



Support HB21-1215

Expansion of Justice Crime Prevention Initiative
Representatives Holtorf & Ortiz and Senators Hisey & Lee

Background: The Justice Reinvestment Crime Prevention Initiative was created in 2017 with bi-partisan sponsorship and support through HB17-1326 and is being piloted in the communities of north Aurora and southeast Colorado Springs. This initiative is an innovative, community-led program that provides grants for direct services aimed at reducing crime and recidivism as well as provides small business lending to promote employment and community development. Preliminary data has shown successful outcomes in the current target communities, although we believe this initiative would be more meaningful if it also included the two rural communities prior to its sunset review.

The Crime Prevention Initiative is not a typical grant program and is modelled on a public-private partnership whereby DOLA contracts with a Community Foundation to manage the grantmaking functions and contracts with a Community Development Financial Institution to manage the small business lending. Local planning teams are convened to identify the crime prevention priorities that become the grant guidelines.

HB1215

Will achieve the following:

- Adds Grand Junction and Trinidad to the Crime Prevention Initiative with a sunset review.
- Creates a new statewide grant program in DOLA that would provide comprehensive small business development training to people who are or have been involved in the criminal justice system to both encourage entrepreneurship and reduce recidivism. This grant program is separate from the Crime Prevention Initiative and would be available to communities across the state.

May 20, 2021

Honorable Members of the Senate Judiciary Committee:

Thank you for convening this hearing on HB21-1215. This written testimony is provided by Rocky Mountain MicroFinance Institute (RMMFI) in support of this bill.

RMMFI is a nonprofit Community Development Financial Institution (CDFI) specializing in entrepreneurship training, mentorship, and capital deployment for high-barrier entrepreneurs, including justice-involved entrepreneurs. RMMFI envisions a world where any person with a justice background in any community in Colorado can find support to launch a business and take control of their life and their career. We believe this bill can serve as a foundation for ongoing, expanded efforts to resource wraparound entrepreneur and business support that hasn't been available to those with justice backgrounds.

RMMFI strongly supports HB21-1215's emphasis on entrepreneurship training and ongoing consulting, as our experience and research shows that the combination of business training, coaching, and capital creates strong foundations for business success. This is especially true among high-barrier populations and justice-involved individuals who may not have the personal resources or professional networks to pursue business ownership alone. RMMFI has used this framework to catalyze the launch of 280 startups and deploy 266 business loans in Colorado - so we know this recipe works.

Through launching their businesses with RMMFI, we've witnessed how formerly incarcerated entrepreneurs have stabilized their lives, grown their businesses to create jobs for themselves and others, improved their financial wellbeing, improved their sense of self-worth, and invested in their communities as leaders. Research from peer efforts in Texas demonstrate as much as a 380% reduction in recidivism and a 340% return on investment by fostering and resourcing entrepreneurship as a career pathway for justice-involved individuals¹. We believe that a coordinated effort between state agencies, correctional facilities, and entrepreneur support organizations can produce similar ROIs and successfully expand support so that more justice-involved entrepreneurs in *our* state can create economic opportunities for themselves, their households, and our communities.

Based on our experience and vision for a diverse and inclusive entrepreneurial community in Colorado, RMMFI strongly encourages the passage of HB21-1215.

Sincerely,

Theresa Rinne-Meyers
Director of Impact

¹ Recidivism Reduction and Return on Investment: An Empirical Assessment of the Prison Entrepreneurship Program. Baylor Institute for Studies of Religion Special Report: https://www.baylorisr.org/wp-content/uploads/2019/09/PEP_final_reduced-size.pdf

Justice Reinvestment Crime Prevention Initiative Project Overview

The Justice Reinvestment Crime Prevention Initiative (JRCPI) was created with bi-partisan sponsorship and support through HB17-1326 and is being piloted in the communities of north Aurora and southeast Colorado Springs. This initiative is an innovative, community-led program that provides grants for direct services aimed at reducing crime and recidivism as well as provides small business lending to promote employment and community development. **HB21-1215 seeks to expand the JRCPI by adding the areas of Trinidad and Grand Junction to ensure rural representation and more geographic diversity during this pilot period.** The following preliminary data is focused on the direct service grantees and demonstrates successful outcomes in the current target communities:

What makes this project different?

Local communities determines crime prevention priorities for grant making and funding is going deep into the community, as demonstrated by:

- **90%** of the grantees are **led by individuals of color.**
- **65%** of the grantees are **led by individuals with lived experience** (i.e. survivors of domestic violence, formerly incarcerated individuals, people who escaped human trafficking).
- All grantees consistently stayed in operation and provided an **increased level of services** to the community **during COVID.**
- **The Latino Coalition for Community Leadership (LCCL)** serves an essential role in this initiative as they are responsible for the data collection, evaluation and capacity building functions across all the grantees.

Who is served through project?

*At Risk & Justice-Involved Youth * Parents *Immigrants/Refugees *Homeless Individuals *Victims of Crime
*Justice-Involved Adults *Victims of Domestic Violence *Victims of Sex Trafficking *Individuals with Disabilities
*Entrepreneurs *Educators/Administrators

How is the project evaluated, how do we know it is working?

Grantees are required to provide quarterly reports showing progress toward their individual goals and program-required outcomes. As part of the evaluation support, each grantee has access to a web-based case management database to track all of their data metrics. LCCL meets with grantees at least quarterly to review performance, provide support and determine areas for growth. Grantees with higher needs are met with more frequently.

What are the current grant year project outcomes*?

- Over **6,000 individuals** have received services.
- **81% of at-risk youth** have indicated an **increase** in their coping skills, resilience, healthy relationships and making positive life choices.
- **90% of the most vulnerable people** in the North Aurora community (people experiencing homelessness, immigrants, victims of sexual assault and/or sex trafficking) report **feeling safer** in their community.
- **86% of adults** have **not returned** to incarceration
- **90% of youth** have **avoided or mitigated** involvement with the criminal justice system.
- **100% of participating schools** indicated a **reduction of school suspension, expulsions and referrals to law enforcement.**

** The project has a set of 14 defined and tracked outcomes. This list is just a highlight of some of the reported outcomes. A complete list of metrics and detailed data is available upon request. Richard Paul Morales, rpmorales@latinocoalition.org.*