

JOINT BUDGET COMMITTEE



SUPPLEMENTAL BUDGET REQUESTS FY 2022-23

DEPARTMENT OF HUMAN SERVICES (Office of Children, Youth and Families)

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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DEPARTMENT OF HUMAN SERVICES

DEPARTMENT OVERVIEW

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the state. It supervises programs that are administered at the local level by counties and other agencies and directly operates mental health institutes, regional centers for people with developmental disabilities, and institutions for juvenile delinquents. This document focuses on one division within the Department, the Office of Children, Youth and Families (OCYF). The OCYF budget includes the following subdivisions:

- The **Division of Child Welfare** provides funding for programs that protect children from harm and assist families in caring for and protecting their children. Nearly 80.0 percent of funding in this division is allocated to counties that are responsible for administering child welfare services under the supervision of the Department. County departments receive and respond to reports of potential child abuse or neglect and provide appropriate child welfare services to the child and the family, including providing for the residential care of a child when a court determines this is in the child's best interest.
- The **Division of Youth Services** is responsible for the supervision, care, and treatment of juveniles held in secure detention facilities pre- or post-adjudication, juveniles committed or sentenced by courts, and juveniles receiving six-month mandatory parole services following commitment. The agency maintains fourteen secure facilities and augments this capacity with contracts for community placements.
- The **Community Programs** subdivision includes state funding for community-based programs that target youth and families. Programs include the Juvenile Parole Board, the Tony Grampsas Youth Services Program, and the Domestic Abuse Program. The Tony Grampsas program promotes prevention and education programs designed to reduce the need for state interventions.

Certain programs within the Department receive funding through the Medicaid program. The federal Medicaid funds that support DHS programs and any state matching funds are first appropriated to the Department of Health Care Policy and Financing and subsequently reappropriated to DHS for various programs. Within the Department of Health Care Policy and Financing's budget, these funds are reflected in the section entitled: Department of Human Services Medicaid-Funded Programs (Division 7). Both divisions in this document receive reappropriated Medicaid Funds.

SUMMARY: FY 2022-23 APPROPRIATION AND RECOMMENDATION

DEPARTMENT OF HUMAN SERVICES: RECOMMENDED CHANGES FOR FY 2022-23						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
H.B. 22-1329 (Long Bill)	\$2,638,145,548	\$1,141,826,416	\$462,123,650	\$225,856,891	\$808,338,591	5,332.5
Other legislation	(86,726,158)	(84,669,770)	262,569,593	(10,062,564)	(254,563,417)	(90.8)
CURRENT FY 2022-23 APPROPRIATION:	\$2,551,419,390	\$1,057,156,646	\$724,693,243	\$215,794,327	\$553,775,174	5,241.7
RECOMMENDED CHANGES						
Current FY 2022-23 Appropriation	\$2,551,419,390	1,057,156,646	\$724,693,243	\$215,794,327	\$553,775,174	5,241.7
S1 Utilities expenses increase	2,673,286	0	0	2,673,286	0	0.0
S2 Child Welfare Licensing cash fund	182,300	0	182,300	0	0	0.0
S3 Legal Representation cash fund	626,623	0	626,623	0	0	0.0
S4 Excess Federal Title IV-E cash fund	473,057	0	473,057	0	0	0.0
S5 DYS caseload reduction	(1,800,000)	(1,565,092)	0	(125,663)	(109,245)	0.0
S6 DYS Detention bed increase	797,834	797,834	0	0	0	9.6
BHA S1 Children's behavioral health services	3,000,000	3,000,000	0	0	0	0.0
Staff-initiated H.B. 22-1278 appropriations clause technical correction	0	0	0	0	0	0.0
Staff-initiated EDO letternote correction	0	0	0	0	0	0.0
Statewide S2 ARPA stimulus funding roll-forward	0	0	0	0	0	0.0
BHA SNP1 Maternity services	(1,903,091)	0	0	(1,903,091)	0	0.0
SNP1 DOC food service inflation	273,706	0	0	273,706	0	0.0
SNP2 OIT real-time billing	3,443,532	517,541	31,664	2,351,674	542,653	0.0
SNP3 Annual fleet supplemental true-up	(47,688)	(15,600)	(2,328)	(21,090)	(8,670)	0.0
RECOMMENDED FY 2022-23 APPROPRIATION:	\$2,559,138,949	\$1,059,891,329	\$726,004,559	\$219,043,149	\$554,199,912	5,251.3
RECOMMENDED INCREASE/(DECREASE)	\$7,719,559	\$2,734,683	\$1,311,316	\$3,248,822	\$424,738	9.6
Percentage Change	0.3%	0.3%	0.2%	1.5%	0.1%	0.2%
FY 2022-23 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$1,964,540	\$1,464,752	\$401,100	(\$1,394,041)	\$1,492,729	(9.6)

*The table above provides the totals for the entire Department. Only the requests driven by the Office of Children, Youth and Families are highlighted in the table and discussed below.

REQUEST/RECOMMENDATION DESCRIPTIONS

S2 CHILD WELFARE LICENSING CASH FUND SPENDING AUTHORITY: The request includes an increase of \$182,300 cash fund spending authority from the Child Welfare Licensing cash fund in FY 2022-23 and a new line item to replace spending authority that was unintentionally removed in the creation of the new Department of Early Childhood. The Department has submitted a related budget amendment to request this adjustment for FY 2023-24 and ongoing. Staff recommends approval of the request.

S3 LEGAL REPRESENTATION CASH FUND SPENDING AUTHORITY: The request includes an increase of \$626,623 cash fund spending authority from the Title IV-E Administrative Cost Cash Fund in FY 2022-23 to align spending authority with projected revenues. The Department has submitted a related

budget amendment to request this adjustment for FY 2023-24 and ongoing. Staff recommends approval of the request.

