

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Local Affairs

Request Title

R-01 Housing Assistance for Reentry Population

Dept. Approval By: 

Supplemental FY 2017-18

Change Request FY 2018-19

Budget Amendment FY 2018-19

X

OSPB Approval By: 

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$0	\$0	\$0	\$4,758,600	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$4,758,600	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$0	\$0	\$0	\$4,758,600	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
03. Division of Housing, (B) Field Services – Housing Assistance for Persons Transitioning from CJ Systems	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$4,758,600	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	No		If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	No		
FF Letternote Text Revision Required?	Yes	No		



# **COLORADO**

Department of Local Affairs

**Priority: R-01**  
**Housing Assistance for Reentry Population**  
**FY 2018-19 Change Request**

## ***Cost and FTE***

- In FY 2018-19, the Department is requesting \$4,758,600 from the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund ("Cash Fund"). This request is made pursuant to SB 17-021.

## ***Current Program***

- The Governor signed SB 17-021 into law on June 2, 2017. This legislation establishes a housing services program for persons with mental illness transitioning from the criminal or juvenile justice systems.
- The funding mechanism is the creation of the Cash Fund, which is funded through a one-time transfer of unexpended General Fund dollars appropriated to the Division of Criminal Justice in the Department of Public Safety (DPS) for community corrections programs and services.

## ***Problem or Opportunity***

- While SB 17-021 establishes the housing services objectives and creates the Cash Fund to receive the one-time transfer, the legislation requires the Department to request moneys from the Cash Fund through the annual legislative budget process. As such, the Department is submitting this request as part of its FY 2018-19 budget submission.
- This legislation was the result of work by the members of the Legislative Oversight Committee Concerning the Treatment of Persons with Mental Illness in the Criminal and Juvenile Justice Systems during the summer of 2016.

## ***Consequences of Problem***

- Failure to approve this change request will prevent the State from utilizing the funds transferred from DPS to the Cash Fund and the policy objectives of SB 17-021 will not get implemented. This will hamper the State's ability to address mental illness in the homeless population throughout Colorado.

## ***Proposed Solution***

- The Department requests that the funds deposited into the Cash Fund at the close of FY 2016-17 are appropriated to a new line item in the Division of Housing entitled 'Housing Assistance for Persons Transitioning from Criminal or Juvenile Justice Systems' for the purposes of implementing the objectives of SB 17-021.



# COLORADO

Department of Local Affairs

John W. Hickenlooper  
Governor

Irv Halter  
Executive Director

FY 2018-19 Funding Request | November 1, 2017

**Department Priority: R-01**

**Request Detail:** Housing Assistance for Reentry Population

Summary of Incremental Funding Change for FY 2018-19	Total Funds	General Fund
Housing Assistance for Reentry Population	\$4,758,600	\$0

Pursuant to SB 17-021, the Department requests appropriation of moneys deposited in the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund ("Fund").

### **Problem or Opportunity:**

Senate Bill 17-021 establishes a housing program for persons with mental illness transitioning from the criminal or juvenile justice systems and directs the Department to manage this program. It is intended to provide grants or loans for the acquisition, construction, or rehabilitation of rental housing for persons with both a mental health disorder, or co-occurring behavioral health disorder, and newly released from the Department of Corrections (DOC), the Division of Youth Corrections (DYC) in the Department of Human Services (DHS), or county jails throughout Colorado.

Additionally, SB 17-021 requires a one-time transfer of any unexpended General Fund dollars from FY 2016-17 appropriated to the Division of Criminal Justice (DCJ) in the Department of Public Safety for the provision of community corrections programs and services. The amount of the transfer is \$4,758,600. However, SB 17-021 does not directly appropriate these funds to the Department and requires a formal request to receive these funds through the annual legislative budget process.

