



# Fiscal Note

## Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

### SB 25-041: COMPETENCY IN CRIM JUSTICE SYSTEM SERVICES & BAIL

**Prime Sponsors:**

Sen. Michaelson Jenet; Amabile  
Rep. Bradfield; English

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**Fiscal note status:** This revised fiscal note reflects the introduced bill, as amended by the Senate Judiciary Committee. The bill was recommended by the Legislative Oversight Committee Concerning the Treatment of Persons with Behavioral Health Disorders in the Criminal and Juvenile Justice Systems.

### Summary Information

**Overview.** This bill requires courts to notify the Department of Human Services when denying bail and makes other changes to competency hearings, evaluations, statute of limitations, and services.

**Types of impacts.** The bill is projected to affect the following areas:

- State Expenditures

**Appropriations.** For FY 2025-26, the bill requires an appropriation of at least \$94,349 to the Department of Local Affairs. See State Appropriations section.

**Table 1  
State Fiscal Impacts**

Type of Impact <sup>1</sup>	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$94,349	\$16,039
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

<sup>1</sup> Table 1 shows only the required expenditures under the bill. See Tables 2 and 2B for more detail on permitted Department of Human Services expenditures under the bill.

## Summary of Legislation

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The bill requires courts to notify the Department of Human Services (CDHS) when bail is denied; makes updates to competency hearings and evaluations; provides clarification on when a court may seek certification for short-term care; pauses the statute of limitations for those in competency diversion programs; and allows the defendant to receive inpatient services from the CDHS for additional time after charges are dropped.

### Bond Setting

If the court denies a personal recognizance bond, the bill requires the court to notify the CDHS of the reasons using a newly required form.

### Updates to Competency Hearings and Evaluations

The bill makes several updates to competency hearings and evaluations. The bill increases the deadline for either party to request a hearing or second evaluation from 7 to 14 days. When a second evaluation is conducted, the defendant must provide a copy to the court and prosecution and the court must furnish it to the CDHS. The CDHS must use it to ensure that it complies with its responsibilities for reviewing and summarizing a prior competency opinion. During a restoration hearing, a party may request a hearing or second evaluation 14 days after receipt of a court ordered report. A restoration hearing must be continued until a second evaluation is completed, which is subject to a 35-day deadline unless extended by the court for good cause.

### Certification for Short-Term Treatment

Under current law, a petition for certification of short-term treatment may be initiated by certain parties or the court when a defendant is found incompetent to proceed. The bill clarifies that, when the highest charged offense is a felony, the court only needs agreement of the prosecuting attorney and defendant to stay the restoration order to allow for certification of short-term treatment. If the charge is a misdemeanor and not already subject to dismissal, the court may forgo an order for restoration and dismiss the charges on its own motion when certification is initiated. The bill also clarifies that a court must not order certain persons to initiate certification for short-term treatment if it such a proceeding would contradict their professional medical opinion or violate their professional conduct rules. The bill also allows the court to grant 35 day extensions of stays for dismissal of charges due if there are reasonable grounds for short-term treatment. The court may grant this extension any number of times with consent of the defendant and up to four times upon request of the prosecution if the court finds good cause depending on the charges against the defendant. If charges are dismissed, the court must notify the CDHS. Finally, the bill removes the requirement that the CDHS report for certification of short-term treatment include any opinions required during an initial evaluation.

### Bridges Program

The bill requires the court to vacate any existing order and prohibits orders for new evaluations or restoration services if a defendant has been accepted to participate in the Bridges Program.

## Criminal Statute of Limitation

When an offender is in a competency-related diversion or defection program, the bill tolls, or pauses, the statute of limitation while the offender is in the program. The time limitations are tolled beginning when a defendant’s case is dismissed for the purpose of facilitating certification for short-term treatment until either the defendant’s criminal case is re-filed or six months has passed, whichever is earlier.

