



**Colorado
Legislative
Council
Staff**

Bill 4

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 18-0246

Date: October 17, 2017

Prime Sponsor(s):

Bill Status: County Courthouse and County Jail Funding and Overcrowding Solutions Interim Study Committee Bill Request

Fiscal Analyst: Ryan Long (303-866-2066)

BILL TOPIC: INCREASE DEPARTMENT OF CORRECTIONS REIMBURSEMENT TO COUNTY JAILS

Fiscal Impact Summary	FY 2017-2018 <i>(current year)</i>	FY 2018-2019	FY 2019-2020
State Revenue			
State Expenditures	<u>\$1,254,007</u>	<u>\$15,048,081</u>	<u>\$15,048,081</u>
General Fund	1,254,007	15,048,081	15,048,081
Appropriation Required: \$1,254,007 - Department of Corrections (FY 2017-18). \$15,048,081 - Department of Corrections (FY 2018-19).			
Future Year Impacts: Ongoing expenditure increase.			

Summary of Legislation

The Department of Corrections (DOC) reimburses a portion of the expenses and costs incurred by counties and city and counties for housing DOC inmates. The bill, ***recommended by the County Courthouse and County Jail Funding and Overcrowding Solutions Interim Study Committee***, discontinues the General Assembly's current annual rate setting process and permanently sets this reimbursement rate to \$108.78 per person per day.

Background

Under current law, the amount that the DOC reimburses for inmates housed in a correctional facility or local jail is set annually by the General Assembly. For FY 2017-18, the current rate is set at \$54.39 per offender per day, after 72 hours of being held.

Expenditures

This bill will increase General Fund expenditures to the Department of Corrections by \$1.3 million in the current FY 2017-18 and \$15.0 million in FY 2018-19 and in future years. These cost increases are shown in Table 1 and discussed below.

Table 1. FY 2018-19 DOC Reimbursement Amounts in Bill 4			
	Daily Reimbursement	Number of Beds Funded	Appropriation
Current Law	\$54.39	758	\$15,048,081
Under Bill 4	\$108.78	758	\$30,096,163
Difference	\$54.39	0	\$15,048,081

Under current law, the DOC pays \$54.39 per person per day to reimburse county jails for housing DOC offenders. For a full year, this amounts to about \$15 million for 758 beds. Assuming the same inmate population for FY 2018-19, this bill will increase the annual amount needed to reimburse county jails to about \$30 million. This increase will vary in future years based on the number of actual beds funded. For FY 2017-18, it was assumed that the new rate would take effect in June 2017, increasing DOC expenditures for the current fiscal year by \$1,254,007. This appropriation may vary depending on the inmate population and the date this law is passed.

Local Government Impact

County jails. Increasing state funding provided to county jails for housing DOC inmates will decrease the amount of county funds spent to house DOC inmates and will increase the amount of local funding that is available for counties to spend on various programs and services. This will vary by county to the extent that individual jails house DOC inmates.

Effective Date

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

State Appropriations

For the current FY 2017-18, the bill requires a General Fund appropriation of \$1,254,007 to the Department of Corrections.

For FY 2018-19, the bill requires a General Fund appropriation of \$15,048,081 to the Department of Corrections.

State and Local Government Contacts

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| Corrections | Counties |
| Health Care Policy and Financing | Human Services |
| Judicial | Labor |
| Public Health and Environment | Public Safety |