



HB 22-1131

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated February 14, 2022)

Drafting Number:	LLS 22-0488	Date:	April 7, 2022
Prime Sponsors:	Rep. Gonzales-Gutierrez; Bacon Sen. Gonzales	Bill Status:	House Appropriations
		Fiscal Analyst:	Aaron Carpenter 303-866-4918 Aaron.Carpenter@state.co.us

Bill Topic: REDUCE JUSTICE-INVOLVEMENT FOR YOUNG CHILDREN

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

The bill increases the minimum age that a juvenile can be involved in the criminal justice system. The bill increases state expenditures in FY 2022-23. Starting in FY 2023-24, the bill decreases state revenue and expenditures.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$91,937 to the Department of Human Services.

Fiscal Note Status: The revised fiscal note reflects the introduced bill, as amended by the House Judiciary Committee.

**Table 1
State Fiscal Impacts Under HB 22-1131**

		Budget Year FY 2022-23	Out Year FY 2023-24	Out Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-	-	-
Expenditures	General Fund	\$91,937	(\$277,087)	(\$727,460)	(\$802,973)
	Federal Funds	-	(\$11,205)	(\$22,409)	(\$22,409)
	Centrally Appropriated	\$16,591	(\$25,398)	(\$87,359)	(\$87,359)
	Total Expenditures	\$108,528	(\$313,690)	(\$837,228)	(\$912,741)
	Total FTE	0.9 FTE	(1.6 FTE)	(5.2 FTE)	(5.2 FTE)
Transfers		-	-	-	-
Other Budget	General Fund Reserve	\$13,791	(\$41,563)	(\$109,119)	(\$120,446)

Summary of Legislation

The bill increases the minimum age for when a juvenile can be involved in the criminal justice system from 10 to 13. This includes:

- when municipal, county, and juvenile court have jurisdiction over criminal action;
- when a peace officer may take a juvenile into temporary custody; and
- when courts or probation can impose sentences to commitment or detention in the Division of Youth Services (DYS) within the Department of Human Services (CDHS).

Exceptions. A juvenile court does hold exclusive original jurisdiction for 10 to 13 year olds if the juvenile is accused of homicide or sexual assault. In addition, a juvenile between the ages of 10 to 13 is still subject to pay victim compensation if they committed a compensable act, as defined in the bill.

Adult court transfers. The bill increases the minimum age when a juvenile case can be transferred from juvenile court to a district court. Under current law, a juvenile who commits a class 1 or class 2 felony or crime of violence, and was 12 or 13 at the time of the offense, may have their case transferred to district court to be tried as an adult. The bill raises the age to 14 years old.

Pre-adolescent Services Task Force. The bill requires the CDHS to create a 28-member Pre-adolescent Services Task Force to examine and make recommendations on identifying and providing necessary services to juveniles between the ages of 10 and 13. The task force must convene by July 1, 2022, meet monthly through December 2022, and meet at least quarterly thereafter. The task force must complete a report containing its examinations and recommendations by December 30, 2022. Starting in 2023, the task force must provide guidance and technical assistance to the CDHS and local jurisdictions in implementing recommendations. The task force repeals July 1, 2024.

Local Juvenile Services Planning Committee. Finally, the bill encourages the Local Juvenile Services Planning Committee to provide services to children between the ages of 10 and 13 who are at risk of entering detention at an older age if they do not receive alternative services.

State Revenue

Criminal fines and court fees. By raising the age of prosecution, the bill will decrease state revenue from criminal fines and court fees by a minimal amount beginning in FY 2022-23, credited to the Fines Collection Cash Fund, various other cash funds in the Judicial Department, and the General Fund. Additionally, court fees may have been imposed on a case-by-case basis for a variety of court-related costs, such as probation supervision, drug surcharges, or late fees. Because the courts have the discretion of incarceration, imposing a fine, or both, a precise state revenue impact cannot be determined. Criminal fine and court fee revenue is subject to TABOR.

State Expenditures

The bill will increase state expenditures in the CDHS by \$108,528 in FY 2022-23 and will decrease state expenditures in the Judicial Department and the CDHS by \$313,690 in FY 2023-24, \$837,228 in FY 2024-25, and \$912,741 in FY 2025-26 and ongoing primarily from the General Fund and minimally from federal funds. Expenditures are shown in Table 2 and detailed below.

**Table 2
Expenditures Under HB 22-1131**

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Trial Courts (Judicial Department)				
Personal Services	-	(\$74,471)	(\$148,943)	(\$148,943)
Operating Expenses	-	(\$1,160)	(\$2,320)	(\$2,320)
Capital Outlay Costs	-	(\$320)	(\$640)	(\$640)
Centrally Appropriated Costs ¹	-	(\$14,698)	(\$29,398)	(\$29,398)
FTE – Personal Services	-	(0.8)	-1.6 FTE	-1.6 FTE
Trial Court Subtotal	-	(\$90,649)	(\$181,301)	(\$181,301)
Division of Probation (Judicial Department)				
Personal Services	-	(\$122,069)	(\$244,141)	(\$244,141)
Operating Expenses	-	(\$9,135)	(\$18,270)	(\$18,270)
Capital Outlay Costs	-	(\$21,720)	(\$23,040)	(\$23,040)
Centrally Appropriated Costs ¹	-	(\$28,980)	(\$57,961)	(\$57,961)
FTE – Personal Services	-	(1.8 FTE)	(3.6 FTE)	(3.6 FTE)
Probation Subtotal	-	(\$181,904)	(\$343,412)	(\$343,412)
Department of Human Services (Task Force)				
Personal Services	\$84,387	\$92,059	-	-
Operating Expenses	\$1,350	\$1,350	-	-
Capital Outlay Costs	\$6,200	-	-	-
Centrally Appropriated Costs ¹	\$16,591	\$18,280	-	-
FTE – Personal Services	0.9 FTE	1.0 FTE	-	-
DHS Task Force Total	\$108,528	\$111,689	-	-
Department of Human Services (DYS Reduction)				
Parole Costs	-	-	(\$6,865)	(\$82,378)
Contract Placement	-	(\$124,496)	(\$248,991)	(\$248,991)
Food Costs	-	(\$28,330)	(\$56,659)	(\$56,659)
DYS Reduction Subtotal	-	(\$152,826)	(\$312,515)	(\$388,028)
Total	\$108,528	(\$313,690)	(\$837,228)	(\$912,741)
<i>General Fund</i>	\$91,937	(\$277,087)	(\$727,460)	(\$802,973)
<i>Federal Funds</i>	-	(\$11,205)	(\$22,409)	(\$22,409)
<i>Centrally Appropriated</i>	\$16,591	(\$25,398)	(\$87,359)	(\$87,359)
Total FTE	0.9 FTE	(1.6 FTE)	(5.2 FTE)	(5.2 FTE)

