



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 18-1132

FISCAL NOTE

Drafting Number: LLS 18-0246 Date: January 23, 2018
Prime Sponsors: Rep. Michaelson Jenet Bill Status: House Judiciary
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Bill Topic: INCREASE DEPARTMENT OF CORRECTIONS REIMBURSEMENT TO COUNTY JAILS

- Summary of Fiscal Impact: State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

This bill permanently sets the Department of Corrections county reimbursement rate for housing inmates to \$108.78 per day. Beginning in the current FY 2017-18, it will increase state expenditures from the General Fund; these impacts will continue in future years.

Appropriation Summary: This bill requires a General Fund appropriation of \$1,254,007 in FY 2017-18 and \$15,048,081 in FY 2018-19 to the Department of Corrections.

Fiscal Note Status: This fiscal note reflects the introduced bill. The bill was requested by the County Courthouse and County Jail Funding and Overcrowding Solutions Interim Study Committee.

Table 1 State Fiscal Impacts Under HB 18-1132

Table with 4 columns: Category, FY 2017-18 (current year), FY 2018-19, FY 2019-20. Rows include Revenue, Expenditures (General Fund, Total), and Transfers.

**Summary of Legislation**

The Department of Corrections (DOC) reimburses a portion of the expenses and costs incurred by counties and for housing DOC inmates. The bill discontinues the General Assembly's current annual rate setting process and permanently sets this reimbursement rate to \$108.78 per inmate per day.

**Background**

Under current law, the amount that the DOC reimburses for inmates housed in a private 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.

**State Expenditures**

This bill will increase General Fund expenditures to the Department of Corrections by approximately \$1.3 million in the current FY 2017-18 and approximately \$15.0 million in FY 2018-19 and in future years. The full year cost increase is shown in Table 2 and discussed below.

**Table 2**  
**Full Year Expenditures Under HB 18-1132**

	Daily Reimbursement	Number of Beds Funded	Appropriation
Reimbursement - Current Law <i>Full Year</i>	\$54.39	758	\$15,048,081
Reimbursement - HB 18-1132	\$108.78	758	\$30,096,163
<b>Difference in Reimbursement</b>	<b>\$54.39</b>	<b>0</b>	<b>\$15,048,081</b>

**Reimbursement rate.** Under current law, the DOC pays \$54.39 per inmate 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, which is \$15 million more per year. This increase will vary in future years based on the number of actual beds funded. For FY 2017-18, it is assumed that the new rate will 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**

**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 other 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**

Judicial  
Health Care Policy and Financing  
Public Health and Environment

Counties  
Human Services  
Public Safety

Corrections  
Labor