

Measure: Initiative 85 – PENALTIES FOR FENTANYL CRIMES

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Fiscal Summary of Initiative 85

This fiscal summary, prepared by the nonpartisan Director of Research of the Legislative Council, contains a preliminary assessment of the measure's fiscal impact. A full fiscal impact statement for this initiative is or will be available at leg.colorado.gov/bluebook. This fiscal summary identifies the following impact.

State Revenue

The bill increases state revenue by moving current fees and fines for misdemeanor offenses collected by the Denver County Court to fees and fines for felony offenses collected in state district court. This is estimated to increase revenue by around \$20,000 in FY 2026-27 (a half-year impact) and \$123,000 in FY 2027-28, with increasing revenue in future years. Based on Judicial Department data, general level 4 drug felonies are assessed, on average, about \$2,000 more in criminal fines and fees than level 1 drug misdemeanors. This revenue increase factors in assumed indigency and collection rates.

State Expenditures

The bill is estimated to increase state expenditures by around \$860,000 in FY 2026-27 and \$4.9 million in FY 2027-28, with increasing costs in future years. Costs in FY 2026-27 include costs for more judges to hear additional cases in state district court, and public defenders to provide services to defendants in longer, more complicated felony cases. Starting in FY 2027-28, prison costs will increase as additional persons are incarcerated, or incarcerated for longer periods of time. For the five-year time period from FY 2026-27 to FY 2030-31, prison costs are estimated to increase by \$44.6 million. Finally, to the extent the measure results in the state paying for additional drug treatment, expenditures will increase; however, it is unknown how many more additional individuals will be required to pursue drug treatment due to the measure.

Local Government

Similar to the state, expenditures in district attorney offices will increase to prosecute longer, more complicated felony cases. Costs and revenue to Denver County Court, however, will decrease due to cases being heard in state district court, rather than Denver County Court.

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Economic Impacts

Incarcerating additional individuals in state prison will reduce workforce participation, which may reduce economic activity from labor and spending and may increase government spending on prisons and social welfare programs. To the extent that the initiative decreases criminal activity or mandated drug treatment reduces illegal drug use, those otherwise impacted by crime or drug use may experience better economic outcomes.