

# Amendment 53



Colorado Legislative Council Staff  
**FISCAL IMPACT STATEMENT**

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**Date:** August 25, 2008

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**BALLOT TITLE:** CRIMINAL ACCOUNTABILITY FOR BUSINESS EXECUTIVES

## Summary of Measure

Amendment 53 expands criminal liability for business entities to individual executives within that business. Current law holds executives who fail to act liable for penalties; this measure also makes executives who know of the business's failure to act liable, even if they did not have the specific responsibility to act.

The measure takes effect only if approved by voters at the 2008 general election.

## State Revenue and Expenditures

This analysis assumes that most business executives will comply with the new statutory requirements.

**State Revenue.** The amendment imposes criminal penalties on business executives for certain offenses, which may increase state revenue from fines. The courts have the discretion of incarceration or imposing a fine, so the impact to state revenue cannot be determined. A minimal amount of fine revenue is expected annually (< \$5,000 per year). Fine revenue not otherwise appropriated is deposited into the Fines Collection Cash Fund.

**State Expenditures.** The amendment imposes criminal penalties that include a new felony offense. If just one person is sentenced to state prison for violating these laws, costs would increase \$125,126 in the first year following conviction, and \$28,758 each year thereafter that the person remains incarcerated. First year costs are for prison bed construction in the state Department of Corrections; out-years costs are for prison operating expenses related to that inmate. No significant increase in the workload of the Judicial Branch is expected for either cases handled by the trial courts or probation supervision.

## Local Government Impact

The measure imposes a new misdemeanor offense that may increase the number of people incarcerated in county jail. Because the courts have the discretion of incarceration or imposing a fine, the impact at the local level cannot be estimated. 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. The impact of this new misdemeanor is expected to be minimal and will not create the need for additional county jail space.