

## CHAPTER 154

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**GOVERNMENT - STATE**


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**HOUSE BILL 16-1411**

BY REPRESENTATIVE(S) Rankin, Hamner, Young, Duran, Esgar, Fields, Kraft-Tharp, Rosenthal, Williams, Court, Lontine, Ryden, Vigil;  
 also SENATOR(S) Steadman, Grantham, Lambert, Aguilar, Baumgardner, Crowder, Garcia, Guzman, Heath, Jahn, Johnston, Kefalas, Kerr, Martinez Humenik, Merrifield, Newell, Scott, Sonnenberg, Todd.

**AN ACT**

**CONCERNING THE SUPPORTIVE RESIDENTIAL COMMUNITY PROGRAM OPERATED AT THE FORT LYON PROPERTY, AND, IN CONNECTION THEREWITH, REQUIRING A LONGITUDINAL EVALUATION OF THE PROGRAM; AND MAKING AN APPROPRIATION.**

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

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

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

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

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

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

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

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

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

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

(2) Now, therefore, it is the intent of the general assembly to require a cost-benefit study of the program so that the general assembly has sufficient information to determine whether the program should be repealed by additional legislation.

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

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

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

**SECTION 3.** In Colorado Revised Statutes, 24-32-724, **repeal** (1); and **add** (3) as follows:

**24-32-724. Fort Lyon property - supportive residential community - definitions - repeal.** (1) ~~As used in this section, "Fort Lyon property" means the real property described in the quitclaim deed of September 12, 2002, that the federal secretary of veterans affairs conveyed to the state of Colorado for the purpose of operating a correctional facility.~~

(3) THE GENERAL ASSEMBLY MAY ENACT LEGISLATION TO REPEAL THIS SECTION FOLLOWING ITS REVIEW OF THE STUDY PREPARED IN ACCORDANCE WITH SECTION 24-32-725.

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

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

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

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

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

(d) "PROGRAM" MEANS THE SUPPORTIVE RESIDENTIAL COMMUNITY FOR INDIVIDUALS WHO ARE HOMELESS OPERATED UNDER SECTION 24-32-724 AT THE

FORT LYON PROPERTY FOR THE PURPOSE OF PROVIDING SUBSTANCE ABUSE SUPPORTIVE SERVICES, MEDICAL CARE, JOB TRAINING, AND SKILL DEVELOPMENT FOR THE RESIDENTS.

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

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

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

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

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

(4) IN THE STUDY, THE CONTRACTOR SHALL:

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

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

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

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

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

(f) ANALYZE OUTCOMES FOR PARTICIPANTS FROM THE PROGRAM;

(g) ANALYZE OUTCOMES BASED ON THE PARTICIPANTS' LENGTH OF TIME IN THE PROGRAM OR SEVERITY OF SUBSTANCE ABUSE HISTORY;

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

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

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

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

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

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

(7) THE CONTRACTOR SHALL SUBMIT A PRELIMINARY FINDINGS REPORT TO THE STATE AUDITOR ON OR BEFORE AUGUST 1, 2017, AND SHALL SUBMIT A FINAL REPORT TO THE STATE AUDITOR ON OR BEFORE AUGUST 1, 2018. AFTER REVIEW BY THE LEGISLATIVE AUDIT COMMITTEE IN ACCORDANCE WITH SECTION 2-3-103(2), C.R.S., THE STATE AUDITOR SHALL PROVIDE COPIES OF THE REPORTS TO THE JOINT BUDGET COMMITTEE, THE LOCAL GOVERNMENT COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR THEIR SUCCESSOR COMMITTEES, THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ITS SUCCESSOR

COMMITTEE, THE HEALTH, INSURANCE, AND ENVIRONMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR ITS SUCCESSOR COMMITTEE, THE OFFICE OF STATE PLANNING AND BUDGETING, AND THE DEPARTMENT OF LOCAL AFFAIRS.

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

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

**SECTION 5. Appropriation.** (1) For the 2016-17 state fiscal year, \$200,000 is appropriated to the legislative department for use by the office of the state auditor. This appropriation is from the general fund. To implement this act, the office may use this appropriation to contract for a study of the Fort Lyon supportive residential community. Any money appropriated in this subsection (1) not expended prior to July 1, 2017, is further appropriated to the legislative department for use by the office for the 2017-18 state fiscal year for the same purpose.

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

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

Approved: May 4, 2016