

JUDICIAL DEPARTMENT – COURTS AND PROBATION
FY 2025-26 JOINT BUDGET COMMITTEE HEARING AGENDA

Tuesday, January 7, 2025

9:00 am – 10:50 am

9:00-9:35 Introductions and Opening Comments

Presenter: Chief Justice Monica Márquez
 Steven Vasconcellos, State Court Administrator

9:35-9:45 Common Questions

Main Presenters:

- Chief Justice Monica Márquez
- Steven Vasconcellos, State Court Administrator

Topics:

- Question 1: Page 1, Common Question 1 in the packet

9:45-10:00 Cash Funds Detail

Main Presenters:

- Chief Justice Monica Márquez
- Steven Vasconcellos, State Court Administrator

Topics:

- OSF and Fine/Fee Policies, Waivers, Increases: Page 2, Questions 1-3 in packet
- Attorney Registration Fees: Page 6, Question 4 in the packet

10:00-10:10 Budget Reductions Issue

Main Presenters:

- Chief Justice Monica Márquez
- Steven Vasconcellos, State Court Administrator

Topics:

- Budget Reductions Issue: Page 7, Questions 5-7 in the packet

10:10-10:40 Courts Total General Fund Request Issue

Main Presenters:

- Chief Justice Monica Márquez
- Steven Vasconcellos, State Court Administrator

Topics:

- Placeholder 1: Judges Bill: Page 10, Questions 8-10 in the packet
- Placeholder 2: Virtual Court Mgt System: Page 11, Questions 11-13 in the packet
- ITCAP1 Judicial Case Mgt System (yr 2): Page 16, Questions 14-16 in the packet
- R1 JCEF Collections Sustainability: Page 17, Questions 17-23 in the packet
- R12 Family Friendly Grant Program: Page 22, Question 24 in the packet

10:40-10:50 Other Items

Main Presenters:

- Chief Justice Monica Márquez
- Steven Vasconcellos, State Court Administrator

Topics:

- Colorado Lab Data Hub: Page 23, Question 25 in the packet
- 23rd Judicial District: Page 23, Question 26 in the packet
- OSPD Request to Vacate Space in Carr Judicial Center: Page 24, Question 27 in the packet

JUDICIAL DEPARTMENT – COURTS AND PROBATION
FY 2025-26 JOINT BUDGET COMMITTEE HEARING

Tuesday, January 7, 2025

9:00 am – 10:50 am

COMMON QUESTIONS FOR DISCUSSION AT DEPARTMENT HEARINGS

- 1 Please describe any budget requests that replace one-time General Fund or ARPA funded programs with ongoing appropriations, including the following information:
 - a. Original fund source (General Fund, ARPA, other), amount, and FTE;
 - b. Original program time frame;
 - c. Original authorization (budget decision, legislation, other);
 - d. Requested ongoing fund source, amount, and FTE; and
 - e. Requested time frame (one-time extension or ongoing).

Adult Diversion

House Bill 13-1156 established the framework for adult diversion and funding in Section 18-1.3-101, C.R.S. It created the Adult Diversion Funding Committee, outlined in Section 13-3-115, C.R.S., which reviews annual funding applications from district attorneys and their partners. The State Court Administrator's Office supports the Committee's work, including the development of funding application materials and reporting obligations.

The District Attorney Pretrial Adult Diversion Program Long Bill line item initially received an annual General Fund appropriation of \$400,000. The line item appropriation does not include funding for FTE. As a part of pandemic-related budget balancing actions, the General Fund appropriation was reduced to \$100,000 in FY 2020-21 and ongoing. While this reduction was refinanced with cash fund spending authority, the source of these funds is grants and therefore is not a guaranteed source of funding. The funding reduction resulted in a 75 percent decrease in participant enrollment in FY 2020-21 and FY 2021-22.

Temporary funding from the American Rescue Plan Act of 2021 (ARPA) was appropriated to the program in FY 2022-23 and FY 2023-24. The \$4.0 million appropriation resulted in an increase in participant enrollment of 145 percent. ARPA funding will be fully utilized by June 2025 once again limiting the available funding for the program. The Judicial Department (Courts and Probation) has included in its FY 2025-26 budget request, a prioritized decision item for \$650,000 General Fund in FY 2025-26 and ongoing to replace the \$400,000 General Fund that was eliminated for budget balancing purposes and to offset \$250,000 of the funding made available through ARPA.

CASH FUNDS DETAIL

OFFENDER SERVICES FUND AND FINE AND FEE POLICIES, WAIVERS, INCREASES

1. *[Sen. Amabile]* Does the Offender Services Fund include fees paid by individuals in private probation? Are fees different for private probation? What are the criteria for placement in private probation? When or in what cases would private probation be used or preferred?

State/Private Supervision Fees: Pursuant to Section 18-1.3-204(2)(a)(V), C.R.S., each probationer shall pay a probation supervision fee of \$50 per month for the length of ordered probation. For individuals on state probation, this fee is credited to the Offender Services Fund (Fund), which is then used by probation departments in the State's 23 judicial districts to help cover the cost of treatment and other services for state probationers when individuals are unable to pay due to indigency or temporary financial distress.

Probationers who are sent to private probation pay the \$50 fee directly to the private vendor to provide supervision services, therefore no fees for private probation are deposited in the Fund, but are instead used to cover the vendor's operating costs. This is the sole revenue source for private probation supervision services and is typically collected monthly. For individuals supervised by private probation, other assessed court costs, fines, fees, and restitution are paid directly to the court and distributed to the appropriate funds and victims as required. Defense attorneys and other stakeholders have expressed concerns that this funding model motivates private probation to collect fees, making it difficult for lower income and indigent individuals to be in compliance with the vendor's collection efforts. Furthermore, when lower income probationers are supervised by a private probation vendor, monies from the Fund cannot be used to help cover the cost of treatment and other obligations. Prosecutors have expressed concern with private probation's prioritization of fee collection, as it reduces the probationers' ability to pay victim-related costs, such as restitution and victim compensation fees.

Criteria for Placement in Private Probation: Currently private probation agencies are operating in nine more densely populated locations. Each district has its own local procedure for selecting cases to transfer to private probation; however, statute (Section 18-1.3-202(2), C.R.S.) prohibits any district from using private probation to manage intensive supervision probation programs. Local practices are governed by Chief Justice Directive 21-01, which permits supervision of only low risk or low-medium risk adult clients at private probation. Risk level is determined by use of an actuarial risk/needs assessment tool. In some districts, the decision to be supervised by private or state probation is made by a judicial officer. In other districts, probation staff (e.g. a team, supervisor, or combination of probation officer and supervisor) will decide to transfer a case to private probation using established criteria or a matrix. Other considerations that weigh in favor of state-supervised probation include: if the case involves a crime against a person or a weapon, if the probationer has a history of significant substance abuse or mental health issues, if the probationer needs financial assistance through the Offender Services Cash Fund, if the probationer is homeless, if the probationer owes restitution, and if the case requires victim notification or may involve victim safety.

2. *[Rep. Bird]* For each fee or fine paid by an offender or judicial process participant, for all Judicial cash funds, please provide the current fee or fine amount and when each was last increased or established.

Fines are punitive and are generally imposed at sentencing at the discretion of judicial officers. Over the past ten years the courts have imposed fewer felony and misdemeanor fines, in general. From 2015 to 2024, cases with a felony fine have dropped 36 percent, and cases with a misdemeanor fine have dropped 55 percent. The amounts assessed have also dropped, meaning that for those cases where a fine is still imposed, the average assessed amounts are lower. Particularly since the pandemic, fewer fines are

imposed. The general ranges for fines and penalties are outlined below; however, in various places in the statute other specific fines are outlined separately and may not fall within the ranges outlined below.

- Felony fines are outlined in the ranges in Section 18-1.3-401, C.R.S., and range from a minimum of \$1,000 for class 5 and 6 felonies up to a maximum of \$1 million for a class 2 felony. Those ranges apply to offenses committed on or after July 1, 1985.
- Drug felony fines are outlined in the ranges in Section 18-1.3-401.5, C.R.S., and range from \$1,000 for a class 4 drug felony up to a maximum of \$1 million for a class 1 drug felony. Drug felonies and the associated fines were added to statute in 2013.
- General misdemeanor fines and drug misdemeanor fines are outlined in the ranges in Section 18-1.3-501, C.R.S., and range from \$50 for a class 2 drug misdemeanor up to a maximum of \$1,000 for a class 1 misdemeanor and \$5,000 for a class 1 drug misdemeanor. Those ranges apply to offenses committed on or after March 1, 2022.
- Petty offense and civil infraction penalties are outlined in Section 18-1.3-503, C.R.S., with a maximum penalty of \$300 for a class 1 petty offense and a maximum of \$100 for a civil infraction. Penalties in this section apply to offenses committed on or after March 1, 2022. Revenue from civil infraction fines is deposited in the General Fund.

The following table provides additional information concerning fines, fees, and surcharges.

CATEGORY	DESCRIPTION	TOTAL	CREATED/ MODIFIED	CASH FUND	CASH FUND CREATION SECTION
COURTS AND PROBATION CASH FUNDS					
*Court Security	Assessed on docket fees and jury fees for certain civil actions, criminal convictions and civil infractions.	\$5 (statutory)	2007	Court Security Cash Fund	13-1-204 (1) (a), C.R.S.
Family violence	Funding used to provide grants directly to qualifying organizations that provide legal advice, representation, and advocacy for and on behalf of indigent clients who are victims of family violence in the State of Colorado	\$5 of a \$230 petitioner's dissolution of marriage fee; and \$5 of a \$116 respondent's dissolution of marriage fee (statutory)	2010	Family Violence Justice Fund	14-4-107 (1), C.R.S.
*Family Friendly	Family Friendly Court Program Fund	\$1 surcharge (statutory)	2002	Family-friendly Court Program Cash Fund	13-3-113 (6) (a), C.R.S.
Probation transfer	For an offender application to transfer probation to another state	\$100 unless the offender is indigent (statutory)	2012	Interstate Compact Probation Transfer Cash Fund	18-1.3-204 (4) (b) (II) (A), C.R.S.
Felony & misdemeanor fines	Adult and juvenile felony and misdemeanor fines and other fines, including but not limited to animal, child restraint, failure to appear, parking, seat belt, and soliciting without a license	At the discretion of the judicial officer	Varies	Judicial Collection Enhancement Fund	16-11-101.6 (2), C.R.S.
Time fees	Defendants who are unable to pay fees, fines, or other assessments the day they are sentenced are assessed by the clerk of court an initial \$25 time payment fee and may be assessed an annual \$25 time payment fee until the assessments are paid in full.	\$25 (statutory)	1996	Judicial Collection Enhancement Fund	16-11-101.6 (2), C.R.S.

