

SENATE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

March 15, 2017  
Date

Committee on Judiciary.

After consideration on the merits, the Committee recommends the following:

SB17-021 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

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

5 (a) Individuals with serious mental health disorders number fewer  
6 than four in every 100 American adults but occupy at least one in five of  
7 America's prison and jail beds; whereas, in the community, only 11.7 state  
8 hospital beds remain per 100,000 people, leaving the state with fewer  
9 hospital beds per capita than at any time since before the nation stopped  
10 criminalizing mental health disorders in the 1850s;

11 (b) Inmates with a mental health disorder spend five and a half  
12 times longer in custody than the average inmate;

13 (c) In 2010, the department of corrections and county jail systems  
14 spent \$93 million of taxpayers' money on mental health services. This  
15 amounts to \$2,083 per prisoner for mental health services. In that same  
16 year, only 53% of the state's known behavioral health expenditures were  
17 spent through the formal public health system, the remainder being spent  
18 through the prison and jail system, child welfare system, and hospitals.

19 (d) Correctional facilities and county jails are not designed and do  
20 not have the resources to handle or treat inmates with a behavioral or  
21 mental health disorder but have become de facto mental health  
22 institutions;

23 (e) Inmates with behavioral or mental health disorders are

1 frequently released into the community after incarceration homeless and  
2 with no or insufficient supportive services;

3 (f) Housing alone is not sufficient to improve outcomes; however,  
4 supportive housing models with specific support services are critical to  
5 success in reducing recidivism of persons with behavioral or mental  
6 health disorders transitioning between homelessness and incarceration;

7 (g) The state spends \$666 per day for a bed at the Colorado mental  
8 health institute at Pueblo, one of Colorado's state-operated inpatient,  
9 psychiatric hospitals; and

10 (h) The state has a shortage of crisis beds, which results in  
11 individuals in crisis remaining homeless or in less than ideal housing, like  
12 jails, while awaiting appropriate placement.

13 **SECTION 2.** In Colorado Revised Statutes, **add** 24-32-723.5 as  
14 follows:

15 **24-32-723.5. Housing assistance for a person with a behavioral**  
16 **or mental health disorder in the criminal or juvenile justice system**

17 **- cash fund - definition.** (1) AS USED IN THIS SECTION, UNLESS THE  
18 CONTEXT OTHERWISE REQUIRES, "PERSON WITH A BEHAVIORAL OR  
19 MENTAL HEALTH DISORDER" MEANS AN INDIVIDUAL WHO HAS OR, AT ANY  
20 TIME DURING THE PREVIOUS TWELVE MONTHS, HAD A DIAGNOSABLE  
21 MENTAL, BEHAVIORAL, OR EMOTIONAL DISORDER OF SUFFICIENT  
22 DURATION TO MEET DIAGNOSTIC CRITERIA SPECIFIED WITHIN THE  
23 DIAGNOSTIC AND STATISTICAL MANUAL OF MENTAL DISORDERS,  
24 RESULTING IN FUNCTIONAL IMPAIRMENT THAT INTERFERES WITH OR LIMITS  
25 ONE OR MORE MAJOR LIFE ACTIVITIES.

26 (2) IN CONJUNCTION WITH ITS OTHER PROGRAMS TO PROVIDE  
27 ASSISTANCE IN OBTAINING HOUSING, THE DIVISION SHALL ESTABLISH A  
28 PROGRAM THAT PROVIDES VOUCHERS AND OTHER SUPPORT SERVICES FOR  
29 HOUSING ASSISTANCE FOR A PERSON WITH A MENTAL HEALTH DISORDER  
30 OR CO-OCCURRING BEHAVIORAL HEALTH DISORDER WHO IS TRANSITIONING  
31 FROM THE DEPARTMENT OF CORRECTIONS, THE DIVISION OF YOUTH  
32 CORRECTIONS IN THE DEPARTMENT OF HUMAN SERVICES, OR A COUNTY  
33 JAIL INTO THE COMMUNITY.

34 (3) THE DIVISION SHALL ALSO PROVIDE GRANTS OR LOANS FOR THE  
35 ACQUISITION, CONSTRUCTION, OR REHABILITATION OF RENTAL HOUSING  
36 FOR PERSONS WITH BEHAVIORAL OR MENTAL HEALTH DISORDERS.

