



**COLORADO**  
**Department of Local Affairs**  
Division of Local Government

# 2019 Seizure and Forfeiture Activity Report

## C.R.S. 16-13-701 (8)

December 31, 2019

To:

The Honorable Jared Polis  
Governor of Colorado

The Honorable Phil Weiser  
Colorado Attorney General

Members of the Senate and House Judiciary Committees  
Colorado General Assembly

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## Overview

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The Colorado Department of Local Affairs is providing this 2019 Seizure and Forfeiture Activity Report to the Governor, the Attorney General, and the Judiciary Committees of the Senate and the House of Representatives pursuant to 16-13-701(8) C.R.S. (2019). This report is the Department's first under the Civil Forfeiture Reform Act.

The Civil Forfeiture Reform Act, HB17-1313, was enacted on August 9, 2017 and requires State and local agencies authorized to effect civil forfeitures biannually report:

- Specified information, if known, about forfeiture cases resulting in proceeds for the agency
- The amount of proceeds received from such cases
- A categorization of the expenditure of proceeds
- The retained balance of the forfeiture proceeds

The reporting process is online with public access to all reported information available on the Department's website.

### Confidential Reporting

The Act does not require law enforcement agencies to report any information that

"is likely to disclose the identity of a confidential source; disclose confidential investigative or prosecution material that could endanger the life or physical safety of any person; disclose the existence of a confidential surveillance or investigation; or disclose techniques or procedures for law enforcement procedures, investigation, or prosecutions..."

As a result, while all proceeds from a forfeiture case are required to be reported, some information regarding the type of case and the type of assets in that case may not be reported.

### Changes to Reporting in the Fiscal Year

Based on recommendations from the Governor's HB1313 Task Force December 1, 2017 report, the subsequent passage of HB18-1020 modified certain aspects of the reporting process as originally defined in HB17-1313. The Act's reporting process was modified to:

- Expand the scope of reported assets and cases to include those forfeited pursuant to "any local public nuisance law or ordinance"
- Refine expenditure categories by adding "Disbursements" to itemize forfeiture proceeds disbursed or transferred to other agencies belonging to a multi-jurisdictional task force
- Clarify the statutory reference for agencies required to report forfeiture information from "Seizing Agency" to "Reporting Agency"

As a result, forfeiture reporting changed mid-fiscal year and is noted within the summary tables.

Following are summary tables of forfeiture activity for the prior fiscal year and the Department's recommendations to improve future reporting. Further details on reporting agencies' forfeiture proceeds and expenditures may be found in the exhibits section in this report. Individual agency reports may be obtained from the Departments website. For the purpose of this report, all dollar amounts have been rounded to the nearest dollar.

## Summary of Reporting

State and local agencies authorized to effect Civil Seizure and Forfeiture are required to report forfeiture information for the reporting period in which the disposition of the case and associated assets is completed and a federal, state, or local forfeiture is awarded.

Below in Table (I) is a summary of the reports received, the number of cases disposed, the value of assets forfeited, and the forfeiture proceeds received by reporting period in the prior fiscal year. For the fiscal year, 379 agencies filed a report, 54 (14%) agencies reported forfeiture information while 325 (86%) agencies reported no proceeds, expenditures, or retained balances of proceeds in the fiscal year. For further detail by agency, see Exhibit A.

**Table (I): Number of reports and cases; type, approximate value, and disposition of all property seized for the prior fiscal year; and the amount of forfeiture proceeds received.**

Agency Reporting Period	January 1, 2018 to June 30, 2018	July 1, 2018 to December 31, 2018	Fiscal Year Totals
Report Due Date	December 1, 2018	June 1, 2019	
Number of Reports Received	345	379*	724
Agencies reporting no proceeds, no expenditures, and no retained proceeds	284	313	597
Forfeiture Cases Reported:	415	283	698
Federal Cases:	87	52	139
State Cases:	293	220	513
Local Cases:	0	6	6
Unknown:	9	0	9
None:	26	5	31
Type of Assets Forfeited			
Currency Assets:	674	398	1072
Non-Currency Assets:	415	283	698
Value of Assets:	\$9,205,082	\$2,811,972	\$12,017,056
Totals Forfeiture Proceeds Received:	\$2,491,846	\$877,940	\$3,369,789

\* HB18-1020 expanded the scope of reported assets and cases to include those forfeited pursuant to “any local public nuisance law or ordinance”. Prior to its enactment, Reporting Agencies with no law enforcement were exempt from the reporting requirements.

State and local agencies are also required to report a categorized accounting of all forfeiture proceeds expended for the prior fiscal year and total balance of retained forfeiture proceeds. For further detail by agency, see Exhibit B.

**Table II: Categorized accounting of all forfeiture proceeds expended by the state and any subdivision of the state for the prior fiscal year and total balance of retained forfeiture proceeds.**

Agency Reporting Period	January 1, 2018 to June 30, 2018	July 1, 2018 to December 31, 2018	Fiscal Year Totals
<b>Category of Expenditure</b>			
(A) Prevention Programs	\$120,289	\$0	\$120,289
(B) Victim Services:	\$0	\$0	\$0
(C) Informant / Controlled Buys:	\$15,018	\$13,066	\$28,084
(D) Employee Compensation:	\$265,661	\$28,165	\$293,826
(E) Professional Services:	\$65,465	\$236,170	\$301,635
(F) Travel and Training:	\$470,373	\$723,997	\$1,194,370
(G) Operating Expenses:	\$72,686	\$533,469	\$606,155
(H) Capital, Vehicles, Equipment:	\$893,283	\$1,123,637	\$2,016,920
(I) Other Expenditure:	\$327,885	\$48,158	\$376,043
*Transfers/Disbursements to Partner Agencies:	\$0	\$309,542	\$309,542
<b>Total Expenditures Reported</b>			<b>\$5,246,864</b>
<b>Total Retained Proceeds - End of Fiscal Year Balance</b>			<b>\$17,525,475</b>

\* Per 1313 Task Force Report Dated December 1, 2017 (see Appendix). Transfers/Disbursements were reported as Other Expenditure for the reporting period January 1, 2018 to June 30, 2018

## Recommendations to improve statute and reporting compliance

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No Recommendations for this report:

Although not making any recommendations, while preparing this report, DOLA staff observed inconsistencies in a few agencies reporting of the data indicated as confidential. Reporting agencies are instructed to refrain from including any confidential information in their reports as it becomes published information when submitted to DOLA. As a result, DOLA will be evaluating and adjusting online reporting instructions and will contact those agencies that appear to be reporting information which may not have been intended for publication.

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**Exhibit A - Agency details for number cases; type, approximate value, and disposition of all property seized for the prior fiscal year; and the amount of forfeiture proceeds received.**

<b>Agency:</b>	<b>Case Count</b>	<b>Asset Count</b>	<b>Asset Type (Currency)</b>	<b>Asset Type (Property Other than Currency)</b>	<b>Total Asset Value</b>	<b>Forfeiture Proceeds Received</b>
18th Judicial District Attorney's Office	32	68	\$259,463	\$280	\$259,743	\$69,310
1st Judicial District Attorney's Office	24	44	\$78,979	\$29,704	\$108,683	\$10,375
2nd Judicial District Attorney's Office	82	82	\$767,830	\$6,202	\$774,032	\$373,437
4th Judicial District Attorney's Office	8	10	\$36,343	\$0	\$36,343	\$1,794
8th Judicial District Attorney's Office	37	37	\$67,928	\$14,349	\$82,277	\$7,392
Alamosa, City of	1	2	\$4,011	\$10,370	\$14,381	\$6,406
Arapahoe County	8	12	\$102,423	\$6,025	\$108,448	\$103,567
Arvada, City of	6	6	\$2,580	\$0	\$2,580	\$8,715
Avon, Town of	7	7	\$36	\$0	\$36	\$36
Bayfield, Town of	9	11	\$8,546	\$855	\$9,400	\$8,039
Boulder County	2	4	\$434,457	\$0	\$434,457	\$30,369
Boulder County Drug Task Force	8	8	\$113,908	\$0	\$113,908	\$96,681
Colorado Department of Law, Colorado Attorney General's Office	5	11	\$499,064	\$949	\$500,013	\$28,633
Colorado Parks and Wildlife	19	69	\$1,800	\$51,222	\$53,022	\$20,163
Colorado Springs Metro Vice, Narcotics and Intelligence Division Taskforce	7	21	\$35,306	\$0	\$35,306	\$16,716
Colorado Springs, City of	4	4	\$69,515	\$2,249	\$71,764	\$25,490
Colorado State Patrol	48	50	\$2,329,444	\$373,328	\$2,702,772	\$831,960
Denver, City And County of	90	90	\$1,110,402	\$6,202	\$1,116,604	\$527,639
Douglas County	22	52	\$178,738	\$23,748	\$202,486	\$72,056
Douglas County Impact Unit	9	65	\$744,052	\$0	\$744,052	\$93,409
Durango, City of	9	11	\$8,546	\$855	\$9,401	\$8,039
El Paso County	1	1	\$60,615	\$0	\$60,615	\$3,375
Elbert County	6	6	\$162,986	\$0	\$162,986	\$7,946
Englewood, City of	20	96	\$242,830	\$27,555	\$270,385	\$52,988

