



**COLORADO
DEPARTMENT
OF PUBLIC SAFETY**

Colorado Bureau of Investigation
 Ronald C. Sloan, Director
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January 15, 2014

The Honorable Crisanta Duran, Chair
 Joint Budget Committee
 Legislative Services Building
 200 East 14th Avenue, Third Floor
 Denver, CO 80203

Dear Representative Duran and Committee Members:

Pursuant to 24-33.5-424 (3.5)(f) C.R.S., the Colorado Bureau of Investigation (CBI) is required to annually report to the Joint Budget Committee the number of full-time employees (FTE) used by the Bureau in the preceding year for the purposes of performing firearms background checks and the calculations used to determine the amount of the fee imposed for firearms background checks. As of December 31, 2013, the CBI InstaCheck Unit had a total of 34.0 FTE.

House Bill 13-1228 was signed on March 20, 2013. Therefore, the CBI does not have 12 months of reporting data from the preceding year. The data contained herein will include actual expenditure data from July 1, 2013 through December 31, 2013, and projected expenditures from January 1, 2014 to June 30, 2014. This time period (FY 2013-14) will be used to calculate the amount of the fee. Next year's report will use the preceding 12 months for reporting purposes, or January to December 2014.

The table below shows the three expenditure categories for CBI's InstaCheck Unit: 1) Personal Services; 2) Operating Expenses; and 3) Leased Space. In FY 2013-14, the CBI was authorized to continue using General Fund for performing background checks until sufficient moneys existed in the newly created cash fund. As of October 1, 2013, the Unit is entirely funded by cash fund revenue.

John W. Hickenlooper
GOVERNOR
James H. Davis
EXECUTIVE DIRECTOR
 Colorado State
Patrol
 Colorado Bureau
of Investigation
 Division of
Criminal Justice
 Office of Preparedness,
Security and Fire Safety

Table 1: InstaCheck Costs

Row	Description	Personal Services	Operating Expenses	Leased Space*
A	General Fund	\$318,736	\$112,063	\$0
B	Cash Fund	\$683,773	\$148,297	\$94,625
C	Projected (Jan to June 2014)	\$1,135,199	\$74,253	\$94,625
D	Total	\$2,137,708	\$334,613	\$189,250

*Note: Lease payments did not begin until October 2013; however for purposes of calculating the fee amount on an annual basis, the amount shown reflects 12 months of lease payments as approved in the fully executed lease agreement.




In order to calculate the amount of the fee, the CBI projected the number of firearms background checks for FY 2013-14 at 318,314. Included in the fee calculation is an estimated cost to hire a public or private company to collect the fee as authorized in statute at 24-33.5-424 (3.5)(e) C.R.S. The CBI is beginning the procurement process to issue a Request for Proposals for the fee collection vendor. The CBI continues to estimate this cost at \$1.81 per firearms background check, or \$576,148. When the procurement process is completed in FY 2014-15, the CBI will revise the fee calculation and request to revise its appropriations accordingly.

The CBI calculates the fee for firearms background checks at \$10.17. At this time, the CBI requests to leave the fee amount unchanged at \$10.00 until it can complete the aforementioned procurement process and recalculate the fee using 12 months of actual expenditure data.

Table 2: Firearms Background Check Fee Calculation		
Row	Description	Amount
A	Personal Services	\$2,137,708
B	Operating Expenses including fee collection vendor (\$334,613 + \$576,148)	\$910,761
C	Leased Space	\$189,250
D	Subtotal (Row A + Row B + Row C)	\$3,237,719
E	Estimated Number of Firearms Background Checks	318,314
F	Estimated Cost per Firearms Background Check (Row D divided by Row E)	\$10.17

Sincerely,



Ronald C. Sloan, Director
Colorado Bureau of Investigation

cc: JBC Members
Viktor Bojilov, JBC Staff
Jim Davis, CDPS
Director Ron Sloan, CBI
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Terri Anderle, CDPS
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