



**Colorado
Legislative
Council
Staff**

SB17-021

**REVISED
FISCAL NOTE**

(replaces fiscal note dated April 5, 2017)

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

Drafting Number: LLS 17-0150

Date: May 5, 2017

Prime Sponsor(s): Sen. Martinez Humenik;
Rep. Singer

Bill Status: Senate Second Reading

Fiscal Analyst: Kerry White (303-866-3469)

BILL TOPIC: ASSISTANCE TO RELEASED MENTALLY ILL OFFENDERS

Fiscal Impact Summary	FY 2016-2017 (current year)	FY 2017-2018	FY 2018-2019
State Revenue			
State Transfers	\$0	Potential transfer.	
General Fund	(up to 3 million)	Potential transfer.	
Cash Funds	up to 3 million	Potential transfer.	
State Expenditures	<u>Workload increase.</u>		<u>Potential increase.</u>
General Fund			Potential increase.
Cash Funds			Potential increase.
Appropriation Required: None.			
Future Year Impacts: Ongoing potential revenue transfer and expenditure increase.			

Summary of Legislation

The bill, *as amended by the Senate Judiciary and Appropriations Committees*, establishes a housing program for persons with mental illness transitioning from incarceration. The housing assistance program is to be managed by the Department of Local Affairs (DOLA) and is intended to provide vouchers and other support services to persons with a mental health disorder or co-occurring behavioral health disorder and newly released from the Department of Corrections (DOC), the Division of Youth Corrections (DYC) in the Department of Human Services, or county jail. The DOLA is required to provide grants or loans for the acquisition, construction, or rehabilitation of rental housing for persons with behavioral or mental health disorders.

The bill creates the Housing Assistance for Persons Transitioning from Incarceration Cash Fund, which consists of moneys transferred from the Department of Public Safety (DPS) and moneys appropriated by the General Assembly.

Notwithstanding any law to the contrary and beginning on July 1, 2016, any money appropriated from the General Fund for community corrections that is unexpended or unencumbered at the close of the fiscal year is transferred to the new cash fund created under the bill for the DOLA housing assistance program. The bill also allows Marijuana Tax Cash Fund moneys to be used for housing, rental assistance, and reentry assistance provided by DOLA.

Background

The DPS was appropriated \$67.4 million in FY 2016-17 for its community corrections program. Over the last several years, between \$700,000 and \$2.2 million dollars in community corrections appropriations have reverted to the General Fund per year.

State Revenue

While the bill does not affect net revenue to the state, it potentially creates a transfer from the General Fund, as described below.

State transfers. Under the bill, a transfer from the General Fund to the Housing Assistance for Persons Transitioning from Incarceration Cash Fund may occur beginning in the current FY 2016-17. The transfer amount will be based on the amount of unspent appropriations to the DPS for community corrections contracts at the end of the preceding fiscal year. At this time, the projected fund balance is approximately \$3 million, which would result in up to \$3 million being transferred at the end of the current FY 2016-17. Future year transfers have not been estimated.

State Expenditures

This bill is anticipated to increase workload in FY 2017-18 to identify program and funding needs and expenditures beginning in FY 2018-19 to hire staff and establish the housing program. The amount of the expenditure increase will depend on future appropriations decisions made by the General Assembly and has not been estimated. The fiscal note assumes that the Department of Local Affairs will request funding through the FY 2018-19 budget process. Once the program is established, workload may increase for the DYC and DOC to coordinate with DOLA to connect persons with mental illness to housing services upon release from custody. This increase in workload is anticipated to be minimal.

Local Government Impact

Counties may have increased workload to coordinate with DOLA to connect persons with mental illness to housing services upon release from county jails. This increase in workload is anticipated to be minimal.

Effective Date

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

State and Local Government Contacts

Corrections
Human Services
Personnel
Treasury

Counties
Information Technology
Public Safety

Health Care Policy And Financing
Local Affairs
Sheriffs