

MEMORANDUM

TO: Members of the JBC

FROM: Steve Allen, 303-866-4961

SUBJECT: Department of Corrections. Move a GF appropriation from DCJ to DOC.

DATE: March 20, 2013

During figure setting for the Division of Criminal Justice (DCJ), staff recommended that a \$180,000 General Fund appropriation for *Intensive Residential Treatment Aftercare*, which currently appears in the Division of Criminal Justice portion of the Long Bill, be moved to the Department of Corrections (DOC). The Committee approved the DCJ portion of this recommendation, resulting in the elimination of this appropriation for the Division of Criminal Justice for FY 2013-14. During figure setting for the Department of Corrections, staff failed to make the corresponding recommendation for the Department of Corrections.

Staff recommends that a \$180,000 General Fund appropriation for intensive residential treatment aftercare be included in the Department of Corrections portion of the Long Bill for FY 2013-14 and that a corresponding \$180,000 reappropriation be eliminated from the Department of Corrections portion of the Long Bill.

Background: This appropriation provides continuing non-residential support for parolees who complete a 90 day intensive residential treatment program for substance abuse. Pursuant to Section, 17-2-103 (11) (c), C.R.S., parolees who are in danger of being revoked for substance abuse may be sent to an intensive residential treatment program to avoid revocation. Aftercare reduces the offender's likelihood of slipping back into old substance abuse habits.

The appropriation in the FY 2012-13 Long Bill to the Division of Criminal Justice is the first stage of a two-stage appropriation. The General Fund appropriation to the Division of Criminal Justice is transferred to the Department of Corrections, which uses the resulting reappropriated funds to provide aftercare for parolees. Staff recommends this move to reduce the amount of bookkeeping work currently required of the Department of Corrections and the Division of Criminal Justice. The change will also make the Long Bill easier to understand. The movement of this appropriation from the Division of Criminal Justice to the Department of Corrections does not, on net, alter State General Fund appropriations.

MEMORANDUM

TO: Chairman Steadman and Joint Budget Committee Members

FROM: Craig Harper (303-866-3481)

SUBJECT: Governor's Request for Bill to Transfer FY 2013-14 Excess General Fund to the State Education Fund

DATE: March 19, 2013

The Governor's letter dated February 15, 2013, asked the Committee to sponsor legislation this session to transfer excess General Fund revenues in FY 2013-14 to the State Education Fund.

Staff is not making a recommendation on this issue but wanted to call the request to the Committee's attention.

MEMORANDUM

TO: Joint Budget Committee

FROM: Eric Kurtz, JBC Staff (303-866-4952)

SUBJECT: Department of Health Care Policy and Financing
Comeback

DATE: March 20, 2013

Because of the entitlement nature of the Medicaid program, the Medicaid line items are provided with unlimited over-expenditure authority as long as the over-expenditures are consistent with the statutory provisions of the Medicaid program (Section 24-75-109, C.R.S.). However, the State Controller restricts the current fiscal year's appropriation until the General Assembly approves a supplemental for the prior year over expenditure. This restriction allows the JBC an opportunity to review the reasons for over expenditures and to decide if the over-expenditure could have been avoided with better management of the appropriation or if the over-expenditure occurred as a result of an unforeseen event or forecast error. The FY 2011-12 over-expenditures were due to forecast errors. To relieve FY 2011-12 overexpenditures that are restricting the FY 2012-13 appropriations, staff recommends including the following appropriations in an add-on to the Long Bill:

\$20,159	cash funds from a source to be determined through coordination with the State Controller's Office (the State Controller was not specific in identifying the fund source that is being restricted)
\$1,161,741	cash funds from the Health Care Expansion Fund
\$812,370	cash funds from the Medicaid Nursing Facility Cash Fund

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March 20, 2013

Mr. Reggie Bicha
Executive Director
Department of Human Services
1575 Sherman Street
Denver, CO 80203

Dear Mr. Bicha

The Joint Budget Committee respectfully requests the Department notify the Joint Budget Committee in writing by April 2, 2013 the status of implementing an order of selection for the significant and most significant categories for the Vocational Rehabilitation Program.

If you have any questions or concerns, please contact Megan Davisson of our staff at 303-866-2062.

Sincerely,

Senator Pat Steadman, Chair
Joint Budget Committee

Cc: Mr. John Ziegler, Staff Director, Joint Budget Committee
Mr. Henry Sobanet, Director, Office of State Planning and Budgeting