37 (4) THERE IS CREATED IN THE STATE TREASURY THE HOUSING  
38 ASSISTANCE FOR PERSONS TRANSITIONING FROM THE CRIMINAL OR  
39 JUVENILE JUSTICE SYSTEM CASH FUND, REFERRED TO IN THIS SECTION AS  
40 THE "CASH FUND". THE CASH FUND CONSISTS OF ALL MONEY  
41 TRANSFERRED TO THE FUND PURSUANT TO SECTION 17-27-108 (7) AND ALL

1 MONEY THAT THE GENERAL ASSEMBLY APPROPRIATES TO THE CASH FUND.  
2 ALL MONEY IN THE CASH FUND IS CONTINUOUSLY APPROPRIATED TO THE  
3 DIVISION FOR THE PURPOSES SET FORTH IN THIS SECTION. ALL INTEREST  
4 EARNED FROM THE INVESTMENT OF MONEY IN THE CASH FUND IS CREDITED  
5 TO THE CASH FUND. ALL MONEY NOT EXPENDED AT THE END OF THE  
6 FISCAL YEAR REMAINS IN THE CASH FUND AND DOES NOT REVERT TO THE  
7 GENERAL FUND OR ANY OTHER FUND.

8 **SECTION 3.** In Colorado Revised Statutes, **add** article 70 to title  
9 27 as follows:

10 **ARTICLE 70**

11 **Reentry Programs for Persons with**  
12 **Behavioral or Mental Health Disorders**

13 **27-70-101. Reentry programs for persons with behavioral or**  
14 **mental health disorders - definitions.** (1) AS USED IN THIS ARTICLE 70,  
15 UNLESS THE CONTEXT OTHERWISE REQUIRES:

16 (a) "PERSON WITH A BEHAVIORAL OR MENTAL HEALTH DISORDER"  
17 HAS THE SAME MEANING AS SET FORTH IN SECTION 24-32-723.5 (1).

18 (b) "UNIT" MEANS THE UNIT IN THE DEPARTMENT OF HUMAN  
19 SERVICES THAT ADMINISTERS BEHAVIORAL HEALTH PROGRAMS AND  
20 SERVICES, INCLUDING THOSE RELATED TO MENTAL HEALTH AND  
21 SUBSTANCE ABUSE.

22 (2) THE UNIT, IN COLLABORATION WITH THE DEPARTMENT OF  
23 CORRECTIONS, SHALL ADMINISTER APPROPRIATE REENTRY PROGRAMS FOR  
24 PERSONS WITH MENTAL HEALTH DISORDERS OR CO-OCCURRING  
25 BEHAVIORAL HEALTH DISORDERS WHILE HOMELESS OR PRIOR TO AND  
26 AFTER RELEASE FROM INCARCERATION OR ADJUDICATION. THE PURPOSE  
27 OF THE PROGRAMS IS TO ASSIST INDIVIDUALS WITH REENTRY INTO SOCIETY  
28 BASED UPON THE ASSESSED NEED AND SUITABILITY OF INDIVIDUALS FOR  
29 SUCH SERVICES. THE UNIT SHALL DESIGN EACH REENTRY PROGRAM TO  
30 REDUCE THE POSSIBILITY OF EACH INDIVIDUAL RETURNING TO THE  
31 DEPARTMENT OF CORRECTIONS, THE DIVISION OF YOUTH CORRECTIONS IN  
32 THE DEPARTMENT OF HUMAN SERVICES, OR A COUNTY JAIL, TO ASSIST  
33 EACH INDIVIDUAL IN REHABILITATION, AND TO PROVIDE EACH INDIVIDUAL  
34 WITH LIFE MANAGEMENT SKILLS THAT ALLOW HIM OR HER TO FUNCTION  
35 SUCCESSFULLY IN SOCIETY.