<b>Agency:</b>	<b>Case Count</b>	<b>Asset Count</b>	<b>Asset Type (Currency)</b>	<b>Asset Type (Property Other than Currency)</b>	<b>Total Asset Value</b>	<b>Forfeiture Proceeds Received</b>
Golden, City of	1	1	\$0	\$779	\$779	\$779
Greenwood Village, City of	5	5	\$7,455	\$0	\$7,455	\$7,455
Ignacio, Town of	8	9	\$7,612	\$427	\$8,039	\$8,039
Jefferson County	1	1	\$0	\$1,113	\$1,113	\$1,113
La Plata County	10	14	\$39,497	\$63,847	\$103,344	\$66,225
Longmont, City of	1	2	\$520	\$5,360	\$5,880	\$520
Monte Vista, City of	1	1	\$150,000	\$0	\$150,000	\$9,000
Montezuma County	20	44	\$0	\$0	\$0	\$530
North Metro Task Force	45	45	\$645,092	\$21,280	\$666,372	\$324,081
Northern Colorado Drug Task Force (NCDTF)	40	46	\$103,987	\$14,349	\$118,336	\$7,307
Parker, Town of	2	2	\$305,901	\$0	\$305,901	\$93,533
Pueblo County	13	24	\$482,656	\$470,050	\$952,706	\$68,852
Pueblo, City of	32	52	\$1,287,900	\$139,094	\$1,426,994	\$157,937
Thornton, City of	1	1	\$1,990	\$0	\$1,990	\$493
University of Colorado - Colorado Springs Police Department	6	8	\$0	\$870	\$870	\$830
Weld County Drug Task Force	3	3	\$36,957	\$0	\$36,957	\$36,957
West Metro Drug Task Force	32	32	\$177,122	\$90,486	\$267,607	\$168,974
Westminster, City of	13	15	\$89,019	\$0	\$89,019	\$12,629
<b>Grand Total</b>	<b>698</b>	<b>1,072</b>	<b>\$10,655,510</b>	<b>\$1,361,548</b>	<b>\$12,017,056</b>	<b>\$3,369,789</b>



**Exhibit B: Detailed categorized accounting of all forfeiture proceeds expended by the state and any subdivision of the state for the prior fiscal year**

Agency	A	B	C	D	E	F	G	H	Ia	Ib	Totals
	Prevention Programs	Victim Services	Informants/ Controlled Buys	Employee Compensation	Professional Services	Travel and Training	Operating Expenses	Capital, Vehicles, Equipment	Other Expenditure	Transfers to Partner Agencies	
10th Judicial District Attorney's Office	-	-	-	-	-	-	-	\$400	-	-	\$400
18th Judicial District Attorney's Office	-	-	-	\$52,571	-	-	-	\$137,728	-	-	\$190,299
1st Judicial District Attorney's Office	-	-	-	-	-	-	-	\$19,962	-	-	\$19,962
2nd Judicial District Attorney's Office	\$58,144	-	-	-	\$65,855	\$356,189	\$8,535	\$117,660	\$16,726	\$15,947	\$639,056
4th Judicial District Attorney's Office	-	-	-	\$1,421	-	-	-	-	-	-	\$1,421
8th Judicial District Attorney's Office	-	-	-	\$7,392	-	-	-	-	-	-	\$7,392
All Crimes Enforcement Team (ACET)	-	-	-	-	-	-	-	\$3,753	-	-	\$3,753
Arapahoe County	-	-	-	-	-	-	-	-	\$36,314	-	\$36,314
Arvada, City of	-	-	-	-	-	\$14,946	-	-	-	-	\$14,946
Bayfield, Town of	-	-	-	-	-	-	-	\$10,124	-	-	\$10,124
Boulder County	-	-	\$15,000	-	-	\$7,529	\$4,051	-	\$5,380	-	\$31,960
Boulder County Drug Task Force	-	-	\$12,000	-	\$13,700	\$119	\$1,829	-	\$5,612	-	\$33,260
Brush, City of	\$4,000	-	-	-	-	-	-	-	-	-	\$4,000
Canon City, City of	-	-	\$98	-	-	-	\$18	-	-	\$1,000	\$1,116

Agency	A	B	C	D	E	F	G	H	Ia	Ib	Totals
	Prevention Programs	Victim Services	Informants/ Controlled Buys	Employee Compensation	Professional Services	Travel and Training	Operating Expenses	Capital, Vehicles, Equipment	Other Expenditure	Transfers to Partner Agencies	
Colorado Department of Law, Colorado Attorney General's Office	-	-	-	-	-	\$79,505	-	\$23,634	\$21,250	-	\$124,390
Colorado Springs Metro Vice, Narcotics and Intelligence Division Taskforce	-	-	-	-	\$2,500	\$4,252	\$60	-	\$22,558	-	\$29,369
Colorado Springs, City of	-	-	-	-	\$50,000	-	\$25,980	\$222,810	-	\$33,934	\$332,724
Colorado State Patrol	-	-	-	\$186,442	-	\$121,629	\$7,285	\$145,728	-	-	\$461,084
Crestone, Town of	-	-	-	-	-	\$158	\$1,000	-	\$986	-	\$2,144
Denver, City And County of	\$58,144	-	-	-	\$65,855	\$495,653	\$10,474	\$284,790	\$16,726	\$15,947	\$947,590
Douglas County	-	-	-	-	-	\$67,769	\$13,501	\$98,729	-	-	\$179,998
Douglas County Impact Unit	-	-	-	-	-	\$7,938	\$3,568	\$47,600	-	\$232,792	\$291,898
Eagle County	-	-	-	-	\$5,000	-	-	-	\$7,185	-	\$12,185
Edgewater, City of	-	-	-	-	-	-	-	\$4,700	-	-	\$4,700
El Paso County	-	-	-	-	-	\$2,306	-	\$33,934	-	-	\$36,239
Englewood, City of	-	-	-	-	-	-	-	\$133,923	-	-	\$133,923
Erie, Town of	-	-	-	-	-	-	-	\$6,341	-	-	\$6,341
Greeley, City of	-	-	-	-	-	-	-	-	\$5,344	-	\$5,344
Greenwood Village, City of	-	-	-	-	-	-	-	\$32,537	-	-	\$32,537

Agency	A	B	C	D	E	F	G	H	Ia	Ib	Totals
	Prevention Programs	Victim Services	Informants/ Controlled Buys	Employee Compensation	Professional Services	Travel and Training	Operating Expenses	Capital, Vehicles, Equipment	Other Expenditure	Transfers to Partner Agencies	
Ignacio, Town of	-	-	-	-	-	-	-	\$10,899	-	-	\$10,899
Jefferson County	-	-	\$77	-	-	\$1,316	-	-	\$56	-	\$1,449
La Plata County	-	-	-	-	-	-	-	\$41,077	-	-	\$41,077
Lakewood, City of	-	-	-	-	-	-	-	\$1,000	\$3,333	-	\$4,333
Longmont, City of	-	-	-	-	-	-	\$762	\$4,892	-	-	\$5,654
Monte Vista, City of	-	-	-	-	-	-	-	\$9,000	-	-	\$9,000
Montezuma County	-	-	-	-	-	-	-	-	-	\$5,000	\$5,000
North Metro Task Force	-	-	-	\$6,000	\$8,574	\$2,311	\$197,407	\$25,972	\$6,138	\$4,923	\$251,325
Northern Colorado Drug Task Force (NCDTF)	-	-	\$909	-	\$2,505	\$1,048	\$7,053	\$19,639	\$20,021	-	\$51,175
Olney Springs, Town of	-	-	-	\$40,000	\$6,650	\$200	\$3,700	-	-	-	\$50,550
Palisade, Town of	-	-	-	-	-	\$6,526	-	-	-	-	\$6,526
Parker, Town of	-	-	-	-	-	-	-	\$79,474	-	-	\$79,474
Prowers County	-	-	-	-	-	-	-	\$8,268	-	-	\$8,268
Pueblo, City of	-	-	-	-	-	-	\$48,703	\$368,078	-	-	\$416,781