S4 EXCESS FEDERAL TITLE IV-E CASH FUND SPENDING AUTHORITY: The request includes an increase of \$473,057 cash fund spending authority from the Excess Federal Title IV-E Reimbursements Cash Fund in FY 2022-23 to align with projected revenues. The Department has submitted a related budget amendment to request this adjustment for FY 2023-24 and ongoing. Staff recommends approval of the request.

S5 DYS CASELOAD REDUCTION: The request includes a decrease of \$1.8 million total funds, including \$1.6 million General Fund, to reflect decreased caseload in DYS commitment contract placements in FY 2022-23. The Department has submitted a related request for FY 2023-24 and ongoing. The request includes a decrease of \$125,663 reappropriated Medicaid funds from the Department of Healthcare Policy and Financing (HCPF) that will require an equal decrease in the DHS section of the HCPF budget. Staff recommends approval of the request.

S6 DYS DETENTION BED CAP INCREASE [REQUIRES LEGISLATION]: The request includes an increase of \$938,729 General Fund and 9.6 FTE in FY 2022-23 to increase the juvenile detention bed cap. The Department has submitted a related budget amendment for \$3.3 million General Fund and 38.0 FTE to implement the request on an ongoing basis beginning in FY 2023-24. The juvenile detention bed cap is set in statute and requires legislation to increase. Staff recommends legislation and an increase of \$797,834 General Fund and 9.6 FTE.

PRIORITIZED SUPPLEMENTAL REQUESTS

S2 CHILD WELFARE LICENSING CASH FUND SPENDING AUTHORITY

	REQUEST	RECOMMENDATION
TOTAL	\$182,300	\$182,300
FTE	0.0	0.0
General Fund	0	0
Cash Funds	182,300	182,300
Reappropriated Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? **YES**

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of an unforeseen contingency.

DEPARTMENT REQUEST: The Department requests an increase of \$182,300 cash fund spending authority from the Child Welfare Licensing cash fund and a new line item in FY 2022-23. The Department has submitted a related budget amendment to request the increase in FY 2023-24 and ongoing for the Committee to consider during Figure Setting.

STAFF RECOMMENDATION: Staff recommends approval of the request.

STAFF ANALYSIS:

The Child Welfare Licensing cash fund was created by H.B. 22-1295 (Department of Early Childhood), which created the new Department of Early Childhood and relocated early childhood programs from the Department of Human Services to the new Department of Early Childhood. Prior to the bill, child welfare licensing fees were deposited into a subaccount of the Child Care Licensing cash fund overseen by the Division of Early Childhood within DHS. The bill transferred the cash fund out of the Department of Human Services to the new Department of Early Childhood and created a new Child Welfare Licensing cash fund to be managed by the Department of Human Services. However, the bill did not provide the related cash fund spending authority for DHS to utilize the cash fund.

The request would provide the necessary spending authority and create a new line item so that the Department may access the existing revenue in the cash fund collected from licensing fees. If the request is not approved, the Department will not be able to expend licensing fees. Licensing fees may only be used to cover the direct and indirect costs of licensing and support 1.5 FTE in the Division of Child Welfare.

The request provides cash fund spending authority and transfers 1.5 existing FTE from the DCW Administration line item to a new Child Welfare Licensing line item supported by the Child Welfare Licensing cash fund. The Department and staff agree that the request is the result of an unforeseen contingency as the new cash fund was created after the passage of the FY 2022-23 Long Bill.

S3 LEGAL REPRESENTATION CASH FUND SPENDING AUTHORITY

	REQUEST	RECOMMENDATION
TOTAL	\$626,623	\$626,623
FTE	0.0	0.0
General Fund	0	0
Cash Funds	626,623	626,623
Reappropriated Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of new data that was not available to the Department when the original appropriation was made.

DEPARTMENT REQUEST: The Department requests an increase of \$626,623 cash fund spending authority from the Title IV-E Administrative Cost Cash Fund in FY 2022-23 to align spending authority with Title IV-E spending authority with projected revenues. The Department has submitted a related budget amendment to request this adjustment for FY 2023-24 and ongoing.

STAFF RECOMMENDATION: Staff recommends approval of the Department's request.

STAFF ANALYSIS:

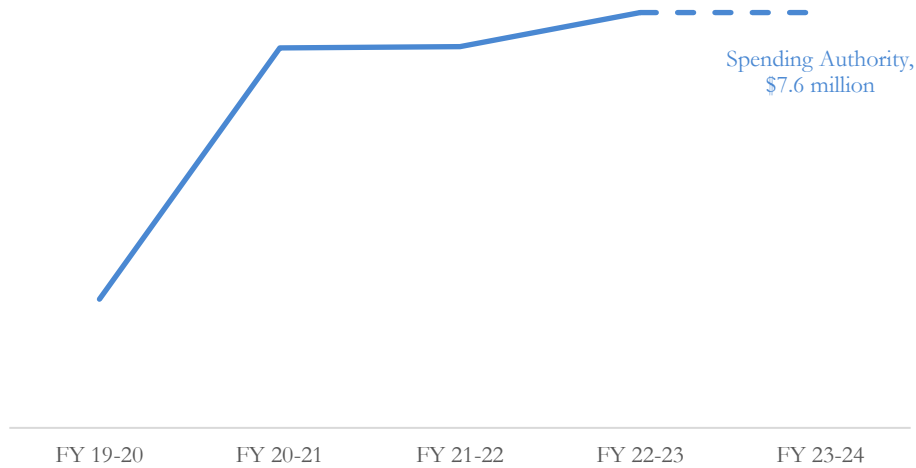
Senate Bill 19-258 (Child Welfare Prevention and Intervention Funding) created the Title IV-E Administrative Cost cash fund. The bill required that the Department submit a request for cash fund spending authority for money credited into the fund as part of the annual budget process. Cash fund revenues consist of federal Title IV-E reimbursements for certain legal administrative costs associated with out of home legal activities. As the state's Title IV-E agency, the Department of Human Services receives the reimbursements for the legal representation of:

- The Title IV-E agency;
- A candidate for Title IV-E foster care; or
- A Title IV-E eligible child in foster care and the child's parents in order to prepare for and participate in all stages of foster care related legal proceedings.

