



February 1, 2022

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

Dear Representative McCluskie 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, 2021, the CBI InstaCheck Unit had a total of 42.3 FTE.

The table below shows the major expenditure categories for CBI’s InstaCheck Unit in Rows A through D and totals \$4,192,780. The actual number of firearms background checks processed from January 1, 2021 to December 31, 2021 was 452,777. Dividing the actual expenses by the number of firearms background checks results in \$9.26 per firearms background check.

InstaCheck Firearms Background Check Fee Calculation		
Row	Description	Amount
A	Personal Services including benefits	\$3,290,081
B	Overhead Expenses	\$363,768
C	Operating Expenses including common policies	\$460,433
D	Leased Space	\$78,498
E	Subtotal Expenses (Row A + Row B + Row C + Row D)	\$4,192,780
F	Number of Firearms Background Checks	452,777
G	Actual Cost per Background Check (Row E / Row F)	\$9.26

The calculated amount of \$9.26 is slightly less than the current fee of \$10.50, therefore we believe the fee is appropriately set. In calendar year 2021, the InstaCheck Unit received 452,777 background checks, down from the prior calendar year of 501,324 background checks. We suspect the higher number of background checks in 2020 was due to the civil unrest and concerns with regard to the national pandemic.

It has been the experience of the CBI that continually raising or lowering the fee in order to compensate for frequent and unpredictable variances in demand (and therefore revenue), is more disruptive to the Federal Firearms Licensees than leaving the fee at a consistent level while the demand cycle normalizes. Changing the fee requires reprogramming of their point of sale systems, and increases overhead



expenses. Therefore, maintaining the fee at a consistent amount would receive public support.

Sincerely,



John Camper, Director
Colorado Bureau of Investigation

Cc: JBC Members
Emily Hansen, 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
Joel Malecka, Legislative Liaison, CDPS
Ross Sibley, CBI InstaCheck Manager
Susan Medina, CBI Chief of Staff