CATEGORY	DESCRIPTION	TOTAL	CREATED/ MODIFIED	CASH FUND	CASH FUND CREATION SECTION
Late fees	Defendants may also be assessed a \$10 late penalty fee depending on the individual circumstances.	\$10 (statutory)	1996	Judicial Collection Enhancement Fund	16-11-101.6 (2), C.R.S.
Information technology	Fees and cost recoveries from electronic filings, network access, searches of court databases, electronic searches of court records, private probation fees to access the court case management system, and any other information technology services	Varies	2022	Judicial Department Information Technology Cash Fund	13-32-114 (1), C.R.S.
Civil filings	Fees, costs, surcharges related to small claims, county and district civil court; juvenile, domestic relations, probate, water court filings; and other miscellaneous fees	multiple, various (statutory)	Varies	Judicial Stabilization Cash Fund Justice Center Cash Fund	13-32-101 (6), C.R.S. 13-32-101 (7) (a), C.R.S.
Dispute resolution	Dispute resolution/mediation fee	\$75 or \$25 per hour depending on indigent status; at the direction of the Supreme Court	1983	Mediation Cash Fund	13-22-305, C.R.S.
Probation supervision fees	Monthly supervision fee paid by probationer	Monthly supervision fee of \$50.00 per month per offender and cost of care for juveniles (statutory)	2002; increased from \$45 to \$50 in 2003	Offender Services Fund if the client is on State probation; paid directly to vendor in the cases of private probation	16-11-214 (1)(a), C.R.S.
*Criminal, traffic, infraction docket fee	Assessed in felony, misdemeanor, traffic, and infraction actions.	\$35 for District Court; \$21 for County Court; \$19 for infractions (statutory)	2003	Judicial Stabilization Cash Fund	13-32-101 (6), C.R.S.
*Judicial Performance	Increased criminal and traffic court docket fees pursuant to H.B. 03-1378	The fees above were increased by \$5 which is deposited into this fund (statutory)	2003	State Commission on Judicial Performance Cash Fund	13-5.5-107 (1), C.R.S.
Community or public service	The court shall assess a fee upon every person required to perform community or useful public service. The amount of the fee must be commensurate with the costs of administering the person's community or useful public service program. The court may waive this fee if the court determines the defendant to be indigent.	Not to exceed \$120 (statutory)	2002	Useful Public Service Cash Fund	18-1.3-507.5, C.R.S.
OTHER STATUTORILY CREATED BOARDS, COMMISSIONS, GROUPS, ADMINISTRATIONS					
*Alcohol evaluation fees	All Driving While Ability Impaired/Driving Under the Influence (DWAI/DUI) offenders are assessed an alcohol and drug evaluation fee; must be approved by the General Assembly; Behavioral Health Administration	Alcohol and drug evaluation fee adjustments must be approved by the General Assembly	1998	Alcohol and Drug Driving Safety Program Fund	42-4-1301.3 (4) (a), C.R.S.

CATEGORY	DESCRIPTION	TOTAL	CREATED/ MODIFIED	CASH FUND	CASH FUND CREATION SECTION
Drug offender surcharge	Covers the cost of alcohol and drug screening, assessment, evaluation; alcohol and drug testing; substance abuse education and training; recovery support services; administrative support for the Correctional Treatment Board; and other statutorily defined uses.	90 percent of the following: \$4,500 for each class 2 felony or level 1 drug felony conviction; \$3,000 for each class 3 felony or level 2 drug felony conviction; \$2,000 for each class 4 felony or level 3 drug felony conviction; \$1,500 for each class 5 felony or level 4 drug felony conviction; \$1,200 for each class 6 felony conviction; \$1,000 for each class 1 misdemeanor or level 1 drug misdemeanor conviction; \$600 for each class 2 misdemeanor conviction; \$300 for each class 3 misdemeanor or level 2 drug misdemeanor conviction (statutory)	1991	Correctional Treatment Cash Fund	18-19-103 (4) (a), C.R.S.
Restorative Justice	Funding is distributed by board to assist in defraying the costs of restorative justice programs	\$10 unless the judicial officer determines the defendant is unable to pay	2013	Restorative Justice Surcharge Fund	18-25-101 (3) (a), C.R.S.
Sex offender surcharge	Covers the direct and indirect costs associated with the evaluation, identification, and treatment and the continued monitoring of sex offenders; Sex Offender Management Board	95 percent of the following: \$3,000 for each class 2 felony conviction; \$2,000 class 3 felony; \$1,000 class 4 felony; \$750 class 5 felony; \$500 class 6 felony; \$400 class 1 misdemeanor; \$300 class 2 misdemeanor; \$150 class 3 misdemeanor (statutory)	1992	Sex Offender Surcharge Fund	18-21-101, 103, C.R.S.

*Criminal fee or surcharge is required by statute and statute is silent on provision for waiving due to indigence. For all other criminal fees and surcharges listed here, statute includes language for waiving due to indigence.

3. [Sen. Kirkmeyer] Please explain the Courts' previous discussions on and requests for statutory changes from "may" to "shall" regarding requirements to pay fees and fines.

The majority of Judicial Department (Courts and Probation) cash fund revenue is from fines, fees, surcharges, or other costs established in statute. Language concerning each of these can vary, including sections in which it is clearly stated that a fine or fee shall be charged, shall be charged unless the person is deemed to be indigent, may be charged, or that the fine is discretionary under a legally defined maximum threshold. It is the practice of the Courts to waive fees, surcharges, or other costs if an individual qualifies for public assistance, is deemed to be indigent, or is otherwise determined to be unable to pay. Pursuant to Chief Justice Directive 85-31 (as amended in 2011):

Fines, fees, surcharges, and costs shall not be waived or suspended except as permitted by law and only upon request of the Defendant, Respondent, collection investigator or probation officer. The court shall only grant a waiver or suspension after making a finding of financial inability to pay the assessment, based on a review of a financial affidavit or similar supporting documentation. The court shall record the order to waive or suspend required assessments.

ATTORNEY REGISTRATION FEES

4. [*Sen. Kirkmeyer*] Please explain and provide citations as necessary for why attorney registration fees are considered to be informational funds in the Long Bill.

In short, the Colorado Constitution grants the Supreme Court exclusive authority to regulate the legal profession. It has been long established that this authority includes the power to assess and collect and utilize fees, outside of the legislative process, from the professionals who are regulated by the Court through the Office of Attorney Regulation Counsel. The Judicial Department, (1) Supreme Court and Court of Appeals, Office of Attorney Regulation Counsel letternote b states: “These amounts shall be from annual attorney registration fees and law examination application fees established by the Colorado Supreme Court pursuant to the Colorado Rules of Civil Procedure, Chapter 18, Rules 203.1, 203.4 (4), and 227. These amounts are included for informational purposes only as these fees are continuously appropriated under the Judicial Department's constitutional authority.”

A more complete explanation is that Article III of the Colorado Constitution recognizes the three distinct branches of government in Colorado and Article VI, Section 1 vests the judicial power of Colorado in the courts. The Colorado Constitution and a long history of Colorado case law establish that the Colorado Supreme Court, as part of its inherent and plenary powers, has the exclusive jurisdiction over attorneys and the authority to regulate, govern, and supervise the practice of law in Colorado to protect the public. Colorado Supreme Court Grievance Comm. v. Dist. Court, City & Cnty. of Denver, Colo., 850 P.2d 150, 152 (Colo. 1993); Chessin v. Office of Attorney Regulation Counsel, 2020 CO 9, ¶ 11.

Regulation, governance, and supervision of the practice of law includes admission to the bar—which includes attorneys as well as licensed legal paraprofessionals (“LLPs”), providing support and professional development resources to practitioners, requiring continuing legal education for attorneys and LLPs, ensuring disciplinary oversight for attorney or LLP misconduct, protecting clients from attorney or LLP wrongdoing and financial harm, and preventing the unauthorized practice of law. The Supreme Court promulgates rules to fulfill these functions. See Chapters 18-20 of the Colorado Rules of Civil Procedure. The Court appoints Attorney Regulation Counsel to oversee the Court’s regulatory functions and ensure it has sufficient budget to perform these functions.

Supreme Court rules set the fees charged to bar applicants and attorneys, which are then deposited in the Attorney Registration and Bar Exam Fees Cash Fund. C.R.C.P. 203.1; C.R.C.P. 227. Fees are also collected pursuant to continuing legal education functions. See C.R.C.P. 250.7 and Regulations Governing Mandatory Continuing Legal and Judicial Education for the State of Colorado. Certain other regulatory functions also charge and collect fees. See, e.g., C.R.C.P. 242.17(d). The fees are used to fund the costs of the Office of Attorney Regulation Counsel (attorney and LLP admissions, registration, continuing legal and judicial education, diversion and discipline, unauthorized practice of law and inventory counsel functions), the Office of the Presiding Disciplinary Judge, the Colorado Lawyers Assistance Program, the Colorado Attorney Mentoring Program, and advisory and regulatory committees related to the practice of law. The Colorado Attorney Mentoring Program also collects fees pursuant to certain program participation. C.R.C.P. 255.6. There is a set-aside from active registration fees for the Attorneys’ Fund for Client Protection. See C.R.C.P. 252.2. The Advisory Committee on the Practice of Law and the Supreme Court approve the annual budget for these functions. The cash fund balance jumps substantially every February when attorney registration fees are due and diminishes over the year to fund attorney regulation expenditures. The cash fund carries an appropriate balance from year to year to ensure that operational needs and at least some contingencies can be met.

