

Colorado Legislative Council Staff Fiscal Note

STATE
FISCAL IMPACT

Drafting Number: LLS 11-0399	Date: January 31, 2011
Prime Sponsor(s): Sen. Giron Rep. Swerdfeger	Bill Status: Senate Finance Fiscal Analyst: Harry Zeid (303-866-4753)

TITLE: CONCERNING AN INTERCEPT OF A PERSON'S WINNINGS FOR THE PURPOSE OF PAYING AN UNPAID DEBT DUE TO THE STATE.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue Multiple Funding Sources	See the State Revenue section.	
State Expenditures General Fund	\$94,600	
FTE Position Change		
Effective Date: August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2011-2012: See the State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

Under current law, outstanding debts related to unpaid child support certified by the Department of Human Services and court-ordered restitution are deducted by the Department of Revenue (DOR) prior to disbursement of a person's lottery winnings, limited gaming prizes, and pari-mutuel (racing) wagering winnings. The bill establishes a similar program to allow the DOR to offset unpaid debts due to the state that are certified by the Department of Personnel. The offset for state debt will occur after existing offsets are complete.

State Revenue

The bill is expected to increase revenue to the state from gambling intercepts that are applied against unpaid debt to the state. However, additional revenue due to the state that may be intercepted through the program has not been estimated.

By way of comparison, the Colorado Child Support Enforcement Program in the Department of Human Services collected \$334,000 from the gambling intercept program, and \$46,006 from lottery intercepts during the 2010 calendar year. The program to intercept revenue from casinos and racetracks is not yet operational.

State Expenditures

The Department of Revenue requires \$94,600 GF in FY 2011-12 to implement the bill.
The current Gambling Intercept Payment Application system will need to be modified in order to include checking additional databases for outstanding funds owed to Central Collections in the Department of Personnel.

Colorado Interactive maintains the portal where the current registry to support the Gambling Payment Intercept Act resides. Modifications to the portal, including computer programming, technical support, and project management will require 946 hours of work at \$100 per hour from Colorado Interactive in FY 2011-12. In order to allow adequate time to implement the program, it is assumed that the intercept program will go on-line January 1, 2012.

State Appropriations

For FY 2011-12, the bill requires an appropriation of \$94,600 from the General Fund to the Department of Revenue.

Departments Contacted

Revenue Personnel Human Services Office of Information Technology