### **Proposed Solution:**

As part of its FY 2018-19 budget, the Department requests appropriation of the current balance in the Fund at the close of FY 2016-17 to the Division of Housing for implementation of the housing services outlined in Section 24-32-721 (4), C.R.S. The Department also requests the creation of a new line item in the Division of Housing entitled 'Housing Assistance for Persons Transitioning from Criminal or Juvenile Justice Systems' to receive these dollars in FY 2018-19. This will make it easier to track expenditures and provide better transparency for the General Assembly and other interested parties. The Department also requests that any unspent moneys from FY 2018-19 are rolled-forward into FY 2019-20 and remain available for expenditure until June 30, 2020.

### ***Anticipated Outcomes:***

Beginning in FY 2018-19, the Department anticipates launching various housing programs to serve persons with a mental health disorder or co-occurring behavioral health disorder and newly released from the Department of Corrections (DOC), the Division of Youth Corrections (DYC) in the Department of Human Services (DHS), or county jails from all over the State. The Department expects that many of the individuals targeted for these programs will be in need of long-term services and support and will initially focus on the development of housing opportunities that includes supportive services. These will be provided through community service providers such as community mental health centers or other local nonprofits. The Department is working with the Office of Behavioral Health (OBH) in DHS and Health Care Policy and Financing (HCPF) to ensure services meet client needs.

Housing assistance paired with services for individuals with serious mental illness reentering the community after incarceration has been rigorously evaluated and demonstrated to reduce future recidivism. The Department is working with the University of Denver Colorado Policy Lab to establish metrics and to evaluate the impact of its housing programs. Additionally, the Department was selected by the Vera Institute of Justice to assess and streamline the Department's re-entry housing programs. Through these efforts, the Department is developing a reentry housing program based on proven models like Washington State's Offender Reentry Community Safety (ORCS) program.

Initial measurements of program success will include acquiring 'safety net' benefits for housing, food, and disability assistance when eligible. In subsequent years, success will be based on housing stability, achievement of educational and vocational certifications, and the reduction of medical and criminal justice costs to the State and local jurisdictions, as well as the reduction of substance abuse as appropriate.

At a minimum, the following items will be specific measures of this program:

- Reduction in recidivism to state prisons, psychiatric hospitals, or homelessness.
  - Measured by the reduction in length of time and number of times returning to systems.
- Analysis of Medicaid claims data to evaluate the changes in cost and type of utilization (specifically emergency room visits versus utilization of primary care).
- Length of stay in stable housing environments.

### ***Assumptions and Calculations:***

The Department will work with other State agencies and community stakeholders to determine the appropriate housing solutions. Based on the \$4.8 million available for the program, the total housing production capacity of this program is anticipated to be 189 units based on the following assumption:

- The calculated per unit subsidy to construct or acquire and renovate affordable housing property is estimated at \$25,200.

<b>Expenses</b>	<b>FY 2018-19</b>	<b>Assumptions</b>
Housing Unit Production by FY	189	\$25,200/unit
<b>Total</b>	<b>\$4,758,600</b>	

Colorado's supportive housing development for reentry populations, specifically the mentally ill reentry population, is in its infancy. Given this, the Department is expecting to spend a large amount of time capacity building with local community stakeholders.

- These housing projects will require more technical assistance from Department staff than a typical application, because the applicants will most likely have less real estate development experience and little to no experience with the requirements of both state and federal funding sources.
- The Department will need to coordinate between multiple partners throughout the pre-application and application process due to the population served and their inexperience.

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Local Affairs

Request Title

R-02 Elimination of Marijuana Impact Grant Program

Dept. Approval By: \_\_\_\_\_

*[Signature]* for *[Signature]*

Supplemental FY 2017-18

Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

Budget Amendment FY 2018-19

X

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	\$1,117,540	\$0	\$1,120,636	(\$1,120,636)	\$0
	FTE	2.0	0.0	2.0	(1.0)	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$1,117,540	\$0	\$1,120,636	(\$1,120,636)	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
04. Division of Local Government, (B) Field Services – Local Government Marijuana Impact Grant Program	Total	\$1,117,540	\$0	\$1,120,636	(\$1,120,636)	\$0
	FTE	2.0	0.0	2.0	(1.0)	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$1,117,540	\$0	\$1,120,636	(\$1,120,636)	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	No		If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	No		
FF Letternote Text Revision Required?	Yes	No		