Allowable uses for the cash fund include, but are not limited to: advocacy for unhoused and at-risk youth, education advocacy, and activities and advocacy in specialty courts that serve children and families involved in the child welfare system.¹ Funds are distributed to the Office of the Child's Representative (OCR) and the Office of the Respondent Parents' Counsel (ORPC) according to Memorandums of Understanding between the agencies and DHS. Cash fund spending authority is provided in the Department of Human Services section of the Long Bill, and funds are subsequently reappropriated to the OCR and ORPC in the Judicial Branch. Historic spending authority is provided in the chart below.

¹ Section 26-2-102.5 (3)(b)(III), C.R.S.

Title IV-E Administrative Cost cash fund spending authority by fiscal year.



The Department receives updates on expected revenues from the federal government on a quarterly basis and submits annual supplemental requests to align with anticipated revenues as necessary. The Department therefore requests an increase of \$626,623 cash fund spending authority to align the Department’s cash fund spending authority with anticipated revenues. If the request is not approved, OCR and ORPC will not have the authority to spend existing federal dollars that have been drawn down to support child welfare legal representation. JBC staff agrees that the request is the result of data that was not available when the original appropriation was made, and recommends approval of the amounts as requested.

S4 EXCESS FEDERAL TITLE IV-E CASH FUND SPENDING AUTHORITY

	REQUEST	RECOMMENDATION
TOTAL	\$473,057	\$473,057
FTE	0.0	0.0
General Fund	0	0
Cash Funds	473,057	473,057
Reappropriated Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.

DEPARTMENT REQUEST: The Department requests an increase of \$626,623 cash fund spending authority from the Excess Federal Title IV-E Reimbursements cash fund in FY 2022-23 to align spending authority with adoption savings from the Title IV-E Adoption Assistance Program. The

Department has submitted a related budget amendment to request this adjustment for FY 2023-24 and ongoing.

STAFF RECOMMENDATION: JBC staff recommends approval of the Department’s request.

STAFF ANALYSIS:

The majority of federal funding available for child welfare services is from Title IV-E of the Social Security Act. Title IV-E entitles states to a partial reimbursement for the cost of providing foster care, adoption assistance, and kinship guardianship assistance to children who meet federal eligibility criteria. The Department receives Title IV-E revenues from the federal government and distributes revenues to counties in amounts equal to eligible expenses.²

The Adoption Assistance Program provides expanded eligibility for Title IV-E to youth who meet federal criteria. Additional revenues received as a result of the Adoption Assistance Program are referred to as “adoption savings” and are deposited into the Excess Title IV-E Reimbursements cash fund.³ Federal law requires that Title IV-E agencies spend adoption savings for permanency and adoptive services activities as permitted under Titles IV-B or IV-E of the Social Security Act.

Adoption savings is calculated from an assessment of Title IV-E Adoption Assistance Program claims made for children who would not have been eligible for Title IV-E adoption assistance absent the applicable child eligibility criteria. The amount is generally equal to the federal share of the claims since, in most instances, that amount would have been paid from non-federal Title IV-E agency funds. The Department provides an annual report detailing how adoption savings are spent to the federal Administration for Children and Families.

The Division of Child Welfare budget includes an adoption savings line item that is supported by the Excess Title IV-E Reimbursements cash fund and supports a variety of services. The request provided the following break-down of adoption savings programs for FY 2022-23:

TABLE 1: EXISTING ADOPTION SAVINGS PROGRAMS		
PROGRAM	CURRENT FUNDING	DESCRIPTION
Adoption Services	\$528,878	Provide additional resources to counties for adoption support.
Post Permanency Support Services	\$520,000	Services for families to prevent re-entry into foster care.
Wendy’s Wonderful Kids	\$340,000	Provides state support for WWK permanency services.
National Electronic Interstate Compact Enterprise (NEICE)	\$75,000	Membership exchange data required by the Interstate Compact on the Placement of Children.
Adoption records modernization	\$30,000	Update adoption records to a digital format.
Child Abuse and Neglect Expert Staffing	\$25,000	Provide expert case consultation to all counties.
Adoption form automation	\$20,000	Automate adoption form and train state users.
Adoption case expert	\$18,000	Review and maintain county adoption documentation.
Interstate Compact on Adoption and Medical Assistance (ICAMA)	\$7,500	Membership to utilize interstate agreements.
Existing Adoption Savings	\$1,564,378	

² Section 26-1-111 (2)(d)(II)(A), C.R.S.

³ Section 26-1-111 (2)(d)(II)(C), C.R.S.

The request includes an increase of \$473,057 cash funds to align spending authority with updated adoption savings calculations provided by quarterly federal revenue forecasts. The increased spending authority will be used for existing qualifying services and will not be used for new services.

JBC staff agrees that the request is the result of data that was not available at the time of the original appropriation. JBC staff therefore recommends approval of the Department’s request to supplement adoption services and align cash fund spending authority with adoption savings from the Title IV-E Adoption Assistance Program.

S5 DYS CONTRACT CASELOAD REDUCTION

	REQUEST	RECOMMENDATION
TOTAL	(\$1,800,000)	(\$1,800,000)
FTE	0.0	0.0
General Fund	(1,565,092)	(1,565,092)
Cash Funds	0	0
Reappropriated Funds	(125,663)	(125,663)
Federal Funds	(109,245)	(109,245)

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.

DEPARTMENT REQUEST: The Department requests a decrease of \$1.8 million total funds, including \$1.6 million General Fund, in FY 2022-23 to reflect decreased caseload for commitment contract placements in the Division of Youth Services. The Department has submitted a related budget request to implement this decrease on an ongoing basis beginning in FY 2023-24 for the Committee to consider during figure setting. The request includes a decrease of \$125,663 Medicaid funds reappropriated from the Department of Healthcare Policy and Finance (HCPF) that will require an equal decrease in the HCPF Long Bill section.

