

First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 17-0894.01 Michael Dohr x4347

HOUSE BILL 17-1326

HOUSE SPONSORSHIP

Lee, Exum, Melton

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Gardner and Kagan, Merrifield, Priola

House Committees

Judiciary  
Appropriations

Senate Committees

Judiciary  
Appropriations

A BILL FOR AN ACT

101 CONCERNING CREATION OF THE JUSTICE REINVESTMENT CRIME  
102 PREVENTION INITIATIVE, AND, IN CONNECTION THEREWITH,  
103 FUNDING THE INITIATIVE THROUGH SAVINGS CREATED BY  
104 PAROLE REFORMS AND MAKING AND REDUCING AN  
105 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://leg.colorado.gov>.)*

The bill changes the length of time that a parolee may serve for a technical parole violation. If the parolee is on parole for a class 2 felony;

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.*

SENATE  
Amended 2nd Reading  
May 9, 2017

HOUSE  
3rd Reading Unamended  
April 28, 2017

HOUSE  
Amended 2nd Reading  
April 27, 2017

level 1 drug felony; a crime of violence, stalking, menacing, or unlawful sexual behavior; or a crime against an at-risk adult or is a sexually violent predator, the length of revocation is up to the remainder of the parolee's parole period. If the parolee is on parole for a level 2 drug felony or a class 3 nonviolent felony, the length of revocation is up to 90 days. If the parolee is on parole for a level 3 or level 4 drug felony or a class 4, class 5, or class 6 nonviolent felony, the length of revocation is up to 30 days.

The bill requires the division of adult parole to conduct a parole plan investigation prior to the parole release hearing and to inform the parole board (board) of the results of the investigation. If the board finds an inmate's parole plan inadequate, the board can table the release decision and order the department to submit a revised parole plan developed in conjunction with the inmate within 30 days of the board's order.

The bill allows the board to conduct a parole release review instead of a hearing without the presence of the inmate if the inmate is assessed "low" or "very low" on the risk assessment instrument and victim notification is not required.

The bill creates the justice reinvestment crime prevention initiative in the division of local government in the department of local affairs (division). The division shall develop the initiative to expand small business lending in the target communities of Aurora and Colorado Springs. The division will issue a request for participation from one or more nondepository community development financial institution loan funds to participate in the small business lending program. The division shall enter into a contract with the selected funds to define the operating terms of the loan program. The loans are limited to 5 years and \$50,000.

The division shall also develop the initiative to implement a grant program for programs, projects, or direct services aimed at reducing crime in the target communities. The division shall issue a request for participation to select a community foundation or foundations to manage the grant program. The division shall sign an agreement with the selected foundation or foundations that defines the role and responsibility of the foundation in managing the grant program. The grant program may fund:

- ! Academic improvement programs;
- ! Community-based services;
- ! Community engagement programs;
- ! Increasing safety and usability of common outdoor-spaces programs;
- ! Technical assistance related to data collection, data analysis, and evaluation; and
- ! Administrative costs of the foundation.

Only a nonprofit organization in good standing and registered with the internal revenue service and the Colorado secretary of state, a school, a unit of local government, or a private contractor hired to provide technical

assistance are eligible to receive grants.

The bill requires the division to present a status report to the joint judiciary committee regarding the initiative.

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

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

4 (a) On any given day, there are over 100,000 Coloradans either  
5 incarcerated or otherwise under some form of criminal justice supervision  
6 at a cost of well over one billion dollars to the state budget annually;

7 (b) However, many of the neighborhoods that experience higher  
8 crime see little to no reduction in crime overall because public safety  
9 strategies largely react to crime after the fact and fail to adequately  
10 address the root causes of crime;

11 (c) Law enforcement agencies take their role in helping to  
12 promote public safety very seriously, and they care very deeply about the  
13 communities they serve. However, it is not the role of law enforcement  
14 to address community challenges that impact crime rates such as  
15 unemployment, high school dropout rates, homelessness, or people in  
16 crisis due to mental illness or addiction.

17 (d) By many metrics, the overuse of the criminal justice system  
18 brings its own set of unintended, negative consequences by damaging  
19 families, straining police and community relations, undermining the  
20 legitimacy of the criminal justice system due to racial disparity,  
21 underserving crime victims, and making it harder for people with a  
22 criminal record to find employment and housing to support their families;

23 (e) Colorado must develop a new paradigm related to public safety  
24 that is a more comprehensive, community-based approach that focuses on

1 crime prevention from a community development perspective. This  
2 paradigm combines crime prevention, economic development, mental  
3 health and trauma recovery treatment, improving academic achievement,  
4 strengthening families, and other targeted direct services into our core  
5 public safety strategies. This new paradigm must be based on an  
6 understanding that community development strategies are also important  
7 public safety strategies.

8 (f) This new public safety paradigm framework is based on  
9 several key components. First, it needs to be geographically targeted to  
10 focus on neighborhoods that have higher rates of crime. Often attempts  
11 at crime prevention have been too dispersed to have the desired impact.  
12 Second, people at the local level are best positioned to identify crime  
13 prevention and community development priorities. Third, in order to  
14 reduce crime rates, multiple strategies must be deployed simultaneously  
15 and in a coordinated fashion. Finally, there must be engagement from the  
16 public sector and the private sector, including business, philanthropy, and  
17 nonprofit organizations.