## Competency Services

If criminal charges are dropped against a defendant receiving inpatient services from the CDHS, the bill allows the defendant to receive inpatient services for an additional 90 days. The bill also allows but does not require the CDHS to enter into agreements with organizations to provide permanent supportive housing for persons whose charges are dismissed or who completed the Bridges Program. The department must collect data on the individuals who receive housing and share the information with the Department of Local Affairs (DOLA). Finally, the bill also requires the Bridges Program to share information with the CDHS.

## State Expenditures

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The bill increases state expenditures in DOLA by at least \$94,000 in FY 2025-26 and \$16,000 in FY 2026-27, paid from the General Fund. Additionally, CDHS may have expenditures of about \$106,000 in FY 2025-26 and \$125,000 in FY 2026-27 and ongoing to administer housing contracts, paid from the General Fund. The bill will also increase workload in the Bridges Program and the Judicial Department.

**Table 2**  
**State Expenditures**  
**All Departments**

<b>Department</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
Department of Local Affairs	\$94,349	\$16,039
Department of Human Services (permissive)	\$106,197	\$124,409
<b>Total Costs</b>	<b>up to \$200,546</b>	<b>up to \$140,448</b>

## Department of Local Affairs

Expenditures in DOLA will increase by at least \$94,000 in FY 2025-26 and \$16,000 in FY 2026-27 to develop and maintain a cloud-based software to share data between the CDHS and DOLA. This allows for the secure transfer of potentially sensitive data between agencies. Costs in FY 2025-26 assume 11 weeks of development, testing, and support for the software. In addition, the fiscal note assumes that because the bill only requires CDHS to share data with DOLA, that DOLA will take a passive role in administering the bill.

**Table 2A  
 State Expenditures  
 Department of Local Affairs**

<b>Cost Component</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
Computer Programming	\$94,349	\$16,039
<b>Total Costs</b>	<b>\$94,349</b>	<b>\$16,039</b>

**Department of Human Services**

Starting in FY 2025-26, if CDHS is to administer more contracts for housing services, the Office of Civil and Forensic Mental Health requires 1.0 FTE to liaise with other state agencies, find and work with new vendors, and to oversee the various contracts. This would increase expenditures by \$106,000 in FY 2025-26 and \$124,000 in FY 2026-27, assuming that the CDHS will utilize existing grant funding for contracted services. Because the bill is permissive, these costs are at the discretion of the General Assembly.

**Table 2B  
 State Expenditures  
 Department of Human Services  
 (permitted, but not required, by the bill)**

<b>Cost Component</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
Personal Services	\$80,969	\$101,211
Operating Expenses	\$1,024	\$1,280
Capital Outlay Costs	\$6,670	\$0
Centrally Appropriated Costs	\$17,534	\$21,918
<b>Total Costs</b>	<b>\$106,197</b>	<b>\$124,409</b>
<b>Total FTE</b>	<b>0.8 FTE</b>	<b>1.0 FTE</b>

**Bridges of Colorado Program**

Starting in FY 2025-26, workload to the Bridges Program in the Judicial Department will increase to provide any required data to the CDHS. In addition, workload will increase to attend additional hearings. This work can be accomplished within existing resources.

**Judicial Department**

Workload in the trial courts will increase to develop a new form, process additional evaluations allowed by the bill, issue stay orders, and to vacate orders for defendants in the Bridges Program. The additional form will not cause significantly more workload to courtroom staff, and because these changes impact a narrow scope of cases, this work can be accomplished within existing resources.

## 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 the expenditure tables above.

## Effective Date

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

## State Appropriations

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For FY 2025-26, the bill requires a General Fund appropriation of \$94,349 to the Department of Local Affairs, which is fully reappropriated to the Office of Information Technology.

A FY 2025-26 appropriation of \$88,663 to the Department of Human Services, and 0.8 FTE, is required to enter into additional contracts and oversee organizations offering supportive housing. As described in the State Expenditures section, this appropriation is permitted but not required by the bill and is at the discretion of the General Assembly.

## State and Local Government Contacts

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Behavioral Health Administration

Information Technology

Bridges

Judicial

District Attorneys

Local Affairs

Human Services