STAFF RECOMMENDATION: JBC staff recommends approval of the Department’s request.

STAFF ANALYSIS:

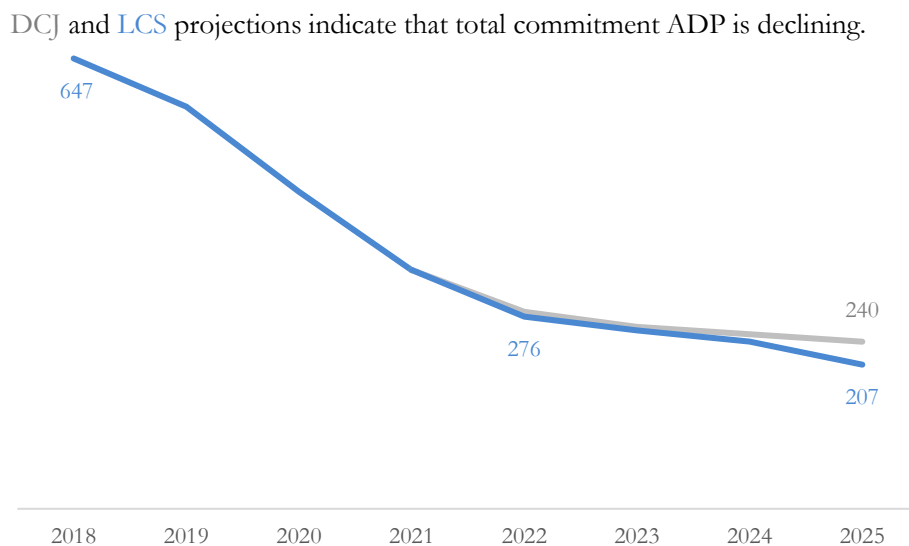
The Division of Youth Services is responsible for the supervision, care, and treatment of juveniles held in secure detention pre- or post-adjudication, juveniles committed or sentenced to the Department by courts, and juveniles receiving six-month mandatory parole services following a commitment to the Division. The Department manages 15 state-owned secure facilities for detention and commitment and augments commitment capacity with contract placements.

Contract placements are non-state housing and treatment programs utilized for “step-down” youth transitioning from commitment to allow placement in the least restrictive environment appropriate.

Contract placement caseload has decreased in recent years due to an increase in case acuity requiring more secure placements and provider closures.

BACKGROUND

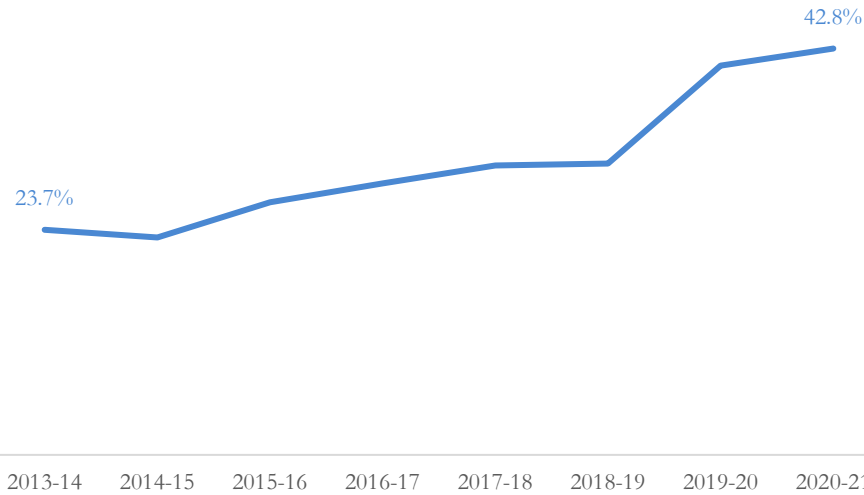
The Division adjusts funding for contract placements with the total commitment population forecast and corresponding state facility capacity. The Division of Criminal Justice (DCJ) under the Department of Public Safety and Legislative Council Staff (LCS) provide annual DYS caseload projections for detention, commitment, and parole each December. Even though commitment has decreased in recent years, there has been a reluctance to implement corresponding appropriations decreases as it was unclear to what extent decreases may have been artificial due to the impacts of the COVID-19 pandemic. The most recent total commitment caseload projections are provided in the chart below.



Even though total commitment caseload is decreasing, the treatment needs of youth entering commitment is increasing. According to the most recent DYS Annual Report, 84.0 percent of newly committed youth require formal mental health intervention and 78.0 percent require treatment level services for substance abuse.⁴ Additionally, 67.0 percent have co-occurring (both mental health and substance abuse) treatment needs. The percentage of new commitments with violent offenses increased from 31.0 to 43.0 percent in the last three fiscal years. A total of 47.7 percent of the DYS population is either a mandatory, repeat, violent or aggravated juvenile offender. The percentage of new commitments with violent offenses is provided in the chart below.

⁴ DYS Annual Report (2023). https://drive.google.com/drive/folders/1PEe_K_9Jw7PcPwMOnuL8A-z93gCFZw0b

The percentage of new commitments with violent offenses is increasing.



DYS youth are assessed at intake and throughout their length of stay to determine appropriate placement and services. Overall, the increase in case acuity has resulted in fewer youth being stepped-down into less secure contract placements in favor of more secure placements in state facilities.

REQUEST

In addition to caseload shifts, the request reflects the closure of a 32-bed Ridge View facility in Watkins, Colorado. The facility provided contract placements for DYS and county custody child welfare youth and closed after the Department did not renew the DYS contract in 2021. The Department has indicated that the decision to not renew the contract was the result of possible maltreatment occurring at the facility, as well as a general policy shift away from large congregate care settings in favor of contracting with smaller, home-like therapeutic settings.

