

STORAGE NAME: h4257.go
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**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
GOVERNMENTAL OPERATIONS
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

BILL #: HB 4257 (PCB JJ 98-02A)

RELATING TO: Juvenile Justice Programs

SPONSOR(S): Committee on Juvenile Justice, Representative Bainter and others

COMPANION BILL(S): CS/SB 334(s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) JUVENILE JUSTICE YEAS 6 NAYS 0
- (2) GOVERNMENTAL OPERATIONS
- (3) CRIMINAL JUSTICE APPROPRIATIONS
- (4)
- (5)

I. SUMMARY:

The bill amends ss. 985.401 and 985.404, F.S. The Juvenile Justice Advisory Board(JJAB) would establish and operate a comprehensive system of annually measuring and reporting the effectiveness and outcome of the Department of Juvenile Justice (DJJ) programs. The system would cover programs operated by DJJ or by a provider under contract with the DJJ.

The system would use a standard methodology to interpret the JJAB outcome evaluation report. As part of the methodology, the JJAB would incorporate, when appropriate, the performance-based program budgeting measures approved by the Legislature. The JJAB would also consult with the DJJ, the Division of Economic and Demographic Research (EDR) of the Joint Legislative Management Committee, contract service providers and other interested parties when developing the standard methodology. The JJAB will submit its report to the Legislature by February 15 of each year.

Under the provisions of the PCB, the DJJ would collaborate with the JJAB, EDR and contract providers to develop a cost-effectiveness model. The model would be applied to each commitment program. DJJ would also work with the same agencies and providers to refine the cost-effectiveness model making it consistent with the performance-based program budgeting measures approved by the Legislature.

The DJJ would then rank commitment programs and submit a report to the appropriate substantive and fiscal committees of the Legislature by December 31 of each year. The DJJ could terminate any contract failing to achieve the minimum program effectiveness.

Finally, the bill would appropriate \$455,128 in General Revenue (GR) funds to the DJJ: \$100,000 would fund a nondepartmental study to record the effects of using economic models to evaluate DJJ commitment programs. \$355,128 would be used to design and implement a process to document the factors contributing to high or low program effectiveness. DJJ would use the results of this process to implement program improvements and terminate ineffective programs.

The bill provides an effective date of July 1, of the year enacted.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

The bill was drafted as a result of an interim report conducted by the Senate Criminal Justice Committee and the Ways and Means Subcommittee D entitled 1997 Interim Project Report on the Cost Effectiveness of Juvenile Justice Commitment Programs. The Report concludes that a reliable evaluation of the cost effectiveness of juvenile justice commitment programs will not be available until more reliable data systems are in place. Although there are maintenance and oversight mechanisms operating, there is still a need for a more reliable comprehensive system to evaluate juvenile justice programs.

Section 985.412, F.S. directs DJJ to establish a quality assurance(QA) program to monitor juvenile justice programs. As a result of this legislation, the DJJ staff have developed and applied minimum standards of quality to the more than 450 juvenile justice programs reviewed annually. The QA report contains a comprehensive description of the population served by a program, a description of the services provided by a program and program costs. The report also contains a comparison of expenditures to federal and state funding, and immediate and long-range concerns. The DJJ staff then make recommendations to maintain, expand, improve, modify or eliminate program components.

In addition, each program evaluation or review documented in the QA report includes a review of indicators such as program and behavior management, admission and orientation, food services, rehabilitation planning, security and emergency procedures, education, health, training and staff development. At the conclusion of a review a program is given a rating of poor, below satisfactory, satisfactory marginal, satisfactory, satisfactory high, and superior.

Programs receiving a poor or below satisfactory performance rating are reviewed a second time within the same calendar year. Those programs still not meeting minimum standards of quality would have their contract with DJJ canceled unless extenuating circumstances can be proved.

Section 985.404, F.S. also requires DJJ to annually collect and report cost data for each DJJ program operated by the state or by a provider under contract with the DJJ. The report is submitted to the Legislature and the Governor by February 1 of each year.

Presently, the DJJ consults with the JJAB and providers to develop a cost-benefit model and apply the model to each commitment program. A report ranking commitment programs based on cost-benefit is submitted to the appropriate substantive and appropriations committees of each house of the Legislature by December 31 of each year.

