


Colorado Legislative Council Staff
STATE and LOCAL
REVISED FISCAL IMPACT
(replaces fiscal impact dated July 7, 2006)

Drafting Number: LLS 06B-2082	Date: July 7, 2006
Prime Sponsor(s): Rep. Romanoff Sen. Fitz-Gerald	Bill Status: Senate Second Reading
	Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING THE IMMEDIATE IMPLEMENTATION OF RESTRICTIONS ON PUBLIC BENEFITS AS DEFINED IN ARTICLE 8 OF THE UNITED STATES CODE FOR PERSONS EIGHTEEN YEARS OF AGE OR OLDER EFFECTIVE AUGUST 1, 2006.

Fiscal Impact Summary	FY 2006/07	FY 2007/08
State Revenues Cash Funds - Fines Collection Cash Fund	Less than \$5,000 annually.	
State Expenditures Various Funds	See State Expenditure section	
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: Upon signature of the Governor		
Appropriation Summary for FY 2006/07: None Required.		
Local Government Impact: See Local Government Impact section.		

This revised fiscal note is based on updated information (see State Expenditures section).

Summary of Legislation

Beginning August 1, 2006, this bill requires all state agencies and political subdivisions to verify the lawful presence in the United States of each person 18 years-of-age or older who applies for state and federal public benefits, using a definition of benefits contained in federal law. Verification is not required for obtaining the following public services:

- emergency medical care;
- short-term, emergency disaster relief;
- immunizations and treatment for communicable disease;
- services delivered at the local level such as alcohol and drug treatment, mental health treatment, short-term housing, crisis counseling, and soup kitchens not conditional upon income or necessary for life or safety as determined by the U. S. Attorney General; and
- prenatal care.

Applicants claiming lawful presence must execute an affidavit to be verified through the federal Systematic Alien Verification of Entitlement Program, also known as the SAVE Program. A person who knowingly makes a false, fictitious, or fraudulent statement or representation in an

affidavit shall be guilty of perjury in the second degree which is a Class 1 misdemeanor. To improve efficiency and reduce delay, state agencies and local governments may adopt variations in the verification process.

Each state agency or local government that administers state benefits shall provide a report to the House and Senate State, Veterans, and Military Affairs committees outlining compliance with this legislation. Any errors or delays by the SAVE Program shall be reported to the Department of Homeland Security.

State Revenues

Per Section 18-1.3-501, C.R.S., the penalty for a class 1 misdemeanor is six to 18 months imprisonment in a county jail, a fine of \$500 to \$5,000, or both. Fine revenue not otherwise appropriated is deposited into the Fines Collection Cash Fund. Because the courts have the discretion of incarceration or imposing a fine, the revenue impact to the Fines Collection Cash Fund cannot be determined. However, a minimal amount of fine revenue (< \$5,000 per year) is assumed under the bill.

State Expenditures

All Departments. It is unknown as to whether this legislation will result in a change in the number of persons receiving state or local government benefits. As such, potential cost savings for benefits cannot be identified. The bill may increase state expenditures by requiring that a person applying for public benefits on or after August 1, 2006, execute an affidavit stating that he or she is lawfully present in the United States. Because an affidavit can only be signed in the presence of a person authorized to administer an oath, such as a notary public, the bill may increase the staff time involved in processing certain applications. It is assumed that these costs will be addressed through the annual budget process in addition to any other costs.

Each state agency will be required to subscribe to the federal SAVE Program. The fiscal note assumes that each department's human resources office will have one subscription to provide immigration and citizenship verification for the entire department. The annual statewide SAVE Program subscription will cost \$6,600 per year (\$25/mo. X 12 months X 22 state departments = \$6,600). Additionally, SAVE Program searches range in cost between \$0.20 and \$0.26 per search, depending computer access method. The number of searches that will be conducted each year is unknown, but it is assumed that a search will only be conducted when the public benefit requires a person's lawful presence. For benefits that are provided regardless of a person's lawful presence, it is assumed that no search will be conducted.

Judicial Branch. Since this bill creates additional acts that fall within the definition of perjury in the second degree, the bill will create additional work for state trial courts. It estimated that approximately 200 new cases will be created annually by this legislation. However, since

Class 1 misdemeanors typically take very little time to resolve, it is estimated that the increased caseload can be absorbed within existing resources.

Local Government Impact

Local government entities will also be required to subscribe to the SAVE Program. For most local governments, this cost will be minimal both in terms of total cost and as a percentage of their overall budgets.

The penalty for a class 1 misdemeanor is six to 18 months imprisonment in a county jail, a fine of \$500 to \$5,000, or both. Because the courts have the discretion of incarceration or imposing a fine, the impact at the local level cannot be determined. The cost to house an offender in county jails varies from \$45 to \$50 per day in smaller rural jails to \$62 to \$65 per day for larger Denver-metro area jails. For the current fiscal year, the state reimburses county jails a daily rate of \$47.42 to house state inmates. It is assumed that the impact of this new misdemeanor will be minimal and will not create the need for additional county jail space.

State Appropriations

No new state appropriations are required in FY 2006-07 to implement the bill.

Departments Contacted

All Departments