18 (g) Justice reinvestment is also an important component of this  
19 new crime prevention framework. Justice reinvestment is an approach  
20 that identifies current ineffective expenditures in criminal justice  
21 spending, reforms those laws and practices, and reinvests the savings into  
22 other public safety strategies. Justice reinvestment has been utilized in  
23 many states across the country, including Colorado.

24 (2) Therefore, the general assembly determines it is in the best  
25 interest of the state to implement parole reforms to fund a justice  
26 reinvestment crime prevention initiative.

27 **SECTION 2.** In Colorado Revised Statutes, 17-2-103, **amend**

1 (11)(b) as follows:

2 **17-2-103. Arrest of parolee - revocation proceedings.**

3 (11) (b) (I) If the board determines that the parolee has violated parole  
4 through commission of a crime, the board may revoke parole and request  
5 the sheriff of the county in which the hearing is held to transport the  
6 parolee to a place of confinement designated by the executive director  
7 FOR UP TO THE REMAINDER OF THE PAROLE PERIOD.

8 ~~(II) If the board determines that the parolee has violated any~~  
9 ~~condition of parole other than commission of a crime or the board grants~~  
10 ~~the parolee's request to revoke his or her parole, and the parolee is not~~  
11 ~~subject to the provisions of subparagraph (I), (III), (III.5), (IV), or (VI) of~~  
12 ~~this paragraph (b), the board may:~~ IF THE BOARD DETERMINES THAT THE  
13 PAROLEE HAS VIOLATED ANY CONDITION OF PAROLE THAT DOES NOT  
14 INVOLVE THE COMMISSION OF A CRIME, AND THE PROVISIONS OF  
15 SUBSECTIONS (11)(b)(III) OR (11)(b)(III.5) OF THIS SECTION ARE NOT  
16 APPLICABLE, THE BOARD MAY REVOKE PAROLE AND REQUEST THE SHERIFF  
17 OF THE COUNTY IN WHICH THE HEARING IS HELD TO TRANSPORT THE  
18 PAROLEE TO A PLACE OF CONFINEMENT FOR UP TO THE REMAINDER OF THE  
19 PAROLE PERIOD AND ORDER THE PAROLEE CONFINED AT A FACILITY  
20 DESIGNATED BY THE EXECUTIVE DIRECTOR.

21 ~~(A) Revoke parole and request the sheriff of the county in which~~  
22 ~~the hearing is held to transport the parolee to a place of confinement~~  
23 ~~designated by the executive director; or~~

24 ~~(B) Revoke parole for a period not to exceed one hundred eighty~~  
25 ~~days and request the sheriff of the county in which the hearing is held to~~  
26 ~~transport the parolee to a community corrections program pursuant to~~  
27 ~~section 18-1.3-301 (3), C.R.S., a place of confinement within the~~

1 department of corrections, or any private facility that is under contract to  
2 the department of corrections; or

3 ~~(C) Revoke parole for a period not to exceed ninety days and~~  
4 ~~request the sheriff of the county in which the hearing is held to transport~~  
5 ~~the parolee to the county jail of such county or to any private facility that~~  
6 ~~is under contract to the department of corrections; or~~

7 ~~(D) Revoke parole for a period not to exceed one hundred eighty~~  
8 ~~days and request the sheriff of the county in which the hearing is heard to~~  
9 ~~transport the parolee to the facility described in section 17-1-206.5.~~

10 (II.5) ~~The board may extend a period of parole revocation~~  
11 ~~imposed pursuant to sub-subparagraph (A), (B), (C), or (D) of~~  
12 ~~subparagraph (II) of this paragraph (b) beyond the specified maximum if~~  
13 ~~the parolee violates a condition of the parolee's placement pursuant to the~~  
14 ~~notice and hearing procedures in this section.~~

15 (III) If the board determines that the parolee has violated any  
16 condition of parole that does not involve the commission of a crime, the  
17 parolee has no active felony warrant, felony detainer, or pending felony  
18 criminal charge, and the parolee was on parole for an offense that was a  
19 ~~level~~ LEVEL 3 OR LEVEL 4 drug felony or CLASS 4, class 5, or class 6  
20 nonviolent felony as defined in section 17-22.5-405 (5)(b), except for  
21 menacing as defined in section 18-3-206, ~~C.R.S.~~, or any unlawful sexual  
22 behavior contained in section 16-22-102 (9), ~~C.R.S.~~, or unless the parolee  
23 was subject to article 6.5 of title 18, ~~C.R.S.~~, or section 18-6-801, ~~C.R.S.~~,  
24 the board may revoke parole AND REQUEST THE SHERIFF OF THE COUNTY  
25 IN WHICH THE HEARING IS HELD TO TRANSPORT THE PAROLEE TO A PLACE  
26 OF CONFINEMENT for a period not to exceed ~~one hundred eighty~~ THIRTY  
27 days and request the sheriff of the county in which the hearing is held to

1 ~~transport the parolee to the facility described in section 17-1-206.5 (3)~~  
2 AND ORDER THE PAROLEE CONFINED AT A FACILITY DESIGNATED BY THE  
3 EXECUTIVE DIRECTOR.