The Department’s appropriation to the Purchase of Contract Placements line item is based on the projected commitment average daily population (ADP). The requested reduction reflects a 21.6 percent appropriation decrease. The Department anticipates that the requested reduction will allow the Department to continue to pursue small, community-based providers while accounting for projected savings. A contract placement caseload reduction has not occurred since FY 2020-21. The ADP change from FY 2020-21 to FY 2022-23 is provided in the table below.

AVERAGE DAILY POPULATION (ADP) CHANGE BY PLACEMENT					
	DETENTION ADP	COMMITMENT ADP	CONTRACT PLACEMENTS	ANNUAL CHANGE	PERCENT CHANGE
FY 2020-21	137.1	317.3	79.6		
FY 2021-22	165.5	265.5	34.9	-44.7	-56.2%
FY 2022-23 (July through Oct)	182.1	257.8	28.5	-6.4	-18.3%

The Department anticipates that if the request is not approved, the amount requested will be reverted. JBC Staff agrees that the request is the result of data not available at the time the original appropriation was made, and therefore recommends approval of the amounts as requested. Staff also requests permission to make corresponding changes to the Medicaid funds appropriated to the Department of

Health Care Policy and Financing and subsequently reappropriated to the Department of Human Services as necessary to implement the Committee’s decision.

S6 DYS DETENTION BED CAPACITY INCREASE

	REQUEST	RECOMMENDATION
TOTAL	\$938,729	\$797,834
FTE	9.6	9.6
General Fund	0	0
Cash Funds	938,729	797,834
Reappropriated Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES

[An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]

Explanation: JBC staff and the Department agree that this request is the result of data that was not available when the original appropriation was made.

DEPARTMENT REQUEST: The Department requests an increase of \$938,729 General Fund and 9.6 FTE in FY 2022-23 to increase detention capacity in the Division of Youth Services. The Department has submitted a related budget amendment for \$3.3 million General Fund and 38.0 FTE to implement this request on an ongoing basis beginning in FY 2023-24 for the Committee to consider during figure setting. The request requires legislation to increase the statutory juvenile detention bed cap from 215 to 249.

STAFF RECOMMENDATION:

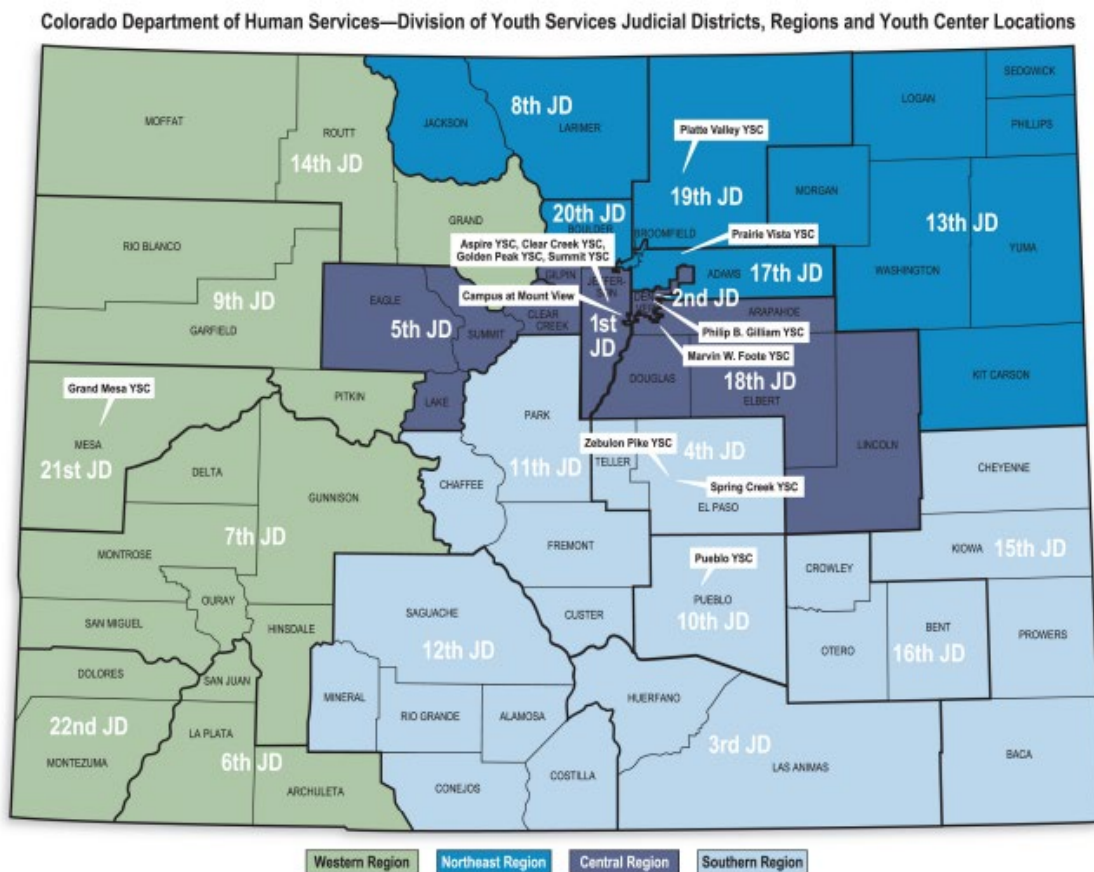
The staff recommendation includes the following components.

- The Committee sponsor legislation to increase the statutory juvenile detention bed cap from 215 to 249 as a supplemental bill.
- An increase of \$797,834 General Fund and 9.6 FTE. The staff recommendation includes all components of the request except for centrally appropriated costs in the first year to adhere to Committee common policy.