Agency	A	B	C	D	E	F	G	H	Ia	Ib	Totals
	Prevention Programs	Victim Services	Informants/ Controlled Buys	Employee Compensation	Professional Services	Travel and Training	Operating Expenses	Capital, Vehicles, Equipment	Other Expenditure	Transfers to Partner Agencies	
Summit County Committee on Disposition of Forfeited Property (Fifth Judicial District Task Force)	-	-	-	-	-	-	-	\$14,234	-	-	\$14,234
Weld County	-	-	-	-	\$8,636	\$4,654	\$13,601	\$4,551	-	-	\$31,442
Weld County Drug Task Force	-	-	-	-	-	-	-	\$55,257	-	-	\$55,257
West Metro Drug Task Force	-	-	-	-	\$49,500	\$20,324	\$258,627	\$23,652	\$208,414	-	\$560,517
Westminster, City of	-	-	-	-	\$22,859	-	-	-	-	-	\$22,859
Wheat Ridge, City of	-	-	-	-	-	-	-	\$26,575	-	-	\$26,575
<b>Totals</b>	<b>\$120,289</b>	<b>\$0</b>	<b>\$28,084</b>	<b>\$293,826</b>	<b>\$301,635</b>	<b>\$1,194,371</b>	<b>\$606,155</b>	<b>\$2,016,920</b>	<b>\$376,043</b>	<b>\$309,542</b>	<b>\$5,246,864</b>

**Exhibit C: List of Reporting Agencies reporting no proceeds, no expenditures, and no retained proceeds for the prior fiscal year**

<b>List of Reporting Agencies: January 1, 2018 - December 31, 2018</b>		
13th Judicial District Attorney's Office	Bayfield, Town of	Chaffee County
14th Judicial District Attorney's Office	Bennett, Town of	Cheraw, Town of
15th Judicial District Attorney's Office	Bent County	Cherry Hills Village, City of
16th Judicial District Attorney's Office	Berthoud, Town of	Cheyenne County
17th Judicial District Attorney's Office	Bethune, Town of	Cheyenne Wells, Town of
19th Judicial District Attorney's Office	Black Hawk, City of	Clear Creek County
20th Judicial District Attorney's Office	Blanca, Town of	Coal Creek, Town of
21st Judicial District Attorney's Office	Blue River, Town of	Cokedale, Town of
3rd Judicial District Attorney's Office	Boone, Town of	Collbran, Town of
5th Judicial District Attorney's Office	Boulder, City of	Columbine Valley, Town of
7th Judicial District Attorney's Office	Bow Mar, Town of	Commerce City, City of
Adams County	Branson, Town of	Conejos County
Adams State University Police Department	Breckenridge, Town of	Cortez, City of
Aguilar, Town of	Brighton, City of	Costilla County
Akron, Town of	Brookside, Town of	Craig, City of
Alamosa County	Broomfield, City and County of	Crawford, Town of
Alamosa, City of	Buena Vista, Town of	Creede, City of
All Crimes Enforcement Team (ACET)	Burlington, City of	Crested Butte, Town of
Alma, Town of	Calhan, Town of	Cripple Creek, City of
Antonito, Town of	Campo, Town of	Crook, Town of
Arapahoe Community College Police Department	Carbonate, Town of	Crowley County
Archuleta County	Carbondale, Town of	Crowley, Town of
Arriba, Town of	Castle Pines, City of	Custer County
Ault, Town of	Castle Rock, Town of	Dacono, City of
Auraria Campus Police Department	Cedaredge, Town of	De Beque, Town of
Aurora, City of	Centennial, City of	Deer Trail, Town of
Baca County	Center, Town of	Del Norte, Town of
Basalt, Town of	Central City	Delta County

**Exhibit C: List of Reporting Agencies reporting no proceeds, no expenditures, and no retained proceeds for the prior fiscal year**

<b>List of Reporting Agencies: January 1, 2018 - December 31, 2018</b>		
Delta, City of	Frisco, Town of	Hotchkiss, Town of
Dillon, Town of	Front Range Task Force	Hudson, Town of
Dinosaur, Town of	Fruita, City of	Huerfano County
Dolores County	Garden City, Town of	Hugo, Town of
Dolores, Town of	Garfield County	Idaho Springs, City of
Dove Creek, Town of	Genoa, Town of	Iliff, Town of
Eads, Town of	Georgetown, Town of	Jackson County
Eagle County	Gilcrest, Town of	Jamestown, Town of
Eagle, Town of	Gilpin County	Johnstown, Town of
Eaton, Town of	Glendale, City of	Julesburg, Town of
Eckley, Town of	Golden, City of	Keenesburg, Town of
Elizabeth, Town of	GORE Range Narcotics Interdiction Team (Granite)	Kersey, Town of
Empire, Town of	Granada, Town of	Kim, Town of
Erie, Town of	Granby, Town of	Kiowa County
Estes Park, Town of	Grand County	Kiowa, Town of
Evans, City of	Grand Junction, City of	Kit Carson County
Fairplay, Town of	Grand Lake, Town of	Kit Carson, Town of
Federal Heights, City of	Greeley, City of	Kremmling, Town of
Firestone, Town of	Green Mountain Falls, Town of	La Jara, Town of
Flagler, Town of	Grover, Town of	La Junta, City of
Fleming, Town of	Gunnison County	La Salle, Town of
Florence, City of	Gunnison, City of	La Veta, Town of
Fort Collins, City of	Gypsum, Town of	Lafayette, City of
Fort Lewis College Police Department	Haswell, Town of	Lake City, Town of
Fort Lupton, City of	Haxtun, Town of	Lake County
Fort Morgan, City of	Hayden, Town of	Lakeside, Town of
Fountain, City of	Hillrose, Town of	Larimer County
Fowler, Town of	Hinsdale County	Larkspur, Town of
Foxfield, Town of	Holly, Town of	Las Animas County
Fraser, Town of	Holyoke, City of	Las Animas, City of
Frederick, Town of	Hooper, Town of	Leadville, City of
Fremont County	Hot Sulphur Springs, Town of	Limon, Town of

**Exhibit C: List of Reporting Agencies reporting no proceeds, no expenditures, and no retained proceeds for the prior fiscal year**

<b>List of Reporting Agencies: January 1, 2018 - December 31, 2018</b>		
Lincoln County	Mountain Village, Town of	Platteville, Town of
Littleton, City of	Mt. Crested Butte, Town of	Poncha Springs, Town of
Lochbuie, Town of	Naturita, Town of	Pritchett, Town of
Log Lane Village, Town of	Nederland, Town of	Prowers County
Logan County	New Castle, Town of	Pueblo Community College Police Department
Lone Tree, City of	Northglenn, City of	Ramah, Town of
Louisville, City of	Norwood, Town of	Rangely, Town of
Loveland, City of	Nucla, Town of	Raymer, Town of
Lyons, Town of	Nunn, Town of	Red Cliff, Town of
Manassa, Town of	Oak Creek, Town of	Red Rocks Community College Police Department
Mancos, Town of	Olathe, Town of	Rico, Town of
Manitou Springs, City of	Olney Springs, Town of	Ridgway, Town of
Manzanola, Town of	Ophir, Town of	Rifle, City of
Marble, Town of	Orchard City, Town of	Rio Blanco County
Mead, Town of	Ordway, Town of	Rio Grande County
Meeker, Town of	Otero County	Rockvale, Town of
Merino, Town of	Otis, Town of	Rocky Ford, City of
Mesa County	Ouray County	Romeo, Town of
Metro Gang Task Force	Ouray, City of	Routt County
Miliken, Town of	Ovid, Town of	Rye, Town of
Mineral County	Pagosa Springs, Town of	Saguache County
Minturn, Town of	Palisade, Town of	Saguache, Town of
Moffat County	Palmer Lake, Town of	Salida, City of
Moffat, Town of	Paoli, Town of	San Juan County
Monte Vista, City of	Paonia, Town of	San Luis, Town of
Montezuma, Town of	Parachute, Town of	San Miguel County
Montrose County	Park County	Sanford, Town of
Montrose, City of	Peetz, Town of	Sawpit, Town of
Monument, Town of	Phillips County	Sedgwick County
Morgan County	Pierce, Town of	Sedgwick, Town of
Morrison, Town of	Pitkin County	Seibert, Town of
Mountain View, Town of	Pitkin, Town of	Severance, Town of