4 (III.5) If the board determines that the parolee has violated any  
5 condition of parole that does not involve the commission of a crime, the  
6 parolee has no active felony warrant, felony detainer, or pending felony  
7 criminal charge, and the parolee was on parole for an offense that was a  
8 ~~level 3~~ LEVEL 2 drug felony or a ~~class 4~~ CLASS 3 nonviolent felony as  
9 defined in section 17-22.5-405 (5)(b), except for stalking as described in  
10 section 18-9-111 (4), ~~C.R.S.~~, as it existed prior to August 11, 2010, or  
11 section 18-3-602, ~~C.R.S.~~, or any unlawful sexual behavior described in  
12 section 16-22-102 (9), ~~C.R.S.~~, or unless the parolee was subject to article  
13 6.5 of title 18, ~~C.R.S.~~, or section 18-6-801, ~~C.R.S.~~, and the board revokes  
14 parole, the board may request the sheriff of the county in which the  
15 hearing is held to transport the parolee to the facility described in section  
16 17-1-206.5 (3) for a period not to exceed one hundred eighty days THE  
17 BOARD MAY REVOKE PAROLE AND REQUEST THE SHERIFF OF THE COUNTY  
18 IN WHICH THE HEARING IS HELD TO TRANSPORT THE PAROLEE TO A PLACE  
19 OF CONFINEMENT FOR UP TO NINETY DAYS AND ORDER THE PAROLEE  
20 CONFINED AT A FACILITY DESIGNATED BY THE EXECUTIVE DIRECTOR.

21 (IV) ~~If the board determines that the parolee has violated any~~  
22 ~~condition of parole other than commission of a new crime and the parolee~~  
23 ~~was not on parole for a crime of violence as defined in section 18-1.3-406~~  
24 ~~(2), C.R.S., the board may:~~

25 (A) ~~Revoke parole for a period not to exceed ninety days and~~  
26 ~~request the sheriff of the county in which the hearing is held to transport~~  
27 ~~the parolee to a place of confinement designated by the executive director~~

1 if, at the time of the revocation hearing, the inmate is assessed as below  
2 high risk based upon a research-based risk assessment instrument  
3 approved by the department of corrections and the state board of parole;  
4 or

5 (B) Revoke parole for a period not to exceed one hundred eighty  
6 days and request the sheriff of the county in which the hearing is held to  
7 transport the parolee to a place of confinement designated by the  
8 executive director if, at the time of the revocation hearing, the inmate is  
9 assessed as high risk or greater based upon a research-based risk  
10 assessment instrument approved by the department of corrections and the  
11 state board of parole; or

12 (C) Revoke parole for a period not to exceed one hundred eighty  
13 days and request the sheriff of the county in which the hearing is held to  
14 transport the parolee to a community corrections program; or

15 (D) Revoke parole for a period not to exceed one hundred eighty  
16 days and request the sheriff of the county in which the hearing is held to  
17 transport the parolee to the facility described in section 17-1-206.5.

18 (V) The board may extend a period of parole revocation imposed  
19 pursuant to sub-subparagraph (A), (B), (C), or (D) of subparagraph (IV)  
20 of this paragraph (b) beyond the specified maximum if the parolee  
21 violates a condition of the parolee's placement pursuant to the notice and  
22 hearing procedures in this section.

23 (VI) If the board determines that a parolee who has been  
24 designated as a sexually violent predator pursuant to section 18-3-414.5  
25 C.R.S., or found to be a sexually violent predator or its equivalent in any  
26 other state or jurisdiction, including but not limited to a military or federal  
27 jurisdiction, has violated any condition of parole, the board may revoke



1 parole and request the sheriff of the county in which the hearing is held  
2 to transport the parolee to FOR UP TO THE REMAINDER OF THE PAROLE  
3 PERIOD AND ORDER THE PAROLEE CONFINED AT a place of confinement  
4 designated by the executive director.

5 **SECTION 3.** In Colorado Revised Statutes, 17-1-206.5, **amend**  
6 (2)(c); and **repeal** (3) as follows:

7 **17-1-206.5. Preparole release and revocation facility -**  
8 **community return-to-custody facility.** (2) The prison described in  
9 subsection (1) of this section shall contain at least three hundred beds and  
10 incarcerate any of the following:

11 (c) Offenders whose parole has been revoked; except that such  
12 incarceration shall be for no more than ~~one hundred eighty~~ NINETY days.

