



Colorado Legislative Council Staff Fiscal Note
**STATE and LOCAL
 FISCAL IMPACT**

Drafting Number: LLS 12-0426 **Date:** February 2, 2012
Prime Sponsor(s): Sen. Steadman **Bill Status:** Senate Judiciary
 Rep. DelGrosso **Fiscal Analyst:** Kerry White (303-866-3469)

TITLE: CONCERNING CONSOLIDATION OF DRUG TREATMENT FUNDING INTO THE CORRECTIONAL TREATMENT FUND.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Transfers or Diversions	See State Transfers section.	
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2012-2013: See State Appropriations section.		
Local Government Impact: Potential decrease in revenue - see Local Government Impact section.		

Note: While all listed state departments were canvassed for the fiscal note, not all agencies had sufficient time to respond. Therefore this fiscal note should be considered preliminary. It will be revised if new information becomes available.

Summary of Legislation

This bill consolidates funding for substance abuse treatment for adult and juvenile offenders. The bill renames the existing Drug Offender Surcharge Fund to the Correctional Treatment Cash Fund (CTCF). The Drug Offender Treatment Fund is repealed, with its fund balance transferred into the new CTCF. Beginning in FY 2012-13, a minimum of \$2.2 million is required to be deposited into the fund each year from savings generated by Senate Bill 03-318.

The bill repeals the existing six-member committee and Interagency Task Force on Treatment and replaces them with a single eight-member Correctional Treatment Board. The new board includes representation from state and local agencies serving adult and juvenile offenders and is tasked with preparing an annual treatment funding plan. The Department of Human Services is required to contract with a managed service organization in order to provide the board with specified evaluation information about each treatment program in the system.

Finally, the bill clarifies requirements and expands the membership of judicial district drug offender treatment boards. Each group is required to submit an annual recommendation to the board for approval of funding of local treatment needs.

State Transfers

Beginning on July 1, 2012, the unexpended and unencumbered fund balance from the Drug Offender Surcharge Fund is transferred to the new Correctional Treatment Cash Fund. As of this writing, no information about the projected fund balance was available.

State Expenditures

Overall, this bill is anticipated to increase state agency workload. Under the bill, the Department of Human Services is required to contract with a managed service organization in order to provide the board with specified evaluation information about each treatment program in the system. As of this writing, the Department of Human Services has not had sufficient time to bid these costs and therefore, no estimate has been provided. The fiscal note assumes that there will be no changes in workload as a result of continued state agency representation on the newly recreated board.

Local Government Impact

By expanding the membership of judicial district drug offender treatment boards to include participation from the chair of the local community corrections board, a parole officer, a sheriff, and a person with expertise in juvenile matters, this bill increases workload for local governments. Based on available information, this analysis assumes the increase is minimal.

This bill may also reduce the total and proportional funding distributed to individual judicial districts. Under current law, at least 80 percent of the annual Drug Offender Treatment Fund allocation is required to be distributed to local judicial districts using a formula that takes into account the district's population and number of drug case filings. Under this bill, judicial districts may request similar funding levels, but it is within the board's purview to decide the actual funding amount each judicial district receives.

State Appropriations

While this bill does not change overall expenditures, fund balance transfers and adjustments in appropriations will be required under the bill. As of this writing, specific information about these adjustments was not available. The fiscal note will be revised if new information becomes available.

Departments Contacted

Corrections

Human Services

Judicial

Public Safety