

*Colorado Legislative Council Staff Fiscal Note*

**FINAL  
FISCAL NOTE**

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| <b>Drafting Number:</b> LLS 15-0455   | <b>Date:</b> July 23, 2015                           |
| <b>Prime Sponsor(s):</b> Rep. Buckner | <b>Bill Status:</b> Signed into Law                  |
| Sen. Martinez Humenik                 | <b>Fiscal Analyst:</b> Bill Zepernick (303-866-4777) |

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**BILL TOPIC:** CRIME PROFITS DISTRIBUTION CHANGES

| <b>Fiscal Impact Summary*</b>        | <b>FY 2015-2016</b>   | <b>FY 2016-2017</b> |
|--------------------------------------|---|---------------------|
| <b>State Revenue</b>                 |   |                     |
| <b>State Expenditures</b>            | Minimal workload increase.<br>See State Expenditures section. |                     |
| <b>FTE Position Change</b>           |   |                     |
| <b>Appropriation Required:</b> None. |   |                     |

\* This summary shows changes from current law under the bill for each fiscal year.

**Summary of Legislation**

The bill makes several changes regarding the distribution of crime profits, including:

- requiring that money from crime profits first be applied to any unpaid order of restitution;
- specifying that if all victims are known and can be located, any remaining funds after a restitution order is satisfied are to be distributed to the identified victims on a pro rata basis; and
- specifying that if all victims are not known or cannot be located, any remaining money after a restitution order is satisfied must be held in an escrow account by the Crime Victim Services Board for the benefit of the victims.

The bill also changes the process for distributing funds from a victim escrow account by reducing the period of time that a victim of a crime may seek to satisfy a judgement against the convicted person from 5 years to 3 years. Further, the bill clarifies that the Crime Victim Services Advisory Board distributes funds from the escrow account after all claims have been established and allows for a prorated portion of claims to be paid if sufficient funds are not available to cover all claims. The bill also removes the requirement that public notice about crime profits held in escrow be provided if all victims are known and can be located.

**Background**

The Crime Victim Services Advisory Board in the Department of Public Safety is responsible for distributing crime profits. Under current law, crime profits are paid to the board and are immediately deposited in an escrow account for the benefit of victims. Funds are then distributed from the escrow account based on claims filed with the board to fulfill orders for restitution or payment of damage awards from a civil action against convicted persons.

**State Expenditures**

The bill will result in crime profits being distributed by the Crime Victim Services Advisory Board, based on the priorities outlined in the bill (i.e., restitution orders, then all known victims), prior to the funds being deposited into an escrow account. This change is not expected to have a significant impact on workload for the board or Department of Public Safety. Some minimal savings may also be realized from reducing the public notice requirements for certain escrow accounts.

The courts may have additional workload to determine who is a victim, and locate them when necessary, so that the distribution process through an escrow account may proceed in a manner similar to current law. Any impact to the courts is assumed to be minimal.

**Effective Date**

The bill was signed into law by the Governor and took effect on March 20, 2015.

**State and Local Government Contacts**

Public Safety

Judicial

District Attorneys