# COLORADO

## Department of Local Affairs

Priority: R-02  
Elimination of Marijuana Impact Grant Program  
FY 2018-19 Budget Reduction Item

### *Cost and FTE*

- In FY 2017-18, the Local Government Marijuana Impact Grant Program ('Impact Grant Program') was appropriated \$1.0 million in grant funds as well as \$117,540 and 2.0 FTE for administration from the Marijuana Tax Cash Fund (MTCF). The Department requests the elimination of the Marijuana Impact Grant Program.

### *Current Program*

- This Impact Grant Program was established pursuant to approval of Proposition BB by voters in November 2015. Beginning in FY 2015-16, the Impact Grant Program has received an annual appropriation of \$1 million in grant funds from the MTCF. The Division of Local Government is tasked with awarding grants to applicants that meet criteria delineated in Section 24-32-117 (2), C.R.S. Per Statutory authority, each annual appropriation of \$1 million may be spent over two fiscal years.

### *Problem or Opportunity*

- In FY 2015-16, the Department awarded \$766,567 of the \$1 million in marijuana impact grants to eligible local jurisdictions. While there was collaboration with potential stakeholders during the subsequent grant cycle, the application and program requirements did not generate a sufficient number of applicants for the \$1 million appropriation in FY 2016-17. During this grant cycle, only three applications were submitted and either fully or partially approved. These grants only obligated \$140,491 of the \$1 million appropriation.

### *Consequences of Problem*

- Considering the minimal demand for the Impact Grant Program and the number of other state agencies that also manage either grant programs or have been appropriated moneys to address specific issues related to marijuana legalization in Colorado, the Department believes the program is not the most efficient use of the State's marijuana tax revenue.

### *Proposed Solution*

- The Department believes returning the \$1.1 million supporting the Impact Grant Program to the MTCF will ultimately provide better value to taxpayers through support for other state programs.
- In addition, eliminating the program will not adversely affect local governments as another grant program exists that better meets their current needs for law enforcement efforts surrounding marijuana legalization. Beginning in FY 2017-18, HB 17-1221 appropriates nearly \$6 million from the MTCF to the Division of Local Government for the Gray and Black Market Marijuana Enforcement Grant Program ('Gray and Black Program').
- While the Gray and Black Program does not serve the same population as the Impact Grant Program, it meets the needs of more jurisdictions, especially in rural areas, because it has more funding and a statutory mission with greater focus on the demands of law enforcement in relation to large-scale cultivation sites and the exploitation of marijuana legalization in Colorado by criminal organizations.
- Legislation is only necessary if the General Assembly wants to eliminate the statutory provisions that established the Impact Grant Program.



# COLORADO

## Department of Local Affairs

John W. Hickenlooper  
Governor

Irv Halter  
Executive Director

FY 2018-19 Budget Reduction Item | November 1, 2017

**Department Priority: R-02**

**Request Detail: Elimination of Marijuana Impact Grant Program**

Summary of Incremental Funding Change for FY 2018-19	Total Funds	General Fund
Elimination of Marijuana Impact Grant Program	\$1,120,636	\$0

### **Problem or Opportunity:**

Beginning in FY 2015-16, the Field Services section in the Division of Local Government received an annual appropriation of \$1 million to support the Local Government Marijuana Impact Grant Program ('Impact Grant Program') from the Marijuana Tax Cash Fund (MTCF). The Division is tasked with awarding grants to applicants that meet criteria delineated in Section 24-32-117 (2), C.R.S. As defined in this statute, all local government applicants must not impose, levy, or collect any tax on retail marijuana or on the occupation or privilege of selling retail marijuana. Per statutory authority, each annual appropriation of \$1 million may be spent over two fiscal years.

