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Fiscal Note

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Prime Sponsors: Rep. Bacon; Hernandez Bill Status: House Education
Fiscal Analyst: Aaron Carpenter | 303-866-4918 aaron.carpenter@coleg.gov

Bill Topic: SUPPORTS FOR YOUTH IN JUVENILE JUSTICE SYSTEM

Summary of Fiscal Impact: [] State Revenue [] State Transfer [x] Local Government
[x] State Expenditure [] TABOR Refund [x] School Districts

The bill establishes rights for justice-engaged students and encourages courts to delay sentences to commitment. The bill increases state and local expenditures starting in FY 2024-25.

Appropriation Summary: For FY 2024-25, the bill requires an appropriation of \$508,988 to multiple state agencies.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under HB 24-1216

Table with 4 columns: Category, Sub-category, Budget Year FY 2024-25, and Out Year FY 2025-26. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and Other Budget Impacts (General Fund Reserve).

Summary of Legislation

The bill establishes rights for justice-engaged students, requires the state and local school districts to provide certain support to these students, and encourages courts to delay sentences to commitment to the Division of Youth Services (DYS) in the Department of Human Services (CDHS).

Bill of rights for justice-engaged students. The bill creates a bill of rights for justice-engaged students related to education. This includes having the right to alternative solutions for general education; prompt enrollment with a local education provider (LEP); appropriate credit for coursework completed while being justice-engaged; a graduation plan; privacy; education while committed; and participation in gifted and talented and college readiness programs.

Requirements for local education providers. The bill requires LEPs to publish resources available for justice-engaged students on their website, and to designate a person to serve as a point of contact for justice-engaged students. The bill outlines the requirements for the point of contact, including a state-created training, and supporting the justice-engaged student and family in a variety of ways.

Data tracking. Beginning in the 2025-26 academic year, the Department of Education (CDE) must work with the DYS and the Judicial Department to track attendance, drop-out rates, and graduation rates for justice-engaged students. Data must be reported to CDE annually.

Credit transferring. The bill requires the State Board of Education to promulgate rules by August 1, 2025, and to create a framework for interpreting and transferring credits completed by a justice-engaged student while in custody.

Hotline and student support. By September 1, 2025, and through July 1, 2027, the CDE must select and contract with an entity to administer a statewide hotline for justice-engaged students, and other support persons, to offer referrals for legal advice, school options, and other necessary services and support.

Rural student support. The bill requires the CDE to create and maintain a position to assist students from small frontier and rural school districts who have been denied re-entry to the student's LEP.

Commitment sentencing. The bill encourages the courts that commit a justice-engaged student to the care of the CDHS for an offense that did not include physical or bodily injury to order the commitment to take place in a manner that allows the student to continue to attend school.

Continuing preliminary investigations. Under current law, a child under the court's jurisdiction for dependency and neglect, a preliminary investigation is made to determine whether further action should be taken. The bill extends the preliminary investigation for 6 months to make additional findings.

State Expenditures

The bill increases state General Fund expenditures in the CDE and the CDHS by \$556,000 in FY 2024-25 and \$521,000 in FY 2025-26. The bill also increases Judicial Department workload. Expenditures are shown in Table 2 and detailed below.

**Table 2
 Expenditures Under HB 24-1216**

	FY 2024-25	FY 2025-26
Department of Education		
Personal Services	\$193,998	\$242,497
Operating Expenses	\$2,560	\$3,200
Capital Outlay Costs	\$20,010	-
Hotline	\$71,700	\$50,000
Training	\$88,700	\$35,000
Data Collection	\$99,500	\$99,500
Centrally Appropriated Costs ¹	\$40,020	\$50,025
FTE – Personal Services	2.0 FTE	2.5 FTE
CDE Subtotal	\$516,488	\$480,223
Department of Human Services		
Personal Services	\$25,338	\$31,673
Operating Expenses	\$512	\$640
Capital Outlay Costs	\$6,670	-
Centrally Appropriated Costs ¹	\$6,900	\$8,625
FTE – Personal Services	0.4 FTE	0.5 FTE
CDHS Subtotal	\$39,420	\$40,938
Total	\$555,908	\$521,160
Total FTE	2.4 FTE	3.0 FTE

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

Department of Education. Starting in FY 2024-25, expenditures in the CDE will increase to hire additional staff, contract for a hotline, provide training, and to collect required data, as described below.

