



**Colorado
Legislative
Council
Staff**

HB16-1345

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0433

Date: April 8, 2016

Prime Sponsor(s): Rep. Kagan

Bill Status: House Judiciary

Fiscal Analyst: Amanda Hayden (303-866-4918)

BILL TOPIC: SUNSET SEX OFFENDER MANAGEMENT BOARD

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018	
This bill changes and continues a program that would otherwise end September 1, 2016, so the fiscal note shows the new and continuing fiscal impacts.	New	New	Continuation
State Revenue			
State Expenditures		\$682,549	
	\$519,340	\$167,515	\$515,034
General Fund	506,096	152,172	323,183
Cash Funds			162,269
Centrally Appropriated Costs	13,244	15,343	29,582
FTE Position Change	0.8 FTE	1.0 FTE	4.7 FTE
Appropriation Required: \$506,096 - Department of Public Safety (FY 2016-17).			
Future Year Impacts: Ongoing increase in state expenditures.			

Summary of Legislation

This bill continues the Sex Offender Management Board (SOMB) in the Department of Public Safety (DPS) from September 1, 2016, to September 1, 2021. The SOMB is set to sunset on September 1, 2016.

On and after September 1, 2016, the bill requires the SOMB to request data and to evaluate the effectiveness of its standards and guidelines. The bill directs the SOMB and the Department of Regulatory Agencies (DORA) to notify one another of any complaints against a sex offender treatment provider or evaluation service and of any disciplinary action taken by either entity as a result. The SOMB must review and investigate all complaints and may take disciplinary action against an individual who provides sex-offender specific treatment, evaluation, or polygraph services that do not comply with the standards set forth by the SOMB.

Background

The purpose of the SOMB is to establish evidence-based standards for the evaluation, identification, treatment, management, and monitoring of adult sex offenders and juveniles who have committed sexual offenses. The 25 board members, who are representatives from various public and private stakeholder groups, meet monthly.

Fiscal Impact of Programs Set to Expire

This bill continues a program in DPS that is set to repeal effective September 1, 2016. Under current law, state agencies may be appropriated funds to wind up the affairs of an expiring program for 12 months following the repeal date. To account for the wind-up period, the impact of extending the program beyond the current repeal date is shown as beginning in FY 2017-18, one year after the repeal date. There is no need for an appropriation of the \$515,034 base funding or an allocation of 4.7 FTE in FY 2016-17, since the program's authorization has not yet expired, and ongoing funding for the program is included in the department's base budget request for FY 2016-17.

The state expenditures impact for FY 2016-17 reflects increases to cover the implementation of this bill. Based on the budget request for FY 2016-17 for the SOMB, continuation costs are expected to be \$429,195 and 3.9 FTE in FY 2017-18, prorated for the September 1 continuation date.

State Expenditures

The bill increases state expenditures in DPS by \$519,340 and 0.8 FTE in FY 2016-17 and by \$167,515 and 1.0 FTE in FY 2017-18. The bill also continues workload in various agencies. Costs are listed in Table 1 and explained below.

Table 1. DPS Expenditures Under HB16-1345		
Cost Components	FY 2016-17	FY 2017-18
Personal Services	\$60,916	\$81,222
FTE	0.8 FTE	1.0 FTE
Operating Expenses and Capital Outlay Costs	5,480	950
Information Technology Services	439,700	70,000
Centrally Appropriated Costs*	13,244	15,343
TOTAL	\$519,340	\$167,515

*Centrally appropriated costs are not included in the bill's appropriation.

Personal services (DPS). The SOMB will request data and information necessary to evaluate the effectiveness of their standards and guidelines from all individuals or entities providing sex-offender treatment. The SOMB requires a statistical analyst to request offender-level data for the approximately 4,500 sex offenders currently in treatment across the state, manage a database that houses this information, and conduct analyses to evaluate the effectiveness of the standards and guidelines. First year costs have been prorated to account for the bill's effective date and the General Fund pay date shift.

Information technology services (DPS). DPS requires \$439,700 in FY 2016-17 in services from the Office of Information Technology (OIT) to develop a database to house individual sex offender treatment data. The database requires \$70,000 in ongoing maintenance beginning in FY 2017-18.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Table 2. Centrally Appropriated Costs Under HB16-1345		
Cost Components	FY 2016-17	FY 2017-18
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$8,031	\$8,065
Supplemental Employee Retirement Payments	5,213	7,278
TOTAL	\$13,244	\$15,343

The bill may also increase workload for the SOMB to investigate complaints against sex offender treatment providers and to communicate with DORA about complaints received and disciplinary actions taken. This increase in workload is expected to be minimal and can be accomplished within existing appropriations.

Other agencies. The bill continues workload starting in FY 2017-18 for all agencies required to participate on the SOMB, including the Department of Corrections, the Judicial Department, and the Department of Human Services. This workload continuation can be accomplished within existing appropriations. The bill may increase workload in DORA to communicate with the SOMB about complaints received against sex offender treatment providers and any disciplinary actions taken. This increase in workload is expected to be minimal and can be accomplished within existing appropriations.

Local Government Impact

Beginning in FY 2017-18, the bill continues workload for various local government entities that have membership on the SOMB, including law enforcement, district attorneys, and county departments of social services. The fiscal note has not estimated the impact to local governments but assumes it is minimal.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State Appropriations

In FY 2016-17, the bill requires an allocation of 0.8 FTE and a General Fund appropriation of \$506,096 to DPS, \$439,700 of which should be reappropriated to OIT.

State and Local Government Contacts

Corrections
Information Technology
Public Safety

Counties
Judicial
Regulatory Agencies

Human Services
Municipalities