CHAPTER 394

## **CORRECTIONS**

HOUSE BILL 17-1326

BY REPRESENTATIVE(S) Lee, Exum, Melton, Arndt, Benavidez, Buckner, Coleman, Foote, Gray, Hamner, Hansen, Herod, Hooton, Jackson, Kennedy, Kraft-Tharp, Lontine, Michaelson Jenet, Mitsch Bush, Pabon, Pettersen, Rosenthal, Salazar, Singer, Weissman, Winter, Young, Duran, Becker K.;

also SENATOR(S) Gardner and Kagan, Merrifield, Priola, Aguilar, Court, Fenberg, Kefalas, Moreno, Todd.

## AN ACT

CONCERNING CREATION OF THE JUSTICE REINVESTMENT CRIME PREVENTION INITIATIVE, AND, IN CONNECTION THEREWITH, FUNDING THE INITIATIVE THROUGH SAVINGS CREATED BY PAROLE REFORMS AND MAKING AND REDUCING AN APPROPRIATION.

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

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

- (a) On any given day, there are over 100,000 Coloradans either incarcerated or otherwise under some form of criminal justice supervision at a cost of well over one billion dollars to the state budget annually;
- (b) However, many of the neighborhoods that experience higher crime see little to no reduction in crime overall because public safety strategies largely react to crime after the fact and fail to adequately address the root causes of crime;
- (c) Law enforcement agencies take their role in helping to promote public safety very seriously, and they care very deeply about the communities they serve. However, it is not the role of law enforcement to address community challenges that impact crime rates such as unemployment, high school dropout rates, homelessness, or people in crisis due to mental illness or addiction.
- (d) By many metrics, the overuse of the criminal justice system brings its own set of unintended, negative consequences by damaging families, straining police and community relations, undermining the legitimacy of the criminal justice system due to racial disparity, underserving crime victims, and making it harder for people with

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

a criminal record to find employment and housing to support their families;

- (e) Colorado must develop a new paradigm related to public safety that is a more comprehensive, community-based approach that focuses on crime prevention from a community development perspective. This paradigm combines crime prevention, economic development, mental health and trauma recovery treatment, improving academic achievement, strengthening families, and other targeted direct services into our core public safety strategies. This new paradigm must be based on an understanding that community development strategies are also important public safety strategies.
- (f) This new public safety paradigm framework is based on several key components. First, it needs to be geographically targeted to focus on neighborhoods that have higher rates of crime. Often attempts at crime prevention have been too dispersed to have the desired impact. Second, people at the local level are best positioned to identify crime prevention and community development priorities. Third, in order to reduce crime rates, multiple strategies must be deployed simultaneously and in a coordinated fashion. Finally, there must be engagement from the public sector and the private sector, including business, philanthropy, and nonprofit organizations.
- (g) Justice reinvestment is also an important component of this new crime prevention framework. Justice reinvestment is an approach that identifies current ineffective expenditures in criminal justice spending, reforms those laws and practices, and reinvests the savings into other public safety strategies. Justice reinvestment has been utilized in many states across the country, including Colorado.
- (2) Therefore, the general assembly determines it is in the best interest of the state to implement parole reforms to fund a justice reinvestment crime prevention initiative.

**SECTION 2.** In Colorado Revised Statutes, 17-2-103, **amend** (11)(b) as follows:

- **17-2-103. Arrest of parolee revocation proceedings.** (11) (b) (I) If the board determines that the parolee has violated parole through commission of a crime, the board may revoke parole and request the sheriff of the county in which the hearing is held to transport the parolee to a place of confinement designated by the executive director FOR UP TO THE REMAINDER OF THE PAROLE PERIOD.
- (II) If the board determines that the parolee has violated any condition of parole other than commission of a crime or the board grants the parolee's request to revoke his or her parole, and the parolee is not subject to the provisions of subparagraph (I), (III), (III.5), (IV), or (VI) of this paragraph (b), the board may: If the board determines that the parolee has violated any condition of parole that does not involve the commission of a crime, and the provisions of subsections (11)(b)(III) or (11)(b)(III.5) of this section are not applicable, the board may revoke parole and request the sheriff of the county in which the hearing is held to transport the parolee to a place of confinement for up to the remainder of the parole period and order the parolee confined at a facility designated by the executive director.