**Exhibit C: List of Reporting Agencies reporting no proceeds, no expenditures, and no retained proceeds for the prior fiscal year**

List of Reporting Agencies: January 1, 2018 - December 31, 2018		
Sheridan, City of	Walsh, Town of	
Silver Cliff, Town of	Ward, Town of	
Silver Plume, Town of	Washington County	
Silverthorne, Town of	Wellington, Town of	
Silverton, Town of	Westcliffe, Town of	
Simla, Town of	Western Colorado Drug Task Force	
Snowmass Village, Town of	Westminster, City of	
South Fork, Town of	Wiggins, Town of	
Southwest Drug Task Force	Wiley, Town of	
Springfield, Town of	Williamsburg, Town of	
Starkville, Town of	Windsor, Town of	
Steamboat Springs, City of	Winter Park, Town of	
Stratton, Town of	Woodland Park, City of	
Sugar City, Town of	Wray, City of	
Summit County	Yampa, Town of	
Superior, Town of	Yuma County	
Swink, Town of	Yuma, City of	
Teller County		
Timnath, Town of		
TRIDENT Task Force		
Trinidad, City of		
Two Buttes, Town of		
University of Colorado - Colorado Springs Police Department		
University of Colorado Anschutz Police Department		
University of Colorado Boulder Police Department		
University of Northern Colorado Police Department		
Vail, Town of		
Victor, City of		
Vilas, Town of		
Vona, Town of		
Walden, Town of		
Walsenburg, City of		



# 1313 Task Force Report

Recommendations related to the passage of HB 17-1313 “Civil Forfeiture Reform” (Herod & Humphrey/Neville & Kagan)

2017 Report to:

The Honorable John Hickenlooper  
Governor of Colorado

Members of the Senate and House Judiciary Committees  
Colorado General Assembly

December 1, 2017

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December 1, 2017

To: The Honorable John Hickenlooper  
Governor of Colorado

Members of the House and Senate Judiciary Committees  
Colorado General Assembly

We, the co-chairs of the 1313 Task Force, are pleased to present this report pursuant to the Governor's signing letter dated June 9, 2017. The signing letter directed the Colorado Department of Public Safety and the Colorado Department of Local Affairs to form an inclusive Task Force to study and issue recommendations related to the passage of HB 17-1313 "Civil Forfeiture Reform".

Members of the Task Force represent a wide variety of organizations and agencies that are directly impacted by civil asset forfeiture and that actively participated in the legislative process during passage of HB 17-1313. Through four months of discussion on important issues including guidelines for use of forfeiture revenue, enhanced due process, a grant program for impacted law enforcement agencies, and many others, Task Force members were given the opportunity to study, deliberate, and acknowledge differing points of view. Although not all recommendations were unanimously approved, the Task Force is confident that the recommendations in this report represent a good-faith effort to identify well-informed policy related to HB 17-1313.

We would like to extend our appreciation to Governor Hickenlooper and the prime sponsors of HB 17-1313, Representatives Herod and Humphrey and Senators Neville and Kagan, for the opportunity to engage in these important discussions. We also acknowledge that the recommendations only reflect the opinions of the members of the Task Force and that no formal positions have been taken by any outside organizations, including those with representatives on the Task Force. We look forward to remaining involved should the General Assembly choose to implement the Task Force's recommendations.

Sincerely,

Irv Halter  
*Executive Director,*  
*Department of Local Affairs*  
*Co-Chair of the 1313 Task Force*

Stan Hilkey  
*Executive Director,*  
*Department of Public Safety*  
*Co-Chair of the 1313 Task Force*

**Executive Summary:**

During the 2017 legislative session, HB 17-1313 “Civil Forfeiture Reform” was introduced. The bill:

- Requires forfeiture case with assets of \$50,000 or less to go through the state forfeiture system instead of the federal system;
- Requires any forfeiture being processed through the federal system to be related to a criminal case;
- Establishes comprehensive reporting requirements for all seizing agencies;
- Creates a reporting mechanism in the Colorado Department of Local Affairs (DOLA) and requires public access to the information that is reported; and
- Establishes a fine for agencies that do not comply with the reporting requirements.

Governor Hickenlooper signed HB 17-1313 and issued an accompanying signing letter<sup>1</sup> requiring the establishment of a Task Force to consider specific issues pertaining to the legislation. After robust discussion over the course of five Task Force meetings and additional subcommittee meetings, the 1313 Task Force issues the following six recommendations:

- *Recommendation #1* – Create a definition for “reporting agency” to clarify which entities are required to report
- *Recommendation #2* – Add a new field in the DOLA reporting form to make clear when a multi-jurisdictional task force disburses money to member agencies
- *Recommendation #3* – Do not designate a specific state agency as the fining provision enforcement agency
- *Recommendation #4* – Do not issue further guidelines regarding how local law enforcement agencies may utilize federal equitable sharing revenue
- *Recommendation #5* – Require reporting to DOLA for seizures and forfeitures effected under local public nuisance ordinances
- *Recommendation #6* – Establish a non-discretionary grant program to reimburse law enforcement agencies negatively impacted by HB 17-1313 and create a discretionary grant program to assist law enforcement agencies and their communities with important issues including community policing and outreach, substance abuse, technology, and training.

**Task Force Members:**

The following is a list of the official members of the 1313 Task Force:

Name	Department/Organization
Meghan Dollar	Colorado Municipal League (CML)
Director Irv Halter	Colorado Department of Local Affairs (DOLA)
Sergeant Sean Harper	Fraternal Order of Police (FOP)
Representative Leslie Herod	House Sponsor of HB 17-1313

<sup>1</sup> For more information, please see Appendix A.

Name	Department/Organization
Director Stan Hilkey	Colorado Department of Public Safety (CDPS)
Representative Steve Humphrey	House Sponsor of HB 17-1313
Senator Daniel Kagan	Senate Sponsor of HB 17-1313
Denise Maes	American Civil Liberties Union (ACLU)
Nick Mitchell	Denver Office of the Independent Monitor (OIM)
Senator Tim Neville	Senate Sponsor of HB 17-1313
Chief Mike Phibbs	Colorado Association of Chiefs of Police (CACP)
Tom Raynes	Colorado District Attorneys' Council (CDAC)
Brendon Reese	Colorado Department of Revenue (DOR)
Malcolm Seawell	Colorado Criminal Defense Bar (CCDB)
Scott Turner	Attorney General's Office (AG)
Sheriff Lou Vallario	County Sheriffs of Colorado (CSOC)
Art Way	Drug Policy Alliance (DPA)
Commissioner David Weaver	Colorado Counties, Inc. (CCI)

Please note that Executive Directors Irv Halter and Stan Hilkey served as co-chairs of the Task Force.

**Statement of Purpose:**

HB 17-1313 “Civil Forfeiture Reform” (Herod & Humphrey/Neville & Kagan) was signed into law by the Governor on June 9, 2017. During the legislative process, there was significant debate over provisions of the bill including the \$50,000 threshold under which forfeitures must be directed to the state system, compliance by seizing agencies, and reporting requirements. The sponsors’ stated intent of the bill is to direct more forfeitures to the state system which has more stringent due process requirements than the current federal process. Opponents feared that the bill would decrease the activities of multi-jurisdictional Task Forces that are imperative in the fight against drugs, human trafficking, and other forms of crime. Opponents were also concerned that the bill created a burdensome reporting structure that could lead to heavy fines for law enforcement agencies that did not comply.

Ultimately, Governor Hickenlooper signed HB 17-1313 into law with an accompanying signing letter that directed the Colorado Department of Public Safety (CDPS) and the Colorado Department of Local Affairs (DOLA) to convene a task force to make recommendations on the following topics:

- Enhanced due process protections;
- Criteria to determine how best to direct civil forfeiture proceedings to the appropriate authority - federal or state;
- Guidelines for how local law enforcement agencies use funds collected through federal equitable sharing programs;
- Process and timeline improvements for civil asset forfeitures under Colorado law;
- Establishing a State program to provide funds to the current recipients of forfeiture proceeds, thereby keeping law enforcement agencies whole; and
- Identifying an agency, other than DOLA, as the enforcer of reporting requirements.