13 ~~(3) In addition to the parole release and revocation facility~~  
14 ~~described in subsections (1) and (2) of this section, the department has the~~  
15 ~~authority to operate community return-to-custody facilities and provide~~  
16 ~~other support and monitoring services as a revocation facility for the~~  
17 ~~placement of nonviolent parolees whose parole is revoked pursuant to~~  
18 ~~section 17-2-103 (11)(b)(III) under the following conditions:~~

19 (a) ~~The facilities shall be limited to the placement of nonviolent~~  
20 ~~parolees whose parole is revoked pursuant to section 17-2-103~~  
21 ~~(11)(b)(III);~~

22 (b) ~~The scope of the facilities' programming shall be limited to~~  
23 ~~services and monitoring that address the failure of a nonviolent parolee~~  
24 ~~whose parole is revoked pursuant to section 17-2-103 (11)(b)(III) and will~~  
25 ~~allow for limited performance-based access to the community. A request~~  
26 ~~for proposals for such services and monitoring shall be issued by the~~  
27 ~~department on or before August 31, 2003, and the contracts awarded by~~

1 ~~November 2003.~~

2 ~~(c) The department may assess and collect fees from parolees~~  
3 ~~placed in the facility pursuant to section 17-2-103 (11)(b)(III).~~

4 **SECTION 4.** In Colorado Revised Statutes, 17-2-201, **amend**  
5 (4)(f)(I) as follows:

6 **17-2-201. State board of parole - definitions.** (4) The board has  
7 the following powers and duties:

8 (f) (I) To conduct ~~a~~ AN INITIAL OR SUBSEQUENT parole release  
9 review in lieu of a hearing, without the presence of the inmate, if:

10 (A) The application for release is for special needs parole pursuant  
11 to section 17-22.5-403.5, and victim notification is not required pursuant  
12 to section 24-4.1-302.5; ~~C.R.S.~~;

13 (B) A detainer from the United States immigration and customs  
14 enforcement agency has been filed with the department, the inmate meets  
15 the criteria for the presumption of parole in section 17-22.5-404.7, and  
16 victim notification is not required pursuant to section 24-4.1-302.5;  
17 ~~C.R.S.~~; or

18 (C) The inmate has a statutory discharge date or mandatory  
19 release date within six months after his or her next ordinarily scheduled  
20 parole hearing and victim notification is not required pursuant to section  
21 24-4.1-302.5; ~~C.R.S.~~; OR

22 (D) THE INMATE IS ASSESSED TO BE A "LOW" OR "VERY LOW" RISK  
23 ON THE VALIDATED RISK ASSESSMENT INSTRUMENT DEVELOPED PURSUANT  
24 TO SECTION 17-22.5-404 (2) AND MEETS READINESS CRITERIA  
25 ESTABLISHED BY THE BOARD AND VICTIM NOTIFICATION IS NOT REQUIRED  
26 PURSUANT TO SECTION 24-4.1-302.5.

27 **SECTION 5.** In Colorado Revised Statutes, 17-22.5-403, **amend**

1 (5) introductory portion as follows:

2 **17-22.5-403. Parole eligibility - repeal.** (5) For any offender  
3 who is incarcerated for an offense committed prior to July 1, 1993, upon  
4 application for parole, the state board of parole, working in conjunction  
5 with the department and using the guidelines established pursuant to  
6 section 17-22.5-404, shall determine whether or not to grant parole and,  
7 if granted, the length of the period of parole. PRIOR TO THE PAROLE  
8 RELEASE HEARING, THE DIVISION OF ADULT PAROLE SHALL CONDUCT A  
9 PAROLE PLAN INVESTIGATION AND INFORM THE STATE BOARD OF PAROLE  
10 OF THE RESULTS OF THE INVESTIGATION. IF THE STATE BOARD OF PAROLE  
11 FINDS AN INMATE'S PAROLE PLAN INADEQUATE, IT MAY TABLE THE PAROLE  
12 RELEASE DECISION AND REQUIRE THE DEPARTMENT TO SUBMIT A REVISED  
13 PAROLE PLAN DEVELOPED IN CONJUNCTION WITH THE INMATE WITHIN  
14 THIRTY DAYS AFTER THE PAROLE BOARD'S REQUEST. The state board of  
15 parole may set the length of the period of parole for any time period up  
16 to the date of final discharge as determined in accordance with section  
17 17-22.5-402. If an application for parole is refused by the state board of  
18 parole, the state board of parole shall reconsider within one year  
19 thereafter whether such inmate should be granted parole. The state board  
20 of parole shall continue such reconsideration each year thereafter until  
21 such inmate is granted parole or until such inmate is discharged pursuant  
22 to law; except that:

23 **SECTION 6.** In Colorado Revised Statutes, **add** 24-32-118 as  
24 follows:

25 **24-32-118. Justice reinvestment crime prevention initiative -**  
26 **program - rules - reports - repeal.** (1) (a) THE DIVISION OF LOCAL  
27 GOVERNMENT SHALL ADMINISTER THE JUSTICE REINVESTMENT CRIME

1 PREVENTION INITIATIVE TO EXPAND SMALL BUSINESS LENDING AND  
2 PROVIDE GRANTS AIMED AT REDUCING CRIME AND PROMOTING  
3 COMMUNITY DEVELOPMENT IN THE TARGET COMMUNITIES OF NORTH  
4 AURORA AND SOUTHEAST COLORADO SPRINGS.