- (A) Revoke parole and request the sheriff of the county in which the hearing is held to transport the parolee to a place of confinement designated by the executive director; or
- (B) Revoke parole for a period not to exceed one hundred eighty days and request the sheriff of the county in which the hearing is held to transport the parolee to a community corrections program pursuant to section 18-1.3-301 (3), C.R.S., a place of confinement within the department of corrections, or any private facility that is under contract to the department of corrections; or
- (C) Revoke parole for a period not to exceed ninety days and request the sheriff of the county in which the hearing is held to transport the parolee to the county jail of such county or to any private facility that is under contract to the department of corrections; or
- (D) Revoke parole for a period not to exceed one hundred eighty days and request the sheriff of the county in which the hearing is heard to transport the parolee to the facility described in section 17-1-206.5.
- (II.5) The board may extend a period of parole revocation imposed pursuant to sub-subparagraph (A), (B), (C), or (D) of subparagraph (II) of this paragraph (b) beyond the specified maximum if the parolee violates a condition of the parolee's placement pursuant to the notice and hearing procedures in this section.
- (III) If the board determines that the parolee has violated any condition of parole that does not involve the commission of a crime, the parolee has no active felony warrant, felony detainer, or pending felony criminal charge, and the parolee was on parole for an offense that was a level Level 3 or Level 4 drug felony or Class 4, class 5, or class 6 nonviolent felony as defined in section 17-22.5-405 (5)(b), except for menacing as defined in section 18-3-206, C.R.S., or any unlawful sexual behavior contained in section 16-22-102 (9), C.R.S., or unless the parolee was subject to article 6.5 of title 18, C.R.S., or section 18-6-801, C.R.S., the board may revoke parole and request the sheriff of the County in which the hearing is held to transport the parolee to the facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 17-1-206.5 (3) and order the parolee Confined at a facility described in section 18-20.
- (III.5) If the board determines that the parolee has violated any condition of parole that does not involve the commission of a crime, the parolee has no active felony warrant, felony detainer, or pending felony criminal charge, and the parolee was on parole for an offense that was a level 3 LEVEL 2 drug felony or a class 4 CLASS 3 nonviolent felony as defined in section 17-22.5-405 (5)(b), except for stalking as described in section 18-9-111 (4), C.R.S., as it existed prior to August 11, 2010, or section 18-3-602, C.R.S., or any unlawful sexual behavior described in section 16-22-102 (9), C.R.S., or unless the parolee was subject to article 6.5 of title 18, C.R.S., or section 18-6-801, C.R.S., and the board revokes parole, the board may request the sheriff of the county in which the hearing is held to transport the parolee to the facility described in section 17-1-206.5 (3) for a period not to exceed one hundred eighty days THE BOARD MAY REVOKE PAROLE AND REQUEST THE

SHERIFF OF THE COUNTY IN WHICH THE HEARING IS HELD TO TRANSPORT THE PAROLEE TO A PLACE OF CONFINEMENT FOR UP TO NINETY DAYS AND ORDER THE PAROLEE CONFINED AT A FACILITY DESIGNATED BY THE EXECUTIVE DIRECTOR.