The purpose of this report is to outline and provide background for the recommendations made by the 1313 Task Force.

### **1313 Task Force Process:**

The Task Force consists of 18 members including the sponsors of HB 17-1313, three state agencies, and members of other organizations that are directly impacted by the provisions of HB 17-1313. Members of the Task Force, as well as other stakeholders, met five times to complete the Governor's charge and identify specific recommendations. The meetings took place on August 10<sup>th</sup>, August 30<sup>th</sup>, October 4<sup>th</sup>, October 26<sup>th</sup>, and November 15<sup>th</sup>.

At the first Task Force meeting, the drafter of HB 17-1313 gave an overview of the bill and its provisions. The Task Force also heard from Tonya Andrews, a representative from the U.S. Attorney's Office, who gave an overview of the federal forfeiture process. Tom Raynes and Jacob Edson, Chief Deputy District Attorney in the 18<sup>th</sup> Judicial District, gave an overview of the state forfeiture process including due process and how forfeiture proceeds are distributed.

Most topics were discussed and considered by the entire Task Force; however, the Task Force did identify three topic areas that required more detailed consideration for which subcommittees were formed:

- **Local Public Nuisance Ordinance Subcommittee** – This subcommittee consisted of Representative Leslie Herod, Meghan Dollar (CML), Denise Maes (ACLU), Malcolm Seawall (CDB), and Nick Mitchell (OIM). The origin of this subcommittee was discussions about enhanced due process protections. The Task Force determined that, through the anticipated result of HB 17-1313 directing more forfeiture cases to the state process instead of the federal process, enhanced due process will happen naturally. However, the Task Force did agree that further study into local public nuisance ordinances and their impact on due process would be appropriate. Therefore, the subcommittee met twice to determine the following:
  - Whether a problem exists with cities using public nuisance ordinances to forfeit property without due process or a conviction; and
  - If so, whether this issue could be addressed in the state forfeiture statute.
- **Grant Program Subcommittee** – This subcommittee consisted of Representative Leslie Herod, Senator Tim Neville, Senator Daniel Kagan, Gabby Reed (CDPS), Daniel Haley (CSP), Sean Harper (FOP), Meghan Dollar (CML), Sheriff Lou Vallario (CSOC), Adeline Hodge (FOP), Allison Daley (CCI), and Frank Cornelia (Colorado Behavioral Health Council). This subcommittee met twice to determine:
  - How to allocate monetary resources from the State to local law enforcement agencies that were negatively impacted by HB 17-1313; and
  - Creation of a new grant program that could be accessed by law enforcement agencies and their communities for community policing and outreach, substance abuse, technology, training, and other important issues.

- **Drafting Subcommittee** – This subcommittee consisted of Representative Leslie Herod, Senator Tim Neville, Tom Raynes (CDAC), Chief Phibbs (CACP) and Jerry Barry (OLLS). The purpose of this subcommittee was to work with the Office of Legislative Legal Services to draft language for consideration by the Task Force and to conduct research on statutory questions raised by the Task Force.

Members of the subcommittees gave progress reports to the Task Force after which the Task Force would discuss each issue as a group and make specific recommendations. The voting threshold for the Task Force to officially support a recommendation was a two-thirds majority vote of the present members.

## **Task Force Recommendations:**

### **Recommendation #1 – Create Definition of “Reporting Agency”**

#### *Full Recommendation:*

Replace the term “seizing agency” with the term “reporting agency” under C.R.S. 16-13-701(2). “Reporting agency” would have the following definition:

#### (c) REPORTING AGENCY MEANS:

(I) ANY STATE OR LOCAL GOVERNMENTAL ENTITY THAT EMPLOYS A PERSON, OTHER THAN A JUDGE OR MAGISTRATE, WHO IS AUTHORIZED TO EFFECTUATE A FORFEITURE OF REAL OR PERSONAL PROPERTY, PURSUANT TO:

(A) PART 3 OF THIS ARTICLE 13, ABATEMENT OF PUBLIC NUISANCE;

(B) PART 5 OF THIS ARTICLE 13, “COLORADO CONTRABAND FORFEITURE ACT”;

(C) PART 6 OF THIS ARTICLE 13, RECEIPT OF FEDERALLY FORFEITED PROPERTY; OR

(D) SECTIONS 18-17-105 AND 18-17-106 OF THE “COLORADO ORGANIZED CRIME CONTROL ACT”; OR

(II) THE OFFICE OF A DISTRICT ATTORNEY;

#### *Background and Justification:*

Under current law, agencies that do not receive forfeiture proceeds are not technically required to report; however, the legislative intent was for all agencies to report regardless of whether they received forfeiture revenue or not. Thus, the Task Force decided there was a need to clarify the definition of “seizing agency” under the HB 17-1313. After discussion, the Task Force determined that a streamlined approach to clarify the definition for purposes of the reporting provisions is to change the term “seizing agency” to “reporting agency” which clearly defines the agencies required to report. The new definition limits reporting to agencies that employ persons who are authorized to effectuate forfeitures under the sections specifically outlined in C.R.S. 16-13-701(3).

#### *Task Force Vote and Actions Needed:*

This recommendation was approved unanimously by the Task Force. Legislative action is necessary to insert the new term and definition.

## **Recommendation #2 – Add New Field in DOLA Reporting Form**

### *Full Recommendation:*

Add a new field to the DOLA reporting form that reflects disbursements from a multi-jurisdictional Task Force to its member agencies.

### *Background and Justification:*

Under current law, DOLA is responsible for collecting reports from seizing agencies in the state and providing a searchable database that the public may use to access the reported information. Since the passage of HB 17-1313, DOLA has been working with stakeholders to develop a reporting form that streamlines reporting and creates a straightforward mechanism for agencies to fully comply with the reporting provisions. Although many components of the reporting requirement were discussed by the Task Force, the issue of duplicate reporting presented a key concern. Specifically, it became clear that forfeitures received from multi-jurisdictional task forces and then distributed to member agencies would be double-counted since each entity would be required to report the forfeiture revenue when it is received *and* when the revenue is expended. In order to alleviate this concern and to provide more accurate data, a separate field will be added to the reporting form to specifically show disbursements from a Task Force to member entities. The multi-jurisdictional task force will be the entity responsible for reporting the disbursement information to DOLA.

### *Task Force Vote and Action Needed:*

This recommendation was approved unanimously by the Task Force. No legislative action is required to implement this recommendation; DOLA can incorporate this recommendation into their current stakeholder process as they finalize the reporting form. The final reporting form is required to be available to reporting agencies by December 31, 2017.

## **Recommendation #3 – Clarification Regarding Enforcement of Fining Provisions**

### *Full Recommendation:*

Maintain current law and do not identify a specific agency to enforce the fining provision under HB 17-1313.

### *Background and Justification:*

Current law is silent on which state agency shall levy fines for non-compliance of the reporting requirements. The Task Force spent a significant amount of time discussing the fining provision under HB 17-1313 including possible alternatives to the fine and identifying a state agency to be responsible for enforcing the fining provision. The Task Force discussed the following alternatives to the fining provision:

- Eliminating state grant funding opportunities for agencies that do not comply with the reporting requirements;
- Publicizing a list of agencies that do not submit a report;
- Creating a private right of action against an agency that does not submit a report; and
- Prohibiting non-compliant agencies from receiving state forfeiture proceeds.



Several members of the Task Force voiced concern that all of these options were either too heavy handed, such as eliminating state grant funding opportunities, or were not strong enough, such as publicizing a list of agencies that did not report.

Identifying a state agency that could enforce the fining provision without a conflict of interest proved challenging. The Department of Revenue was considered as a possibility; however, due to the cost to fully develop a system to identify non-compliant agencies and conduct fine collection, the Task Force decided this was not a viable option.

After much debate, the Task Force came to the conclusion that reporting compliance rates will be high and that the corresponding compliance workload will be minimal. Therefore, current language is adequate and no changes are necessary. In addition, the language in HB 17-1313 was drafted based on other parts of statute where similar language exists. An Office of Legislative Legal Services (OLLS) memo was drafted demonstrating examples of similar language<sup>2</sup>. The Task Force agrees that more time is necessary to gauge compliance rates and, after more time has passed and when additional information is available, the need to specifically identify an enforcement agency can be re-evaluated.