5 (b) SUBJECT TO AVAILABLE APPROPRIATIONS, ON AND AFTER  
6 AUGUST 10, 2017, THE DIVISION SHALL DEVELOP AND IMPLEMENT AN  
7 INITIATIVE IN ACCORDANCE WITH POLICIES DEVELOPED BY THE EXECUTIVE  
8 DIRECTOR SPECIFICALLY DESIGNED TO EXPAND SMALL BUSINESS LENDING  
9 IN THE TARGET COMMUNITIES DESCRIBED IN THIS SUBSECTION (1). AN  
10 INITIATIVE DEVELOPED AND IMPLEMENTED PURSUANT TO SUBSECTION  
11 (1)(a) OF THIS SECTION SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, THE  
12 FOLLOWING COMPONENTS:

13 (I) ON OR BEFORE SEPTEMBER 10, 2017, THE DIVISION SHALL ISSUE  
14 A REQUEST FOR PARTICIPATION AND SELECT ONE OR MORE  
15 NONDEPOSITORY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION  
16 LOAN FUNDS TO PARTICIPATE IN THE SMALL BUSINESS LENDING PROGRAM  
17 DESCRIBED IN THIS SUBSECTION (1);

18 (II) THE DIVISION SHALL EXECUTE A CONTRACT AND DEVELOP AN  
19 OPERATING AGREEMENT WITH EACH PARTICIPATING NONDEPOSITORY  
20 COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND THAT  
21 PROVIDES COMPREHENSIVE GUIDANCE REGARDING THE PROCEDURES AND  
22 PROGRAM REQUIREMENTS AND LENDING STANDARDS TO INCLUDE, BUT  
23 NOT BE LIMITED TO, THE FOLLOWING SPECIFICS:

24 (A) ANY SMALL BUSINESS LOAN MUST BE MADE AT A FIXED AND  
25 REASONABLE INTEREST RATE, FOR A TERM NOT TO EXCEED SIXTY MONTHS,  
26 WITH NO PREPAYMENT PENALTY, AND A MAXIMUM LOAN VALUE OF FIFTY  
27 THOUSAND DOLLARS;

1 (B) THE PROCEDURES AND TIMELINES FOR A NONDEPOSITORY  
2 COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND TO DRAW  
3 DOWN FUNDING AND ANY DEPOSIT ACCOUNT REQUIREMENTS;

4 (C) THE TERMS AND TIMELINE FOR REPAYMENT BY THE  
5 NONDEPOSITORY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION  
6 LOAN FUND TO THE DIVISION, INCLUDING A REASONABLE GRACE PERIOD  
7 PRIOR TO COMMENCEMENT OF REPAYMENT, AND AUTHORITY FOR THE  
8 COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUNDS TO  
9 RETAIN INTEREST PAID BY THE BORROWER;

10 (D) PERMISSION FOR THE NONDEPOSITORY COMMUNITY  
11 DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND TO REQUEST FUNDING,  
12 SUBJECT TO LIMITATIONS ESTABLISHED BY THE DIRECTOR, TO PROVIDE OR  
13 CONTRACT FOR SERVICES TO INCREASE THE SKILLS OF PROSPECTIVE  
14 BORROWERS INCLUDING, BUT NOT LIMITED TO, BUSINESS AND FINANCIAL  
15 EDUCATION, MENTORSHIP, OR COMMUNITY OUTREACH FOR MARKETING  
16 PURPOSES; AND

17 (E) DATA COLLECTION REQUIREMENTS AND PERFORMANCE AND  
18 OUTCOME METRICS THAT INCLUDE, BUT ARE NOT LIMITED TO, THE  
19 NUMBER OF LOANS MADE AND CAPITAL DISBURSED AND LOAN DETAILS  
20 INCLUDING AMOUNT, RATE AND TERM, NATURE OF BUSINESS AND NUMBER  
21 OF JOBS CREATED, REPAYMENT COLLECTED, AND DELINQUENCY OR AGING  
22 REPORT;

23 (III) THE DIVISION MAY RETAIN UP TO FIFTEEN PERCENT OF  
24 FUNDING RECEIVED FOR SMALL BUSINESS LENDING IN A LOAN LOSS  
25 RESERVE FUND IF IT BELIEVES THAT SUCH RESERVE FUND WOULD  
26 INCENTIVIZE ADDITIONAL LENDERS TO EXPAND SMALL BUSINESS LENDING  
27 IN THE TWO TARGET COMMUNITIES; AND

1 (IV) ANY UNEXPENDED FUNDS ARE NOT SUBJECT TO REVERSION TO  
2 THE STATE AND MAY BE ALLOCATED IN THE SUBSEQUENT FISCAL YEAR.

3 (2) (a) SUBJECT TO AVAILABLE APPROPRIATIONS, ON AND AFTER  
4 AUGUST 10, 2017, THE DIVISION SHALL DEVELOP AND IMPLEMENT A  
5 GRANT PROGRAM TO PROVIDE FUNDING TO ELIGIBLE ENTITIES FOR  
6 PROGRAMS, PROJECTS, OR DIRECT SERVICES AIMED AT REDUCING CRIME IN  
7 THE TARGET COMMUNITIES DESCRIBED IN SUBSECTION (1) OF THIS  
8 SECTION. THE DIVISION SHALL ADMINISTER THE GRANT PROGRAM IN  
9 ACCORDANCE WITH POLICIES DEVELOPED BY THE EXECUTIVE DIRECTOR  
10 THAT INCLUDE, BUT ARE NOT LIMITED TO, THE SPECIFICS IN SUBSECTION  
11 (2)(b) OF THIS SECTION.

