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Nonpartisan Services for Colorado's Legislature

# Revised Fiscal Note

(replaces fiscal note dated April 25, 2023)

<b>Drafting Number:</b>	LLS 23-0969	<b>Date:</b>	April 26, 2023
<b>Prime Sponsors:</b>	Rep. Daugherty; Soper	<b>Bill Status:</b>	House Appropriations
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**Bill Topic:** JUVENILE DETENTION SERVICES & FUNDING

<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input 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 provides funding for the placement of detained juveniles that are over the statutory bed cap for the Division of Youth Services. The bill increases state expenditures starting in FY 2023-24.

**Appropriation Summary:** For FY 2023-24, the bill requires an appropriation of \$3.8 million to multiple state departments.

**Fiscal Note Status:** The fiscal note reflects the introduced bill, as amended by the House Public & Behavioral Health & Human Services Committee. It has also been revised to reflect new assumptions on the number of guardian ad litem appointments and hours of attorney time.

**Table 1**  
**State Fiscal Impacts Under HB 23-1307**

		Budget Year FY 2023-24	Out Year FY 2024-25
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$3,803,119	\$3,826,269
	Federal Funds	\$39,069	\$10,990
	Centrally Appropriated	\$276,634	\$276,634
	<b>Total Expenditures</b>	<b>\$4,118,822</b>	<b>\$4,113,893</b>
	<b>Total FTE</b>	<b>16.0 FTE</b>	<b>16.0 FTE</b>
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$570,468	\$573,940

## Summary of Legislation

The bill appropriates \$3.3 million to the Division of Youth Services (DYS) within the Department of Human Services (CDHS) for placement of youth sent to a DYS facility for detention. Appropriations include:

- \$200,000 to judicial districts for support services for detained youth and for moving youth from detention to treatment or other placements;
- \$1,780,137 to provide incentives and remove barriers for licensed providers to serve youth placed in community residential facilities or family-like setting in lieu of detention; and
- \$1,359,982 for temporary emergency detention beds.

**Emergency detention beds.** The bill allows DYS to administer 22 temporary emergency detention beds statewide. These beds do not count towards the current detention limit of 215 beds. The DYS must allocate the beds to judicial districts and allows district attorneys or a county department of human services to petition the court to exceed the number of detention beds allocated to a specific judicial district if certain conditions are met.

**Guardian ad litem.** The bill requires a guardian ad litem (GAL) to be appointed to all detained juveniles until they are released from detention.

**Working Group for Criteria for Placement of Juvenile Offenders.** The bill requires the working group to collect data on youth placed in detention and held due to lack of available services; the number of emergency detention beds; the number of youth released from detention due to exceeding the detention cap; and the number of requests for more beds brought to the courts. DHS must report this statewide data to the working group and the General Assembly.

## State Expenditures

The bill increases state General Fund expenditures in the DHS and the Office of the Child's Representative by \$4.1 million in FY 2023-24 and thereafter. Expenditures are shown in Table 2 and detailed below.

**Table 2  
Expenditures Under HB 23-1307**

	FY 2023-24	FY 2024-25
<b>Department of Human Services</b>		
Personal Services	\$1,134,768	\$1,206,926
Operating Expenses	\$21,600	\$21,600
Capital Outlay Costs	\$20,010	-
Bed Operating Costs	\$111,046	\$111,046
Community Placement Incentives	\$1,980,137	\$1,980,137
Computer Programming	\$111,627	\$31,400
Centrally Appropriated Costs <sup>1</sup>	\$276,634	\$276,634
FTE – Personal Services	16.0 FTE	16.0 FTE
<b>CDHS Subtotal</b>	<b><u>\$3,655,822</u></b>	<b><u>\$3,627,743</u></b>
<i>General Fund</i>	\$3,340,119	\$3,340,119
<i>Federal Funds</i>	\$39,069	\$10,990
<i>Centrally Appropriated</i>	\$276,634	\$276,634
<b>Office of the Child’s Representative</b>		
Contract Attorneys	\$463,000	\$486,150
<b>OCR Subtotal</b>	<b>\$463,000</b>	<b>\$486,150</b>
<b>Total</b>	<b>\$4,118,822</b>	<b>\$4,113,893</b>
<b>Total FTE</b>	<b>16.0 FTE</b>	<b>16.0 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Department of Human Services.** The bill will increase state expenditures in the CDHS by approximately \$3.6 million per year beginning in FY 2023-24 to operate additional beds, allocate funding from the bill, and update TRAILS to collect required data.

- **Staffing.** The CDHS will require 16.0 FTE to operate the 22 additional emergency beds. This includes 15.0 FTE to staff the additional beds and 1.0 FTE to manage beds, ensure that there are enough beds to meet the needs of catchment areas, and to help collect required data of the bill. Costs include personal service, operating, and capital outlay costs, and assume the salary midpoint.
- **Other bed operating costs.** In addition to FTE, expenditures will increase to cover various operating costs associated with operating a DYS bed. This includes radios for DYS staff (about \$2,500 per radio), food costs (\$3,373 per bed annually), medical supplies (\$536 per bed annually), and laundry (\$684 per bed annually).
- **Community placement incentives.** Expenditures will increase by about \$2.0 million to allocate funding for community placement, including \$200,000 to judicial districts and \$1.8 million to licensed providers.

- **Computer programming.** Expenditures in the CDHS will increase to make updates the department's TRAILS computer system to collect the required information from the bill. It is estimated that 711 hours of computer programming is required in FY 2023-24 at a rate of \$157 per hour and 200 hours per year starting in FY 2024-25 in ongoing help desk support and quality assurance. TRAILS programming costs receive a 35 percent federal match.

**Office of the Child's Representative.** Expenditures in the Office of the Child's Representative will increase by \$463,000 in FY 2023-24 and \$486,150 in FY 2024-25 an ongoing to assign additional GALs to juveniles who are screened into detention. Currently, the contract rate for a GAL is \$100 per hour in FY 2023-24 and up to \$105 in FY 2024-25. These costs assume that about 50 percent of the estimated 925 youth detained in juvenile cases currently have a GAL assigned and the remaining 50 percent (463 additional cases) will each require ten hours of GAL time.

**Judicial Department.** Starting in FY 2023-24, workload to the trial courts will increase to the extent district attorneys or county departments of human services petition the court for emergency beds. In addition, workload will increase to appoint GALs to juveniles placed in detention. This increase in workload can be handled within existing appropriations.

**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.

## 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. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

## Local Government

To the extent the bill increases the number of juvenile placements, workload and costs to county departments will decrease to find suitable placement for juveniles, as more beds may be available. In addition, workload to counties and district attorney offices will increase to the extent they petition the court for an increase in beds.

## Technical Note

The fiscal note assumes that TRAILS programming costs is an allowable use of the \$1.3 million for detention beds, as the programming costs are related to the collection of data on the detention beds. If computer programming is not an allowable cost, TRAILS programming should be appropriated on top of the \$1.3 million for detention beds.

## Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State Appropriations

For FY 2023-24, the bill requires appropriations totaling \$3,842,188, including:

- \$3,379,188 to the Department of Human Services, of which \$3,340,119 is from the General Fund and \$39,069 is from federal funds, and 16.0 FTE; and
- \$463,000 from the General Fund to the Office of the Child’s Representative.

## State and Local Government Contacts

Counties

District Attorneys

Human Services

Judicial