The Supreme Court's exclusive jurisdiction to regulate the practice of law necessarily includes the exclusive ability to impose fees to fulfill that function and ensure the cash fund supporting attorney regulation adequately funds the court's attorney regulation function.

BUDGET REDUCTIONS ISSUE

5. *[Sen. Amabile]* What are the line items and programs that if we cut, they will just increase costs downstream or elsewhere for other agencies and local governments? What are the potential increased costs to the Courts if the Appropriation to the Eviction Legal Defense Fund is eliminated?

The FY 2025-26 Judicial Department (Courts and Probation) budget request totals over \$813.2 million total funds. This is comprised of \$697.1 million General Fund (85.7 percent), the majority of which funds the constitutionally and statutorily mandated operations of the courts and probation departments throughout the State. Long Bill line items with General Fund appropriations for initiatives that are not related to the operation of the courts and probation are grant programs and include: Courthouse Security (\$1.5 million), Appropriation to the Underfunded Courthouse Facility Cash Fund (\$3.0 million), Family Violence Justice Grants (\$2.0 million), and Appropriation to the Eviction Legal Defense Fund (\$1.1 million).

Cuts to the General Fund appropriation to the Underfunded Courthouse Facility Grant Program will require some counties to meet the constitutional requirements of providing safe and adequate court facilities without State aid. Similarly, cuts to or denial of the requested General Fund appropriation in the Courthouse Security line item that funds a portion of the grant program may place court and probation staff and the public at greater risk, if counties choose to not provide adequate security without state aid.

Family Violence Justice Grants line item is used to provide grants directly to qualifying organizations that provide legal advice, representation, and advocacy for and on behalf of indigent clients who are victims of family violence in the State of Colorado. Reductions in the appropriation to this line item will reduce funding made available to eligible organizations serving victims of family violence.

The Eviction Legal Defense Fund provides legal representation for people who are at risk of losing their housing. Since 2020, seven qualified organizations receiving funds from the Eviction Legal Defense Fund have served over 16,000 individuals throughout the State through limited or full legal representation, legal advice or information, mediation services, and/or referrals to other agencies. Nearly one-third of those served received limited or full legal representation. While client outcomes were not always captured and reported by grantee agencies, where outcomes were captured, the data reflect that grant recipients had significant positive impact on the clients served.

6. *[Sen. Marchman]* In the table on page 21, please describe the programs and services funded with the appropriation for the Family Violence Justice Grants program and the Eviction Legal Defense Fund. If these appropriations are eliminated, what funding will these programs have? If not appropriated with General Fund, will these programs be eliminated? Are there similar programs located elsewhere that provide similar services if they are eliminated?

Eviction Legal Defense Fund

The Eviction Legal Defense Fund (ELDF) was created in 2019 by the General Assembly through S.B. 19-180 (codified in Section 13-40-127, C.R.S.) to assist in increasing access to legal representation for Coloradans experiencing or at immediate risk of experiencing an eviction.

Qualified Organizations

Statute establishes criteria for determining whether an organization is qualified to apply for a grant.

Organizations must:

- Be based in Colorado.
- Be exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.
- Obtain more than 20 percent of their total funding from sources other than grants from the Fund.

Grant Uses

Grantee organizations can use ELDF funds to provide legal advice, counseling, and representation for, and on behalf of, eligible clients who are experiencing an eviction or are at immediate risk of an eviction.

Covered services include:

- Establishing clinics designed to educate and assist tenants in eviction proceedings, including providing information about the rights and responsibilities of landlords and tenants.
- Offering general legal information and advice.
- Referring clients to appropriate persons or agencies that provide housing-related assistance.
- Providing mediation services for disputes between landlords and tenants that could prevent or resolve the filing of an eviction.

Given these parameters, grantees use the bulk of their ELDF funding for personnel costs (attorneys, paralegals) with a smaller portion going toward supplies and miscellaneous costs like travel on behalf of clients.

An evaluation of the Fund/Grants was completed as required by the State Court Administrator's Office in December 2024. The report was provided to the House and Senate Judiciary Committees and can be found on the Judicial Branch website [here](#).

If the General Fund appropriation to the Eviction Legal Defense Fund is eliminated, the non-profit organizations that have received funding will be required to seek funding from other organizations or may be required to reduce staffing levels, resulting in the inability to sustain the level of services and positive outcomes.

Family Violence Justice Fund Grant Program

The Family Violence Justice Fund (Fund) was established in 1999 to expand the availability of legal assistance for victims of family violence. Annual grant funding is allocated to qualified organizations based on a geographic, need-driven formula that considers the number of low-income persons (i.e., individuals living near or below the poverty line) who may need services in each county or city and county across the State. If there is more than one qualified organization within a county or city and county, funding is allocated in proportion to the number of clients served by each qualified organization or its predecessor in the preceding grant award year. All grants are awarded on a cost-reimbursement basis and must be used for the purposes set forth in Section 14-4-107(2), C.R.S.

Qualified Organizations

Statutes establish criteria for determining whether an organization is qualified to apply for a grant.

Organizations must:

- Be based in Colorado.
- Be exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code.
- Obtain more than 33 percent of their funding from sources other than grants from the Fund.

Grant Uses

Per statute, grants funds can only be used to provide eligible services in covered proceedings for and on behalf of indigent clients who are victims of family violence subject to the following definitions:

Indigent: As noted in Section 14-4-107(5)(d), C.R.S., indigent refers to a person whose income does not exceed 125 percent of the family federal poverty guidelines, adjusted for family size, determined annually by the U.S. Department of Health and Human Services.

Covered Proceedings: Include, but are not limited to:

- An action for dissolution of marriage, legal separation, or declaration of invalidity of marriage.
- An action for dissolution of a civil union, legal separation, or declaration of invalidity of a civil union.
- Paternity actions.
- Child custody actions.
- Proceedings to establish or enforce child support.
- Administrative hearings and other judicial actions in which family violence is an issue or where legal representation is necessary to protect the interests of a victim of family violence.

Eligible Services Related to Covered Proceedings: These include full/direct legal representation, other services like legal advice and limited representation, and educational clinics. Since 2001, 26 non-profit agencies have received over \$33 million in grants from the Fund. Over 16,000 clients have received services from grantee organizations in the past two fiscal years alone.

As with the Eviction Legal Defense Fund, if the General Fund appropriation to the Family Violence Justice Fund is eliminated, the non-profit organizations that have received funding will not be able to sustain the level of services provided and positive outcomes achieved unless they are able to obtain funding from other sources to replace the grants.

7. *[JBC]* Please respond to the staff discussion of budget reduction options.

FY 2025-26 JBC STAFF BRIEFING JUDICIAL DEPARTMENT (COURTS AND PROBATION) JBC STAFF OPTIONS FOR GENERAL FUND RELIEF		
TOPIC	JBC STAFF RECOMMENDATION	DEPARTMENT RESPONSE
Appropriation to Underfunded Courthouse Facility Cash Fund	Eliminate the \$3.0 million GF appropriation to the fund.	JBC Staff did not indicate if the elimination of this funding is intended to be ongoing or one-time. If it is intended to be ongoing, the remaining balance in the cash fund will be necessary to wind down the program. If this funding is eliminated, it will have significant impacts to the counties' ability to provide safe and adequate space for court and probation operations and impact the services available to the public. If elimination of the \$3.0 million General Fund appropriation to the Underfunded Courthouse Facility Cash Fund is intended to occur in one fiscal year, only, the balance in the fund is sufficient to continue to provide grants to counties for courthouse facilities. The

FY 2025-26 JBC STAFF BRIEFING		
JUDICIAL DEPARTMENT (COURTS AND PROBATION)		
JBC STAFF OPTIONS FOR GENERAL FUND RELIEF		
TOPIC	JBC STAFF RECOMMENDATION	DEPARTMENT RESPONSE
		Department requests that the elimination of this appropriation be for one year, only.
Judicial Education and Training	Eliminate or refinance \$87,325 General Fund appropriation	Refinancing the General Fund appropriation with Judicial Stabilization Funds is feasible and preferable over elimination of the funding.
Senior Judge Program	Refinance \$300,000 General Fund appropriation	Refinancing \$300,000 General Fund in this line item will begin to add to the burden on the Judicial Stabilization Fund. It is likely feasible in the near-term, but should be considered a short-term solution and should not be utilized for more than two fiscal years. The Department requests that the General Fund appropriation be annualized back into the line item beginning in FY 2026-27.
Office of Judicial Performance Evaluation	Refinance \$214,500 General Fund appropriation	Refinancing the \$214,500 General Fund appropriation with the State Commission on Judicial Performance Cash Fund is not feasible at this point. Given the addition of a 23 rd commission, new staff, and increased programmatic expenses related to improving a legacy system of evaluation that was established in 1988, the Department believes that the General Fund appropriation is necessary. The Department requests that the General Fund appropriation not be refinanced with cash funds.
Family Violence Justice Grants	Eliminate the \$2.0 million General Fund appropriation to the cash fund	This is a grant program and therefore has no direct impact on the operations of the courts and probation departments. See above for the discussion concerning the impact on grantees and those they serve.
Appropriation to the Eviction Legal Defense Fund	Eliminate the \$1.1 million General Fund appropriation to the cash fund	This is a grant program and therefore has no direct impact on the operations of the courts and probation departments. See above for the discussion concerning the impact on grantees and those they serve.

COURTS TOTAL GENERAL FUND REQUEST ISSUE

PLACEHOLDER 1: JUDGES BILL

8. [Sen. Amabile and Sen. Kirkmeyer] How many more public defenders, district attorneys, courtrooms, county attorneys, etc., would need to be added if we add these judges? Do all of these judicial districts have available space to house these judges?

