

STATE and LOCAL FISCAL IMPACT

Drafting Number: LLS 13-0890**Date:** April 8, 2013**Prime Sponsor(s):** Sen. Ulibarri
Rep. Salazar**Bill Status:** Senate Judiciary**Fiscal Analyst:** Alex Schatz (303-866-4375)

TITLE: CONCERNING AVOIDING POTENTIAL CONFLICTS OF INTEREST IN THE PROVISION OF SERVICES TO A PERSON ON PROBATION.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: August 7, 2013, if the General Assembly adjourns on May 8, 2013, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

This bill prohibits a private probation supervision provider (provider) from having a financial interest in entities that furnish offender treatment services, chemical dependency education and treatment, or domestic violence or mental health services to a defendant in their care. Providers are also prohibited from directing a defendant in their care to the particular treatment services of another entity.

Courts must notify defendants sentenced to probation of the provisions of this bill. Based on the investigation of a complaint that a licensed individual or entity has violated any provision of the bill, a licensing authority that finds such a violation must issue a warning for the first violation. For the second violation, the licensing authority must determine an appropriate suspension period for the relevant licensee. The license must be permanently revoked for the third violation.

Providers are defined as nongovernmental agencies, corporations, and persons that provide contract probation or case management services. The bill excludes community corrections, community mental health centers, and diversion services providers from the definition of providers.

State Expenditures

The bill results in a minimal increase in the workload of the Judicial Branch, the Department of Regulatory Agencies (DORA), and the Department of Law.

Judicial Branch. The bill increases workload for trial courts in most cases where the defendant is sentenced to supervised probation. In approximately 43,400 cases annually, beginning in FY 2013-14, a court must advise the defendant of the provisions of the bill. This increase in workload can be accomplished within existing appropriations.

Probation services in the Judicial Branch may incorporate the bill into training and any materials related to private probation supervision. However, the bill does not directly affect any current practice in state probation services and any impact is minimal.

DORA and Department of Law. There is no uniform licensing of private probation supervision providers, but the fiscal note assumes that any licensing authorities affecting providers are situated in the Department of Regulatory Agencies.

To the extent the bill generates complaints regarding violations of the bill by licensed individuals or licensed entities, the bill increases workload for licensing authorities in DORA, such as the regulatory authorities for mental health, social work, and other counseling professions. Complaints must be investigated and cases in which cause exists to find a violation must be addressed in disciplinary actions. In addition, legal services provided by the Department of Law may be required to advise regulatory officials in DORA.

The number of complaints registered with DORA cannot be estimated for this analysis, but is assumed to involve a small percentage of the licensed population providing private probation supervision services. The fiscal note also assumes that current investigation and disciplinary processes may be readily adapted for enforcement of the bill. For these reasons, the increase in workload for DORA and the Department of Law is assumed to be minimal. If additional resources are needed based on unforeseen impacts of the bill, additional resources will be requested in the annual budget process.

Local Government Impact

Trial courts in the city and county of Denver will experience increased workload to advise defendants in the sentencing process. As with state-funded courts and probation departments, the increase in workload related to the bill is minimal.

Departments Contacted

Judicial Branch	Regulatory Agencies	Health Care Policy & Financing
Corrections	Local Affairs	Human Services
Law	Public Safety	Public Health and Environment