

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 16-0917.02 Ed DeCecco x4216

HOUSE BILL 16-1411

HOUSE SPONSORSHIP

Rankin, Hamner, Young

SENATE SPONSORSHIP

Steadman, Grantham, Lambert

House Committees
Appropriations

Senate Committees
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE SUPPORTIVE RESIDENTIAL COMMUNITY PROGRAM**
102 **OPERATED AT THE FORT LYON PROPERTY, AND, IN CONNECTION**
103 **THEREWITH, REQUIRING A LONGITUDINAL EVALUATION OF THE**
104 **PROGRAM; REPEALING THE PROGRAM ON JULY 1, 2019; AND**
105 **MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Joint Budget Committee. In 2013, the general assembly enacted legislation to create a supportive residential community for individuals

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
April 1, 2016

HOUSE
Amended 2nd Reading
March 31, 2016

who are homeless that is operated at the Fort Lyon property (program). The bill repeals the program on July 1, 2019.

Prior to the repeal, the bill requires a longitudinal evaluation of the program (study) to be undertaken. The state auditor, with the concurrence of the division of housing in the department of local affairs (division), is required to contract with an independent, 3rd party to conduct the study. The state director of housing is required to appoint 3 members to a Fort Lyon study advisory committee (committee) who are experts in evaluating similar programs. The committee is required to make recommendations about the request for proposals process and the contractor selection process, and along with the division, assist the state auditor in evaluating the contractor's progress on the study.

The bill also specifies what the contractor is required to include in the study. The study will include pre- and post-evaluation of the program and, to the extent possible, utilize a matched-comparison group. A contractor may use various program and administrative data sources and comparable studies or reports for the study. The final report is due by August 1, 2018, and the contractor will also prepare a preliminary report.

The division is authorized to solicit, accept, and expend gifts, grants, and donations for the study, and the state auditor may use this money to pay the contractor.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) On September 12, 2002, the state of Colorado received the
5 Fort Lyon property, which is over five hundred acres and includes over
6 one hundred buildings;

7 (b) The department of corrections operated a correctional facility
8 on the property until it was decommissioned on March 1, 2012;

9 (c) In 2013, the general assembly enacted legislation to create a
10 supportive residential community for individuals who are homeless at the
11 property, which served two purposes: It provided ongoing preservation
12 and use of the Fort Lyon property and it addressed chronic homelessness
13 statewide;

1 (d) The department of local affairs has contracted with a private
2 contractor to establish the residential community to provide transitional
3 housing and recovery-oriented supportive services;

4 (e) The program requires nearly five million dollars a year to pay
5 for the ongoing operation and maintenance of the residential community,
6 including payments to the Colorado Coalition for the Homeless and Bent
7 County;

8 (f) The effectiveness of the program is unknown; and

9 (g) The full cost of the program, including the cost for long-term
10 maintenance of the historic facility, is uncertain.

11 (2) Now, therefore, it is the intent of the general assembly to
12 repeal the supportive residential community for individuals who are
13 homeless that is operated at the Fort Lyon property, but prior to the
14 repeal, to ■ ■ require a cost-benefit study of the program so that the
15 general assembly has sufficient information to determine whether the
16 program should be continued through additional legislation.

17 **SECTION 2.** In Colorado Revised Statutes, 24-32-703, **add** (4.5)
18 as follows:

19 **24-32-703. Definitions.** As used in this part 7, unless the context
20 otherwise requires:

21 (4.5) "FORT LYON PROPERTY" MEANS THE REAL PROPERTY
22 DESCRIBED IN THE QUITCLAIM DEED OF SEPTEMBER 12, 2002, THAT THE
23 FEDERAL SECRETARY OF VETERANS AFFAIRS CONVEYED TO THE STATE OF
24 COLORADO FOR THE PURPOSE OF OPERATING A CORRECTIONAL FACILITY.