*Task Force Vote and Action Needed:*

This recommendation was approved 16-1 by the Task Force with the following organization voting no: Drug Policy Alliance. No legislative action is required to implement this recommendation; current law under HB 17-1313 does not designate an enforcement agency to levy fines.

**Recommendation #4 – Guidelines Regarding How Law Enforcement Agencies May Utilize Equitable Sharing Proceeds**

*Full Recommendation:*

This issue was discussed by the Task Force and no recommendation for action has been made by the Task Force.

*Background and Analysis:*

The Department of Justice (DOJ) presented to the Task Force regarding current guidelines for how law enforcement agencies may utilize equitable sharing proceeds. The DOJ has guidelines in place pertaining to how a law enforcement agency may use equitable sharing proceeds. These guidelines are published in the *Guide to Equitable Sharing for State and Local Law Enforcement Agencies*. Under the federal guidelines, forfeiture proceeds may be used for the following purposes, among others:

- Law enforcement operations and investigations
- Law enforcement training and education
- Law enforcement equipment
- Joint law enforcement/public safety operations
- Drug and gang education and other awareness programs
- Support of community-based programs

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<sup>2</sup> Included in Appendix B

Impermissible uses include, but are not limited to:

- Uses contrary to the laws of the state or local jurisdiction
- Personal or political use of shared assets
- Purchase of food and beverages
- Extravagant expenditures
- Petty cash account and stored value cards
- Purchase of items for other law enforcement agencies
- Costs related to lawsuits
- Loans

The Department of Justice regularly conducts audits of state and local law enforcement agencies to ensure that the agencies are utilizing equitable sharing proceeds as prescribed by law. Additionally, most communities around the state have local boards that determine how forfeiture proceeds shall be utilized.

*Task Force Vote and Action Needed:*

This recommendation was approved 16-1 by the Task Force with the following organization voting no: Drug Policy Alliance. No legislative action is required to implement this recommendation.

**Recommendation #5 – Require DOLA Reporting for Seizures and Forfeitures That Occur Under Local Public Nuisance Ordinances**

*Full Recommendation:*

Increase transparency by requiring any seizures and forfeitures that take place under a local public nuisance law or ordinance be included in the DOLA report. The Task Force recommends the addition of the following language to the new definition of “reporting agency” under Recommendation #1 on page seven:

(III) ANY LOCAL GOVERNMENTAL ENTITY CHARGED WITH ENFORCEMENT OF LOCAL LAWS OR ORDINANCES GOVERNING PUBLIC NUISANCES WITHIN ITS LOCAL JURISDICTION THAT OBTAINS PROCEEDS AS A RESULT OF A SEIZURE AND FORFEITURE PURSUANT TO SUCH LAWS OR ORDINANCES.

This language shall be further clarified to exempt abandoned or found property from triggering the reporting requirement.

The following language shall also be added to C.R.S. 16-13-701 (3):

- (3) This section applies to property seized under the following:
- (a) Part 3 of this article 13, abatement of public nuisance;
  - (b) Part 5 of this article 13, “Colorado Contraband Forfeiture Act”;
  - (c) Part 6 of this article 13, receipt of federally forfeited property;
  - (d) Section 18-17-105 and 18-17-106 of the “Colorado Organized Crime Control Act” AND;

(e) ANY LOCAL PUBLIC NUISANCE LAW OR ORDINANCE

*Background and Analysis:*

Denise Maes originally broached the topic of local public nuisance ordinances and their possible impact on due process. There was general concern that some municipalities are using such ordinances to confiscate vehicles, personal property, and cash without a case being filed. As outlined earlier in this report, the Task Force agreed to form a subcommittee to further study the issue. Although the subcommittee was able to identify examples of municipalities that generate noticeable revenue from asset forfeiture; ultimately, it was determined that not enough data is currently available to understand the impact of this practice statewide. Therefore, instead of issuing a recommendation concerning changes to due process relating to seizures and forfeitures effected under local public nuisance laws and ordinances, the subcommittee focused on reporting and transparency. The ultimate recommendation adds seizures and forfeitures that take place under local public nuisance laws and ordinances to the DOLA reporting requirement implemented by HB 17-1313. This will allow data to be collected before taking further action on this issue.

*Task Force Vote and Action Needed:*

This recommendation was approved 13-4 by the Task Force with the following organizations voting no: Colorado Municipal League, Colorado Counties, Inc., Colorado Association of Chiefs of Police, and the Fraternal Order of Police. Legislative action is necessary to insert the proposed language.

**Recommendations #6 – Establishment of Grant Programs to Assist Law Enforcement Agencies**

*Full Recommendation:*

Part 1 – Establish a non-discretionary grant program within CDPS, to assist in reimbursing law enforcement agencies for lost forfeiture proceeds as a result of HB 17-1313. This will be funded through the \$1.5 million placeholder in the Governor’s FY 2018-19 budget. CDPS will develop policies and procedures regarding how to best allocate the funds. Law enforcement agencies that can demonstrate they have received federal equitable sharing revenue for cases under the \$50,000 threshold in the past shall be eligible to receive grant funding. Grants may only be utilized for items outlined as permissible uses under federal equitable sharing guidelines.

Part 2 – Establish a discretionary grant program within DOLA to dedicate additional resources to law enforcement agencies and the communities they serve. Dedicated grant funding will come from changing the state distribution formula (C.R.S. 16-13-311) to the following:

- 50% to the seizing law enforcement agency
- 25% to the local MSO
- 25% to the grant program

A committee will be created to evaluate grant applications and decide which applications to fund. Possible uses of the grant program may include, but are not limited to: community policing and outreach; drug intervention, prevention, treatment, and recovery; technology; and training.

*Background and Analysis:*

The Grant Program Subcommittee was created to determine how best to create a grant program to provide funds to the current recipients of forfeiture proceeds as directed by the Governor's signing letter. The grant subcommittee agreed that the \$1.5 million set aside in the Governor's FY 2018-19 budget should be used solely to reimburse and help "make whole" law enforcement agencies that were negatively impacted by HB 17-1313. It was also determined that this would be best accomplished through a non-discretionary grant program that would be administered by the CDPS. The grant program will require law enforcement agencies to apply for the grant and demonstrate proof of equitable sharing proceeds from cases below the \$50,000 threshold in previous years. Grants will be determined by the average amount of equitable sharing proceeds that each law enforcement agency received annually from cases under \$50,000 prior to the passage of HB 17-1313. Additionally, grants may only be utilized for items outlined as permissible uses under federal equitable sharing guidelines.

The subcommittee also discussed the opportunity to create a separate grant program, to be housed in DOLA, that would be funded through a change to the current 50/50 state distribution formula<sup>3</sup>. Under current law, 50% of remaining forfeiture proceeds go to the seizing law enforcement agency and 50% go to the Managed Service Organization (MSO) in the judicial district where the forfeiture took place. In FY 2016-17, MSOs' received \$448,259.47<sup>4</sup> from this funding source. Under this proposal, the distribution formula would change to the following:

- 50% to the seizing law enforcement agency
- 25% to the local MSO (changed from the current 50%)
- 25% to the new discretionary grant program

Over the past nineteen years, an average of \$1,659,744 in forfeiture revenue has been generated annually by forfeitures under \$50,000 that are processed through the federal system<sup>5</sup>. Under HB 1313, these forfeitures must now be processed through the state forfeiture system. Therefore, the amount of revenue being split between law enforcement agencies and MSOs is expected to increase by a similar amount. Even under the reduced allocation in the formula outlined above, MSOs are projected to receive more revenue from this funding source than they do under current law.

Under the new grant program, a committee would be formed to evaluate grant applications and make decisions as to which applicants receive grants. Both state and local agencies would be eligible to apply for the grants. The committee would consist of the following members:

- A representative of the Colorado Department of Local Affairs who shall chair the committee
- A representative of the Colorado Department of Public Safety
- A representative of a statewide organization representing District Attorneys
- A representative of the Office of the Attorney General
- A representative of a statewide organization representing county Sheriffs
- A representative of a statewide organization representing Chiefs of police

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<sup>3</sup> For more information, please refer to Appendix C.

<sup>4</sup> For more information, please refer to Appendix D.

<sup>5</sup> For more information, please refer to Appendix E.