2029

- (IV) If the board determines that the parolee has violated any condition of parole other than commission of a new crime and the parolee was not on parole for a crime of violence as defined in section 18-1.3-406 (2), C.R.S., the board may:
- (A) Revoke parole for a period not to exceed ninety days and request the sheriff of the county in which the hearing is held to transport the parolee to a place of confinement designated by the executive director if, at the time of the revocation hearing, the inmate is assessed as below high risk based upon a research-based risk assessment instrument approved by the department of corrections and the state board of parole; or
- (B) Revoke parole for a period not to exceed one hundred eighty days and request the sheriff of the county in which the hearing is held to transport the parolee to a place of confinement designated by the executive director if, at the time of the revocation hearing, the inmate is assessed as high risk or greater based upon a research-based risk assessment instrument approved by the department of corrections and the state board of parole; or
- (C) Revoke parole for a period not to exceed one hundred eighty days and request the sheriff of the county in which the hearing is held to transport the parolee to a community corrections program; or
- (D) Revoke parole for a period not to exceed one hundred eighty days and request the sheriff of the county in which the hearing is held to transport the parolee to the facility described in section 17-1-206.5.
- (V) The board may extend a period of parole revocation imposed pursuant to sub-subparagraph (A), (B), (C), or (D) of subparagraph (IV) of this paragraph (b) beyond the specified maximum if the parolee violates a condition of the parolee's placement pursuant to the notice and hearing procedures in this section.
- (VI) If the board determines that a parolee who has been designated as a sexually violent predator pursuant to section 18-3-414.5 C.R.S., or found to be a sexually violent predator or its equivalent in any other state or jurisdiction, including but not limited to a military or federal jurisdiction, has violated any condition of parole, the board may revoke parole and request the sheriff of the county in which the hearing is held to transport the parolee to for up to the remainder of the parole Period and order the parolee Confined at a place of confinement designated by the executive director.
- **SECTION 3.** In Colorado Revised Statutes, 17-1-206.5, **amend** (2)(c); and **repeal** (3) as follows:
- 17-1-206.5. Preparole release and revocation facility community return-to-custody facility. (2) The prison described in subsection (1) of this section shall contain at least three hundred beds and incarcerate any of the following:

- (c) Offenders whose parole has been revoked; except that such incarceration shall be for no more than one hundred eighty NINETY days.
- (3) In addition to the preparole release and revocation facility described in subsections (1) and (2) of this section, the department has the authority to operate community return-to-custody facilities and provide other support and monitoring services as a revocation facility for the placement of nonviolent parolees whose parole is revoked pursuant to section 17-2-103 (11)(b)(III) under the following conditions:
- (a) The facilities shall be limited to the placement of nonviolent parolees whose parole is revoked pursuant to section 17-2-103 (11)(b)(III);
- (b) The scope of the facilities' programming shall be limited to services and monitoring that address the failure of a nonviolent parolee whose parole is revoked pursuant to section 17-2-103 (11)(b)(III) and will allow for limited performance-based access to the community. A request for proposals for such services and monitoring shall be issued by the department on or before August 31, 2003, and the contracts awarded by November 2003.
- (c) The department may assess and collect fees from parolees placed in the facility pursuant to section 17-2-103 (11)(b)(III).
- **SECTION 4.** In Colorado Revised Statutes, 17-2-201, **amend** (4)(f)(I) as follows:
- **17-2-201. State board of parole definitions.** (4) The board has the following powers and duties:
- (f) (I) To conduct a AN INITIAL OR SUBSEQUENT parole release review in lieu of a hearing, without the presence of the inmate, if:
- (A) The application for release is for special needs parole pursuant to section 17-22.5-403.5, and victim notification is not required pursuant to section 24-4.1-302.5; C.R.S.;
- (B) A detainer from the United States immigration and customs enforcement agency has been filed with the department, the inmate meets the criteria for the presumption of parole in section 17-22.5-404.7, and victim notification is not required pursuant to section 24-4.1-302.5; C.R.S.; or
- (C) The inmate has a statutory discharge date or mandatory release date within six months after his or her next ordinarily scheduled parole hearing and victim notification is not required pursuant to section 24-4.1-302.5; C.R.S.; OR
- (D) The inmate is assessed to be a "low" or "very low" risk on the validated risk assessment instrument developed pursuant to section 17-22.5-404(2) and meets readiness criteria established by the board and victim notification is not required pursuant to section 24-4.1-302.5.
  - SECTION 5. In Colorado Revised Statutes, 17-22.5-403, amend (5)

rections

2031

introductory portion as follows:

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

**SECTION 6.** In Colorado Revised Statutes, **add** 24-32-120 as follows:

- **24-32-120.** Justice reinvestment crime prevention initiative program rules reports repeal. (1) (a) The division of local government shall administer the justice reinvestment crime prevention initiative to expand small business lending and provide grants aimed at reducing crime and promoting community development in the target communities of north Aurora and southeast Colorado Springs.
- (b) Subject to available appropriations, on and after August 10, 2017, the division shall develop and implement an initiative in accordance with policies developed by the executive director specifically designed to expand small business lending in the target communities described in this subsection (1). An initiative developed and implemented pursuant to subsection (1)(a) of this section shall include, but need not be limited to, the following components:
- (I) On or before September 10, 2017, the division shall issue a request for participation and select one or more nondepository community development financial institution loan funds to participate in the small business lending program described in this subsection (1);
- (II) THE DIVISION SHALL EXECUTE A CONTRACT AND DEVELOP AN OPERATING AGREEMENT WITH EACH PARTICIPATING NONDEPOSITORY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND THAT PROVIDES COMPREHENSIVE GUIDANCE REGARDING THE PROCEDURES AND PROGRAM REQUIREMENTS AND LENDING STANDARDS TO INCLUDE, BUT NOT BE LIMITED TO, THE FOLLOWING SPECIFICS:
  - (A) ANY SMALL BUSINESS LOAN MUST BE MADE AT A FIXED AND REASONABLE

INTEREST RATE, FOR A TERM NOT TO EXCEED SIXTY MONTHS, WITH NO PREPAYMENT PENALTY, AND A MAXIMUM LOAN VALUE OF FIFTY THOUSAND DOLLARS;

- (B) THE PROCEDURES AND TIMELINES FOR A NONDEPOSITORY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND TO DRAW DOWN FUNDING AND ANY DEPOSIT ACCOUNT REQUIREMENTS:
- (C) THE TERMS AND TIMELINE FOR REPAYMENT BY THE NONDEPOSITORY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUND TO THE DIVISION, INCLUDING A REASONABLE GRACE PERIOD PRIOR TO COMMENCEMENT OF REPAYMENT, AND AUTHORITY FOR THE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUNDS TO RETAIN INTEREST PAID BY THE BORROWER;
- (D) Permission for the nondepository community development financial institution loan fund to request funding, subject to limitations established by the director, to provide or contract for services to increase the skills of prospective borrowers including, but not limited to, business and financial education, mentorship, or community outreach for marketing purposes; and
- (E) Data collection requirements and performance and outcome metrics that include, but are not limited to, the number of loans made and capital disbursed and loan details including amount, rate and term, nature of business and number of jobs created, repayment collected, and delinquency or aging report;
- (III) THE DIVISION MAY RETAIN UP TO FIFTEEN PERCENT OF FUNDING RECEIVED FOR SMALL BUSINESS LENDING IN A LOAN LOSS RESERVE FUND IF IT BELIEVES THAT SUCH RESERVE FUND WOULD INCENTIVIZE ADDITIONAL LENDERS TO EXPAND SMALL BUSINESS LENDING IN THE TWO TARGET COMMUNITIES; AND
- (IV) Any unexpended funds are not subject to reversion to the state and may be allocated in the subsequent fiscal year.
- (2) (a) Subject to available appropriations, on and after August 10, 2017, the division shall develop and implement a grant program to provide funding to eligible entities for programs, projects, or direct services aimed at reducing crime in the target communities described in subsection (1) of this section. The division shall administer the grant program in accordance with policies developed by the executive director that include, but are not limited to, the specifics in subsection (2)(b) of this section.
- (b) On or before September 10, 2017, the executive director shall issue a request for participation and select a community foundation or foundations to manage the grant program. To be eligible, the community foundation must be registered in the state of Colorado and have a history of grant-making in the target community in areas consistent with the permissible uses of funding described in subsection (2)(e) of this section. The division may select one community foundation to serve both target communities or may select one community foundation for each

TARGET COMMUNITY.

