

## Department of Planning and Budget 2020 Fiscal Impact Statement

**1. Bill Number:** HB551H1

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Ward

**3. Committee:** House Appropriations

**4. Title:** Juvenile community correctional centers

**5. Summary:** The substitute bill changes the name of "juvenile correctional centers" to "juvenile community correctional centers." The bill further provides that any juvenile community correctional center established after July 1, 2020, must (i) be located within a locality in which at least five percent of all juvenile commitments occur statewide using an average of the rate of commitments of three most recent consecutive years, and (ii) be designed to confine 30 juveniles or fewer.

The bill also states that the Department must place children at the juvenile community correctional center located closest to their primary residence and within one hour of such residence via motor vehicle and within one and one-half hours of such residence via public transportation. If such placement is not available, the Department must use an alternative placement that is closest to the juvenile's primary residence.

**6. Budget Amendment Necessary:** Yes

**7. Fiscal Impact Estimates:** Preliminary (see Item #8)

**8. Fiscal Implications:** Under the substitute bill, any juvenile community correctional center established after July 1, 2020, must (i) be located within a locality in which at least five percent of all statewide commitments occur, using an average of the rate of commitments of the three most recent consecutive years, and (ii) be designed to confine 30 juveniles or fewer. Under the current Department of Juvenile Justice ("DJJ") transformation plan, the agency seeks to build two treatment-oriented facilities, ideally one in the Eastern region and one in Central Virginia. The first of these two facilities has been approved and is designed for a capacity of 60 juveniles at an estimated construction cost of \$53,528,000 and annual operational cost of \$22,192,644; however, a location has not yet been determined.

According to DJJ, to meet the 30 bed capacity standard established in the bill, the agency would need to construct six new facilities instead of the two new facilities currently reflected in the agency transformation plan. According to cost estimates prepared for DJJ by the Department of General Services ("DGS"), the cost to build two 30 bed facilities is \$70,014,970, which is \$16,486,970 more than the cost for one 60 bed facility. The annual

operational cost of the two 30 bed facilities is estimated to \$37,341,490, which is \$15,148,846 more than the estimated operation cost for one 60 bed facility.

The remaining 4 facilities that would need to be constructed have a current total estimated construction cost of \$140,029,940 and annual total operational cost of \$74,682,979 (average of \$18,670,744 per facility).

The construction of six 30 bed facilities will require additional capital construction funding and additional operating funding.

**9. Specific Agency or Political Subdivisions Affected:** Department of Juvenile Justice, Department of General Services, and local detention centers

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None