The Judicial Department (Courts and Probation) cannot speak to the number of public defenders, district attorneys, or county attorneys that agencies independent of the Department may require. The Department's staffing model is specific to the needs of the State's courts. The Department consulted the Chief Judge and Court Executive in each judicial district impacted by this request to determine how they plan to use potential judgeship allocations and found that not all of the proposed judgeships will preside over criminal dockets. Accordingly, only some of the judgeships will have an impact on these agencies. The Department provided the Office of the State Public Defender with a preliminary list of judicial districts that plan to use their allocation(s) for criminal dockets.

Regarding space, the Department has worked closely with the Chief Judge and Court Executive in each judicial district included in this request and confirmed that they currently have the necessary office and courtroom capacity or have developed plans to accommodate additional judgeships in a timely manner.

9. *[Staff]* Since S.B. 19-043 (Increasing Number of District Court Judges), how many magistrates have been added through bills or budget actions? Since magistrates do not have the authority to carry out all aspects of judicial process as a judge can, why is there not a component of the Judges Bill process that would seek to convert some portion of magistrates to judges as a lower cost alternative for adding judicial officer capacity through the State Courts system?

Since the passage of S.B. 19-043, the Department has received 4.75 magistrate FTE from legislation and a total of 19.5 magistrate FTE from budget actions. Of the 19.5 FTE, 2.9 was allocated to specific court locations to assist with implementing H.B. 21-1280 (Pre-Trial Detention Reform), which requires a bond hearing within 48 hours of an arrested person's arrival at a detention facility. The remaining 16.6 magistrate FTE were allocated to address the jury trial backlog that accumulated during the COVID-19 pandemic. These magistrates are accounted for in the district and county court bench staffing levels identified in the judge bill narrative, and despite this inclusion, staffing levels remain low. Because the staffing levels show a significant need for additional judges assuming the current level of magistrate allocation, a reduction of magistrates would only increase the Department's need for more judges.

The Department does have plans to reallocate some magistrate FTE from certain locations that are anticipated to receive a judgeship to locations that have lower staffing levels but are not in need of a full judgeship.

10. *[JBC]* Please respond to the staff discussion of the cost reduction option for this item.

Colorado needs additional judges in order to provide timely dispute resolution in a manner in which the litigants have an opportunity to be heard. Providing an efficient and neutral venue for speedy resolution of criminal matters and for individuals and businesses to resolve civil disputes is not just a core function of government, it is an essential element of a civil society. The chronic understaffing of our judges and support staff results in crowded dockets, insufficient time for judges to thoroughly explain rulings to parties, delays in issuing critical orders, and judge and staff burnout. Receiving legislative approval for additional judges is the Department's top priority in the next two fiscal years.

The Department recognizes Colorado has budget challenges. These challenges are not new. The Department's long-held recognition of this challenge is reflected the Department's efforts to limit requests, and therefore hold down spending for many years. Our commitment to relative austerity is reflected in historical budget data. Since the budget year at the start of the pandemic – FY 2019-20 – the General Fund appropriation to the Judicial Department has increased 3.6 percent. At the same time, the General Fund appropriation to all other departments in the state budget has increased 28.9 percent. The growth in General Fund spending that has contributed to the current budget crisis is not rooted in an expansion of courts or unreasonable budget requests from the Department. The workload has been growing for some time. The overwhelming majority of the work of Courts and Probation is driven by decisions made by the General Assembly, and courts do not control the volume or timing of cases.

Colorado's need for additional judges has been apparent for some time. However, the Department waited until it finalized workload studies for county court, district court, and the Court of Appeals, all showing a significant need for more judges, before it made this request. The Department understands JBC staff concerns about funding for additional judges, and the Department is committed to working with the JBC on General Fund savings strategies in the Department's budget to offset the cost of additional judges.

PLACEHOLDER 2: VIRTUAL COURT MANAGEMENT SYSTEM

11. *[JBC]* Please describe the current virtual courts system and the need for this system change. Please describe the components of the new system that will address the problem. Please provide current

estimated cost. Please describe any communications initiated with the Joint Technology Committee for this project.

Current Situation and Need for Change:

The Department's current virtual court environment is made up of three separate tools, each serving a different function:

1. **Virtual Proceedings:** The Department currently uses a platform called Webex Meetings, which is designed for general business collaboration rather than courtroom proceedings.
2. **Court Recording:** The Department relies on ForTheRecord (FTR) software to generate a record of the proceedings. Costs increase each year, and the Department currently lacks dedicated funds to upgrade to newer, more suitable cloud versions.
3. **Livestreaming:** The Department uses a platform called Nomad with charges increasing as viewership grows.

At the onset of the COVID-19 pandemic, the Department adapted quickly, and as specialized virtual court platforms for judicial proceedings were not yet readily available, the Department was forced to rely on tools designed for business meetings, where every participant generally has equal status. Pre-pandemic, virtual participation was primarily limited to telephone calls or basic video carts. While Webex was sufficient during the peak of the crisis, the Department's adoption and growth of virtual proceedings as a permanent service has caused the Department to quickly outgrow Webex. A courtroom requires strict role-based permissions, decorum, and order—factors that Webex does not inherently support.

The Disruption Challenge:

One of the most pressing issues is dealing with courtroom disruptors. These individuals engage in behaviors such as:

- **Social Engineering and Spoofing:** Disruptors impersonate valid participants, including judges, attorneys, or law enforcement, to gain unauthorized access.
- **Inappropriate Content and Interruption:** Disruptors unmute themselves at will, requiring the Department to disable audio and video for everyone—legitimate participants included—just to maintain control. These disruptors regularly attempt to share pornographic, violent, or other inappropriate content utilizing virtual cameras since there is no way in Webex to prevent camera use on a per-user basis.
- **Mass Attempts to Access Courtrooms:** Disruptors can find meeting links on the Department's website and cycle through multiple virtual courtrooms at once to gain access or target specific courtrooms based on those livestreaming. With no IP-based blocking or rate-limiting in Webex, there is no efficient way to prevent repeated, targeted disruptions.
- **Inability to verify users:** Because users do not register with Webex prior to joining a proceeding, court staff must screen participants manually. Using Webex, hosts cannot communicate with individuals in the lobby to verify their identity or intentions before admitting them.
- **Media Attention:** These disruptive incidents have not only hindered the judicial process but have also drawn negative media coverage, compromising public confidence in virtual courtroom environments and highlighting the urgent need for a more secure, purpose-built solution. Cisco, the company that owns Webex, has reached out regarding these articles and requested the Department change how Webex is utilized.

This situation forces the Department to invest significant staff time and overhead into manual controls. Judges and clerks—without dedicated IT support—must constantly mute and remove participants or disable key features for everyone to manage a single disruptor. These limitations not only hinder courtroom operations but also jeopardize the integrity, efficiency, and fairness of the proceedings.

Cisco's recent efforts have focused on enhancing Webex as a collaborative meeting tool, introducing features suitable for office settings but detrimental to the courtroom environment (e.g., reaction emojis, public-only chat, and simplified controls that cannot be easily customized by role). The Department has been in regular contact with Cisco about the disruption challenges, but rather than partnering with the Department to adjust these features for judicial purposes, Cisco encourages changing our processes—such as not posting public links or employing complex scheduling steps—and now points to its own specialized digital court solution at an additional cost. These efforts increase administrative overhead and do not align with the Department's operational realities.

Some legislators and stakeholders have suggested that a switch from Webex to another common meeting platform, such as Zoom, might provide the solution. All meeting platforms are believed to have similar limitations as Webex. While each platform may have individual pros and cons, none of them are specifically designed for managing court proceedings. Moving to a different meeting platform would be disruptive to the Department and would still be unable to address the other needs of the Department described in this response, such as court recording, integration with the Department's case management system, and centralized court controls for livestreaming and participant management.

The Recording Challenge:

The current recording solution, ForTheRecord (FTR), is not integrated holistically with the virtual proceedings platform, making support and oversight difficult. Key issues include:

- **Limited Audio Recording:** FTR can only capture all participants on four audio channels, and all participants on Webex are captured on only one of those channels, complicating transcription and court reporting tasks and making it harder to produce accurate, detailed transcripts.
- **Performance Conflicts with Webex:** Running FTR and Webex concurrently on the same machine can degrade performance. This requires manual monitoring which distracts staff from judicial tasks and may cause technical disruptions.
- **On-Premise Dependency:** FTR requires in-courtroom computers. Court staff utilize a physical courtroom to record in-person, hybrid, or fully virtual proceedings. If the proceeding is fully virtual due to weather closures or other issues, the court staff must still be in the courtroom to record the proceeding.
- **Lack of Self-Monitoring and Alerts:** FTR does not actively monitor its own operation or send alerts if it encounters an issue. Court staff may not know the recording failed until after the proceeding concludes, compromising the record.
- **Operational Complexity:** If a recording computer locks or if any staff changes during a session, it requires stopping the recording, switching accounts, and later merging files manually – causing court disruption, possible loss of court record and adding unnecessary administrative overhead.

These challenges highlight the need for a solution that consolidates proceedings, recording, and livestreaming into a single, integrated platform.

Ultimately, the current suite of tools is not designed for how the department needs to conduct judicial proceedings. They fail to safeguard against disruptions, maintain appropriate roles and

permissions, or efficiently integrate with court operations. The Department must implement a system purpose-built for courts.