25 **SECTION 3.** In Colorado Revised Statutes, 24-32-724, **amend**
26 **(2)(b)(1);** ■ **repeal** (1); and **add** (3) as follows:

27 **24-32-724. Fort Lyon property - supportive residential**

1 **community - definitions - repeal.** (1) ~~As used in this section, "Fort~~
2 ~~Lyon property" means the real property described in the quitclaim deed~~
3 ~~of September 12, 2002, that the federal secretary of veterans affairs~~
4 ~~conveyed to the state of Colorado for the purpose of operating a~~
5 ~~correctional facility.~~

6 (2) (b) (I) The division of housing shall enter into a contract with
7 a private contractor to establish the residential community AND OPERATE
8 IT UNTIL JUNE 30, 2019. The contractor selected by the division must be
9 experienced in providing statewide integrated housing, health care, and
10 supportive service programs for homeless individuals.

11 (3) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2019.

12 **SECTION 4.** In Colorado Revised Statutes, **add** 24-32-725 as
13 follows:

14 **24-32-725. Fort Lyon supportive residential community -**
15 **study - advisory committee - creation - definitions - repeal.** (1) AS
16 USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

17 (a) "COMMITTEE" MEANS THE FORT LYON STUDY ADVISORY
18 COMMITTEE CREATED IN PARAGRAPH (a) OF SUBSECTION (6) OF THIS
19 SECTION.

20 (b) "CONTRACTOR" MEANS THE FIRM OR PUBLIC ENTITY THAT THE
21 STATE AUDITOR CONTRACTS WITH TO PERFORM THE STUDY UNDER THIS
22 SECTION.

23 (c) "PARTICIPANT" MEANS AN INDIVIDUAL WHO ENTERED INTO THE
24 PROGRAM, REGARDLESS OF WHETHER HE OR SHE COMPLETES IT.

25 (d) "PROGRAM" MEANS THE SUPPORTIVE RESIDENTIAL COMMUNITY
26 FOR INDIVIDUALS WHO ARE HOMELESS OPERATED UNDER SECTION
27 24-32-724 AT THE FORT LYON PROPERTY FOR THE PURPOSE OF PROVIDING

1 SUBSTANCE ABUSE SUPPORTIVE SERVICES, MEDICAL CARE, JOB TRAINING,
2 AND SKILL DEVELOPMENT FOR THE RESIDENTS.

3 (e) "STUDY" MEANS THE LONGITUDINAL EVALUATION FOR WHICH
4 THE STATE AUDITOR CONTRACTS IN ACCORDANCE WITH SUBSECTION (2)
5 OF THIS SECTION.

6 (2) (a) SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE
7 AUDITOR, WITH THE CONCURRENCE OF THE DIVISION, SHALL CONTRACT
8 WITH AN INDEPENDENT, THIRD PARTY TO CONDUCT A LONGITUDINAL
9 EVALUATION OF THE PROGRAM THAT COMPLIES WITH THE REQUIREMENTS
10 OF THIS SECTION. THE STATE AUDITOR SHALL ADMINISTER A REQUEST FOR
11 PROPOSALS PROCESS AND SOLICIT FIRMS OR PUBLIC ENTITIES WITH THE
12 NECESSARY CREDENTIALS TO BID ON PERFORMING THE STUDY. THE STATE
13 AUDITOR SHALL NOT ENTER INTO A CONTRACT WITH A FIRM OR PUBLIC
14 ENTITY THAT IS INVOLVED IN THE OPERATION OF THE PROGRAM.

15 (b) IF, FOLLOWING GOOD-FAITH EFFORTS, THE STATE AUDITOR AND
16 THE DIVISION DO NOT CONCUR REGARDING THE SELECTION OF THE FIRM OR
17 FIRMS BY OCTOBER 1, 2016, THE STATE AUDITOR SHALL CONTRACT WITH
18 THE FIRM OR FIRMS PREFERRED BY THE STATE AUDITOR. IN EITHER
19 CIRCUMSTANCE, THE STATE AUDITOR SHALL ENTER INTO A CONTRACT BY
20 OCTOBER 31, 2016.

21 (c) THE STATE AUDITOR SHALL NOTIFY THE JOINT BUDGET
22 COMMITTEE OF THE GENERAL ASSEMBLY IF HE OR SHE DETERMINES THAT
23 THE AMOUNT APPROPRIATED BY THE GENERAL ASSEMBLY TO CONDUCT
24 THE STUDY IS INSUFFICIENT TO PROCURE A VENDOR TO COMPLETE THE
25 SCOPE OF THE WORK REQUIRED. IF THIS OCCURS, THE STATE AUDITOR IS
26 NOT REQUIRED TO ENTER INTO A CONTRACT FOR THE STUDY.

