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Fiscal Note

Drafting Number: LLS 22-0522 Date: January 20, 2022
Prime Sponsors: Sen. Bridges; Cooke Bill Status: Senate Judiciary
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Bill Topic: LAW ENFORCEMENT AGENCY PEACE OFFICER SERVICES

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

The bill creates a new grant program to support recruiting and retaining law enforcement officers and modifies and increases funds to an existing grant program to aid in mental health services for law enforcement. The bill increases state expenditures and local revenue and expenditures in FY 2022-23.

Appropriation Summary: For FY 2022-23, the bill requires multiple appropriations to multiple state agencies totaling \$10.0 million. See State Appropriations Section.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under SB 22-005

Table with 4 columns: Category, Sub-category, Budget Year FY 2022-23, and Out Year FY 2023-24. Rows include Revenue, Expenditures (Cash Funds, Centrally Appropriated, Total Expenditures, Total FTE), Transfers (General Fund, Cash Funds, Net Transfer), and Other Budget Impacts (General Fund Reserve).

1 Transfers identified in the bill are appropriated from the General Fund to various cash funds.

Summary of Legislation

The bill creates the Peace Officer Behavioral Health, Recruitment, and Retention Pilot Grant Program in the Department of Law (DOL) and modifies and appropriates additional funds to the existing Peace Officers Behavioral Health Support and Community Partnerships Grant Program in the Department of Local Affairs (DOLA), as described below.

Peace Officer Behavioral Health, Recruitment, and Retention Pilot Grant Program. The bill creates the Peace Officer Behavioral Health, Recruitment, and Retention Pilot Grant Program to award grants to law enforcement agencies to support retaining and recruiting qualified Peace Officer Standards and Training (POST)-certified peace officers and non-certified detention deputies. Grants may be used to fund retention programing; recruit persons with diverse backgrounds; provide behavioral and mental health support services; run public awareness campaigns; and fund law enforcement academy training, among other uses. The POST Board, within the DOL, must set up a review committee to review grant applications and advise the department. Subject to available appropriations, grants must be annually paid out of the General Fund. For FY 2022-23, the bill appropriates \$5.0 million from the General Fund to the POST Board Cash Fund for the grant program, with up to 2 percent of funding to be spent on administration. The DOL may promulgate rules specifying grant application and distribution time frames, as well as application format. The pilot program repeals on July 1, 2024.

Peace Officers Behavioral Health Support and Community Partnerships Grant Program. The bill expands the scope of the Peace Officers Behavioral Health Support and Community Partnerships Grant Program in DOLA to allow grantees to hire, contract, or develop a remote network to provide behavioral health counseling, therapy, or other services for officers involved in job-related traumatic situations. The bill appropriates \$5.0 million in FY 2022-23 from the General Fund to the Peace Officers Behavioral Health Support and Community Partnership Cash Fund.

State Transfers

In FY 2022-23, the bill appropriates \$10 million General Fund to two cash funds in order to transfer money to these funds. Specifically, the bill appropriates:

- \$5.0 million from the General Fund to the POST Board Cash Fund in the DOL; and
- \$5.0 million from the General Fund to the Peace Officers Behavioral Health Support and Community Partnership Cash Fund in DOLA.

State Expenditures

The bill increases state cash fund expenditures in the Department of Law and the Department of Local Affairs by \$10.0 million in FY 2022-23. Expenditures are shown in Table 3 and detailed below.

**Table 3
Expenditures Under SB 22-005**

Cost Components	FY 2022-23	FY 2023-24
Department of Law		
Personal Services	\$72,569	-
Operating Expenses	\$1,350	-
Capital Outlay Costs	\$6,200	-
Grants	\$4,903,353	-
Centrally Appropriated Costs	\$16,528	-
FTE – Personal Services	up to 1.0 FTE	-
DOL Subtotal	\$5,000,000	-
Department of Local Affairs		
Personal Services	\$183,928	-
Operating Expenses	\$3,375	-
Capital Outlay Costs	\$18,600	-
Grants	\$4,752,552	-
Centrally Appropriated Costs	\$41,545	-
FTE – Personal Services	up to 2.5 FTE	-
DOLA Subtotal	\$5,000,000	-
Total	\$10,000,000	-
Total FTE	up to 3.5 FTE	-

Department of Law. Starting in FY 2022-23, expenditures in the DOL will increase to administer the Peace Officer Behavioral Health, Recruitment, and Retention Pilot Grant Program. The bill allows for up to 2 percent of the appropriated amount to be used for administrative expenses, which equates to about \$100,000 and 1.0 FTE and includes personal services, operating expenses, capital outlay costs, and employee insurance and supplemental employee retirement payments, as shown in Table 2. The remaining amount will be used for grants. See Technical Note.

Department of Local Affairs. Expenditures in DOLA will increase to administer additional Peace Officers Behavioral Health Support and Community Partnerships grants. Current law allows DOLA to use up to 5 percent of appropriated amounts for direct and indirect costs. This equates to about \$250,000 or 2.5 FTE and includes costs for personal services, operating expenses, capital outlay costs, and employee insurance and supplemental employee retirement payments. The remaining amount will be used for grants.

Centrally Appropriated Costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

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 by \$1.5 million in FY 2022-23, which will decrease the amount of General Fund available for other purposes.

Local Government

In FY 2022-23, revenue and expenditures in local government law enforcement agencies will increase to the extent they receive additional grants from the state.

Technical Note

The DOL may be unable to award \$5.0 million in grants in one fiscal year. While unspent funds within the POST Cash Fund do not revert to the General Fund at the end of the fiscal year, the department would require an appropriation to spend any remaining funds in FY 2023-24, which is not currently included in the bill.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2022-23, the bill requires the following appropriations to cash funds totaling \$10.0 million:

- \$5.0 million from the General Fund to the POST Cash Fund;
- \$5.0 million from the General Fund to the Peace Officers Behavioral Health Support and Community Partnership Cash Fund

In addition, the bill requires two appropriations for FY 2022-23 from the cash funds above, as follows:

- \$4,983,472 from the POST Cash Fund and 1.0 FTE to the Department of Law;
- \$4,958,455 from the Peace Officers Behavioral Health Support and Community Partnership Cash Fund and 2.5 FTE to the Department of Local Affairs.

State and Local Government Contacts

Law

Local Affairs

District Attorneys