Key Features of the Proposed Solution:

It is critical to mention that the Judicial Department has not chosen a new platform at the time of this hearing. The Department has posted a competitive solicitation to provide a fair opportunity for all interested vendors. That makes it impossible to speak to specific solutions, however, the Department will be looking for the following critical capabilities to assist with the disruptions when selecting the “digital court” platform:

- **Manage Dockets Seamlessly:**
Courts can handle multiple cases in one continuous virtual courtroom environment. Staff can verify participant readiness before calling a case, eliminating the need to create and share numerous links, and easily adapting to last-minute scheduling changes.
- **Control Permissions by Role:**
Judges, clerks, attorneys, jurors, witnesses, and observers each have appropriate access levels. Witnesses can be prevented from viewing proceedings until needed, and the public gallery can remain in a “view-only” mode, accessing livestreams without the ability to interrupt. It can also limit sharing capabilities or camera use on a per-user basis, preventing graphic or inappropriate content from entering the official record. This granular control ensures disruptors cannot exploit open permissions.
- **Centralize Control and Management:**
A single dashboard will allow courtroom staff to manage recording, livestreaming, and other functions in real time. Without needing dedicated IT staff in the courtroom, judges and clerks can more easily maintain order and quickly respond to disruptions.
- **Integrate Identity Management and Authentication:**
Attorneys, law enforcement, and other verified participants, as well as members of the public who register for authenticated access, will be recognized through integrated identity systems. This prevents impersonation and ensures that only legitimate participants can join. Authenticated public users can securely get approved access links, rather than relying solely on public web postings that disruptors can exploit.
- **Integrate with Existing and Future Case Management Systems:**
Seamless data exchange between the virtual court platform and the Department’s case management systems will reduce administrative burdens and ensure data integrity. Case-related materials remain centralized and secure, promoting efficiency and accuracy throughout the judicial process.
- **Disrupter Blocking Technology:**
The new platform would enable the Department to identify and block disruptive individuals based on IP address or other unique identifiers. It could detect suspicious behavior such as attempts to enter multiple courtrooms in quick succession. This is crucial because the current platform cannot block users by geographic location or align with federal sanctions lists (such as those maintained by the U.S. government’s Office of Foreign Assets Control, which includes sanctioned countries like Russia and North Korea). Under the current system, even if it is known that attempts are originating from a sanctioned or high-risk region, the Department has no built-in mechanism to prevent such connections. By proactively preventing repeated disturbances and unauthorized access, the system maintains a secure and orderly virtual courtroom environment.

- **Improved Court Recording Integration:**

By merging recording with the proceedings platform, the Department would gain a self-monitoring, integrated solution that eliminates the need for separate on-premise systems and user-based licensing. A unified solution can support video and multiple audio channels, simplify transcript generation, and automatically alert staff if recording issues arise. This integration reduces complexity, improves the quality and reliability of official records, and ensures that both the proceeding and the recording function cohesively within the same platform.

Estimated Costs:

The Department included in its January 2, 2025, budget submission a FY 2024-25 supplemental request for \$0.7 million cash funds spending authority from the Judicial Department Information Technology Cash Fund and a FY 2025-26 budget amendment for \$3.0 million cash funds spending authority from the same fund.

12. *[Staff]* The request has been labeled by the Courts as its "Digital Court Solution"; staff's understanding is that this new system is only intended to replace the current virtual access system. Are there aspects or components of this project that will provide greater court process functionality beyond providing improved participant and public access control and system management for virtual court processes (i.e., that would designate this as a larger "digital court solution" and not simply a "virtual court management system")?

The Department's current virtual court environment is made up of three separate tools, each handling a different function:

1. **Virtual Proceedings:** The Department currently uses a platform called Webex Meetings, which is designed for general business collaboration rather than courtroom proceedings.
2. **Court Recording:** The Department relies on ForTheRecord software. Costs increase each year, and the Department currently lacks dedicated funds to upgrade to newer, more suitable versions.
3. **Livestreaming:** The Department uses a platform called Nomad with costs increasing as viewership grows.

While improving the virtual proceedings experience is a core goal, the solution goes beyond just virtual proceedings. It will unify multiple functions currently spread across different products and potentially offer new capabilities that support the entire judicial process, such as:

- **A Single, Integrated Platform:** Virtual court proceedings, court recording, and livestreaming will be managed within one system, reducing complexity and training burdens.
- **Enhanced Evidence Management:** Attorneys can submit digital evidence directly within the platform, allowing judges to review, accept, or reject exhibits more efficiently.
- **Improved Accessibility and Workflow:** Features like digital document signing, secure communication channels between attorneys and clients, and integrated transcription services will simplify legal processes.
- **Video Recording for Court Record:** currently only 4 channels of audio are recorded as part of the court record. A true digital court solution should allow us to transition to a video-based record that can also capture more than 4 channels of audio and using AI to help identify speakers even when they are speaking over each other.

- **More Efficient Transcription:** This solution can also help streamline the generation of unofficial and official transcript requests. By leveraging AI-driven tools and integrated connections to third-party transcription services, the platform would facilitate faster and more accurate production of transcripts. This would reduce administrative burdens, improve turnaround times, and enhance overall efficiency for court personnel and participants.

These additional functions will help the Department move toward a truly “digital court” environment, improving efficiency, accessibility, and the overall quality of the justice experience for all participants.

13. *[/BC]* Please respond to the staff discussion of the General Fund reduction option for this item.

The Department included in its January 2, 2025, budget submission a FY 2024-25 supplemental request for \$0.7 million cash funds spending authority from the Judicial Information Technology Cash Fund and a FY 2025-26 budget amendment for \$3.0 million cash funds spending authority from the same fund. This amended request eliminates the General Fund impact by \$3.0 million. The Department also included a request to extend the Judicial Case Management System project to four years in order utilize cash funds for the Digital Court Solution project in the near term. It is important to note that General Fund appropriations for information technology projects will be required in the future as cash fund revenues are not sufficient to cover both implementation costs and ongoing hosting and maintenance costs.

ITCAP1 JUDICIAL CASE MANAGEMENT SYSTEM (YR 2)

14. *[Sen. Kirkmeyer]* Given the balance in the Judicial IT Cash Fund, why wouldn't the entire cost of this project be paid from cash funds? Why is there a request for General Fund? Why does the Judicial IT Cash Fund carry such a large balance?

The Judicial Department Information Technology Cash Fund is created pursuant to Section 13-32-114 (1), C.R.S. Revenue deposited in the fund consists of fees and cost recoveries, related to:

- Electronic filings;
- Network access and searches of court databases;
- Electronic searches of court records; and
- Any other information technology services.

The funds are subject to annual appropriation and are to be used for any expenses related to the Department’s information technology needs. The Department was granted an excess reserve waiver by the Joint Budget Committee for FYs 2023-24 and FY 2024-25 for the purpose of building up a balance that would be used for the new case management system (CMS). The FY 2024-25 beginning fund balance was \$23.8 million. With revenues projected to be \$27.5 million and expenditures projected at \$34.7 million, including 40 percent of the first-year case management system appropriation (which has 3-year spending authority) and the \$0.7 million digital court project request, the Department anticipates that the cash fund will experience a negative cash flow in FY 2024-25 of \$7.2 million. This negative cash flow is anticipated to grow over the course of the next several fiscal years as the Department must complete the two projects that are critical to its operations – the CMS and the Digital Court Solution projects. As a result, the Department will continue to request General Fund for project implementation costs and staffing when necessary.

15. *[Sen. Bridges]* Are there any federal funds that could help fund this request item? Has the State Court Administrator's Office looked for federal funds for this project?

The Department received funding from the American Rescue Plan Act of 2021 for the purpose of updating court A/V systems and other pandemic-related technology projects, but has not otherwise accessed federal funds for the case management project. If such were available, they would not be able to address the significant on-going costs of keeping the system operational. In addition, the timing related to receipt of the funds would further delay implementation of the project, resulting in increased costs and lost opportunity. More importantly, the delay would negatively impact court and probation department operations as the CMS is beyond end of life and coded in a language that is no longer supported.

16. *[JBC]* Please respond to the staff discussion of the General Fund reduction option for this item.

As a part of its January 2, 2025, budget submission, the Department included a budget amendment that modifies the implementation plan for the Judicial Case Management System (CMS). The request includes:

- An extension of the implementation plan to four years (from three); and
- A request for a FY 2025-26 appropriation of \$8.0 million, including \$4.0 million General Fund and \$4.0 million cash funds from the Judicial Department Information Technology Cash Fund; representing a \$3.5 million General Fund savings.

R1 JCEF COLLECTIONS SUSTAINABILITY

17. *[Rep. Bird]* Is there a way to make Collections an enterprise? Would an enterprise help?

Section 20 (2)(d) of Article X of the Colorado Constitution defines an enterprise as “a government-owned business authorized to issue its own revenue bonds and receiving under 10% of annual revenue in grants from all Colorado state and local governments combined”. In addition to this, an enterprise must be a business “conducted in the pursuit of benefit, gain, or livelihood” (*Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859, 868 (Colo. 1995)), and in which all activities are supported by the earned fees. It must:

- Be a government-owned business (i.e. be governed by a Board of Directors)
- Be managed by a state agency or state employees
- Generate revenue through a fee for service model
- Receive less than 10 percent of its revenue from state or local governments combined
- Have bonding authority
- Not levy taxes

See Colorado Constitution Article X, Section 20(2)(d); *Nicholl*, 896 P.2d at 868-69.

The Department does not believe that the Collections program itself or the combined revenue received through the Judicial Department’s case management system on behalf of the State of Colorado can legally qualify as an enterprise for the following reasons:

- Unlike existing enterprises, revenues received in the collections program are not fees for provided goods or services.

- While collections program time and late fees are specifically used to cover the operating costs of the program itself and are not repurposed for other needs, two barriers would likely prevent the program from qualifying as an enterprise: 1) The fees are codified in statute and cannot be adjusted without legislation. 2) The cash fund revenues are not sufficient to cover all operating costs without a significant fee increase, requiring between \$1.2 million and \$3.1 million General Fund appropriation to sustain the program. This appropriation will exceed the 10 percent limit as defined in the State Constitution.
- While the combined State revenue received through the case management system, including the time and late fees that fund the collections program, is significant and any General Fund appropriation would be far less than the 10 percent limit required for an enterprise, it would likely not qualify for an enterprise because the majority of the revenue is from fees that are identified in statute and none of it is a fee for goods or services. Additionally, the revenue is currently deposited in several State cash funds or the General Fund for use by the Courts and Probation or other State agencies and could not remain in the enterprise as required by law, but would rather be repurposed for other needs of the State. Finally, even if this option could qualify for enterprise status, it would likely require a vote of the people under Proposition 117. This measure passed in 2020 and requires that any new state enterprise that would earn more than \$100 million in its first five years must be put forth as a ballot measure. State revenues received through the case management system total approximately \$80 million per year.