27 (3) A CONTRACTOR SHALL DESIGN THE STUDY TO INCLUDE A PRE-

1 AND POST-EVALUATION OF THE PROGRAM, WITH ONE TO TWO YEARS PRIOR
2 TO AND AFTER THE PARTICIPANTS' TIME IN THE PROGRAM, AND TO THE
3 EXTENT POSSIBLE TO UTILIZE A MATCHED-COMPARISON GROUP. A
4 CONTRACTOR MAY USE VARIOUS PROGRAM AND ADMINISTRATIVE DATA
5 SOURCES AND COMPARABLE STUDIES OR REPORTS FOR THE STUDY.

6 (4) IN THE STUDY, THE CONTRACTOR SHALL:

7 (a) DESCRIBE THE ANNUAL DIRECT COST OF THE PROGRAM;

8 (b) DESCRIBE ANY INDIRECT COSTS ASSOCIATED WITH THE
9 PROGRAM, INCLUDING LIFE-CYCLE COSTS RELATED TO THE BUILDINGS AND
10 GROUNDS;

11 (c) IDENTIFY THE ANNUAL AMOUNT SPENT ON THE PROGRAM BY
12 THE DIVISION OR ANY OTHER STATE AGENCY; ANY MONEY SPENT ON THE
13 PROGRAM FROM THE FEDERAL GOVERNMENT OR ANY LOCAL
14 GOVERNMENT; ANY GIFTS, GRANTS, OR DONATIONS TO THE PROGRAM; AND
15 THE VALUE OF ANY FREE PROGRAMS, WHETHER AT THE FACILITY OR
16 OFF-SITE, PROVIDED FOR THE PROGRAM PARTICIPANTS;

17 (d) DESCRIBE ANY SAVINGS, INCLUDING COST AVOIDANCE, AND
18 BENEFITS TO THE STATE AS A RESULT OF THE PROGRAM, INCLUDING
19 REDUCTIONS FOR EXPENDITURES RELATED TO HEALTH CARE AND THE
20 CRIMINAL JUSTICE SYSTEM;

21 (e) DESCRIBE ANY SAVINGS, INCLUDING COST AVOIDANCE, AND
22 BENEFITS TO THE FEDERAL GOVERNMENT, ANY LOCAL GOVERNMENT, AND
23 ANY SERVICE PROVIDERS SUPPORTED WITH PUBLIC FUNDS THAT CAN BE
24 COMPARED WITH THE COSTS AND BENEFITS FROM OTHER PROGRAMS THAT
25 SERVE A SIMILAR POPULATION;

26 (f) ANALYZE OUTCOMES FOR PARTICIPANTS FROM THE PROGRAM;

27 (g) ANALYZE OUTCOMES BASED ON THE PARTICIPANTS' LENGTH OF

1 TIME IN THE PROGRAM OR SEVERITY OF SUBSTANCE ABUSE HISTORY;

2 (h) COMPARE OUTCOMES, COSTS, AND BENEFITS FOR THE PROGRAM
3 WITH A POPULATION THAT IS SIMILAR TO THE PARTICIPANTS AND THAT IS
4 NOT RECEIVING ANY CARE; AND

5 (i) COMPARE OUTCOMES, COSTS, AND BENEFITS FOR THE PROGRAM
6 WITH OTHER PROGRAMS THAT SERVE A SIMILAR CLIENT POPULATION AND
7 HAVE SIMILAR GOALS FOR IMPROVING CLIENT WELL-BEING AND REDUCING
8 CLIENT HOMELESSNESS OVER THE LONG-TERM. THIS REQUIREMENT MAY
9 INCLUDE A COMPARISON WITH ONE OR MORE RESIDENTIAL PROGRAMS.

10 (5) THE CONTRACTOR MAY INCLUDE INFORMATION FROM ANY
11 AVAILABLE ECONOMIC DEVELOPMENT STUDY RELATED TO THE PROGRAM
12 OR THE FORT LYON PROPERTY AS PART OF THE BENEFITS TO THE STATE
13 SPECIFIED IN PARAGRAPH (d) OF SUBSECTION (4) OF THIS SECTION.

