTE	5.7 FTE
<b>Appropriation Required:</b> \$7,629,278 - Multiple agencies (FY 2016-17).		
<b>Future Year Impacts:</b> Ongoing expenditure impact.		

*This fiscal note should be considered preliminary. It will be updated if more information becomes available.*

**Summary of Legislation**

This bill, **requested by the Profiling—Initiated Contacts by Law Enforcement (PICLE) Interim Study Committee**, creates an electronic citation system and electronic data collection pilot program consisting of six law enforcement agencies, which will be selected by November 15, 2016, and the Colorado State Patrol (CSP). The law enforcement agencies selected for the pilot program must include two serving a community with fewer than 20,000 residents; two serving a community with 20,000 to 100,000 residents; and two serving a community with more than 100,000 residents, and must apply for a National Highway Traffic Safety Administration grant to defray the costs of the system. The Division of Criminal Justice (DCJ) in the Department of Public Safety is required to implement and monitor the pilot program with input, cooperation, and support from the Department of Revenue and the Colorado Civil Rights Division in the Department of Regulatory Agencies. The bill outlines a number of factors to be considered when selecting law enforcement agencies to participate in the pilot program. The pilot program will be repealed on February 1, 2022.

The DCJ is required to select and provide funding for (in cases where the cost is not defrayed by a grant) an electronic traffic citation system with specified requirements and provide the system, along with training, to law enforcement agencies in the pilot program. The law enforcement agencies, including the CSP, will all be required to use the system beginning January 1, 2017, to issue all traffic citations and collect data on searches and warnings issued by peace officers. The system will be used to record the perceived race or ethnicity of the person receiving the citation or warning, except in cases where the person's self-identified race or ethnicity can be retrieved from the magnetic strip on his or her driver's license or state-issued identification card. The bill provides sanctions for participating law enforcement agencies that do not comply with the requirements of the pilot program.

The DCJ is required to compile the race and ethnicity data gathered through the electronic citation system into a quarterly report sent back to the participating law enforcement agencies and the members of the PICLE Interim Study Committee. Annually, beginning January 31, 2018, the DCJ must provide a report to the judiciary committees of the General Assembly that includes the number of citations issued, collected by race and ethnicity; location of the citation; and date of the citation.

An application for a driver's license or state-issued identification card must offer the opportunity for the applicant to self-identify his or her race or ethnicity. The race or ethnicity will not be printed on the license or card, but must be available to a peace officer through the use of an electronic reader.

**State Expenditures**

**The bill is expected to increase state expenditures by approximately \$7.7 million in FY 2016-17 and \$929,021 in FY 2017-18.** Costs are summarized in Table 1 and explained in greater detail below.

<b>Table 1. Expenditures Under Bill 1</b>		
<b>Cost Components</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
<b><i>Office of Information Technology (OIT)</i></b>		
Personal Services	\$424,024	\$307,624
FTE	4.0	2.7
Operating Expenses and Capital Outlay Costs	22,612	2,565
Servers	938,036	6,936
Additional Computer Hardware	3,396	0
E-citation Data Extraction Program	300,000	0
Ongoing Maintenance	0	246,899
Centrally Appropriated Costs*	68,715	49,492
<b><i>OIT Subtotal</i></b>	<b>\$1,756,783</b>	<b>\$613,516</b>

<b>Table 1. Expenditures Under Bill 1 (Cont.)</b>		
<b>Cost Components</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
Personal Services	207,965	207,965
FTE	3.0	3.0
Operating Expenses and Capital Outlay Costs	16,059	2,850
E-citation System to Law Enforcement	3,600,000	36,000
E-citation System to CSP	2,080,160	20,000
Training-related Travel	5,920	5,920
Centrally Appropriated Costs*	41,931	42,770
<b>Department of Public Safety Subtotal</b>	<b>\$5,952,035</b>	<b>\$315,505</b>
<b>Department of Revenue</b>		
Computer Programming Costs	31,106	0
<b>TOTAL</b>	<b>\$7,739,924</b>	<b>\$929,021</b>

\* Centrally appropriated costs are not included in the bill's appropriation.