12 (b) ON OR BEFORE SEPTEMBER 10, 2017, THE EXECUTIVE  
13 DIRECTOR SHALL ISSUE A REQUEST FOR PARTICIPATION AND SELECT A  
14 COMMUNITY FOUNDATION OR FOUNDATIONS TO MANAGE THE GRANT  
15 PROGRAM. TO BE ELIGIBLE, THE COMMUNITY FOUNDATION MUST BE  
16 REGISTERED IN THE STATE OF COLORADO AND HAVE A HISTORY OF  
17 GRANT-MAKING IN THE TARGET COMMUNITY IN AREAS CONSISTENT WITH  
18 THE PERMISSIBLE USES OF FUNDING DESCRIBED IN SUBSECTION (2)(e) OF  
19 THIS SECTION. THE DIVISION MAY SELECT ONE COMMUNITY FOUNDATION  
20 TO SERVE BOTH TARGET COMMUNITIES OR MAY SELECT ONE COMMUNITY  
21 FOUNDATION FOR EACH TARGET COMMUNITY.

22 (c) THE DIVISION SHALL EXECUTE A WRITTEN AGREEMENT WITH  
23 THE SELECTED COMMUNITY FOUNDATION OR COMMUNITY FOUNDATIONS  
24 THAT OUTLINES THE ROLES AND RESPONSIBILITIES OF THE COMMUNITY  
25 FOUNDATION. THE ROLES AND RESPONSIBILITIES MUST INCLUDE:

26 (I) DEVELOPING A NOMINATION PROCESS AND GOVERNANCE  
27 POLICY FOR THE LOCAL CRIME PREVENTION PLANNING TEAM, SUBJECT TO

1 APPROVAL BY THE APPROPRIATE CITY COUNCIL. THE COMMUNITY  
2 FOUNDATION SHALL ENSURE THAT THE PROPOSED LOCAL PLANNING TEAM  
3 MEMBERS REPRESENT A DIVERSE CROSS-SECTION WITH EXPERTISE IN  
4 AREAS LIKE EDUCATION, BUSINESS, YOUTH, FAMILIES, NONPROFIT DIRECT  
5 SERVICE, LAW ENFORCEMENT, LOCAL GOVERNMENT, COMMUNITY, AND  
6 RESIDENTS OF THE TARGET COMMUNITIES, INCLUDING THOSE THAT HAVE  
7 BEEN DIRECTLY IMPACTED BY CRIME AND INVOLVEMENT IN THE CRIMINAL  
8 JUSTICE SYSTEM.

9 (II) PROVIDING FACILITATION TO THE LOCAL CRIME PREVENTION  
10 PLANNING TEAM IN BOTH AURORA AND COLORADO SPRINGS;

11 (III) DEVELOPING THE GRANT GUIDELINES, APPLICATION AND  
12 REVIEW PROCESS, DATA COLLECTION, AND REPORTING REQUIREMENTS FOR  
13 GRANTEES;

14 (IV) REVIEWING PROPOSALS SUBMITTED BY THE LOCAL PLANNING  
15 TEAM AND MAKING GRANT AWARDS SUBJECT TO APPROVAL BY THE  
16 DIVISION AND THE OFFICE OF STATE PLANNING AND BUDGETING AND  
17 CONSISTENT WITH THE PERMISSIBLE USES DESCRIBED IN SUBSECTION (2)(e)  
18 OF THIS SECTION;

19 (V) CONTRACTING WITH A THIRD-PARTY EVALUATOR TO ASSIST  
20 EACH LOCAL PLANNING TEAM TO ESTABLISH BEST PRACTICES WITH  
21 REGARD TO DATA COLLECTION AND IDENTIFYING APPROPRIATE  
22 PERFORMANCE AND OUTCOME MEASURES THAT MEASURE OUTCOME AND  
23 IMPACT OF ANY FUNDED CRIME PREVENTION PROJECTS, PROGRAMS, OR  
24 INITIATIVES;

25 (VI) COLLABORATING WITH THE OFFICE OF STATE PLANNING AND  
26 BUDGETING TO PROVIDE INFORMATION AND RESEARCH TO LOCAL  
27 PLANNING TEAMS REGARDING BEST PRACTICES AND EFFECTIVE PROGRAMS

1 FOR COMMUNITY DEVELOPMENT AND CRIME PREVENTION.

2 (d) THE DIVISION SHALL DEVELOP THE PROCEDURES AND  
3 TIMELINES BY WHICH THE SELECTED COMMUNITY FOUNDATION OR  
4 COMMUNITY FOUNDATIONS WILL BE PROVIDED FUNDING FROM THE  
5 DIVISION FOR DISBURSEMENT FOR THE GRANT PROGRAM.