In the first two fiscal years of this program, the Department has had difficulty fully awarding the \$1 million in marijuana impact grants to applicable local jurisdictions. Considering the number of other state agencies that also manage either grant programs or have been appropriated moneys to address specific issues related to marijuana legalization in Colorado, the Department believes the existing Impact Grant Program is not necessarily the most efficient use of the State's marijuana tax revenue.

### **Proposed Solution:**

The Department believes returning the \$1.1 million supporting the Impact Grant Program to the MTCF will ultimately provide better value to taxpayers through support for other state programs. In FY 2015-16, the Department awarded \$766,567 of the \$1 million in marijuana impact grants to eligible local jurisdictions. While there was collaboration with potential stakeholders during the subsequent grant cycle, the application and program requirements did not generate a sufficient number of applicants for the \$1 million appropriation in FY 2016-17. During this grant cycle, only three applications were submitted and either fully or partially approved. These only obligated \$140,491 of the \$1 million appropriation.

In addition to law enforcement activities, the Impact Grant Program is charged with considering grant requests to fund youth services that are especially targeted toward discouraging marijuana consumption and to mitigate other impacts that the cultivation, testing, sale, consumption, or regulation of retail marijuana places on the provision of services by eligible local governments. However, during the inaugural cycle of the Impact Grant Program in FY 2015-16, it became quickly apparent that the largest demand for these dollars pertained to the needs of local law enforcement.



Eliminating the Impact Grant Program will not adversely affect local governments as another grant program exists that better meets their current needs for law enforcement efforts surrounding marijuana legalization. Beginning in FY 2017-18, HB 17-1221 appropriates nearly \$6 million from the MTCF to the Division of Local Government for the Gray and Black Market Marijuana Enforcement Grant Program ('Gray and Black Program') as well as associated administrative costs. While the Gray and Black Program does not serve the exact same population as the Impact Grant Program, it meets the needs of more jurisdictions, especially in rural areas, because it has more funding and a statutory mission with greater focus on the demands of law enforcement in relation to large-scale cultivation sites and the exploitation of marijuana legalization in Colorado by criminal organizations.

The Department believes the creation of the Gray and Black Program will better meet the needs that local communities have demonstrated regarding the increased demands placed on law enforcement as a result of the legalization of marijuana in many parts of Colorado. The nearly \$6 million in available grant funding appropriated for this program is meeting a demand not presently addressed by any other state agency. There are several other agencies that receive moneys from the MTCF particularly the Departments of Human Services and Public Health and Environment that can address the other purposes of the Impact Grant Program.

The Department believes demand for the Gray and Black Program will exceed the nearly \$6 million in grants provided by HB 17-1221 and did consider proposing to expand this pool of moneys with the \$1 million from the Impact Grant Program. However, the inaugural cycle of the Gray and Black Program is not yet completed so the Department has no evidence concerning demand for this new program. If such is later confirmed, this is a policy decision for the General Assembly to consider.

#### ***Anticipated Outcomes:***

If this change request is approved, \$1.1 million will be returned to the MTCF for utilization toward other needs around the State. Eliminating the program will not adversely affect local governments as the Gray and Black Program better meets their current needs for law enforcement efforts surrounding marijuana legalization. The Impact Grant Program is not part of the Department's Performance Plan and is not linked to any Vision 2018 Goals.

#### ***Assumptions and Calculations:***

Elimination of the Impact Grant Program will result in the elimination of 1.0 FTE for a Community and Economic Development III at an annual salary of \$62,962 that is currently occupied. It is possible this staff person will qualify and apply for a different position within the Department between now and July 1, 2018, but that will depend on both turnover and the positions that become available.