**Assumptions.** The fiscal note makes the following assumptions:

- the workload required of the Colorado Civil Rights Division and the Department of Revenue will be minimal and not require additional appropriations;
- the cost to provide an electronic citation system to each of the six law enforcement agencies selected for the pilot program will be \$600,000. This is based on the cost to implement such a system in the City of Colorado Springs in 2014;
- no grant funding will be secured by the six law enforcement agencies and DCJ will be required to cover all costs; and
- the HUTF off-the-top distributions will not be spent up to the 6 percent cap by the Department of Public Safety in FY 2016-17.

**Office of Information Technology.** The Governor's Office of Information Technology (OIT) will need to develop an electronic citation database and reporting system that will capture a daily feed of citations from each of the law enforcement agencies and allow reporting by DCJ. In order to accomplish this development effort, OIT will require 1.5 FTE in FY 2016-17 and 1.0 FTE in FY 2017-18 for applications development; 1.0 FTE in FY 2016-17 and 0.2 FTE in FY 2017-18 for infrastructure support; and 1.5 FTE in FY 2016-17 and in future years for project management. Additional operating costs for servers, software, and ongoing maintenance will also be required.

**Department of Public Safety.** The Department of Public Safety (DPS) will see increased expenditures in FY 2016-17 and beyond in two areas as a result of the bill. First, the DCJ will require 2.0 additional FTE in order to conduct initial and ongoing training of law enforcement officers, analyze data, and generate reports. Second, DPS will provide electronic citation systems to the six law enforcement agencies and the CSP, including handheld units, printers, and a technician to manage the program (1.0 FTE) for the CSP. The costs associated with the CSP (\$2.1 million in FY 2016-17 and \$66,055 in FY 2017-18) are to be funded from the HUTF. The additional costs are outlined in Table 1.

**Department of Revenue.** The Department of Revenue (DOR) will incur a one-time General Fund cost of \$31,106 in FY 2016-17 for the purpose of reprogramming the department's Driver's License System (DLS) to capture additional data about race and ethnicity. This amount will be reappropriated to OIT. The changes to the DLS are expected to take 302 hours of programming at a cost of \$103 per hour.

The department is currently in the development phase of a \$93 million project to replace the DLS and the vehicle registration system. This fiscal note does not include information about integrating the electronic citation data with that new system, but it is anticipated that additional programming costs will be required. To the extent that this occurs, DOR will request additional appropriations through the annual budget process.

**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. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

<b>Cost Components</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$56,565	\$46,062
Supplemental Employee Retirement Payments	54,081	46,200
<b>TOTAL</b>	<b>\$110,646</b>	<b>\$92,262</b>

### **Local Government Impact**

The bill will increase costs for the six law enforcement agencies that are selected to participate in the pilot program. These costs will be related to the grant application process, implementation of the new electronic citation systems, and time off for officers to attend training on the systems; however, these costs cannot be quantified at this time.

### **Effective Date**

The bill draft does not contain an effective date, but the fiscal note assumes the bill will be signed into law and become effective on June 1, 2016.

### **State Appropriations**

For FY 2016-17, the bill requires the following General Fund appropriations, which should then be reappropriated to OIT:

- \$1,688,068 and 4.0 FTE to the Department of Public Safety; and
- \$31,106 to the Department of Revenue.

Additionally, the Department of Public Safety requires a General Fund appropriation of \$3,783,889 and 2.0 FTE and an appropriation from the HUTF of \$2,126,215 and 1.0 FTE.

**Departmental Difference**

**OIT.** The department reports that it will require 20 months in order to develop the system and asked for FY 2015-16 funding in order to begin the process. The fiscal note assumes that programming will not begin until after July 1, 2016. As such, the fiscal note pushes out the implementation with the understanding that the system might not be ready when the pilot program is required to begin on January 1, 2017.

**Department of Public Safety.** The department requested \$500,000 in FY 2016-17 and \$10,000 in FY 2017-18 for reporting software. These costs are included in the OIT costs and, thus, are not included for DPS. Also, the department requested ongoing funding for the electronic citation program for the CSP in the amount of \$438,290, which includes an allowance for hardware replacement, maintenance agreements, and software upgrades. Because hardware is likely to require a four-year replacement cycle, those costs are not shown in FY 2017-18. Additionally, the fiscal note reports a lesser amount for maintenance agreements and software upgrades.

**State and Local Government Contacts**

Law  
Regulatory Agencies

Office of Information Technology  
Revenue

Public Safety  
Sheriffs