6 (e) THE PERMISSIBLE USES OF ANY FUNDING PROVIDED TO THE  
7 COMMUNITY FOUNDATION SHALL INCLUDE PROGRAMS, PROJECTS, OR  
8 INITIATIVES THAT ARE AIMED AT:

9 (I) IMPROVING ACADEMIC ACHIEVEMENT INCLUDING, BUT NOT  
10 LIMITED TO, SCHOOL READINESS, REDUCING EXPULSIONS AND  
11 SUSPENSIONS IN SCHOOLS, INCREASING HIGH SCHOOL GRADUATION,  
12 COLLEGE ENROLLMENT AND RETENTION RATES, AND PROMOTING  
13 SCHOOL-PARENT-STUDENT ENGAGEMENT;

14 (II) PROVIDING COMMUNITY-BASED SERVICES TO STRENGTHEN  
15 FAMILIES, PROMOTE RECOVERY FROM TRAUMA, PROVIDE SUPPORT TO  
16 CRIME SURVIVORS, INCREASE EMPLOYMENT, AND REDUCE RECIDIVISM, OR  
17 OTHER SIMILAR COMMUNITY DIRECT SERVICE NEEDS IDENTIFIED BY THE  
18 LOCAL PLANNING TEAM;

19 (III) FACILITATING NEIGHBORHOOD CONNECTIONS, COMMUNITY  
20 ENGAGEMENT, AND LOCAL LEADERSHIP DEVELOPMENT;

21 (IV) INCREASING THE SAFETY AND USABILITY OF COMMON  
22 OUTDOOR SPACES; AND

23 (V) DEVELOPING TECHNICAL ASSISTANCE RELATED TO DATA  
24 COLLECTION, DATA ANALYSIS, AND EVALUATION.

25 (f) THE DIVISION SHALL TRANSFER TO THE COMMUNITY  
26 FOUNDATION WITHIN THIRTY DAYS AFTER EXECUTION OF THE AGREEMENT  
27 DESCRIBED IN SUBSECTION (2)(c) OF THIS SECTION THE ADMINISTRATIVE



1 COSTS OF THE COMMUNITY FOUNDATION RELATED TO THE PERFORMANCE  
2 OF THE ROLES AND RESPONSIBILITIES FOR MANAGING THE GRANT  
3 PROGRAM, WHICH COSTS MUST NOT EXCEED FOUR PERCENT OF THE  
4 APPROPRIATION.

5 (g) TO BE ELIGIBLE TO RECEIVE GRANT FUNDING AN ENTITY MUST  
6 BE A NONPROFIT ORGANIZATION IN GOOD STANDING AND REGISTERED  
7 WITH THE INTERNAL REVENUE SERVICE AND THE COLORADO SECRETARY  
8 OF STATE'S OFFICE, A SCHOOL, A UNIT OF LOCAL GOVERNMENT, OR A  
9 PRIVATE CONTRACTOR HIRED TO PROVIDE TECHNICAL ASSISTANCE TO THE  
10 LOCAL PLANNING TEAMS.

11 (h) ANY UNEXPENDED FUNDS ARE NOT SUBJECT TO REVERSION TO  
12 THE STATE AND MAY BE ALLOCATED IN THE SUBSEQUENT FISCAL YEAR.

13 (3) SUBSECTION (2) OF THIS SECTION AND THIS SUBSECTION (3)  
14 ARE REPEALED, EFFECTIVE SEPTEMBER 1, 2020. BEFORE SUCH REPEAL,  
15 THE DEPARTMENT OF REGULATORY AGENCIES SHALL REVIEW THE JUSTICE  
16 REINVESTMENT CRIME PREVENTION INITIATIVE PURSUANT TO SECTION  
17 24-34-104.

18 (4) ON AND AFTER DECEMBER 1, 2017, DURING ITS ANNUAL  
19 PRESENTATION BEFORE THE JOINT JUDICIARY COMMITTEE OF THE GENERAL  
20 ASSEMBLY, OR ANY SUCCESSOR JOINT COMMITTEE, PURSUANT TO SECTION  
21 2-7-203, THE DIVISION SHALL INCLUDE A STATUS REPORT REGARDING THE  
22 PROGRESS AND OUTCOMES OF THE INITIATIVES DEVELOPED AND  
23 IMPLEMENTED BY THE DIVISION PURSUANT TO THIS SECTION DURING THE  
24 PRECEDING YEAR.

25 (5) (a) THE PAROLE SAVINGS FUND, REFERRED TO IN THIS  
26 SUBSECTION (5) AS THE "FUND", IS HEREBY CREATED IN THE STATE  
27 TREASURY. THE FUND CONSISTS OF MONEY GENERATED BY SAVINGS

1 CREATED IN ENACTING HOUSE BILL 17-1326 AND APPROPRIATED TO THE  
2 FUND BY THE GENERAL ASSEMBLY.

3 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
4 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
5 FUND TO THE FUND.

6 (c) THE STATE TREASURER SHALL TRANSFER ANY UNEXPENDED  
7 AND UNENCUMBERED MONEY REMAINING IN THE FUND AT THE END OF A  
8 FISCAL YEAR TO THE GENERAL FUND.