- (c) The division shall execute a written agreement with the selected community foundation or community foundations that outlines the roles and responsibilities of the community foundation. The roles and responsibilities must include:
- (I) Developing a nomination process and governance policy for the local crime prevention planning team, subject to approval by the appropriate city council. The community foundation shall ensure that the proposed local planning team members represent a diverse cross-section with expertise in areas like education, business, youth, families, nonprofit direct service, law enforcement, local government, community, and residents of the target communities, including those that have been directly impacted by crime and involvement in the criminal justice system.
- (II) Providing facilitation to the local crime prevention planning team in both Aurora and Colorado Springs;
- (III) DEVELOPING THE GRANT GUIDELINES, APPLICATION AND REVIEW PROCESS, DATA COLLECTION, AND REPORTING REQUIREMENTS FOR GRANTEES;
- (IV) Reviewing proposals submitted by the local planning team and making grant awards subject to approval by the division and the office of state planning and budgeting and consistent with the permissible uses described in subsection (2)(e) of this section;
- (V) CONTRACTING WITH A THIRD-PARTY EVALUATOR TO ASSIST EACH LOCAL PLANNING TEAM TO ESTABLISH BEST PRACTICES WITH REGARD TO DATA COLLECTION AND IDENTIFYING APPROPRIATE PERFORMANCE AND OUTCOME MEASURES THAT MEASURE OUTCOME AND IMPACT OF ANY FUNDED CRIME PREVENTION PROJECTS, PROGRAMS, OR INITIATIVES;
- (VI) COLLABORATING WITH THE OFFICE OF STATE PLANNING AND BUDGETING TO PROVIDE INFORMATION AND RESEARCH TO LOCAL PLANNING TEAMS REGARDING BEST PRACTICES AND EFFECTIVE PROGRAMS FOR COMMUNITY DEVELOPMENT AND CRIME PREVENTION.
- (d) The division shall develop the procedures and timelines by which the selected community foundation or community foundations will be provided funding from the division for disbursement for the grant program.
- (e) The Permissible uses of any funding provided to the community foundation shall include programs, projects, or initiatives that are aimed at:
- (I) Improving academic achievement including, but not limited to, school readiness, reducing expulsions and suspensions in schools, increasing high school graduation, college enrollment and retention

RATES, AND PROMOTING SCHOOL-PARENT-STUDENT ENGAGEMENT;

- (II) PROVIDING COMMUNITY-BASED SERVICES TO STRENGTHEN FAMILIES, PROMOTE RECOVERY FROM TRAUMA, PROVIDE SUPPORT TO CRIME SURVIVORS, INCREASE EMPLOYMENT, AND REDUCE RECIDIVISM, OR OTHER SIMILAR COMMUNITY DIRECT SERVICE NEEDS IDENTIFIED BY THE LOCAL PLANNING TEAM;
- (III) FACILITATING NEIGHBORHOOD CONNECTIONS, COMMUNITY ENGAGEMENT, AND LOCAL LEADERSHIP DEVELOPMENT;
  - (IV) INCREASING THE SAFETY AND USABILITY OF COMMON OUTDOOR SPACES; AND
- (V) DEVELOPING TECHNICAL ASSISTANCE RELATED TO DATA COLLECTION, DATA ANALYSIS, AND EVALUATION.
- (f) The division shall transfer to the community foundation within thirty days after execution of the agreement described in subsection (2)(c) of this section the administrative costs of the community foundation related to the performance of the roles and responsibilities for managing the grant program, which costs must not exceed four percent of the appropriation.
- (g) To be eligible to receive grant funding an entity must be a nonprofit organization in good standing and registered with the internal revenue service and the Colorado secretary of state's office, a school, a unit of local government, or a private contractor hired to provide technical assistance to the local planning teams.
- (h) Any unexpended funds are not subject to reversion to the state and may be allocated in the subsequent fiscal year.
- (3) Subsection (2) of this section and this subsection (3) are repealed, effective September 1, 2020. Before such repeal, the department of regulatory agencies shall review the justice reinvestment crime prevention initiative pursuant to section 24-34-104.
- (4) On and after December 1, 2017, during its annual presentation before the joint judiciary committee of the general assembly, or any successor joint committee, pursuant to section 2-7-203, the division shall include a status report regarding the progress and outcomes of the initiatives developed and implemented by the division pursuant to this section during the preceding year.
- (5) (a) The parole savings fund, referred to in this subsection (5) as the "fund", is hereby created in the state treasury. The fund consists of money generated by savings created in enacting House Bill 17-1326 and appropriated to the fund by the general assembly.
- (b) The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund.