- A representative of a statewide organization representing law enforcement officers
- A representative of a statewide organization representing municipalities
- A representative of a statewide organization representing counties
- A representative of a drug treatment organization
- A representative of a non-profit that advocates for civil liberties
- Four at-large community members appointed by the Governor who do not directly belong to any of the other organizations listed below
- Two legislative members (one appointed by the Speaker of the House and one appointed by the President of the Senate)

A grant application may be submitted by multiple entities (e.g. a joint application by a sheriff's department and a county human services department); however, each application *must* include at least one law enforcement agency. Being a member of the committee does not preclude that organization from applying for a grant; a recusal process shall be established whereby a member organization can apply without creating a conflict of interest. Grants can be utilized for a wide variety of different uses including, but not limited to: community policing and outreach; drug intervention, prevention, treatment, and recovery; technology; and training. Additionally, DOLA may utilize up to 5% of the grant program for administrative expenses.

*Task Force Vote and Action Needed:*

This recommendation was approved unanimously by the Task Force. Legislative action is required to establish both grant programs and to change the current distribution formula under the state forfeiture law.

## **Conclusion:**

The 1313 Task Force appreciates the opportunity to more closely consider some of the issues that were identified with the passage of HB 17-1313. Over the past four months, the Task Force has taken a close look at the issues outlined in the Governor's signing letter. Specifically, the Task Force has considered and issued recommendations addressing the following issues:

- Enhanced due process protections through the work of the local public nuisance ordinance subcommittee;
- Guidelines for the use of revenue from federal equitable sharing programs through the recommendation to not issue further associated guidelines or restrictions;
- Process and timeline improvements for civil asset forfeitures under Colorado law through discussion of streamlining reporting requirements and adding a definition for "reporting agency";
- Legislation to establish a state program to provide funds to the current recipients of forfeiture proceeds through the work of the Grant Program Subcommittee; and
- Legislation to update HB 17-1313 and remove of DOLA as the enforcer of reporting requirements through the recommendation to maintain current language.

These recommendations are the result of a collaborative process whereby many different parties were able to identify specific methods to alleviate the impacts of HB 17-1313 and assist in successful implementation of the new law.

Appendix A – Governor’s HB 17-1313 Signing Letter:

STATE OF COLORADO

OFFICE OF THE GOVERNOR

136 State Capitol  
Denver, Colorado 80203  
Phone (303) 866-2471  
Fax (303) 866-2003



John W. Hickenlooper  
Governor

June 9, 2017

The Honorable Colorado House of Representatives  
General Assembly  
State Capitol  
200 E. Colfax Ave.  
Denver, CO 80203

Dear Members of the Colorado House of Representatives:

*Government should never keep assets seized from innocent people.* We all desire robust law enforcement to keep communities safe, and strong protections for Due Process rights. If the civil asset forfeiture process is to serve these goals, it must operate transparently and with adequate protections for all Coloradans. House Bill 17-1313 is an important first step to address problems inherent in the civil forfeiture laws. For these reasons, today I signed HB 17-1313 into law at 3:31 PM.

In early America, government for profit was the norm, rather than the exception. As Professor Nicholas Parrillo has observed,

Judges charged fees for transactions in cases they heard. District attorneys won a fee for each criminal they convicted. Tax investigators received a percentage of the evasions they discovered. Naval officers were awarded a percentage of the value of the ships they captured plus bounties for the enemy sailors on board ships they sank. . . . Policemen were allowed rewards for recovering stolen property or arresting suspects.

To our ears, these practices sound obsolete, and for good reason: modern government entails a workforce whose incentives are not distorted by the prospect of private gain. But civil forfeiture remains an outlier, a reminder that vestiges of these justifiably abandoned practices endure.

To say so is in no way to cast aspersions on the integrity of those in uniform. Law enforcement officers in Colorado have appropriately exercised their powers under existing law. To reform a system is not to indict the professionals who have, in good faith, operated under that system.

During consideration of House Bill 17-1313 (HB 17-1313), we met with sponsors, proponents, and opponents, and sought input from numerous other stakeholders and citizens. I sign this bill into law because it takes important steps in addressing substantial public policy concerns. But at the same time, we acknowledge that opponents’ concerns have merit, and so I do so with the understanding that it is only part of a larger set of reforms necessary.

First, today I directed the Department of Public Safety (DPS) and the Department of Local Affairs (DOLA) to establish a taskforce to develop further reforms and improvements to civil asset forfeiture in Colorado. The group will present recommendations to the General Assembly to inform

Colorado House of Representatives  
June 9, 2017  
Page 2 of 2

future legislation including: (1) enhanced Due Process protections; (2) criteria to determine how best to direct civil forfeiture proceedings to the appropriate authority - federal or state; (3) guidelines for how local law enforcement agencies use funds collected through federal equitable sharing programs; and (4) process and timeline improvements for civil asset forfeitures under Colorado law.

I have also reached out to bill sponsors, leadership, and members of the Joint Budget Committee about the need to ensure that nothing we do today impairs law enforcement's ability to protect public safety. I therefore sign HB 17-1313 with the understanding that the bill sponsors and proponents will actively support and lead, in coordination with the task force, the following: (1) legislation to establish a State program to provide funds to the current recipients of forfeiture proceeds, thereby keeping law enforcement agencies whole while also removing any perceived or actual pecuniary interest in forfeitures; (2) appropriation of adequate funds to support the program; and (3) legislation to update HB 17-1313 and removal of DOLA as the enforcer of reporting requirements, thereby retaining the collaborative, partnership-based relationship between municipalities and the Department.

Complex policy reform does not happen overnight. Whether the issue is mental health holds or construction defects reform, striking the right balance inevitably takes time. Today, we begin a process of reforming civil asset forfeiture. We stand ready to work with the General Assembly and stakeholders as we continue down this path.

Sincerely,



John W. Hickenlooper  
Governor



## Appendix B – OLLS Memo Concerning HB 17-1313 Fine Collection Language

**OFFICE OF LEGISLATIVE LEGAL SERVICES**  
COLORADO GENERAL ASSEMBLY



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200 EAST COLFAX AVENUE SUITE 091  
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### MEMORANDUM

TO: Representative Herod and Senator Neville  
FROM: Jeremiah B. Barry  
DATE: October 3, 2017  
SUBJECT: Question concerning who collects fines

At the House Bill 17-1313 Task Force meeting, a question arose as to whether it was necessary to specify where money from fines would go. If a statute is silent as to where fine revenue is to be credited, it goes to the general fund.

Also, you asked for examples of other statutes that did not specify who was responsible for collecting fines. Here are some examples:

**19-1-303. General provisions - delinquency and dependency and neglect cases - exchange of information - civil penalty. (4.7) Any person who knowingly violates the confidentiality provisions of this section shall be subject to a civil penalty of up to one thousand dollars.**

**19-2-508. Detention and shelter - hearing - time limits - findings - review - confinement with adult offenders - restrictions. (4) (d) (I) Any juvenile arrested and detained for an alleged violation of any article of title 42, C.R.S., or for any alleged violation of a municipal or county ordinance, and not released on bond, shall be taken before a judge with jurisdiction of such violation within forty-eight hours for the fixing of bail and conditions of bond pursuant to subparagraph (IV) of paragraph (a) of subsection (3) of this section. A juvenile may be detained in a jail, lockup, or other place used for the confinement of adult offenders only for processing for no**

longer than six hours and during such time shall be placed in a setting that is physically segregated by sight and sound from the adult offenders, and in no case may the juvenile be detained in such place overnight. After six hours, the juvenile may be further detained only in a juvenile detention facility operated by or under contract with the department of human services. In calculating time under this subsection (4), Saturdays, Sundays, and legal holidays shall be included.

(II) **A sheriff or police chief who violates the provisions of subparagraph (I) of this paragraph (d) may be subject to a civil fine of no more than one thousand dollars.** The decision to fine shall be based on prior violations of the provisions of subparagraph (I) of this paragraph (d) by the sheriff or police chief and the willingness of the sheriff or police chief to address the violations in order to comply with subparagraph (I) of this paragraph (d).

