


Colorado Legislative Council Staff Fiscal Note
FINAL
FISCAL NOTE

Drafting Number: LLS 08-0815
Prime Sponsor(s): Sen. Sandoval
 Rep. Liston

Date: May 28, 2008
Bill Status: Postponed Indefinitely
Fiscal Analyst: Chris Ward (303-866-5834)

TITLE: CONCERNING LIMITATIONS ON THE USE OF AUTOMATED DIALING SYSTEMS TO MAKE TELEPHONE CALLS.

Fiscal Impact Summary	FY 2008-2009	FY 2009-2010
State Revenue General Fund	at least \$10,000	at least \$10,000
State Expenditures	\$0	\$0
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: The bill was postponed indefinitely by the Senate State, Veterans and Military Affairs Committee on February 13, 2008.		
Appropriation Summary for FY 2008-2009: None required.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

The bill clarifies the existing crime of using an automated dialing system with a prerecorded message to solicit the purchase of goods and services. It also reduces the criminal penalty for violations, eliminating the possibility of sentencing an offender to jail but allowing the courts to impose fines up to \$2,000 more per violation than under current law.

Specifically, the bill prohibits the use of an automatic dialing system with a prerecorded message unless the recipient has previously consented to the call or has a preexisting business or personal relationship with the caller. Alternatively, the use of an automatic dialing machine would be allowed if the prerecorded message is initiated by a live operator who discloses the following at the beginning of the call:

- the identity of the organization on whose behalf the call is being made;
- the purpose of the message;
- the type of goods or services being offered;
- the fact that the message intends to solicit payment or commitment of funds; and
- the fact that the recipient of the call may opt out of receiving future calls.

The bill's limitations would not apply to automated calls from a school or university to students, parents, or employees, or to reverse 911 emergency calls.

State Revenue

The bill will likely increase state revenue from fines, but because the courts have discretion over fine amounts, the actual increase is unknown. This fiscal note assumes at least \$10,000 per year in new revenue will be collected.

Under current law, it is considered a class 1 petty offense to use an automated dialing system with a prerecorded message to solicit the purchase of goods and services. The bill makes it a class 2 petty offense to use an automatic dialing system with a prerecorded message unless certain conditions are met. Class 1 petty offenses are punishable by fine of up to \$500, imprisonment for up to 6 months in county jail, or both. Class 2 petty offenses are not punishable by jail time, but the bill allows the courts to impose a fine of up to \$2,500 per violation.

State Expenditures

The bill will not affect state expenditures. It is not expected to significantly increase the number of cases brought before the courts, nor will it require any additional enforcement by the Attorney General as statutory crimes are generally pursued by local district attorneys.

Local Government Impact

The bill clarifies an existing crime to be pursued by district attorneys at their discretion. It is not expected to significantly affect the workload of district attorney offices, which are funded by counties. The bill also reduces the criminal penalty for illegal use of an automatic dialing system, eliminating the possibility that offenders could be sentenced to county jails. The impact on county jails not been estimated.

Departments Contacted

District Attorneys

Judicial

Law