



Legislative Council Staff  
Nonpartisan Services for Colorado's Legislature

# Revised Fiscal Note

(replaces fiscal note dated February 9, 2022 )

|                         |   |                        |   |
|-------------------------|---|------------------------|---|
| <b>Drafting Number:</b> | LLS 22-0233   | <b>Date:</b>           | March 8, 2022   |
| <b>Prime Sponsors:</b>  | Rep. Michaelson Jenet;<br>Gonzales-Gutierrez<br>Sen. Moreno | <b>Bill Status:</b>    | House Appropriations  |
|                         |   | <b>Fiscal Analyst:</b> | Aaron Carpenter   303-866-4918<br>Aaron.Carpenter@state.co.us |

**Bill Topic:** EMERGENCY TEMPORARY CARE FOR CHILDREN

**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 type="checkbox"/> State Transfer               | <input type="checkbox"/> Statutory Public Entity |

The bill requires the General Assembly to appropriate money to the Department of Human Services to provide emergency temporary shelter for qualifying juveniles. From FY 2022-23 through FY 2025-26, state expenditures will increase on an ongoing basis.

**Appropriation Summary:** For FY 2022-23, the bill requires an appropriation of \$150,327 to the Department of Human Services.

**Fiscal Note Status:** This revised fiscal note reflects the introduced bill, as amended by House Public and Behavioral Health and Human Services Committee.

**Table 1  
State Fiscal Impacts Under HB 22-1056**

|                             |                           | Budget Year<br>FY 2022-23 | Out Year<br>FY 2023-24 |
|-----------------------------|---------------------------|---------------------------|------------------------|
| <b>Revenue</b>              |                           | -                         | -                      |
| <b>Expenditures</b>         | General Fund              | \$137,308                 | \$182,568              |
|                             | Federal Funds             | \$13,019                  | \$17,309               |
|                             | <b>Total Expenditures</b> | <b>\$150,327</b>          | <b>\$199,877</b>       |
| <b>Transfers</b>            |                           | -                         | -                      |
| <b>Other Budget Impacts</b> | General Fund Reserve      | \$22,549                  | \$27,385               |

## **Summary of Legislation**

The bill requires the General Assembly to annually appropriate money to the Department of Human Services (DHS) to provide temporary shelter to children who are screened into the placement, to help avoid or reduce the time they are held in detention prior to or after adjudication. The funding must be sufficient to fund five nights of shelter for each juvenile. Under the bill, temporary shelter is a shelter that offers temporary care of a child in an unrestricted setting until they are placed in the appropriate alternative setting. By November 1<sup>st</sup> of each year (starting in 2022), the DHS must allocate money to judicial districts in accordance with the formula developed by the Working Group for Criteria for Placement of Juvenile Offenders. This requirement repeals on June 30, 2026.

To receive funds, a judicial district's juvenile services planning committee, or the district (if the district does not have a committee) must submit a plan to the DHS by September 1, 2022, detailing how the district will provide temporary shelter. The committee or district must then submit a plan annually thereafter. The bill outlines how a committee or district may use the money including for the cost of care in a licensed temporary shelter; transportation costs; providing support to a grandparent, kin, or other suitable person; and other uses.

Finally, the bill requires the General Assembly to hold a joint hearing before January 31, 2024, and each year thereafter, to determine whether the working group's recommendations have been implemented in a manner that warrants the repeal of temporary shelters.

## **Assumptions**

Based the number of juveniles screened to a shelter level placement by the Juvenile Detention Screening and Assessment Guide, the fiscal note assumes that on average there will be 126 youth per year that will require an emergency placement. The fiscal note assumes that funds will be allocated on October 1, 2022.

## **State Expenditures**

The bill increases state expenditures in the DHS by \$150,327 in FY 2022-23 and \$199,877 per year from FY 2023-24 through FY 2025-26, paid primarily from the General Fund and some federal funds. In addition, the bill may increase expenditures in the Colorado Department of Education (CDE). Expenditures are shown in Table 2 and detailed below.

**Table 2  
 Expenditures Under HB 22-1056**

|                                     | FY 2022-23       | FY 2023-24       |
|-------------------------------------|------------------|------------------|
| <b>Department of Human Services</b> |                  |                  |
| Temporary Shelter Placements        | \$144,657        | \$192,317        |
| Transportation Costs                | \$5,670          | \$7,560          |
| <b>Total Cost</b>                   | <b>\$150,327</b> | <b>\$199,877</b> |
| <i>General Fund</i>                 | <i>\$137,308</i> | <i>\$182,568</i> |
| <i>Federal Funds</i>                | <i>\$13,019</i>  | <i>\$17,309</i>  |

**Temporary shelter placement.** Starting in FY 2022-23, costs in the DHS will increase to pay for temporary shelter placements. The fiscal note assumes a cost of \$305 per day for juveniles to stay in the shelter for five days, and that these costs will receive a nine-percent federal match.

**Transportation costs.** Starting in FY 2022-23, expenditures will increase to pay for transportation to an emergency shelter when other transportation is not available. The fiscal note assumes that one-third of the 126 juveniles, or 42 juveniles will require transportation paid for by the allocation from the DHS. Of those requiring transportation, the fiscal note assumes that one-third, or 14 youth, will require transportation during daytime hours (at \$50 per hour) and two-thirds, or 28 youth, will occur after hours (at a rate of \$110 per hour). Finally the fiscal note assumes that on average, transportation time will take two hours.

**Department of Education.** Starting in FY 2022-23, to the extent more juveniles are placed in residential facilities that have a residential school, expenditures to CDE will increase for daily costs related to instruction. The fiscal note assumes that the increase will be minimal.

**Judicial Department.** Starting in FY 2022-23, expenditures will increase for judicial districts and juvenile services planning committees to create and submit temporary shelter plans to the DHS, and to use or monitor allocated funds for temporary shelters. The fiscal note assumes that increased time for this additional workload will be minimal, and can therefore be accomplished within existing appropriations.

**Other Budget Impacts**

**General Fund reserve.** Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve as shown in Table 1, which will decrease the amount of General Fund available for other purposes.

**Effective Date**

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

## **State Appropriations**

For FY 2022-23, the bill requires an appropriation of \$150,327 to the DHS, of which:

- \$137,308 is from the General Fund; and
- \$13,019 is from federal funds.

## **State and Local Government Contacts**

Counties

Human Services

District Attorneys

Information Technology

Education

Judicial