



Colorado Legislative Council Staff
**STATE and LOCAL
 FISCAL IMPACT**

Drafting Number: LLS 06B-2032
Prime Sponsor(s): Sen. Shaffer
 Rep. Borodkin

Date: July 6, 2006
Bill Status: Senate Judiciary
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TITLE: CONCERNING A PROHIBITION AGAINST THE EXTORTION OF IMMIGRANTS, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

Fiscal Impact Summary	FY 2006/07	FY 2007/08
State Revenues Cash Funds - Fines Collection Cash Fund	Potential additional revenue	
State Expenditures General Fund*	\$87,194	\$26,813
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: Upon signature of the Governor; applies to offenses committed on or after that date.		
Appropriation Summary for FY 2006/07: Department of Corrections: See the five-year projected costs in Table 1.		
Local Government Impact: Potential increase in county jail costs.		

* *In FY 2006-07, this amount is transferred from the General Fund to the Capital Construction Fund for prison bed construction costs. As such, it does not count against the 6 percent General Fund appropriations limit, but it does reduce General Fund diversions to the Highway Users Tax Fund.*

Summary of Legislation

Under current law, criminal extortion is a Class 4 felony, with aggravating circumstances making it a Class 3 felony. This bill expands the definition of criminal extortion to include threats by an individual to report the immigration status of another person to law enforcement officials.

State Revenues

Under current law, individuals convicted of felonies may be required to pay fines of between \$1,000 and \$1,000,000, depending upon the class of offense committed. This bill expands the crime of criminal extortion, which can be either a Class 3 or 4 felony. For these types of crimes, the court may impose a fine of between \$2,000 and \$750,000. To the degree that the court imposes additional fines, the bill will generate additional revenue for the state. Fine revenue is deposited into the Fines Collection Cash Fund.

State Expenditures

The Department of Corrections is expected to incur additional expenses of \$87,194 in FY 2006-07 and \$26,813 in FY 2007-08. The estimated five-year cost of the bill on the department is \$355,407, as indicated in Table 1. Expanding the definition of criminal extortion is assumed to result in 1 new prison admission every other year. Each admission is expected to be incarcerated for 33.3 months.

Five-Year Fiscal Impact on Correctional Facilities

The adoption of this bill will result in a net increase in periods of imprisonment in a state correctional facility. Section 2-2-703, C.R.S., requires that such bills cannot be passed without five years of appropriations for prison bed construction and operating costs. Construction costs are estimated to be \$87,194 per inmate bed. Operating costs are \$73.46 per bed per day or \$26,813 per bed per year. It should be noted that the construction costs reflect the funding needed to construct inmate beds in the fiscal year prior to when additional offenders are expected to enter the system. This lag accounts for the estimated time for criminal filing, trial, disposition, and sentencing.

Prison bed construction is funded through a General Fund transfer to the Capital Construction Fund, which is then transferred to the Corrections Expansion Reserve Fund. These appropriations are not subject to the 6 percent statutory General Fund appropriations limit. General Fund appropriations for operating costs are subject to the 6 percent limit.

However, in the event state correctional facilities are at capacity, Sections 17-1-102, 104.9, and 105.5, C.R.S., authorize the Department of Corrections to permanently place state inmates classified as medium custody and below in private contract prisons. The state pays private prisons at a rate of \$50.28 per bed per day or \$18,352 per bed per year.

Table 1. Five-Year Fiscal Impact On Correctional Facilities				
Fiscal Year	Inmate Bed Impact	Construction Cost	Operating Cost	Total Cost
FY 2006/07	0.0	\$87,194	\$0	\$87,194
FY 2007/08	1.0	0	26,813	26,813
FY 2008/09	1.0	69,755	26,813	96,568
FY 2009/10	1.8	0	48,263	48,263
FY 2010/11	1.0	69,755	26,813	96,568
Total		\$226,704	\$128,702	\$355,407

Other State Impacts

Based on the June 2006 Legislative Council Staff revenue forecast, there is enough revenue to fund a partial diversion to the Highway Users Tax Fund (HUTF) under the provisions of SB 97-1 beginning in FY 2006-07. Construction costs for new prison beds are funded outside of the 6 percent appropriations limit. Therefore, the increased expenditure needed to fund this element of the bill would serve to reduce the amount of money available for diversion to the HUTF by an equal amount. In FY 2006-07, this amounts to \$87,194.

Local Government Impact

Because the bill increases the number of offenders who are sentenced to the Department of Corrections, the bill may result in some spillover of offenders into the county jail system. To the degree that this occurs, it will create additional costs for counties. The fiscal note did not estimate the amount of this spillover.

State Appropriations

For FY 2006-07, the Department of Corrections will require a \$87,194 General Fund transfer to the Capital Construction Fund, plus the five-year costs identified in Table 1.

Departments Contacted

Corrections Judicial Public Safety