**27-65-105. Emergency procedure.** (2) (a) When a person is taken into custody pursuant to subsection (1) of this section, such person shall not be detained in a jail, lockup, or other place used for the confinement of persons charged with or convicted of penal offenses; except that such place may be used if no other suitable place of confinement for treatment and evaluation is readily available. In such situation the person shall be detained separately from those persons charged with or convicted of penal offenses and shall be held for a period not to exceed twenty-four hours, excluding Saturdays, Sundays, and holidays, after which time he or she shall be transferred to a facility designated or approved by the executive director for a seventy-two-hour treatment and evaluation. If the person being detained is a juvenile, as defined in section 19-1-103 (68), C.R.S., the juvenile shall be placed in a setting that is nonsecure and physically segregated by sight and sound from the adult offenders. When a person is taken into custody and confined pursuant to this subsection (2), such person shall be examined at least every twelve hours by a certified peace officer, nurse, or physician or by an appropriate staff professional of the nearest designated or approved mental health treatment facility to determine if the person is receiving appropriate care consistent with his or her mental condition.

(b) **A sheriff or police chief who violates the provisions of paragraph (a) of this subsection (2), related to detaining juveniles may be subject to a civil fine of no more than one thousand dollars.** The decision to fine shall be based on prior violations of the provisions of paragraph (a) of this subsection (2) by the sheriff or police chief and the willingness of the sheriff or police chief to address the violations in order to comply with paragraph (a) of this subsection (2).

**27-81-111. Emergency commitment.** (1) (a) When a person is intoxicated or incapacitated by alcohol and clearly dangerous to the health and safety of himself, herself, or others, he or she shall be taken into protective custody by law enforcement authorities or an emergency service patrol, acting with probable cause, and placed in

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an approved treatment facility. If no such facilities are available, he or she may be detained in an emergency medical facility or jail, but only for so long as may be necessary to prevent injury to himself, herself, or others or to prevent a breach of the peace. If the person being detained is a juvenile, as defined in section 19-1-103 (68), C.R.S., the juvenile shall be placed in a setting that is nonsecure and physically segregated by sight and sound from the adult offenders. A law enforcement officer or emergency service patrol officer, in detaining the person, is taking him or her into protective custody. In so doing, the detaining officer may protect himself or herself by reasonable methods but shall make every reasonable effort to protect the detainee's health and safety. A taking into protective custody under this section is not an arrest, and no entry or other record shall be made to indicate that the person has been arrested or charged with a crime. Law enforcement or emergency service personnel who act in compliance with this section are acting in the course of their official duties and are not criminally or civilly liable therefor. Nothing in this subsection (1) shall preclude an intoxicated or incapacitated person who is not dangerous to the health and safety of himself, herself, or others from being assisted to his or her home or like location by the law enforcement officer or emergency service patrol officer.

**(b) A sheriff or police chief who violates the provisions of paragraph (a) of this subsection (1) related to detaining juveniles may be subject to a civil fine of no more than one thousand dollars.** The decision to fine shall be based on prior violations of the provisions of paragraph (a) of this subsection (1) by the sheriff or police chief and the willingness of the sheriff or police chief to address the violations in order to comply with paragraph (a) of this subsection (1).

## Appendix C – Current State Forfeiture Distribution Formula Overview

Under current law, C.R.S. 16-13-311 outlines how forfeiture proceeds under state law are distributed. Below is an overview of how those funds are distributed:

Property forfeited or proceeds therefrom (via public sale) shall be distributed in the following order:

1. Payment due on any liens left in the property;
2. Compensate innocent partial owners for their interest in the property;
3. Payment to any person who suffers bodily injury, property damage, or property loss as a result of conduct constituting public nuisance;
4. To law enforcement for reasonable fees for maintenance/storage and/or cost of sale of the property;
5. To district attorney for actual and reasonable expenses to prosecute the forfeiture proceeding, not to exceed ten percent value of property;
6. One percent of value of property to clerk of court for administrative fees;
7. Balance left as follows:
  - a. Fifty percent to the seizing law enforcement agency,
  - b. Fifty percent to department of human services for behavioral health programs and services, including mental health and substance abuse

## Appendix D - Forfeiture revenues received by MSOs in FY 2016-17<sup>6</sup>

### Tracking Civil Forfeiture for FY 2016-2017

As required by C.R.S. 16-13-311 (3)(a) (VII) (B) and 16-13-701 (4), the designated Managed Service Organizations allocate monies to substance use disorder treatment and detoxification programs in the judicial districts in which forfeiture proceedings were prosecuted. These monies are in addition to the appropriated funds through the Department's Office of Behavioral Health and the Managed Service Organizations. Figure 8 details the reporting of civil forfeiture funds for FY 2016-2017 by four Colorado Managed Service Organizations, as required by statute. One of the four Managed Service Organizations, Mental Health Partners, did not receive any funds from civil forfeiture.

**Figure 8. Civil Forfeiture, FY 2016-2017**

MSO Provider / Description	Signal	West Slope Casa	Aspen Pointe	Mental Health Partners	Total All	Prior SFY
<b>Beginning Balance</b>	\$199,912.52	\$22,244.40	\$4,932.48	\$3,931.82	\$259,232.41	\$175,929.01
<b>Distribution</b>	\$258,538.57	\$0.00	\$0.00	\$3,931.82	\$262,470.39	\$190,502.16
<b>Revenue Received</b>	\$420,048.28	\$0.00	\$28,211.19	\$0.00	\$448,259.47	\$249,427.61
<b>Ending Balance</b>	\$323,066.62	\$22,244.40	\$33,143.67	\$0.00	\$378,454.69	\$284,854.46

Signal expended \$258,538.67 of forfeiture funds during the year. Of that, \$219,757.78 was expended on treatment and detox services and \$38,780.79 was expended on administrative costs (15 percent of total funds distributed). West Slope Casa had no reported disbursements for services during the year from forfeiture funds. AspenPointe had no reported disbursements for services during the year from forfeiture funds. Mental Health Partners expended \$3,931.82 of forfeiture funds during the year. Of that, \$3,931.82 was expended on treatment and detox services. For FY 2016-17, a combined total of \$448,259.47 in forfeiture revenues was collected and a total of \$262,470.39 was expended on treatment and detoxification services (including administrative charges). The revenue received represents a 79.72% increase in revenue from the previous year.

<sup>6</sup> This information came from Colorado Office of Behavioral Health's *FY 2016-17 Annual Accounting of Forfeited Property Dollars Report (C.R.S.16-13-701)*

## Appendix E - Data Regarding Forfeitures Under \$50,000<sup>7</sup>

HB 17-1313 states that seizing agencies in Colorado can only follow the Federal structure for civil asset forfeiture if the amount seized is worth \$50,000 or more. It's projected that 92 percent of the forfeitures previously filed under the Federal structure amounted to less than \$50,000; therefore, more seizing agencies will likely need to pursue the State process. The table below shows how the 50/50 split would have occurred in the past if all forfeitures at or below \$50,000 were filed under the State process.

Colorado's Value of Forfeitures by Year and Value Category		
	Forfeitures Total Value	
Year	Below \$50,000	Agency / MSO Split
1996	\$363,397	\$181,699
1997	\$823,072	\$411,536
1998	\$1,427,184	\$713,592
1999	\$890,901	\$445,450
2000	\$897,651	\$448,825
2001	\$928,130	\$464,065
2002	\$672,560	\$336,280
2003	\$1,535,644	\$767,822
2004	\$1,582,953	\$791,477
2005	\$1,436,111	\$718,056
2006	\$2,137,405	\$1,068,703
2007	\$2,643,485	\$1,321,742
2008	\$3,027,582	\$1,513,791
2009	\$1,920,083	\$960,042
2010	\$2,600,974	\$1,300,487
2011	\$3,062,271	\$1,531,136
2012	\$2,966,782	\$1,483,391
2013	\$2,494,541	\$1,247,270
2014	\$124,426	\$62,213
Total	\$31,535,151	\$15,767,576

C.R.S. 16-13-311 states that 50 percent of proceeds from forfeitures will go to the General Fund of the government with budgetary control over the seizing agency. The remaining 50 percent is allocated to the Managed Service Organization (MSO) serving the judicial district where the forfeiture occurred. These funds are to be used for detoxification and substance abuse treatment. From 2011-2016, the MSOs received an average of \$271,383 annually. Of this amount, approximately 93 percent was allocated to Signal; 6 percent to AspenPointe; 1 percent to West Slope Casa; and 0 percent to Mental Health Partners. Signal's high allocation reflects the fact that it covers over half of Colorado's 64 counties. From 2011-2015, 13 percent of the total funds allocated to Signal have been used to cover

<sup>7</sup> This data came from the U.S. Department of Justice

administrative costs while the remaining amount has either rolled forward or spent on detoxification and substance abuse services.