18. *[Rep. Bird]* What are the guidelines and circumstance around when judges are deciding to waive fees? What are the bounds on their discretion? How do the State Courts and judges balance the needs of indigent or low income offenders and the need for those that are able to make fee, fine, and restitution payments?

Chief Justice Directive 85-31 provides judges guidance on collecting fines, fees, surcharges, and costs. Judges are encouraged to utilize their Collections Investigators to validate and verify a defendant's assertion of indigence for waiver of fines, fees and costs. Temporary status, such as unemployment, does not automatically qualify a defendant for waiver; however, in cases in which the defendants face more serious challenges such as a disability, homelessness, or other similar factors, discretion concerning enforcement of financial assessments is exercised. Judges normally rely on provisions in statute for waiver requirements (such as a formal finding of indigence or an inability to pay), and they work to balance statutory requirements with what is just and fair.

Most defendants face financial challenges when involved with the criminal justice system, and the Collections Program works with each defendant and their unique circumstances to establish the best plan forward. Treatment and other court orders are prioritized over immediate payment to support defendant stability, and for those defendants that can work, the Program provides resources and encouragement for them to gain or regain financial independence.

19. *[Sen. Bridges]* Is there research on outcomes associated with individuals who have fees or fines waived? Is there a correlation between owing on debt from judicial process fines and fees and recidivism? Is there data or evidence-based research that speaks to this issue?

Much literature to date warns against the imposition of heavy fines and fees on individuals who are struggling financially and the negative effect it can have on their ability to exit the criminal justice system. As described above, the collection of fines, fees, surcharges, and other costs by the Judicial Department is balanced by an evaluation of the individual's finances and ability to pay. In reviewing practices in other states, the Department has found that the Colorado's collections program is markedly different, as it

invests resources in providing education about budgeting and solid financial strategies while engaging defendants in improving their income and financial stability. Collections Investigators across the State work with both supervised and un-supervised defendants who have balances due to the courts, and the creation of payment plans that fit within the defendant's budget provides both independence and financial accountability. While the Department is unable to reliably report strong empirical associations among fines, fees, waivers, and outcomes in the Colorado probation population, it believes that financial stability and improved income are important factors in supporting a successful client.

To evaluate the effectiveness of Colorado's work in this area and determine client outcomes, if any, it would be necessary to isolate waivers and fines/fees collected, which would require methodologically rigorous study to control for risk and need factors among other variables. Access to certain client financial data, including household income, would also benefit the study, however these data are unavailable in the current case management system.

20. *[Rep. Bird]* Please discuss any other reasons that revenue has declined.

In recent years, revenues supporting the Judicial Collection Enhancement Fund (JCEF) have declined due to legislation, pandemic and post-pandemic related economic conditions, and changes in common or administrative practice. Concurrent with the creation of the Office of Restitution Services, prioritization of the collection of restitution payments above that of fines and fees in certain circumstances, and changes in statute concerning collections have resulted in less revenue annually. The following bills have resulted in reduced JCEF revenue:

- H.B. 19-1189 (Civil Wage Garnishment Reform) increased the earned minimum wage eligible for garnishment and reduced the maximum garnishment amount from 25 to 20 percent. This bill reduced the number of individuals subject to garnishment.
- S.B. 19-191 (Prompt Pretrial Liberty and Fairness) requires that a defendant posting a cash bond must agree, in writing, to apply the bond to fines, fees, costs, and restitution. Sureties no longer have any option to apply a cash bond to outstanding obligations as bond funds must be returned to the surety upon release by the court. Previously, courts had the ability to apply a defendant's cash bond to outstanding obligations, and a surety could provide written authorization to apply a bond to obligations, which reduced the number of payment plans, reduced the duration of payment plans, and assured that core assessments such as the Victim Compensation and Victim's Assistance assessments were paid at sentencing.
- H.B. 21-1314 (Department of Motor Vehicles Actions Against Certain Documents Repealed) repealed the fee that was required to avoid suspension of or to become eligible to reinstate driving privileges. The following chart outlines remittances from private collection agencies before and following the repeal of the fee, directly impacting all associated revenue streams, including those that support the JCEF. More specifically, infraction and traffic case (the two case classes most directly impacted by the repeal of the fee) receipts that directly support the JCEF reflect a significant decrease in recent years.
- H.B. 21-1315 (Costs for Juveniles in the Criminal Justice System) limits the assessments in juvenile and enforceable assessments in juvenile youthful offender cases. The loss of revenue to the JCEF is \$190,930, annually, from the juvenile delinquency cases (JD). Additionally, language in the bill prohibits enforcement of all the assessments that contribute to the JCEF in a case with a Juvenile Youthful Offender defendant.

- S.B. 22-099 (Automatic Sealing Bill) expands cases that are eligible to seal and implements automatic sealing of eligible cases, including those with a balance due. Cases with restitution due are not eligible to seal, effective August 10, 2022. This bill makes cases with an outstanding balance eligible to seal if they otherwise qualify, along with expanding the cases that qualify for automatic sealing. Since the effective date, the number of sealed cases with a balance due has increased, primarily those involving cases for Minor in Possession. The Department anticipates a further reduction in revenue related to this bill beginning in spring of 2024 with the implementation of the automatic sealing provision of the bill. Subsequently, the sealing of conviction records with outstanding balances results in significant and indeterminate revenue loss each year, impacting all funds and revenue streams represented in the traffic, misdemeanor, and criminal sentencing process, including the JCEF.
- Section 16-11-101.6, C.R.S., allows the court to waive or suspend the time payment or late payment fee if the court determines that the defendant is indigent and does not have the financial resources to pay such fees. The Collections Program focuses on supporting financial stability and does not impose additional assessments unless the defendant has an ability to pay.

21. [Sen. Kirkmeyer] There appears to be a fund balance with about a one-year reserve for this fund. Why would we put any General Fund into this program?

Revenue deposited in the Judicial Collection Enhancement Fund (JCEF) varies depending upon the time of the year. The majority of the revenue (approximately 67 percent) is received in the latter months of the fiscal year, during tax season as a result of tax intercepts. The beginning fund balance of \$8.0 million combined with 33 percent of the annual revenue ensures that the necessary cash flow to cover the costs of operating the program in the first seven months of the fiscal year is available. Declining revenues and increased costs have contributed to the instability of the fund, and without a General Fund appropriation to cover a portion of the costs each fiscal year, the program will be unsustainable in the near future. A reduction of staff in the collections program will result in lost revenue and reduced restitution recoveries across all funds and categories (see table below). In addition to collecting restitution and restitution interest for victims and collecting Department-related revenue for cash funds, the Department also collects funds for local victim programs (Crime Victim Compensation and Victim Assistance and Law Enforcement), several cash funds administered by the Department of Human Services, the State Highway Users Tax Fund, among others.

STATE OF COLORADO STATUTORY FINE AND FEE REVENUE						
FUNDING CATEGORY	FY19	FY20	FY21	FY22	FY23	FY24
GENERAL FUND						
Miscellaneous Criminal Costs, Forfeitures, and Related	\$3,084,598	\$2,932,852	\$2,597,120	\$1,502,689	\$2,109,641	\$2,253,919
Public Defender Fees	\$514,635	\$532,890	\$513,529	\$423,193	\$593,560	\$469,231
Victims Assistance (General Fund Portion)	\$103,058	\$79,901	\$83,242	\$59,119	\$89,325	\$50,900
Subtotal	\$3,702,291	\$3,545,643	\$3,193,892	\$1,985,000	\$2,792,526	\$2,774,050
Percentage of Total	2.8%	2.9%	2.6%	1.8%	2.0%	2.3%
HIGHWAY USERS TAX FUND						
D.U.I. Fines (HUTF Portion)	\$1,752,914	\$1,735,678	\$1,422,866	\$1,439,930	\$1,544,237	\$1,397,931
Highway Construction Workers Safety Fund	\$41,388	\$58,192	\$66,021	\$35,303	\$24,273	\$18,254
Traffic Fines & Forfeits	\$9,045,002	\$7,989,280	\$7,746,086	\$7,078,767	\$7,192,308	\$7,364,269
Wildlife Crossing Zones Safety Account	\$118	\$3,520	\$1	\$351	\$1	\$350
Subtotal	\$10,839,422	\$9,786,670	\$9,234,974	\$8,554,350	\$8,760,818	\$8,780,804
Percentage of Total	8.2%	8.1%	7.6%	7.6%	6.3%	7.2%
VICTIM RESTITUTION AND PROGRAM FUNDS						

