# The Florida Senate BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Community Affairs									
BILL:	SB 1532								
INTRODUCER:	Senator Bradley								
SUBJECT:	Juvenile Detention Costs								
DATE:	March 31, 2014 RE		REVISED:						
ANALYST		STAF	F DIRECTOR	REFERENCE	AC	TION			
1. White		Yeatman		CA Pre-meeting					
2				AP					

# I. Summary:

SB 1532 provides the Department of Juvenile Justice (department, or DJJ) with a predictable cost sharing methodology to calculate the shared county and state financial obligations for juvenile detention. The bill defines "actual cost" and "participating county," and requires participating counties to pay a share of the actual cost of providing detention care based on the funds spent and county utilization.

#### **II.** Present Situation:

Juveniles who are arrested can be held within a secured detention facility where they await a court hearing, when specific criteria are met. Within 24 hours, a judge decides whether ongoing detention is necessary. If ongoing detention is ordered, a juvenile may be held in a secure detention facility awaiting disposition of their case. Youth placed in secure detention have been assessed as a risk to public safety. The DJJ operates 21 secure detention facilities with 1,302 beds in 21 counties. During fiscal year 2012-2013, DJJ detained a total of 17,475 individual youth in secure detention facilities.<sup>2</sup>

The DJJ shares the cost of detention of juveniles in detention centers with the counties. In 2004, s. 985.686, F.S., was created,<sup>3</sup> which established a method of cost sharing of juvenile detention between the state and counties. The statute requires non-fiscally constrained counties to pay for the cost of detention care for juveniles who reside within that county for the period of time prior to "final court disposition," also known as the pre-disposition costs. The state is responsible for

<sup>&</sup>lt;sup>1</sup> Section 985.215, F.S., provides these criteria, which include current offenses, prior history, legal status, and aggravating or mitigating factors.

<sup>&</sup>lt;sup>2</sup> DJJ, *Bill Analysis of SB 1532* (Mar. 18, 2014).

<sup>&</sup>lt;sup>3</sup> Chapter 2004-263, Laws of Fla. (creating s. 985.2155, F.S.); Chapter 2006-120, s. 95, Laws of Fla. (transferring to s. 985.686, F.S.).

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all costs of detention incurred in fiscally constrained counties.<sup>4</sup> In fiscal year 2012-13, the final expenditures in the shared county/state juvenile detention trust fund were \$64.6 million and expenditures from the general revenue were \$20.0 million, for a total of \$84.7 million spent.<sup>5</sup>

The definitions of pre-disposition and post-disposition have been controversial since implementation began in 2005, and have formed the basis of several administrative challenges.<sup>6</sup> In June 2013, the First District Court of Appeal affirmed an administrative law judge's order invalidating rules that the department had promulgated in 2010 relating to costs of detention.<sup>7</sup> According to the order, the rules at issue shifted a greater responsibility for costs to the counties than was required by the relevant statute and this constituted an invalid exercise of delegated legislative authority. In July 2013, the department changed their method of billing counties to reflect their analysis of the ruling by the administrative law judge.

## III. Effect of Proposed Changes:

**Section 1** amends s. 985.6015, F.S., to clarify that Shared County/State Juvenile Detention Trust Fund is a depository for funds to be used for the costs of juvenile detention.

**Section 2** amends s. 985.686, F.S., relating to shared county and state responsibility for juvenile detention. The bill defines "actual cost" and "participating county." Participating counties would be required to pay a share of the actual cost of providing detention care. The DJJ is tasked with:

- Determining the actual cost by dividing the total number of detention days for juveniles
  residing in the county during the prior state fiscal year by the total number of detention days
  for all juveniles residing in such counties;
- Calculating the share of actual costs counties must pay by multiplying the county's percentage of detention care use by 50 percent of the total actual cost of detention care; and
- Informing the counties by August 1 of each year.

Under the provisions of the bill, the state pays:

- Fifty percent of the total actual cost of providing detention care in participating counties;
- The actual cost of detention care for fiscally constrained counties; and
- The actual cost of providing detention care for juveniles residing out of state.

The bill eliminates disposition as the boundary separating county and state financial obligations for juvenile detention, replacing it with a predictable cost sharing relationship based on actual costs and county utilization.

The state would still pay for the actual cost of detention care for fiscally constrained counties.

<sup>&</sup>lt;sup>4</sup> The term "fiscally constrained county" is defined to mean "a county within a rural area of critical economic concern as designated by the Governor pursuant to s. 288.0656, F.S., or each county for which the value of a mill will raise no more than \$5 million in revenue, based on the certified school taxable value certified pursuant to s. 1011.62(4)(a)1.a., F.S., from the previous July 1. Currently, 29 counties are considered fiscally constrained.

<sup>&</sup>lt;sup>5</sup> DJJ, *Bill Analysis of SB 1532* (Mar. 18, 2014).

<sup>&</sup>lt;sup>6</sup> Hillsborough County v. Dep't of Juvenile Justice, Case No. 07-4398; Hillsborough County v. Dep't of Juvenile Justice, Case No. 07-4432.

<sup>&</sup>lt;sup>7</sup> Dep't of Juvenile Justice v. Okaloosa County, 113 So.3d 1074 (Fla. 1st DCA 2013).

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**Section 3** provides an effective date of July 1, 2014.

## IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

## V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

In fiscal year 2012-13, the final expenditures in the shared county/state juvenile detention trust fund were \$64.6 million and expenditures from general revenue were \$20.0 million, for a total of \$84.7 million spent.<sup>8</sup> In order to set the collective revenue amount for the counties, the department multiplies this figure by 50 percent, which is \$42.3 million. This figure is the collective amount that all participating counties would be required to pay, apportioned among participating counties based upon each county's percentage of utilization.

The calculations of actual cost and share of actual cost described in the bill would change the amount of money spent by participating counties on juvenile detention care. The DJJ notes that the bill should reduce costs for participating counties, which have historically paid between 72-89 percent of the cost of detention care since 2004. Under the bill, participating counties will pay much closer to 50 percent of the cost of detention care.

<sup>&</sup>lt;sup>8</sup> DJJ, *Bill Analysis of SB 1532* (Mar. 18, 2014).

<sup>&</sup>lt;sup>9</sup> *Id*.

<sup>&</sup>lt;sup>10</sup> *Id*.

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To the extent that the bill's method of calculating cost sharing reduces obligations by participating county governments, the bill may increase the cost of juvenile detention for the state. The DJJ, more comprehensively, explains:

The state would receive revenues from the counties based on the expenditures from the most recently completed fiscal year. The revenues would be dependent upon the amount expended by fiscal year for detention care. In years when there are increases in the detention center budget, the following year will see increases in revenues to the state from the counties. In years where reductions occur to the detention center budget, the following year will see revenues from the counties decrease. <sup>11</sup>

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None.

#### VII. Related Issues:

None.

#### VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 985.6015 and 985.686.

#### IX. Additional Information:

A. Committee Substitute – Statement of Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

<sup>&</sup>lt;sup>11</sup> *Id*.