14 (6) (a) THE FORT LYON STUDY ADVISORY COMMITTEE IS CREATED
15 WITHIN THE DEPARTMENT OF LOCAL AFFAIRS. THE STATE DIRECTOR OF
16 HOUSING SHALL APPOINT AT LEAST THREE PEOPLE WHO ARE EXPERTS IN
17 EVALUATING PROGRAMS FOR INDIVIDUALS WHO ARE HOMELESS TO SERVE
18 ON THE COMMITTEE. MEMBERS SERVE AT THE PLEASURE OF THE STATE
19 DIRECTOR AND SERVE WITHOUT COMPENSATION AND WITHOUT
20 REIMBURSEMENT FOR EXPENSES. MEMBERS ARE NOT ELIGIBLE TO RESPOND
21 TO THE STATE AUDITOR'S REQUEST FOR PROPOSALS NOR BE AFFILIATED
22 WITH ANY CONTRACTOR RESPONDING TO THE REQUEST FOR PROPOSALS.

23 (b) THE COMMITTEE SHALL MAKE RECOMMENDATIONS TO THE
24 STATE AUDITOR REGARDING THE REQUEST FOR PROPOSALS PROCESS AND
25 TO THE STATE AUDITOR AND DIVISION IN REVIEWING EVALUATOR
26 PROPOSALS. THE COMMITTEE AND THE DIVISION SHALL ASSIST THE STATE
27 AUDITOR IN EVALUATING THE CONTRACTOR'S PROGRESS ON THE STUDY.

1 (c) NOTWITHSTANDING SECTION 2-3-1203, C.R.S., THE
2 COMMITTEE IS NOT SUBJECT TO THE REVIEW REQUIRED IN SECTION
3 2-3-1203, C.R.S., PRIOR TO REPEAL.

4 (7) THE CONTRACTOR SHALL SUBMIT A PRELIMINARY FINDINGS
5 REPORT TO THE STATE AUDITOR ON OR BEFORE AUGUST 1, 2017, AND
6 SHALL SUBMIT A FINAL REPORT TO THE STATE AUDITOR ON OR BEFORE
7 AUGUST 1, 2018. AFTER REVIEW BY THE LEGISLATIVE AUDIT COMMITTEE
8 IN ACCORDANCE WITH SECTION 2-3-103 (2), C.R.S., THE STATE AUDITOR
9 SHALL PROVIDE COPIES OF THE REPORTS TO THE JOINT BUDGET
10 COMMITTEE, THE LOCAL GOVERNMENT COMMITTEES OF THE HOUSE OF
11 REPRESENTATIVES AND THE SENATE, OR THEIR SUCCESSOR COMMITTEES,
12 THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ITS
13 SUCCESSOR COMMITTEE, THE HEALTH, INSURANCE, AND ENVIRONMENT
14 COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR ITS SUCCESSOR
15 COMMITTEE, THE OFFICE OF STATE PLANNING AND BUDGETING, AND THE
16 DEPARTMENT OF LOCAL AFFAIRS.

17 (8) THE DIVISION MAY SOLICIT, ACCEPT, AND EXPEND GIFTS,
18 GRANTS, OR DONATIONS TO BE USED TO PAY FOR THE REQUIRED PART OF
19 THE STUDY AND MAY TRANSFER THIS MONEY TO THE STATE AUDITOR WHO
20 MAY USE IT TO PAY THE CONTRACTOR.

21 (9) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2019.

22 **SECTION 5. Appropriation.** (1) For the 2016-17 state fiscal
23 year, \$200,000 is appropriated to the legislative department for use by the
24 office of the state auditor. This appropriation is from the general fund. To
25 implement this act, the office may use this appropriation to contract for
26 a study of the Fort Lyon supportive residential community. Any money
27 appropriated in this subsection (1) not expended prior to July 1, 2017, is

1 further appropriated to the legislative department for use by the office for
2 the 2017-18 state fiscal year for the same purpose.

3 (2) For the 2016-17 state fiscal year, \$11,875 is appropriated to
4 the department of corrections. This appropriation is from the general
5 fund. To implement this act, the department may use this appropriation
6 for contract services related to the parole subprogram. Any money
7 appropriated in this subsection (2) not expended prior to July 1, 2017, is
8 further appropriated to the department for the 2017-18 state fiscal year for
9 the same purpose.

10 **SECTION 6. Safety clause.** The general assembly hereby finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, and safety.