STATE OF COLORADO STATUTORY FINE AND FEE REVENUE						
FUNDING CATEGORY	FY19	FY20	FY21	FY22	FY23	FY24
Restitution (Reimbursements to Victims of Crime for Losses Incurred)	\$33,132,952	\$30,320,785	\$34,266,390	\$31,512,491	\$41,369,818	\$36,909,727
Interest on Restitution (Reimbursements to Victims of Crime for Losses Incurred)	\$2,512,891	\$2,659,319	\$3,423,938	\$3,664,602	\$5,012,884	\$4,691,851
Victim Address Confidentiality Surcharges (for Department of Personnel & Admin)	\$169,927	\$154,163	\$169,129	\$165,113	\$193,647	\$153,821
Victim Assistance Surcharges* (for Local and State Victims Assistance Grant Programs)	\$14,247,637	\$12,511,856	\$10,003,824	\$10,878,180	\$11,556,249	\$10,416,520
Victim Compensation Costs* (for Local Victims Compensation Programs)	\$8,172,195	\$6,953,662	\$7,040,163	\$5,796,960	\$6,144,746	\$5,641,169
Subtotal	\$58,235,601	\$52,599,785	\$54,903,444	\$52,017,347	\$64,277,343	\$57,813,088
Percentage of Total	44.2%	43.4%	45.4%	46.4%	46.4%	47.5%
OTHER SPECIAL PURPOSES AND FUNDS ADMINISTERED BY COURTS AND PROBATION						
Alcohol Evaluation/Supervision Fees	\$3,760,425	\$3,162,404	\$2,934,713	\$2,897,866	\$3,240,778	\$2,960,689
Court Security Fund	\$2,223,560	\$1,942,084	\$1,819,647	\$1,795,017	\$1,920,904	\$1,969,578
Family Friendly Courts Surcharge	\$244,826	\$215,335	\$194,072	\$187,942	\$194,413	\$207,345
Family Violence Justice Fund	\$151,514	\$152,860	\$162,901	\$160,508	\$161,753	\$168,507
Interstate Compact Probation Transfer Cash Fund	\$176,797	\$165,911	\$159,161	\$161,171	\$152,802	\$151,761
Misc. Cost Recoveries (Various Trial Court and Probation costs recovered)	\$2,898,721	\$3,081,546	\$3,002,201	\$2,093,271	\$1,663,632	\$1,298,831
Office of Restitution Services, Judicial Collections Enhancement Fund	\$8,488,332	\$7,793,433	\$7,614,949	\$6,833,217	\$9,377,175	\$7,753,015
Probation Supervision Fees (Judicial Offender Services Fund)	\$19,061,289	\$17,996,283	\$18,824,887	\$17,964,923	\$24,626,156	\$19,914,070
Restorative Justice Surcharge	\$938,393	\$810,973	\$783,155	\$720,948	\$754,883	\$697,038
Useful Public Service Fees Collected (Judicial Operated Programs only)	\$138,386	\$120,430	\$120,126	\$113,937	\$140,941	\$145,537
Subtotal	\$38,082,244	\$35,441,259	\$35,615,812	\$32,928,801	\$42,233,437	\$35,266,372
Percentage of Total	28.9%	29.2%	29.5%	29.4%	30.5%	29.0%
OTHER SPECIAL PURPOSES AND FUNDS ADMINISTERED BY OTHER STATE AGENCIES						
Adolescent Substance Abuse Surcharges (for Div. of Alcohol & Drug Abuse)	\$31,488	\$24,173	\$16,746	\$10,623	\$12,086	\$7,265
Animal Cruelty Surcharges (for Dept. of Agriculture)	\$920	\$0	\$0	\$510	\$1,154	\$1,380
Child Abuse Investigation Surcharge (for Div. of Criminal Justice)	\$309,420	\$298,792	\$322,211	\$313,471	\$409,341	\$345,149
Colorado Children's Trust Fund (for Dept. of Public Health and Environment)	\$369,502	\$350,153	\$371,807	\$369,808	\$369,844	\$365,891
Commercial Vehicle Enterprise Tax Fund (for Dept. of Revenue - Share of Excess Vehicle Wgt Penalties)	\$42,310	\$38,770	\$65,942	\$73,724	\$59,032	\$71,676
Correctional Treatment Cash Fund (for Various Criminal Justice Agencies)	\$5,687,493	\$5,612,069	\$196,152	\$4,891,485	\$7,877,799	\$6,098,186
Crimes Against At-Risk Persons Surcharge (for Dept. of Human Services)	\$30,089	\$39,126	\$33,397	\$36,094	\$41,423	\$41,251
Disabled Parking Education and Enforcement Fund (for Dept. of Revenue)	\$7,924	\$4,500	\$3,636	\$1,662	\$4,081	\$8,115
Discovery Sharing Surcharges (for Colorado District Attorneys Council)	\$109,334	\$103,041	\$88,427	\$83,173	\$92,894	\$80,464
Domestic Abuse Program Fund (for Dept. of Human Services)	\$157,643	\$150,778	\$161,783	\$159,251	\$155,922	\$153,724
Fines - Parks and Outdoor Recreation Fund	\$20,259	\$27,646	\$30,752	\$21,466	\$28,888	\$31,582
Fines - Wildlife Cash Fund	\$49,204	\$74,151	\$86,214	\$59,689	\$77,488	\$73,692
Law Enforcement Assistance Fund (for Dept. of Health and Environment, Transportation Safety, Human Services)	\$1,408,803	\$1,445,575	\$1,159,156	\$1,072,003	\$1,245,323	\$1,073,954
Municipalities & Counties Share of Fees & Fines Collected	\$8,337,351	\$7,675,664	\$6,600,748	\$6,039,187	\$5,968,056	\$5,130,047
Offender ID Fund (for Dept. of Public Safety)	\$941,921	\$788,165	\$612,687	\$503,018	\$623,026	\$512,614
Persistent Drunk Driver Surcharge (for Dept. of Transportation, Revenue, Human Services)	\$1,750,493	\$1,660,269	\$1,479,150	\$1,373,300	\$1,547,151	\$1,351,197
Rural Alcohol and Substance Abuse Fund (for Dept. of Human Services)	\$105,612	\$100,523	\$89,527	\$80,925	\$90,229	\$78,042

STATE OF COLORADO STATUTORY FINE AND FEE REVENUE						
FUNDING CATEGORY	FY19	FY20	FY21	FY22	FY23	FY24
Sex Offender Surcharge Fund (for Various Criminal Justice Agencies)	\$670,013	\$604,875	\$675,484	\$670,622	\$920,627	\$751,019
Substance-Affected Driving Data	\$17,481	\$21,576	\$20,490	\$19,679	\$21,590	\$19,831
Brain Injury Surcharges (for Dept. of Human Services)	\$819,651	\$847,873	\$919,252	\$837,924	\$875,308	\$849,218
Subtotal	\$20,866,911	\$19,867,721	\$17,933,560	\$16,617,615	\$20,421,263	\$17,044,296
Percentage of Total	15.8%	16.4%	14.8%	14.8%	14.7%	14.0%
TOTAL STATE COLLECTIONS REVENUE	\$131,726,470	\$121,241,078	\$120,881,682	\$112,103,114	\$138,485,388	\$121,678,609

* Victim Assistance and Victim Comp. totals exclude Federal grant funds and restitution received in these funds.

22. [Sen. Amabile] Why isn't the cost to collect the money baked into the costs of the entire program to make sure we have the money we need? Why isn't there a collections cost percentage taken off the top of collections to fund this program? Please explain why the Collection Program cost can't be paid for in this way instead of through separate time and late fees?

Court-imposed financial assessments generate approximately \$80 million in revenue for the State annually (excluding restitution and victims compensation). Each assessment is independently established in statute, has its own purpose and standard for waiver, and is collected through the Judicial Department case management system. The Collections Program is supported by a small portion of that revenue from statutorily established time and late fees. Without a statutory change that either increases the time and late fees or identifies the Program as an authorized use of another type of assessment, the funding available to operate the Program is limited even while the cost to operate it continues to grow. While adding an off-the-top collections cost percentage is not impossible, it would be a complex and large process and would require significant changes to statute and modifications to the case management system. It would either require an increase to some or all assessments or will result in a reduction in revenue to other programs and funds identified in the table above.

23. [JBC] Please respond to the staff discussion of the General Fund reduction option for this item.

The Department's R01 Collections Program and Judicial Collections Enhancement Fund budget request includes a request for the Joint Budget Committee (JBC) to consider sponsoring legislation that raises the time and late fees and appropriates \$1.2 million General Fund to the Office of Restitution Services Long Bill line item. JBC staff indicates in his staff briefing document that he is inclined to recommend the fee increase legislation and suggests the use of Judicial Stabilization Funds (Fund) in lieu of General Fund. Factoring in other JBC staff suggestions for the use of this Fund as well as the impact of the FY 2025-26 total compensation request, the Department is projecting a negative cash flow for the fund by the end of the current fiscal year. **The Department believes that the Fund has a sufficient balance to bear a one-time, one-fiscal year use of the Fund for this purpose, but requests that the recommendation include a FY 2026-27 annualization of the appropriation as General Fund.** Given that the Judicial Stabilization Fund is required to be used for the operation of the courts, this action will require a refinance of General Fund in the Trial Courts line item with Judicial Stabilization Funds and a direct appropriation of General Fund in the Office of Restitution Services line item. The FY 2026-27 annualization of the decision would then refinance the Judicial Stabilization Fund appropriation in the Trial Courts line item with General Fund.

R12 FAMILY FRIENDLY GRANT PROGRAM

24. [Sen. Bridges] What does the Family Friendly Grant Program do? Which judicial districts have programs and receive funding from the program?

The Family Friendly Grant Program provides funding for free childcare at a community provider, located either within the courthouse complex or nearby, when a party has a court appearance. Additionally, the program provides funding for costs associated with court ordered safe parenting time exchanges and supervised parenting time, which are administered by a community provider. The grant manager at the State Court Administrator's Office awards the money to judicial districts, and those districts pay the community resource providers for their services.

Judicial Districts that currently receive funding for childcare services are the 4th, 13th, and 17th. Judicial Districts that currently receive funding for safe parenting time exchanges and supervised parenting time are the 4th, 6th, 7th, 10th, 12th, 13th, 19th, 21st, and 22nd.

OTHER ITEMS

THE COLORADO LAB DATA HUB ISSUE

25. *[Sen. Bridges]* Please respond to the staff discussion of the Data Hub, especially as it relates to Criminal Justice Programs and competency dockets and diversion programs.

Following JBC staff's recommendation, the State Court Administrator's Office (SCAO) Criminal Justice Programs manager met with the Data Lab team to discuss how the Data Hub could enhance transparency, streamline reporting, and provide actionable insights for Criminal Justice Programs, competency dockets, problem-solving courts, and diversion programs. The Department is open to collaborating with the Data Lab to advance system-wide data collection efforts. To ensure this happens effectively, dedicated funding will be necessary.

In the meantime, the SCAO Criminal Justice Programs Unit recently launched the Data Information Management System (DIMS) through DataGain for Problem-Solving Courts, Competency Courts, and the Competency Diversion program (HB24-1355). DIMS improves data tracking, reporting, and management through real-time analytics, helping programs meet stakeholder needs. For problem-solving courts, DIMS also evaluates adherence to standards and evidence-based practices to ensure fidelity to the model.