36 (3) SUBJECT TO APPROPRIATIONS, THE UNIT, IN CONJUNCTION WITH  
37 THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS, SHALL  
38 DEVELOP AND IMPLEMENT INITIATIVES SPECIFICALLY DESIGNED TO ASSIST  
39 EACH INDIVIDUAL'S TRANSITION FROM THE DEPARTMENT OF CORRECTIONS,  
40 THE DIVISION OF YOUTH CORRECTIONS IN THE DEPARTMENT OF HUMAN  
41 SERVICES, OR A COUNTY JAIL INTO THE COMMUNITY. AN INITIATIVE

- 1 DEVELOPED AND IMPLEMENTED PURSUANT TO THIS SUBSECTION (3) MAY  
2 INCLUDE, BUT NEED NOT BE LIMITED TO, THE FOLLOWING COMPONENTS:  
3 (a) HOUSING VOUCHERS;  
4 (b) ACQUISITION, CONSTRUCTION, OR REHABILITATION OF RENTAL  
5 HOUSING;  
6 (c) SUPPORTIVE EMPLOYMENT SERVICES;  
7 (d) MEDICAID ENROLLMENT SERVICES;  
8 (e) MENTAL HEALTH TREATMENT SERVICES INCLUDING  
9 PSYCHIATRIC AND COUNSELING SERVICES;  
10 (f) CASE MANAGEMENT SERVICES;  
11 (g) MEDICATION MONITORING;  
12 (h) PEER SPECIALIST SUPPORT; AND  
13 (i) POSITIVE RECREATIONAL ACTIVITIES.

14 **SECTION 4.** In Colorado Revised Statutes, 17-27-108, **amend**  
15 (5); and **add** (7) as follows:

16 **17-27-108. Division of criminal justice of the department of**  
17 **public safety - duties - community corrections contracts.** (5) The  
18 division of criminal justice is authorized to transfer up to ten percent of  
19 annual appropriations among or between line items for community  
20 corrections program services OR THE REENTRY INITIATIVE DESCRIBED IN  
21 SECTION 27-70-101 (3). Advance notice of such transfers ~~shall~~ MUST be  
22 provided to the general assembly, the governor, the executive director of  
23 the department of corrections, and the chief justice of the supreme court.

24 (7) NOTWITHSTANDING ANY LAW TO THE CONTRARY, ON AND  
25 AFTER JULY 1, 2016, ANY MONEY APPROPRIATED FROM THE GENERAL  
26 FUND TO THE DIVISION OF CRIMINAL JUSTICE FOR THE PURPOSES OF THIS  
27 ARTICLE 27 THAT IS UNEXPENDED OR UNENCUMBERED AS OF THE CLOSE OF  
28 THAT FISCAL YEAR SHALL NOT REVERT TO THE GENERAL FUND, AND THE  
29 STATE TREASURER AND THE CONTROLLER SHALL TRANSFER SUCH MONEY  
30 TO THE HOUSING ASSISTANCE FOR PERSONS TRANSITIONING FROM THE  
31 CRIMINAL OR JUVENILE JUSTICE SYSTEM CASH FUND CREATED PURSUANT  
32 TO SECTION 24-32-723.5 (4).

33 **SECTION 5.** In Colorado Revised Statutes, 39-28.8-501, **amend**  
34 (2)(b)(IV)(K) and (2)(b)(IV)(L); and **add** (2)(b)(IV)(M) as follows:

35 **39-28.8-501. Marijuana tax cash fund - creation - distribution**  
36 **- legislative declaration.** (2) (b) (IV) Subject to the limitation in  
37 subsection (5) of this section, the general assembly may annually  
38 appropriate any money in the fund for any fiscal year following the fiscal  
39 year in which they were received by the state for the following purposes:

40 (K) Grants to local governments for documented retail marijuana  
41 impacts through the local government retail marijuana impact grant

1 program created in section 24-32-117; ~~C.R.S.~~; and  
2 (L) For the Colorado veterans' service-to-career pilot program  
3 created in part 2 of article 14.3 of title 8; ~~C.R.S.~~ AND  
4 (M) FOR HOUSING, RENTAL ASSISTANCE, AND REENTRY  
5 ASSISTANCE PURSUANT TO SECTION 24-32-723.5.  
6 **SECTION 6. Appropriation.** For the 2017-18 state fiscal year,  
7 \$4,000,000 is appropriated to the department of local affairs for use by  
8 the division of housing. This appropriation is from the marijuana tax cash  
9 fund established pursuant to section 39-28.8-501, C.R.S. To implement  
10 this act, the division may use this appropriation to provide housing, rental  
11 assistance, and reentry services to persons described in section  
12 24-32-723.5, C.R.S.  
13 **SECTION 7. Safety clause.** The general assembly hereby finds,  
14 determines, and declares that this act is necessary for the immediate  
15 preservation of the public peace, health, and safety."

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