STAFF ANALYSIS:

The Division of Youth Services (DYS) provides supervision and treatment for juveniles in detention pre-adjudication (similar to adult jail) and commitment post-adjudication (similar to adult prison). DYS currently manages 15 secure facilities in total, including eight secure detention facilities located in the Denver metro area, Greeley, Colorado Springs, Pueblo, and Grand Junction. Secure detention beds are limited in statute and are allocated by a formula across the state’s 22 Judicial Districts. A map

of DYS facilities, including detention and commitment, as provided in the DYS 2021 Statistical Report are provided below.⁵



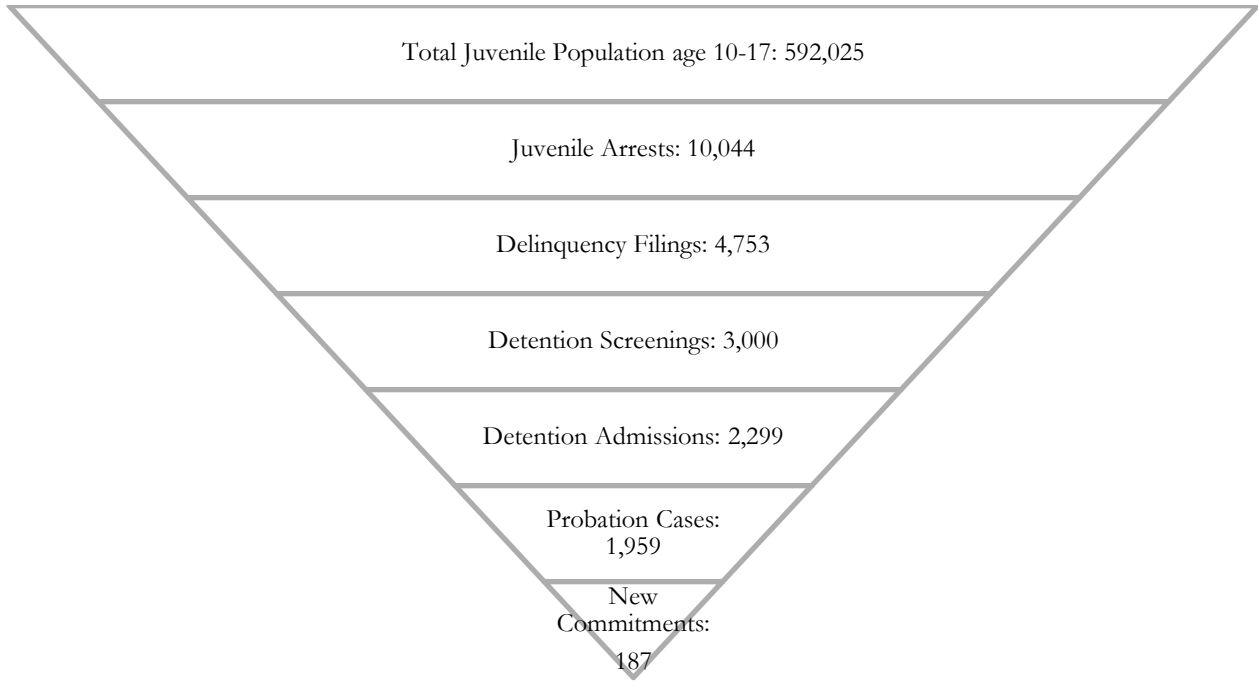
BACKGROUND

DYS is responsible for the operation of the state’s juvenile detention continuum. The continuum begins with community screening and assessment to determine appropriate placement. Placement in detention may serve two purposes: to ensure that youth accused of a delinquent act appear in hearings ordered by the court, or to serve a sentence for adjudicated youth for a period of up to 45 days. The most recent DYS Statistical Report provided the following data for FY 2020-21. Detention admissions represent 0.5 percent of the total juvenile population, 22.9 percent of juvenile arrests, and 48.7 percent of juvenile delinquency filings.

⁵ DYS Statistical Report. (2022).

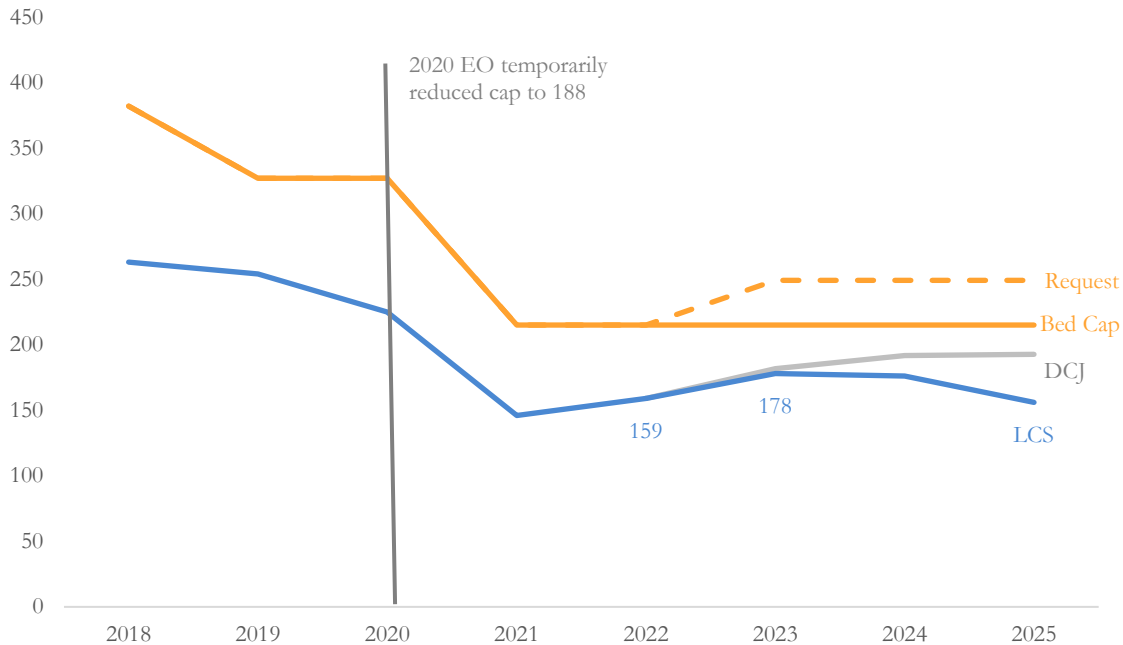
<https://drive.google.com/drive/folders/0B32vshZrERKsaDVobHR5SWVZbTQ?resourcekey=0-oyWbjA4kzlo5Imnc5SB:r9Q>

Juvenile justice decision points and statistics for FY 2020-21.