To further support consistent and reliable data collection statewide, the Statewide Problem-Solving Court Team and Statewide Competency Team have developed standardized processes and expectations. We remain focused on leveraging this tool to support transparency and data-driven decision-making while aligning with broader system-wide goals.

23RD JUDICIAL DISTRICT

26. *[Sen. Kirkmeyer]* Please outline the costs experienced by the Judicial Department for establishing the 23rd Judicial District through December 2024. Please outline the anticipated costs for the Judicial Department for the operations of the 23rd Judicial District beginning in January 2025 and for FY 2025-26. Please provide context or compare the difference in cost with the former 18th Judicial District. How much more does it cost the State to have the 23rd Judicial District?

Pursuant to H.B. 20-1026 (as amended), the 23rd Judicial District is created beginning January 14, 2025. The new district consists of Douglas, Elbert, and Lincoln Counties. Appropriations specifically for the

23rd Judicial District are included in the FY 2024-25 Long Bill. This includes a total of \$3.8 million for the cost of 31.0 FTE. The following table identifies the positions for which the funding is appropriated.

JUDICIAL DISTRICT COURT STAFF		FTE
Court Executive III		1.0
Court Operations Specialist		1.0
Account Clerk		1.0
Court Judicial Assistant		1.0
Problem Solving Court Coordinator II		2.0
Administrative Office Manager		1.0
Administrative Office Specialist II		1.0
District Court Judge		1.0
Judicial Officer Support Staff		3.0
Managing Court Interpreter II		1.0
Peer Training Specialist		1.0
Supervising Legal Research Attorney		1.0
Vet Court Peer Mentor II		1.0
Subtotal Courts		16.0
JUDICIAL DISTRICT PROBATION DEPARTMENT STAFF		FTE
Chief Probation Officer III		1
Probation Officer		8
Administrative Office Specialist II		1.5
Administrative Office Manager		1
Support Services		1.5
Probation Supervisor		2
Subtotal Probation		15
TOTAL 23RD JUDICIAL DISTRICT		31.0

In addition to the appropriation for these Department FTE, S.B. 23-230 included a FY 2023-24 appropriation of \$668,600 General Fund for county assistance for the 23rd Judicial District. This bill annualized to \$4.0 million General Fund in FY 2024-25.

OSPD REQUEST TO VACATE SPACE IN CARR JUDICIAL CENTER

- 27. [Staff] Please respond to the OSPD R6 request to vacate space in the Carr Judicial Center and for an appropriation for permanent commercial leased space. Please respond to the staff criticisms of the Courts' landlord operating process for tenant agencies in the Carr Judicial Center.

RESPONSE TO JBC STAFF CRITICISM CONCERNING LANDLORD OPERATING PROCESSES

Through S.B. 08-206 (Justice Center State Museum Agreements) the General Assembly authorized the State to enter into lease-purchase agreements for the development and construction of the Ralph L. Carr Judicial Center (RCJC). Construction of the RCJC, including the Supreme Court, Court of Appeals, and the twelve-story office tower was completed in December 2010. Tenants of the Ralph Carr office tower include the State Court Administrator's Office (SCAO), Attorney General's Office, the Public Defender's Office, the Office of the Alternate Defense Counsel, the Office of Attorney Regulation Counsel, the Office of the Presiding Disciplinary Judge, the Office of Judicial Discipline, the Office of the Respondent Parents' Counsel, and the Office of the Child Protection Ombudsman. Bridges of Colorado and the Office of Administrative Services for Independent Agencies were added to the list of potential tenants in 2024.

The Department of Law receives an annual General Fund appropriation for leased space at the RCJC that is subsequently reappropriated to the Judicial Department (Courts and Probation) to cover a portion of the management and operating costs of the building. The remaining tenants, excluding the SCAO, are all legally designated as having been “created as independent agencies in the judicial department,” however central appropriations for most of these independent agencies, including those for leased space at the RCJC, have historically been made to line items in the (2) Courts Administration, (C) Central Appropriations Long Bill subdivision – line items that are managed by the Financial Services Division of the SCAO.

Prior to the FY 2013-14 Long Bill, the funding for Judicial Department agencies was appropriated in a (2) Courts Administration, (C) Central Appropriations, Leased Space Long Bill line item. Based on Joint Budget Committee (JBC) staff’s FY 2013-14 figure setting recommendation, this line item name was changed from “Leased Space” to “Ralph L. Carr Colorado Judicial Center Leased Space,” in the FY 2013-14 Long Bill. In order to minimize the number of Long Bill line items, rather than separate the independent agency leased space appropriations from the Courts and Probation Central Appropriations line item at that time, JBC staff recommended that all appropriations for leased space at the RCJC continue to be made in one line item in the Courts and Probation portion of the Long Bill. JBC staff’s recommendation for the initial appropriation was based on a cost of \$14.41 per rentable square foot for office space and \$8.00 per square foot for storage space. The General Fund appropriation made to this line item is subsequently reappropriated to the RCJC Building Management and Operations long bill line item in the (2) Courts Administration, (D) Ralph L. Carr Colorado Judicial Center Long Bill subdivision. Historically, an annual increase of between 1.2 and 1.5 percent has been applied to the Ralph L. Carr Colorado Judicial Center Leased Space line item to cover assumed increased costs.

The Department believes that this methodology is significantly outdated and does not provide an accurate reflection of the costs of either SCAO building operations and management or tenant leased space/operating. As a result, the Judicial Department (Courts and Probation) Financial Services Division Director and Budget Director met with JBC staff in the summer of 2023 to discuss establishing a new appropriations methodology for tenant leased space that would be clearly defined in tenant lease agreements and be based on tenant space utilization and an accurate cost per square foot calculation. Internal work began on the creation of the new methodology in the fall of 2023. In addition, a space use study was commissioned to determine the space needs of all tenants. This study was critical to informing the new lease agreements. The study was completed by the Spring of 2024 and was to be used as supporting information in a FY 2025-26 prioritized decision item for leased space appropriations, however prior to the completion of this study, State Court Administrator’s Office leadership, Facilities Management, and Financial Services resources were dramatically shifted from day-to-day operations to critical incident and after-action management.

In the early hours of January 2, 2024, a gunman breached the Ralph Carr Justice Center building and through several actions caused extensive damage to the 12-story office tower, resulting in one of the largest risk management claims in the State’s history. After nine full months of repair, construction, and environmental cleansing, 7 floors were opened to tenants in October 2024. The remaining five floors that sustained the greatest damage are currently awaiting reconstruction. Internal management of this extensive project has consumed no less than 10,000 personnel hours in calendar year 2024. Throughout the project, Department staff have engaged in weekly (at minimum) meetings with State Risk Management, building tenants, adjustors, and vendors. Due to the impact of this project combined with other budget-related factors, the Department’s Budget Director recommended shifting the prioritized budget request that would create leased space line items in each independent agency’s budget to FY 2026-27 as opposed to including it in the FY 2025-26 budget submission.

The Budget Director's recommendation was based on the following factors:

- Risk management will reimburse agencies for either lost revenue or leased space resulting from displacement, but not both. The claim is anticipated to be active into FY 2025-26 and changing the appropriation methodology will simply increase Accounting related workload at a time when the Unit is experiencing increased workload related to managing vendor payments for the claim.
- After 10 months of critical incident and after-action management, partnering with Risk Management, project managing an active construction site, and striving to provide ongoing support to the State's Courts and Probation Departments, SCAO leadership, Legal Staff, and Facilities Management Team members began working to update tenant lease agreements to accurately reflect tenant space utilization and price per square foot. New lease agreements are being rewritten to reflect updated leasing provisions needed and are targeting an effective date of July 1, 2025.
- The Department is actively engaged in working with the Executive Director of the Office of Administrative Services for Independent Agencies (OASIA) on transitioning support for the independent agencies created in the judicial department from the SCAO to OASIA. As a part of this, the Budget Unit collaborated with OASIA to submit a joint FY 2025-26 budget amendment requesting that central appropriations for the independent agencies be moved out of the (2) Courts Administration (C) Central Appropriations subdivision of the Long Bill and into the OASIA Long Bill division or into each independent agency Long Bill division. This request includes Payments to Risk Management and Property Funds, Workers' Compensation, Payments to OIT, and CORE Operations. Based on the recommendation of the Courts and Probation Budget Director, the OASIA Executive Director and the Department agree that the timing of updates to lease agreements combined with the complexity of Long Bill changes required to move leased space appropriations to independent agency Long Bill divisions warrant a more purposeful approach. The OASIA Executive Director and the Department Budget Director will partner with other independent agency Directors to develop a FY 2026-27 prioritized leased space budget request.

RESPONSE CONCERNING OSPD R06 REQUEST TO VACATE THE RCJC

The \$3.0 million General Fund appropriation to the Ralph L. Carr Colorado Judicial Center Leased Space line item includes approximately \$0.9 million for the Office of the State Public Defender. These funds are reappropriated to the (2) Courts Administration (D) Ralph L. Carr Colorado Judicial Center, Building Management and Operations line item. Management and operations costs will remain the same if the OSPD relocates, therefore the Judicial Department (Courts and Probation) will require the same total appropriation to the line item. If the Joint Budget Committee (JBC) elects to approve the OSPD R06 request for \$0.9 million General Fund for leased space outside the RCJC, the Department will require the following adjustments to Long Bill appropriations:

- A decrease of \$0.9 million General Fund in the Ralph L. Carr Colorado Judicial Center Leased Space line item;
- A net zero adjustment, including an increase of \$0.9 million General Fund and a decrease of \$0.9 million reappropriated funds, in the Building Management and Operations line item.

The Department agrees with JBC staff that the OSPD's R06 prioritized request is not net neutral to the State's budget, but would rather require an increase in General Fund appropriations by \$0.9 million in FY 2025-26. A refinance of this appropriation with Justice Center Cash Funds is not an option as this cash fund cannot bear the additional burden and remain solvent. The OSPD leases space on the third and fourth floors of the RCJC. While leasing the vacated space is an option in the future, the Department would require ongoing appropriations to cover several months during which no lease revenue is received.