The JJAB is statutorily responsible for establishing and operating a comprehensive system which annually measures and reports program outcomes and effectiveness. This system applies to programs operated by DJJ or operated by a provider under contract with the DJJ. Section 985.401, Florida Statutes.

According to the JJAB, the inherent data limitations within DJJ's current Client Information System (CIS) impair the results of a comprehensive system to measure program outcome and effectiveness. The CIS was developed when the juvenile justice agency was included with the Department of Health and Rehabilitative Services (HRS). HRS was downsized and became the Department of Children and Family Services. The DJJ was created.

This data limitation negatively impacts the production of client characteristics information including detailed client and program outcomes and cost-effectiveness information. The limitations partially result from the design of the CIS. The CIS was primarily developed to support the work of management and direct services staff. It was not designed to develop research studies. Therefore, the system does not contain specific and detailed client and cost data.

However, the Legislature has funded the development and implementation of a new Juvenile Justice Information System. It will provide reliable and detailed data on client characteristics, client and program outcomes and financial costs. The new information system is scheduled to be implemented in July 1998. The JJAB anticipates that the new information system will be able to address the current data limitations.

B. EFFECT OF PROPOSED CHANGES:

The JJAB would be required to establish and operate a comprehensive system to annually measure and report program outcome and effectiveness. The system would evaluate programs operated by DJJ or by a provider under contract with DJJ. The system would use a standard methodology for interpreting the JJAB's outcome evaluation reports; when appropriate, the performance-based program budgeting measures approved by the Legislature will be incorporated into the new comprehensive system.

In developing the standard methodology, the board would adhere to the following statutory requirements:

- develop common terminology and operational definitions;
- develop program outputs for program groups within each level of the juvenile justice continuum;
- designate specifications for target client outcomes and develop methods to measure client outcomes for each program; and
- recommend annual minimum thresholds of satisfactory performance for client outcomes and program outputs.

The JJAB would consult with the DJJ, EDR, contract service providers and other interested parties when developing standard methodology.

The bill requires the JJAB to submit its report to the Legislature by February 15 of each year. JJAB would review and revise annually the standard methodology to ensure continuing improvement and validity of the evaluation process.

To improve the legislative efforts of administering the juvenile justice continuum, DJJ would collaborate with the JJAB, and EDR and contract providers to develop a cost-effectiveness model for each state-operated or contracted commitment programs. DJJ would also work with the same agencies and providers to implement a work plan for refining the cost-effectiveness model to make it consistent with the performance-based program budgeting measures approved by the Legislature.

The DJJ would rank commitment programs based on the cost-effectiveness model and would submit a report to the appropriate substantive and fiscal committees of the House of Representatives and the Senate by December 31 of each year. It would have the authority to terminate any contract failing to achieve the minimum threshold of program effectiveness.

DJJ would work with the JJAB, EDR and contract service providers to construct a profile of each commitment program and conduct a more comprehensive evaluation of any commitment program achieving consistently high, low or disparate ratings. DJJ would continue its research by identifying the factors contributing to the high, low or disparate program ratings then use the results to develop or refine the following: juvenile justice programs or program models, client outcomes and program outputs, provider contracts, quality assurance standards and the cost-effectiveness model.

The DJJ would be appropriated \$100,000 General Revenue (GR) funds for a nondepartmental study on using economic models to evaluate juvenile justice commitment programs. DJJ would also be appropriated of \$355,128 GR to design and implement a process for documenting the factors contributing to high or low program effectiveness. DJJ would use the results of this process to implement program improvements and terminate ineffective programs.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

The Department of Juvenile Justice will have the authority to terminate service provider contracts which do not meet minimum standards of program effectiveness.

- (2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

The JJAB would establish and operate a comprehensive system to measure and report program outcome and effectiveness. The system would evaluate programs operated by DJJ or providers under contract with DJJ. The JJAB would submit an evaluation report to the Legislature by February 15 of each year.

The DJJ would work with EDR and contract providers to develop a cost-effectiveness model. DJJ would also rank commitment programs based on the cost-effectiveness model and submit this report to the appropriate substantive and fiscal committees of the House of Representatives and the Senate by December 31 of each year.

