



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number: LLS 21-0492 **Date:** September 15, 2021
Prime Sponsors: Sen. Buckner **Bill Status:** Signed into Law
Rep. Daugherty; **Fiscal Analyst:** Aaron Carpenter | 303-866-4918
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Bill Topic: **LIMIT THE DETENTION OF JUVENILES**

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill requires that when a court releases a juvenile on bond that it do so under an unsecured personal recognizance bond. The bill also lowers the state's detention bed cap from 327 beds to 215 beds. Beginning in FY 2020-21, the bill decreases state expenditures, increases local expenditures, and may minimally decrease state revenue on an ongoing basis.

Appropriation Summary: In FY 2021-22, this bill requires and includes a reduction of \$1.0 million in appropriations to the Department of Human Services.

Fiscal Note Status: This fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under SB 21-071

	Budget Year	Out Year
	FY 2021-22	FY 2022-23
Revenue	-	-
Expenditures		
General Fund	(\$1,033,096)	(\$1,142,816)
Reappropriated Funds	(\$98,199)	(\$98,199)
Federal Funds	\$129,128	\$64,861
Total Expenditures	(\$1,002,167)	(\$1,176,154)
Total FTE	(22.5 FTE)	(22.0 FTE)
Transfers	-	-
TABOR Refund	-	-

Summary of Legislation

This bill prohibits a court from releasing a juvenile on a bond with monetary or property conditions. It also reduces the juvenile detention bed cap in the Division of Youth Services within the Department of Human Services (DHS) and establishes a working group, as described below.

Juvenile bonds. If the court chooses to release a juvenile on a bond, the bill requires the bond to be an unsecured personal recognizance bond which cannot be secured by monetary or property conditions. If a juvenile poses a substantial risk of serious harm to others, the juvenile may be placed in a pre-adjudication service program instead of being released on a personal recognizance bond. Any juvenile being held or remaining in custody or detention must be tried within 60 days.

Detention bed cap. The bill lowers the statutory detention bed cap in the Division of Youth Services in DHS from 327 beds to 215 beds.

Working Group for Placement of Juvenile Offenders. The bill adds members to the Working Group for the Placement of Juvenile Offenders and adds to their duties. Specifically, the bill adds representatives from the following: a statewide organization of county sheriffs; the Division of Youth Services; the Division of Child Welfare; local juvenile services planning committees; organizations that advocate for youth involved in the juvenile justice system; and persons directly affected by the incarceration of youth, including at least one person who is or was a youth in custody. Starting no later than October 31, 2021, the working group must convene and must meet at least 4 times each year. Duties of the working group include:

- developing performance standards and outcomes measures to evaluate least restrictive settings by October 31, 2022;
- advising the DHS on policies, procedures, and best practices related to least restrictive setting; and
- reviewing data provided by DHS and provide recommendations on how to enhance the continuum of community based services and placement options for juvenile offenders; change secure detention bed capacity limits and the allocation of beds across the state; and what future data collection and reporting is needed to assist the working group in its duties.

On or before July 1, 2023, and each July 1 thereafter, the DHS must submit a report to the working group and the General Assembly containing:

- an analysis of the required data collected;
- the implementation status of working groups recommendations;
- an analysis of the continuum of in-home and out-of-home placement options and support for juvenile offenders;
- an analysis of barriers to placing youth in less restrictive alternative placements;
- the number of youth in detention awaiting placement in a less restrictive community settings;
- the number of youth direct filed youth in detention;
- an analysis of the number of youth placed in less restrictive alternative placements and the length of stay in those placements;

- an analysis of the involvement of youth and families and their satisfaction with the less restrictive alternative placement; and
- an analysis of the number of alleged and adjudicated juveniles offenders who are served by county departments of human services; and recommendations of the working group.

State Revenue

Starting in FY 2021-22, the bill will minimally decrease cash fund revenue to the Judicial Department due to the bill's prohibition of juvenile cash bonds. Because the department received only around \$20,000 in FY 2018-19, and around \$1,300 in FY 2019-20, from various fines, fees, costs, and restitutions from juvenile cash bonds, any revenue decrease is assumed to be minimal.

State Expenditures

On net, the bill is estimated to reduce expenditures in the DHS by \$1.0 million and 22.5 FTE in FY 2021-22 and \$1.2 million and 22.0 FTE in FY 2022-23 paid from the General Fund and federal funds. In addition, the bill will increase workload in the Judicial Department. Cost reductions and increases are shown in Table 2 and detailed below.