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

#### Department of Local Affairs

Request Title: **NP-01 Cybersecurity Liability Insurance Policy**

Dept. Approval By:  10/25/17

☐ Supplemental FY 2017-18

☒ Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

☐ Budget Amendment FY 2018-19

Summary Information	FY 2017-18		FY 2018-19		FY 2019-20	
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$59,569	\$0	\$49,056	\$1,592	\$1,592
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$55,450	\$0	\$11,351	\$369	\$369
	CF	\$3,616	\$0	\$11,689	\$379	\$379
	RF	\$503	\$0	\$26,016	\$844	\$844
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	FY 2017-18		FY 2018-19		FY 2019-20	
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$59,569	\$0	\$49,056	\$1,592	\$1,592
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office -- Payments to Risk Management and Property Funds	GF	\$55,450	\$0	\$11,351	\$369	\$369
	CF	\$3,616	\$0	\$11,689	\$379	\$379
	RF	\$503	\$0	\$26,016	\$844	\$844
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
FF Letternote Text Revision Required?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Requires Legislation? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Type of Request?	Department of Local Affairs Non-Prioritized Request	
Interagency Approval or Related Schedule 13s: None		

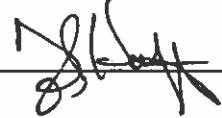
### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Local Affairs

Request Title: NP-02 Operating System Suite (OIT-04)

Dept. Approval By:

 10/25/17

Supplemental FY 2017-18

☒

Change Request FY 2018-19

OSPB Approval By:

☐ Budget Amendment FY 2018-19

Summary Information	FY 2017-18			FY 2018-19		FY 2019-20
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$2,004,791	\$0	\$2,096,845	\$18,246	\$20,105
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	\$651,798	\$0	\$386,059	\$3,246	\$3,577
	CF	\$310,681	\$0	\$699,416	\$3,343	\$3,684
	RF	\$552,064	\$0	\$648,141	\$7,440	\$8,199
	FF	\$490,248	\$0	\$363,229	\$4,217	\$4,645

Line Item Information	FY 2017-18			FY 2018-19		FY 2019-20
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$80,469	\$0	\$80,469	(\$5,519)	(\$5,519)
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office -- Information Technology Asset Maintenance	GF	\$29,913	\$0	\$29,913	(\$1,200)	(\$1,200)
	CF	\$13,049	\$0	\$13,049	(\$1,519)	(\$1,519)
	RF	\$37,507	\$0	\$37,507	(\$2,800)	(\$2,800)
	FF	\$0	\$0	\$0	\$0	\$0

	Total	\$1,924,322	\$0	\$2,016,376	\$23,765	\$25,624
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office -- Payments to OIT	GF	\$621,885	\$0	\$356,146	\$4,446	\$4,777
	CF	\$297,632	\$0	\$686,367	\$4,862	\$5,203
	RF	\$514,557	\$0	\$610,634	\$10,240	\$10,999
	FF	\$490,248	\$0	\$363,229	\$4,217	\$4,645

CF Letternote Text Revision Required?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
FF Letternote Text Revision Required?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Requires Legislation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Type of Request?	Department of Local Affairs Non-Prioritized Request	
Interagency Approval or Related Schedule 13s:	None	

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

#### Department of Local Affairs

Request Title: NP-03 Annual Fleet Vehicle Request

Dept. Approval By:  10/25/17

☐ Supplemental FY 2017-18

☒ Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

☐ Budget Amendment FY 2018-19

Summary Information	FY 2017-18			FY 2018-19		FY 2019-20
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	\$86,086	\$0	\$86,086	\$20,218	\$20,218
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$77,341	\$0	\$77,341	\$18,164	\$18,164
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$8,745	\$0	\$8,745	\$2,054	\$2,054
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	FY 2017-18			FY 2018-19		FY 2019-20
	Fund	Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
01. Executive Director's Office -- Vehicle Lease Payments	Total	\$86,086	\$0	\$86,086	\$20,218	\$20,218
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$77,341	\$0	\$77,341	\$18,164	\$18,164
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$8,745	\$0	\$8,745	\$2,054	\$2,054
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	No	X	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	No	X	
FF Letternote Text Revision Required?	Yes	No	X	
Requires Legislation?	Yes	No	X	
Type of Request?	Department of Local Affairs Non-Prioritized Request			
Interagency Approval or Related Schedule 13s:	None			