



January 29, 2020

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

Dear Representative Esgar 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 (JBC) the number of full-time employees (FTE) used by the Bureau in the preceding [calendar] 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, 2019, the CBI InstaCheck Unit had a total of 35.1 FTE.

Since 2016 the fee for firearms background checks was set at \$6.00 to reduce the excess uncommitted reserve balance as required by 24-75-402 C.R.S. Beginning February 1, 2018, the Department increased the fee to \$15.00 per background check in order to match revenue earned with the projected expenses in the remaining months of FY 2017-18. From July 2018 to December 2019, the Department has maintained the fee at \$10.50 per firearms background check.

The table below shows the major expenditure categories for CBI's InstaCheck Unit in Rows A through D and totals \$3,816,612. The actual number of firearms background checks processed from January 1, 2019 to December 31, 2019 was 342,439. Dividing the actual expenses by the number of firearms background checks results in \$11.15 per firearms background check.

InstaCheck Firearms Background Check Fee Calculation		
Row	Description	Amount
A	Personal Services including benefits	\$2,839,404
B	Overhead Expenses	\$348,808
C	Operating Expenses including common policies	\$432,586
D	Leased Space	\$195,814
E	Subtotal Expenses (Row A + Row B + Row C + Row D)	\$3,816,612
F	Number of Firearms Background Checks	342,439
G	Actual Cost per Background Check (Row E / Row F)	\$11.15

While the calculated amount of \$11.15 is greater than the current fee of \$10.50, it is in part due to receiving fewer background checks in calendar year 2019 when compared to 347,095 in calendar year 2018 and having slightly higher actual expenses. However, at this time, the Department does not anticipate a change in fee and it will communicate this decision with all its customers in the coming weeks.



Sincerely,



John Camper, Director
Colorado Bureau of Investigation

Cc: JBC Members
Justin Brakke, JBC Staff
Stan Hilkey, CDPS Executive Director
John Camper, CBI Director
Chris Andrist, CBI Deputy Director
Terri Anderle, Budget Director, CDPS
Jana Locke, Deputy Executive Director, CDPS
Cooper Reveley, Legislative Liaison, CDPS
Ross Sibley, CBI InstaCheck Manager

