



Legislative
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HB 20-1262

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 3, 2020)

Drafting Number:	LLS 20-0933	Date:	February 19, 2020
Prime Sponsors:	Rep. Esgar; McCluskie Sen. Moreno; Zenzinger	Bill Status:	Senate Appropriations
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Bill Topic: HOUSING ASSISTANCE JUSTICE SYSTEM TRANSITION MONEY

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill ends the annual transfer of unspent community corrections funding to housing programs in the Department of Local Affairs for persons with mental and behavioral health disorders who are transitioning from the criminal justice system. Starting in the current FY 2019-20, the bill ends a potential transfer from the General Fund and may decrease future state expenditures. These impacts are ongoing.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The revised fiscal note reflects the reengrossed bill, which was recommended by the Joint Budget Committee as part of its FY 2019-20 supplemental budget package.

Summary of Legislation

Under current law, any unspent and unencumbered appropriations for community corrections in the Department of Public Safety (DPS) are transferred to the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund in the Department of Local Affairs (DOLA) at the end of the fiscal year. Money in the fund is annually appropriated to DOLA to provide housing assistance to persons with a mental health or behavioral health disorder who are transitioning from the criminal and juvenile justice systems. This bill ends the annual transfer of unspent community corrections funding.

Background

Senate Bill 17-021 established the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund. DOLA's Division of Housing uses money in the fund to:

- provide vouchers and other supportive services to persons with a mental health disorder or co-occurring behavioral health disorder that are newly released from DOC, the DHS' Division of Youth Services, or a county jail; and
- provide grants or loans for the acquisition, construction, or rehabilitation of rental housing for persons with behavioral or mental health disorders.

The fund consists of any money appropriated by the General Assembly as well as potential transfers of unspent community correction funding from the Department of Public Safety. To date, the following reversion amounts have been credited to the fund:

- \$4,758,600 (reverted at the end of FY 2016-17);
- \$408,052 (reverted at the end of FY 2017-18); and
- \$0 (no funding reverted at the end of FY 2018-19).

Reverted funds were appropriated to the Division of Housing in DOLA in FY 2018-19 and the current FY 2019-20, following a one-year lag. In addition, the FY 2019-20 Long Bill appropriated \$500,000 to the DOC for transitional housing programs for offenders.

State Transfers

This bill ends the potential transfer of unspent community corrections funding in the DPS to the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund in DOLA. Therefore, any unspent community corrections will instead revert to the General Fund. While the exact amount of future reversions of community corrections funding is unknown, the fiscal note assumes that any increase in reversions to the General Fund from ending the transfer to DOLA will be minimal, based on recent trends.

State Expenditures

By ending the potential transfer of funds to the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund, the bill eliminates one source of funding to DOLA for housing assistance which will potentially decrease expenditures from the cash fund. Due to the trend of decreasing transfers, the fiscal note assumes that any decreases in state expenditures will 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

Local Affairs

Public Safety