



**Assumptions.** The revenue estimate above is based on the following assumptions:

- 60,000 adults in Colorado volunteer with youth sports organizations, based on the data on volunteerism provided by the federal Bureau of Labor Statistics (BLS);<sup>1</sup>
- 20 percent volunteers and employees with youth sports organizations (12,000 adults) will have a background check conducted through the CBI and the rest (48,000) will use a private background check provider;
- the cost of a CBI background check is \$39.50, with \$22.25 going to the CBI and \$17.25 to the FBI; and
- the population of persons getting background checks through the CBI will increase by 5 percent (600 adults) each year.

**Fee Impact on Individuals or Business.** Section 2-2-322, C.R.S., requires legislative service agency review of measures which create or increase any fee collected by a state agency. Table 1 identifies the fee impact of this bill for youth sports employees and volunteers seeking background checks through the CBI.

<b>Table 1. Fee Impact on Individuals or Business</b>			
<b>Type of Fee</b>	<b>Current Fee</b>	<b>Number Affected</b>	<b>Total Fee Impact</b>
CBI/FBI background check - FY 2015-16	\$39.50	12,000	\$474,000
CBI/FBI background check - FY 2016-17	\$39.50	600	\$23,700

### **TABOR Impact**

This bill increases state revenue from fees subject to TABOR by \$267,000 in FY 2015-16 and \$13,350 in FY 2016-17, which will increase the amount required to be refunded under TABOR.

Fees collected by the DPS for pass through to the FBI are not subject to TABOR. TABOR refunds are paid from the General Fund.

### **State Expenditures**

The bill increases costs in the DPS by **\$476,681 and 2.2 FTE in FY 2015-16 and \$23,244 and 0.1 FTE in FY 2016-17**. These costs are in the CBI Identification Unit for processing additional background checks, based on the assumptions stated in the previous section. These costs are summarized in Table 2 and discussed below.

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<sup>1</sup> According to the BLS, 22 percent of men and 28 percent of women over the age of 20 in the U.S. volunteer on a regular basis. Applying these statistics to Colorado, the fiscal note estimates that 441,180 men and 572,682 women volunteer regularly. The BLS further estimates that 9.9 percent of men and 2.6 percent women volunteer as youth sports coaches, referees, or supervisors. Applying these statistics to Colorado, 58,567 adults over age 20 (43,677 men and 14,890 women) volunteer in sports activities. Based on this estimate, the fiscal note projects that 60,000 adults will be subject to the background requirements of the bill.

<b>Table 2. Expenditures Under SB 15-048</b>		
<b>Cost Components</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>
Personal Services	\$109,976	\$5,555
FTE	2.2 FTE	0.1 FTE
Operating Expenses and Capital Outlay Costs	12,437	0
FBI Background Check Pass-Through	207,000	10,350
Other Identification Unit Expenses	109,320	5,466
Centrally Appropriated Costs*	37,948	1,873
<b>TOTAL</b>	<b>\$476,681</b>	<b>\$23,244</b>

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

**Personal services.** The DPS requires 2.2 FTE in the first year and 0.1 FTE in the second year for additional fingerprint examiners and data specialists to conduct the estimated number of additional background checks. The cost for these staff, as well as standard operating and capital outlay costs in the first year only, are shown in Table 2.

**FBI background checks.** Pass-through payments in the DPS for FBI background checks will be \$207,000 in the first year and \$10,350 in the second year.

**Other Identification Unit Expenses.** The DPS will have other costs in the CBI Identification Unit totaling \$109,320 in the first year and \$5,466 in the second year. These costs include software licenses, equipment, database access charges, and other items required for conducting the number of background checks estimated under the bill.

**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 3.

<b>Table 3. Centrally Appropriated Costs Under SB 15-048*</b>		
<b>Cost Components</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$17,657	\$804
Supplemental Employee Retirement Payments	8,524	475
Indirect Costs	11,767	594
<b>TOTAL</b>	<b>\$37,948</b>	<b>\$1,873</b>

\*More information is available at: <http://colorado.gov/fiscalnotes>

**Effective Date**

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

### **State Appropriations**

For FY 2015-16, the bill requires an appropriation to the Department of Public Safety of \$438,733 from the CBI Identification Unit Cash Fund, of which \$207,000 is for pass through to the Federal Bureau of Investigations.

### **Departmental Difference**

The DPS estimates that the cost of the bill to the department will be **\$1.5 million and 7.2 FTE per year beginning in FY 2015-16**. The DPS' estimate is based on the CBI conducting background checks for approximately 40,000 volunteers and employees of youth sports organizations each year. To arrive at this estimate, the DPS estimates that there are approximately 200,000 youth sports volunteers and employees in the state, of which 20 percent will obtain background checks through the CBI. While the fiscal note accepts the 20 percent estimate as reasonable, the 200,000 figure is likely a significant overestimation of the population of youth sports volunteers and employees in the state, as the DPS used BLS data on "education and youth service-related" volunteers to arrive at this estimate. Given that "education and youth service-related" can include a wide variety of volunteer activities at schools and community organizations, most of which do not include sports activities, the fiscal note believes that using the more specific category of "sports coaches, referees, and supervisors" from the BLS study is more appropriate for estimating the population affected by the bill. In addition, because the bill requires a background check every two years, the fiscal note assumes that costs in the second year will be significantly lower than in the first year, and that background check workload will be cyclical in nature following the effective date of the bill.

### **State and Local Government Contacts**

Public Safety

Human Services

Education

Law