9 (d) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL  
10 ASSEMBLY, THE DIVISION OF LOCAL GOVERNMENT MAY EXPEND MONEY  
11 FROM THE FUND TO PROVIDE SMALL BUSINESS LENDING AND GRANTS  
12 AIMED AT REDUCING CRIME AND PROMOTING COMMUNITY DEVELOPMENT  
13 IN THE TARGET COMMUNITIES OF NORTH AURORA AND SOUTHEAST  
14 COLORADO SPRINGS.

15 (e) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL  
16 ASSEMBLY, THE DEPARTMENT OF CORRECTIONS MAY EXPEND MONEY FROM  
17 THE FUND FOR EXTERNAL CAPACITY IF THE ANTICIPATED REDUCTION IN  
18 THE USE OF PRIVATE PRISON BEDS FROM THE PAROLE CHANGES ENACTED  
19 IN HOUSE BILL 17-1326 ARE NOT ACHIEVED.

20 **SECTION 7.** In Colorado Revised Statutes, 24-34-104, **add**  
21 (19)(a)(XII) as follows:

22 **24-34-104. General assembly review of regulatory agencies**  
23 **and functions for repeal, continuation, or reestablishment - legislative**  
24 **declaration - repeal.** (19) (a) The following agencies, functions, or both,  
25 ~~will~~ ARE SCHEDULED FOR repeal on September 1, 2020:

26 (XII) THE JUSTICE REINVESTMENT CRIME PREVENTION INITIATIVE  
27 CREATED IN SECTION 24-32-118.

1           **SECTION 8. Appropriation - adjustments to 2017 long bill.**

2           (1) To implement this act, appropriations made in the annual general  
3           appropriation act for the 2017-18 state fiscal year to the department of  
4           corrections are adjusted as follows:

5                 (a) The general fund appropriation for payments to local jails is  
6                 increased by \$13,595;

7                 (b) The general fund appropriation for payments to in-state private  
8                 prisons is decreased by \$2,165,720;

9                 (c) The general fund appropriation for payments to prerelease  
10                parole revocation facilities is decreased by \$1,082,860; and

11               (d) The general fund appropriation for payments to community  
12                return to custody facilities is decreased by \$2,775,738.

13           (2) For the 2017-18 state fiscal year, \$103,824 is appropriated to  
14           the department of corrections. This appropriation is from the general  
15           fund. To implement this act, the department may use this appropriation  
16           for the purchase of information technology services.

17           (3) For the 2017-18 state fiscal year, \$41,717 is appropriated to  
18           the department of corrections. This appropriation is from the general  
19           fund. To implement this act, the department may use this appropriation  
20           as follows:

21                 (a) \$36,254 for personal services related to the parole subprogram,  
22                 which amount is based on an assumption that the department will require  
23                 an additional 0.8 FTE; and

24                 (b) \$5,463 for operating expenses related to the parole  
25                 subprogram.

26           (4) For the 2017-18 state fiscal year, \$5,865,182 is appropriated  
27           to the department of local affairs. This appropriation is from the general

1 fund. To implement this act, the department may use this appropriation  
2 as follows:

3 (a) \$51,001 for use by the division of local government for field  
4 services program costs, which amount is based on an assumption that the  
5 division will require an additional 0.8 FTE;

6 (b) \$1,000,000 for use by the division of local government for  
7 small business lending;

8 (c) \$3,000,000 for use by the division of local government for  
9 grant funding;

10 (d) \$1,761,140 to the parole savings fund created in section  
11 24-32-118 (5);

12 (e) \$4,753 for the purchase of legal services; and

13 (f) \$48,288 for the purchase of information technology services.

14 (5) For the 2017-18 state fiscal year, \$4,753 is appropriated to the  
15 department of law. This appropriation is from reappropriated funds  
16 received from the department of local affairs under subsection (4)(e) of  
17 this section. To implement this act, the department of law may use this  
18 appropriation to provide legal services for the department of local affairs.

19 (6) For the 2017-18 state fiscal year, \$103,824 is appropriated to  
20 the office of the governor for use by the office of information technology.  
21 This appropriation is from reappropriated funds received from the  
22 department of corrections under subsection (2) of this section. To  
23 implement this act, the office may use this appropriation to provide  
24 information technology services for the department of corrections.

25 (7) For the 2017-18 state fiscal year, \$48,288 is appropriated to  
26 the office of the governor for use by the office of information technology.  
27 This appropriation is from reappropriated funds received from the

1 department of local affairs under subsection (4)(f) of this section. To  
2 implement this act, the office may use this appropriation to provide  
3 information technology services for the department of local affairs.

4 **SECTION 9. Act subject to petition - effective date.** This act  
5 takes effect at 12:01 a.m. on the day following the expiration of the  
6 ninety-day period after final adjournment of the general assembly (August  
7 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a  
8 referendum petition is filed pursuant to section 1 (3) of article V of the  
9 state constitution against this act or an item, section, or part of this act  
10 within such period, then the act, item, section, or part will not take effect  
11 unless approved by the people at the general election to be held in  
12 November 2018 and, in such case, will take effect on the date of the  
13 official declaration of the vote thereon by the governor.