- **Staffing.** Starting in FY 2024-25, the CDE requires 2.5 FTE. This includes:
 - 1.0 FTE to serve as a liaison for justice-involved students and their families, as required by the bill;
 - 0.5 FTE to help develop and to manage training for LEP points of conduct; and
 - 1.0 FTE to manage the design and implement data collection system (more detail found below), develop materials and training for respondents, review and ensure proper data submission, respond to questions around submission, and to report data.

Staffing costs include personal services, operating expenses, and capital outlay costs outlined in the table above. In FY 2024-25, the fiscal note assumes staff will start on September 1, 2024.

- **Hotline.** The CDE will contract with a vendor to administer a hotline, as required by the bill. It is estimated that a hotline contract will cost \$50,000 per year. In FY 2024-25 only, costs will also increase to develop a request for proposal, estimated at \$21,000.
- **Training.** The CDE will develop and administer a training for LEP points of contact. The fiscal note assumes that the department will contract with a vendor to develop and license the use of the developed training program at \$50,000 in FY 2024-25. In out years, it is assumed that licensing to use the program will be \$20,000 per year. In addition, it is estimated that there will be two trainings per year in person, requiring costs for location rental and food at \$7,500 per meeting. For FY 2024-25 only, this cost also includes developing and choosing a vendor through a RFP, estimated at \$21,000, and convening a stakeholder group to help develop the training, at \$2,000.
- **Data collection.** From FY 2024-25 through FY 2025-26, the CDE will contract with various programmers and business analysts to design a data collection system. The work is estimated to place over two years, at 796 hours per year at a contract rate of \$125 per hour.

Department of Human Services. Starting in FY 2024-25, the CDHS requires 0.5 FTE to collect, track, and analyze data regarding youth in DYS facilities and to report the data to CDE. Staffing costs include personal services, operating expenses, and capital outlay costs outlined in the table above. In FY 2024-25, the fiscal note assumes staff will start on September 1, 2024.

The fiscal note assumes that judges will not delay a sentence to commitment for youth who are in detention (see Technical Note).

Judicial Department. Starting in FY 2024-25, the bill increases workload in the trial courts if judges choose to prolong preliminary investigations in child welfare cases; in court services to collaborate with CDE and CDHS on data collection and rules; and in probation for probation officers to schedule school visits, meet with juveniles in private, and to participate in any trainings. All work can be accomplished 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

County human services. Starting in FY 2024-25 expenditures to county departments of human services will increase in two ways. First, to the extent judges prolong preliminary investigations, costs to counties will increase. In addition, to the extent a juvenile remains in a county-paid community placement longer, before being sentenced to commitment to the CDHS, costs to counties will increase.

School districts. Expenditures in school districts will increase to hire or appoint someone as a point of contact for justice-engaged youth, update websites to ensure required information is available, and to ensure justice-engaged students receive the rights provided by the bill.

Technical Note

The bill gives judges the authority to delay *when possible* a sentence to commitment to care of CDHS. According to CDHS, the majority of sentences to commitment are first screened to detention. Therefore, if judges choose to delay commitment sentences, juveniles screened into detention will remain in detention, resulting in a need for more detention beds.

Under Section 19-2.5-1514, C.R.S., the number of detention beds are capped at 215 beds. If the bill does increase the stay of juveniles in detention facilities, the General Assembly may need to legislate an increase the detention bed cap.

However, the fiscal note assumes that judges will not delay sentencing to commitment if juveniles are already in a CDHS facility.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2024-25, the bill requires a total General Fund appropriation of \$508,988 including:

- \$476,468 to the Department of Education, and 2.0 FTE.
- \$32,520 to the Department of Human Services, and 0.4 FTE

State and Local Government Contacts

Corrections
Education
School Districts

Counties
Human Services

Early Childhood
Judicial

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).