- (c) The state treasurer shall transfer any unexpended and unencumbered money remaining in the fund at the end of a fiscal year to the general fund.
- (d) Subject to annual appropriation by the general assembly, the division of local government may expend money from the fund to provide small business lending and grants aimed at reducing crime and promoting community development in the target communities of north Aurora and southeast Colorado Springs.
- (e) Subject to annual appropriation by the general assembly, the department of corrections may expend money from the fund for external capacity if the anticipated reduction in the use of private prison beds from the parole changes enacted in House Bill 17-1326 are not achieved.
- **SECTION 7.** In Colorado Revised Statutes, 24-34-104, **add** (19)(a)(XIV) as follows:
- **24-34-104.** General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment legislative declaration repeal. (19)(a) The following agencies, functions, or both, will ARE SCHEDULED FOR repeal on September 1, 2020:
- (XIV) THE JUSTICE REINVESTMENT CRIME PREVENTION INITIATIVE CREATED IN SECTION 24-32-120.
- **SECTION 8. Appropriation adjustments to 2017 long bill.** (1) To implement this act, appropriations made in the annual general appropriation act for the 2017-18 state fiscal year to the department of corrections are adjusted as follows:
- (a) The general fund appropriation for payments to local jails is increased by \$13,595;
- (b) The general fund appropriation for payments to in-state private prisons is decreased by \$2,165,720;
- (c) The general fund appropriation for payments to prerelease parole revocation facilities is decreased by \$1,082,860; and
- (d) The general fund appropriation for payments to community return to custody facilities is decreased by \$2,775,738.
- (2) For the 2017-18 state fiscal year, \$103,824 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 the purchase of information technology services.
- (3) For the 2017-18 state fiscal year, \$41,717 is appropriated to the department of corrections. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:

- (a) \$36,254 for personal services related to the parole subprogram, which amount is based on an assumption that the department will require an additional 0.8 FTE; and
  - (b) \$5,463 for operating expenses related to the parole subprogram.
- (4) For the 2017-18 state fiscal year, \$5,865,182 is appropriated to the department of local affairs. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:
- (a) \$51,001 for use by the division of local government for field services program costs, which amount is based on an assumption that the division will require an additional 0.8 FTE;
- (b) \$1,000,000 for use by the division of local government for small business lending;
  - (c) \$3,000,000 for use by the division of local government for grant funding;
  - (d) \$1,761,140 to the parole savings fund created in section 24-32-120 (5);
  - (e) \$4,753 for the purchase of legal services; and
  - (f) \$48,288 for the purchase of information technology services.
- (5) For the 2017-18 state fiscal year, \$4,753 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of local affairs under subsection (4)(e) of this section. To implement this act, the department of law may use this appropriation to provide legal services for the department of local affairs.
- (6) For the 2017-18 state fiscal year, \$103,824 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of corrections under subsection (2) of this section. To implement this act, the office may use this appropriation to provide information technology services for the department of corrections.
- (7) For the 2017-18 state fiscal year, \$48,288 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of local affairs under subsection (4)(f) of this section. To implement this act, the office may use this appropriation to provide information technology services for the department of local affairs.
- **SECTION 9.** Act subject to petition effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2018

and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 6, 2017