¹Centrally appropriated costs are not included in the bill's appropriation.

Trial courts. Starting in FY 2023-24, the bill will decrease staffing needs in the trial courts. Based on a five-year average of cases involving juveniles who are 10 to 12 years old, the fiscal note assumes that there will be 3 fewer felony cases, 439 fewer juvenile delinquency cases, 56 fewer misdemeanor cases, 10 fewer traffic cases, and 2 fewer traffic infraction cases. Based on the Judicial Department's caseload model, the reduction in cases results in a decrease of 1.7 FTE. This includes 0.4 FTE magistrate and 1.3 FTE support staff. Costs in FY 2023-24 are prorated for a January 1, 2024, start date.

Probation. Starting in FY 2023-24, staffing within the Division of Probation will decrease by 3.6 FTE to no longer supervise 10- to 12-year-olds sentenced to probation. Using a five-year average of juveniles sentenced to probation, the fiscal note assumes there will be 126 fewer juveniles sentenced to probation per year. In addition, the fiscal note assumes there will be 77 fewer pre-sentence investigations. FY 2023-24 costs are prorated for a January 1, 2024, start date.

Department of Human Services. The bill will increase expenditures in the DHS to support the newly created task force and will decrease expenditures, starting in FY 2023-24, to service less juveniles in the DYS, as described below.

- **Task force.** The DHS requires 1.0 FTE to support the work of the task force created in the bill. Staff will manage coordinate and facilitate meetings; coordinate reporting and implementation requirements; provide any research; and to generate, coordinate, and oversee implementation teams. First year costs are prorated for the General Fund paydate shift. Staff will support the committee until its repeal in FY 2023-24.
- **Division of Youth Services.** Starting in FY 2022-23, expenditures in the DHS will decrease as juveniles aged 10 to 15 are no longer sentenced to DYS commitment. Using a three-year average daily population of juveniles ages 10 to 15 in DYS, the fiscal note assumes that the average daily population of DYS, which include juveniles on parole, will decrease by about 27 juveniles once the bill is fully implemented. The fiscal note assumes that about 17 would be in a DYS facility and about 2 would be in a contract placement, resulting in a cost decrease for contract placements (about 2 beds per day at \$305 per day) and food costs in DYS facilities (about \$9 per day). Contract placements receive 9 percent federal funding. In addition, costs for juvenile parole will decrease starting in FY 2023-24. The fiscal note assumes that there will be a decrease of about 8 juveniles on parole per year at a cost of \$10,246 per youth. Assuming an average length of stay of 17 months for juveniles in DYS facilities, the fiscal note assumes this decrease will not be realized until June 1, 2024.

Independent Judicial Offices. Starting in FY 2022-23, workload and expenditures in various independent offices that represent children during juvenile delinquency proceedings may decrease. Offices include the Office of the Public Defender, the Office of the Alternative Defense Counsel, and the Office of the Child's Representative. The fiscal note assumes that any decrease in appropriations will be requested through the annual budget process.

Child welfare impacts. Starting in FY 2023-24, expenditures in the CDHS and independent judicial offices that are involved in the child welfare system (Office of the Respondent Parents' Counsel and the Office of the Child's Representative) may increase to the extent more juveniles are served through the child welfare system than would be served under the juvenile justice system under current law. The fiscal note cannot estimate how many children will transition to the child welfare system; therefore, any increase in appropriation will be addressed through the annual budget process.

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. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

Local Government

Starting in FY 2022-23, expenditures and workload to local governments will change in two ways. First, workload to district attorney offices will decrease since youth ages 10, 11, and 12 can no longer be prosecuted. District attorney offices are funded by counties. Second, to the extent more children are served through the child welfare system rather than the juvenile justice system, expenditures to county governments will increase. Currently, a child welfare case costs around \$5,000 per case.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to both increase and decrease the amount of General Fund held in reserve as shown in Table 1.

Effective Date

The bill takes effect January 1, 2024, and applies to crimes committed and to sentences ordered on or after that date, except that Sections 23, 26, and 27, which concern technical changes, take effect upon signature of the Governor, or upon becoming law without his signature.

Technical Note

With exceptions, the effective date of the bill is January 1, 2024. The fiscal note assumes that Section 21, concerning the creation of the Pre-adolescent Services Task Force, is meant to take effect upon signature of the Governor.

State Appropriations

The bill requires an appropriation of \$91,937 from the General Fund to the Department of Human Services and 0.9 FTE.

State and Local Government Contacts

Counties

District Attorneys

Information Technology

Municipalities

Corrections

Human Services

Judicial

Office of Respondent Parents' Counsel