Table 2
Expenditures Under SB 21-071

Cost Components	FY 2021-22	FY 2022-23
Department of Human Services (DYS Bed Reduction)		
Personal Services	(\$1,306,300)	(\$1,306,300)
Operating Expenses	(\$13,500)	(\$13,500)
Food, Medical, and Laundry Expenses	(\$131,580)	(\$131,580)
Employee Insurance and Supplemental Retirement Payments	(\$388,195)	(\$388,195)
FTE – Personal Services	(27.0 FTE)	(27.0 FTE)
DHS Reduction Subtotal	(\$1,839,575)	(\$1,839,575)
Department of Human Services (Working Group Support)		
Personal Services	\$362,068	\$394,983
Operating Expenses	\$5,900	\$5,900
Capital Outlay Costs	\$24,800	-
Computer Programming	\$306,880	\$116,800
Contractor Costs	\$60,000	\$60,000
Employee Insurance and Supplemental Retirement Payments	\$77,760	\$85,738
FTE – Personal Services	4.5 FTE	5.0 FTE
DHS Working Group Support Subtotal	\$837,408	\$663,421

**Table 2
Expenditures Under SB 21-071 (Cont.)**

Total / Fund Splits	FY 2021-22	FY 2022-23
Total	(\$1,002,167)	(\$1,176,154)
<i>General Fund</i>	(\$1,033,096)	(\$1,142,816)
<i>Reappropriated Funds</i>	(\$98,199)	(\$98,199)
<i>Federal Funds</i>	\$129,128	\$64,861
Total FTE	(22.5 FTE)	(22.0 FTE)

Department of Human Services. Starting in FY 2021-22, bed-related expenditures will decrease in the DHS, while research and working group support costs will increase.

Staff reductions. Due to the lower bed cap, the DHS will have reduced staffing of 27.0 FTE in the Division of Youth Services. This amount assumes that a reduction of 112 beds will result in the closure of three pods statewide with each pod requiring 9.0 FTE.

Food, medical, and laundry expenses. In addition to staff reductions, expenditures related to food, medical, and laundry supplies for detained juveniles will also decrease. The amount shown in Table 2 assumes an average per day population of around 224 juveniles. Food-related expenditures are paid with reappropriated funds from the Colorado Department of Education from the federal National School Lunch Program.

Research and workgroup support. The DHS requires 5.0 FTE to conduct research required by the bill and to support the working group. FTE costs are prorated for a General Fund pay date shift in FY 2021-22. Required staffing under the bill includes:

- 1.0 FTE to conduct an ongoing statewide gap analysis of detention continuum for the 22 judicial districts;
- 2.0 FTE to conduct research on the outcomes for youth in various placements, including the required length of stay analysis;
- 1.0 FTE maintain additional data on children in the child welfare system who are involved in the juvenile justice system; and
- 1.0 FTE to support the research and reporting needs of the working group.

TRAILS costs. The bill requires updates to the DHS's child welfare data system (TRAILS) to track outcomes of youth in detention and other placements; to create an interface between TRAILS and court systems; and to report data required by the bill. TRAILS costs assumes a 42 percent federal match in FY 2021-22 and a 55 percent match in FY 2022-23. Ongoing maintenance costs are shown for FY 2022-23 and future years.

Contracting costs. Starting in FY 2021-22, expenditures in the DHS will increase by \$60,000 to contract with a provider to produce the required report. This cost is half of the current contractor costs for the DHS to produce similar reports.

Pre-adjudication programs. Pre-adjudication programs are operated through local judicial districts and funded by an appropriation to the DHS. To the extent more juveniles are sentenced to a pre-adjudication programs as a result of the bill's changes to juvenile bonds, expenditures in the DHS may increase. The fiscal note assumes any change in appropriations will be requested through the budget process.

Judicial Department. With the decrease of detention beds, trial courts may take more time to address alternative placements for juveniles who cannot return to a parent or legal guardian. In addition, the department will need to update its case management system to reflect the changes in the bill. These workload increases are assumed to be minimal and can be accomplished within existing resources.

Employee insurance and supplemental retirement payments. Pursuant to fiscal note and Joint Budget Committee policy, certain costs for employee insurance and supplemental employee retirement payments are typically centrally appropriated costs in the Long Bill and adjusted annually through the annual budget process. However, for bills involving more than 20 FTE, these costs are appropriated in the bill. These costs in the DHS are shown are estimated in Table 2 above.

TABOR refunds. The bill is expected to decrease the amount of state revenue required to be refunded to taxpayers by a minimal amount. TABOR refunds are paid from the General Fund. This estimate is based on the June 2021 LCS revenue forecast, which incorporates the revenue impacts of bills passed during the 2021 session. A forecast of state revenue subject to TABOR is not available beyond FY 2022-23.

Federal ARPA funds. This bill decreases state revenue, which may impact the state's flexibility in spending federal American Rescue Plan Act (ARPA) funds. For more information, see the LCS memo, titled "Legislative Changes and Flexibility in Use of American Rescue Plan Funds," available online at: <https://leg.colorado.gov/node/2211881>.

Local Government

Workload and expenditures in district attorney's offices will increase to try cases within the bill's 60-day deadline. District attorney offices are funded by the local counties within their district.

Effective Date

This bill was signed into law by the Governor and took effect on July 6, 2021.

State Appropriations

The bill requires and includes the following appropriations for FY 2021-22:

- a reduction of \$1,839,575 and 27.0 FTE from Division of Youth Services detention operations, of which \$1,741,376 is from the General Fund and \$98,199 is reappropriated funds from the Colorado Department of Education; and

- an increase of \$837,408 and 4.5 FTE for the working group and associated expenses in the Division of Youth Services, of which \$708,280 is General Fund and \$129,128 is federal funds.

State and Local Government Contacts

District Attorneys
Judicial

Human Services
Sheriffs

Information Technology