Projections for the detention caseload have increased since 2020, along with several other related metrics. The Department noted that juvenile arrests increased 19.4 percent from 2021 to 2022, and juvenile delinquency case filings increased 15.3 percent in the same time. Historic and projected detention caseload is provided in the chart below.

DYS ADP projections from DCJ and LCS are approaching the statutory bed cap and are likely underestimated.



The Department states that the capped bed system may artificially lower the actual average daily population (ADP). Judicial districts will maintain open bed space to ensure space for new admissions by releasing youth from detention who may otherwise remain in detention. A district may also borrow beds from outside their catchment area, resulting in placements that may be far from the point of arrest and family. In FY 2021-22, at least one detention center consistently operated at or above 90.0 percent of capacity, and the state came close to approaching the bed limit for the first time in 15 years. The smallest margin occurred in November 2022, when the census reached 208.

Forecasts based on ADP are also subject to high variability. While the average population over the course of the year may be 178 for 2023, that does not necessarily indicate that DYS or a particular facility is not facing capacity restrictions to manage a population above that amount on any given day. Legislative Council Staff (LCS) and JBC Staff agree that the Department’s request is in line with the most recent DYS population forecast presented to the Committee on December 20, 2022.

An increase in case acuity and violent offenses has also resulted in a need for more youth to be placed in detention, and placed for longer periods of time while they await adjudication and potential transfer to the adult court system. The most recent DYS Annual Report indicates that 3,402 youth were screened for detention in 2022.⁶ Of detention admissions, 41.0 percent were for a violent charge, a 35.0 percent increase from the prior year. The average length of stay has increased from 17.8 days in 2019 to 22.3 in 2022. Overall, the Department experienced a 10.0 percent increase in secure detention admissions from FY 2020-21 to FY 2021-22.

⁶ DYS Annual Report (2023). https://drive.google.com/drive/folders/1PEe_K_9Jw7PcPwMOnuL8A-z93gCFZw0b

RECENT LEGISLATION

Legislation has reduced the youth detention bed cap in recent years. Senate Bill 21-071 (Limit the Detention of Juveniles) most recently reduced the secure detention bed cap from 327 to 215 beds. The Department states that the reduction was based in part due to artificially decreased population numbers resulting from the COVID-19 pandemic. At the time S.B. 21-071 was implemented, an executive order had reduced the bed limit to 188 to allow for physical and social distancing within facilities, resulting in artificially lowered ADP statistics.

In order to adhere to the lowered bed cap, the minimum beds for the smallest Judicial Districts was decreased from three to two. If a two-bed allocation district detains a youth pending direct filing to adult court, the process may take a year or more and effectively half the district's bed capacity for that time.

Senate Bill 21-071 also required the Colorado Youth Detention Continuum (CYDC) Advisory Board to review data and make recommendations to the Department regarding changes to secure detention bed limits. The Board is charged with allocating the number of juvenile detention beds to each catchment area and judicial district, developing a mechanism for loaning beds between districts, and developing emergency detention release guidelines. The request is the result of a CYDC Board recommendation to increase the statutory bed cap.

While the most recent bed cap reduction was not a JBC bill, the JBC has historically sponsored legislation to decrease the bed cap to align with caseload projections. Most recently, the JBC sponsored S.B. 19-210 (Juvenile Detention Beds) to decrease the bed cap from 382 to 327 in 2019, a 55 bed decrease.

REQUEST

The requested increase represents a 15.0 percent increase in the detention bed cap from 215 beds to 249. Because the juvenile detention bed cap is set in statute, the request requires legislation. The requested appropriation is a 1.3 percent increase for partial year implementation in FY 2022-23 and a 4.6 percent increase for FY 2023-24 and ongoing that the Committee will consider during figure setting.

The request is the result of a recommendation from the CYDC Advisory Board on January 6, 2023 to raise the bed cap based on a data review. The Board recommended that the cap be raised to at least 237, and allow allocations of under/over 10.0 percent. The Department request instead reflects a flat 15.0 percent increase for more streamlined implementation and allocation. If approved, the request will open an additional two detention living units, and the remaining capacity will be spread across all detention centers.

The request includes funding to support 9.6 FTE, including centrally appropriated costs and operating expenses. Operating expenses include funding to support digital trunk radios, food costs at \$9.49 per day, and medical supplies and laundry expenses per ADP.

Staff agrees that the request is the result of data that was not available at the time of the original appropriation. Staff therefore recommends approval of the request, including legislation to increase the juvenile detention bed cap from 215 to 249. The staff recommendation includes all amounts as requested except for centrally appropriated costs in the first year pursuant to Committee common policy. Detail is provided in the table below.

RECOMMENDATION AND REQUEST DETAIL			
	FY 22-23 REQUEST	FY 22-23 RECOMMENDATION	FY 23-24 REQUEST
FTE	9.6	9.6	38.0
Salary	\$499,099	\$499,099	\$2,482,998
Centrally Appropriated Costs	140,895	-	651,242
Operating Expenses	298,735	298,735	215,880
Total	\$938,729	\$797,834	3,340,119

APPENDIX A: NUMBERS PAGES

*JBC Staff Supplemental Recommendations - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision*

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2022-23 Requested Change	FY 2022-23 Rec'd Change	FY 2022-23 Total w/Rec'd Change
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**DEPARTMENT OF HUMAN SERVICES
Michelle Barnes, Executive Director**

S2 Child welfare licensing cash fund

(3) OFFICE OF CHILDREN, YOUTH, AND FAMILIES

(B) Division of Child Welfare

Administration	<u>8,599,729</u>	<u>9,141,970</u>	<u>0</u>	<u>9,141,970</u>
FTE	67.5	74.5	(1.5)	73.0
General Fund	7,345,889	7,974,754	0	7,974,754
Cash Funds	0	0	0	0
Reappropriated Funds	40,010	66,803	0	66,803
Federal Funds	1,213,830	1,100,413	0	1,100,413
Child Welfare Licensing	<u>0</u>	<u>0</u>	<u>182,300</u>	<u>182,300</u>
FTE	0.0	0.0	1.5	1.5
Cash Funds	0	0	182,300	182,300

Total for S2 Child welfare licensing cash fund	8,599,729	9,141,970	182,300	9,324,270
FTE	<u>67.5</u>	<u>74.5</u>	<u>0.0</u>	<u>74.5</u>
General Fund	7,345,889	7,974,754	0	7,974,754
Cash Funds	0	0	182,300	182,300
Reappropriated Funds	40,010	66,803	0	66,803
Federal Funds	1,213,830	1,100,413	0	1,100,413

JBC Staff Supplemental Recommendations - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2022-23 Requested Change	FY 2022-23 Rec'd Change	FY 2022-23 Total w/Rec'd Change
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S3 Legal representation cash fund

(3) OFFICE OF CHILDREN, YOUTH, AND FAMILIES

(B) Division of Child Welfare

Child Welfare Legal Representation	<u>1,120,580</u>	<u>7,024,160</u>	<u>626,623</u>	<u>7,650,783</u>
General Fund	0	0	0	0
Cash Funds	1,120,580	7,024,160	626,623	7,650,783
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

Total for S3 Legal representation cash fund	1,120,580	7,024,160	626,623	7,650,783
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0
Cash Funds	1,120,580	7,024,160	626,623	7,650,783
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

JBC Staff Supplemental Recommendations - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2022-23 Requested Change	FY 2022-23 Rec'd Change	FY 2022-23 Total w/Rec'd Change
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S4 Excess federal Title IV-E cash fund

(3) OFFICE OF CHILDREN, YOUTH, AND FAMILIES

(B) Division of Child Welfare

Adoption Savings	<u>294,001</u>	<u>1,091,321</u>	<u>473,057</u>	<u>1,564,378</u>
General Fund	0	0	0	0
Cash Funds	294,001	1,091,321	473,057	1,564,378
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

Total for S4 Excess federal Title IV-E cash fund	294,001	1,091,321	473,057	1,564,378
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0
Cash Funds	294,001	1,091,321	473,057	1,564,378
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

JBC Staff Supplemental Recommendations - FY 2022-23
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2022-23 Requested Change	FY 2022-23 Rec'd Change	FY 2022-23 Total w/Rec'd Change
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S5 DYS caseload reduction

(3) OFFICE OF CHILDREN, YOUTH, AND FAMILIES

(C) Division of Youth Services

(III) Community Programs

Purchase of Contract Placements	4,965,585	8,511,653	(1,800,000)	6,711,653
General Fund	4,863,299	7,406,706	(1,565,092)	5,841,614
Cash Funds	0	0	0	0
Reappropriated Funds	0	584,122	(125,663)	458,459
Federal Funds	102,286	520,825	(109,245)	411,580

Total for S5 DYS caseload reduction	4,965,585	8,511,653	(1,800,000)	6,711,653
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	4,863,299	7,406,706	(1,565,092)	5,841,614
Cash Funds	0	0	0	0
Reappropriated Funds	0	584,122	(125,663)	458,459
Federal Funds	102,286	520,825	(109,245)	411,580

JBC Staff Supplemental Recommendations - FY 2022-23
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	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2022-23 Requested Change	FY 2022-23 Rec'd Change	FY 2022-23 Total w/Rec'd Change
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S6 DYS Detention bed increase

(3) OFFICE OF CHILDREN, YOUTH, AND FAMILIES

(C) Division of Youth Services

(II) Institutional Programs

Program Administration	<u>73,083,169</u>	<u>797,834</u>	<u>73,881,003</u>	<u>73,881,003</u>
FTE	934.0	9.6	943.6	943.6
General Fund	71,705,624	797,834	72,503,458	72,503,458
Cash Funds	70,000	0	70,000	70,000
Reappropriated Funds	1,294,469	0	1,294,469	1,294,469
Federal Funds	13,076	0	13,076	13,076

Total for S6 DYS Detention bed increase	73,083,169	797,834	73,881,003	73,881,003
<i>FTE</i>	<u>934.0</u>	<u>9.6</u>	<u>943.6</u>	<u>943.6</u>
General Fund	71,705,624	797,834	72,503,458	72,503,458
Cash Funds	70,000	0	70,000	70,000
Reappropriated Funds	1,294,469	0	1,294,469	1,294,469
Federal Funds	13,076	0	13,076	13,076

Totals Excluding Pending Items				
HUMAN SERVICES				
TOTALS for ALL Departmental line items	2,562,104,537	2,551,419,390	279,814	2,551,699,204
<i>FTE</i>	<u>4,862.7</u>	<u>5,241.7</u>	<u>9.6</u>	<u>5,251.3</u>
General Fund	1,115,958,940	1,057,156,646	(767,258)	1,056,389,388
Cash Funds	216,680,277	724,693,243	1,281,980	725,975,223
Reappropriated Funds	179,349,663	215,794,327	(125,663)	215,668,664
Federal Funds	1,050,115,657	553,775,174	(109,245)	553,665,929