Should the Legislature appropriate funds to the DJJ, it would collaborate with the JJAB, the EDR and contract service providers to profile each commitment program and conduct a more comprehensive review on any commitment programs achieving consistently high, low or disparate ratings; then DJJ would identify the factors contributing to the high, low or disparate program ratings and use the results of these evaluations in developing or refining juvenile justice programs/models, client outcomes, program outputs, provider contracts, quality assurance standards and the cost-effectiveness model.

In addition, the DJJ would conduct a nondepartmental study to understand the effect of using economic models to evaluate juvenile justice commitment programs. DJJ would also continue to evaluate commitment programs and design and implement a process to document the factors contributing to high or low program effectiveness.

- (3) any entitlement to a government service or benefit?

No

- b. If an agency or program is eliminated or reduced:

This bill does not eliminate or reduce an agency or program.

- (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

- (2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No

b. Does the bill require or authorize an increase in any fees?

No

c. Does the bill reduce total taxes, both rates and revenues?

No

d. Does the bill reduce total fees, both rates and revenues?

No

e. Does the bill authorize any fee or tax increase by any local government?

No

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

No

4. Individual Freedom:

a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

This bill does not purport to provide services to families or children.

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

No

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

This bill does not create or change a program providing services to families or children.

- (1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

N/A

E. SECTION-BY-SECTION RESEARCH:

Section 1, creates subsection (4) of Section 985.401, Florida Statutes, directing the JJAB to establish and operate a comprehensive system to annually measure and report program outcome effectiveness for programs operated by DJJ or by providers under contract with the DJJ. The system will use a standard methodology for interpreting the JJAB's outcome evaluation reports; when appropriate, the performance-based program budgeting measures approved by the Legislature will be incorporated into the new comprehensive system. The JJAB would develop common terminology and operational definitions; develop program outputs for each group of programs within each level of the juvenile justice continuum; designate specifications of target client outcomes and methods to measure client outcomes for each program; and recommend annual minimum thresholds of satisfactory performance for client outcomes and program outputs. The JJAB would consult with the DJJ, EDR of the Joint Legislative Management Committee, contract service providers and other interested parties.

Section 2, amends Section 985.404, Florida Statutes, authorizing DJJ to collaborate with the JJAB, EDR and contract providers to develop a cost-effectiveness model. The model will be applied to each commitment program. DJJ will work with the above mentioned agencies and providers to implement a work plan to refine the cost-effectiveness model to make it consistent with the performance-based program budgeting measures approved by the Legislature. The department will rank commitment programs based on the cost effectiveness model and will submit a report to the appropriate substantive and fiscal committees of each house by December 31 of each year. DJJ will have the authority to terminate any contract failing to achieve the minimum threshold of program effectiveness.

Section 3, appropriates \$100,000 GR to DJJ for a nondepartmental study in the area of using economic models to evaluate juvenile justice commitment programs.

Section 4, appropriates \$355,128 GR to DJJ to design and implement a process to document the factors that contribute to high or low program effectiveness.

Section 5 provides an effective date of July 1, of the year enacted.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

DJJ estimates the cost of funding PCB 2 for the next three fiscal years in the following chart:

Expenditures	FY 1998-99	FY 1999-00	FY 2000-01
Recurring: 5 FTEs	\$239,568	\$239,568	\$239,568
Expenses	\$ 79,730	\$ 79,730	\$ 79,730
OPS	\$ 20,000	\$ 20,000	\$ 20,000
Non-Recurring:	\$115,830	\$0	\$0
Total	\$455,128	\$339,298	\$339,298

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

Total expenditures include the amounts detailed in the above chart and \$455,128 appropriated by the Legislature (\$100,000 for nondepartmental study and \$355,128 to design and implement a process to document the factors that contribute to high or low program effectiveness).

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None

2. Recurring Effects:

None

STORAGE NAME: h4257.go

DATE: March 24, 1998

PAGE 10

3. Long Run Effects Other Than Normal Growth:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

N/A

3. Effects on Competition, Private Enterprise and Employment Markets:

N/A

D. FISCAL COMMENTS:

See Section A (3 and 4).

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to expend funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

None

STORAGE NAME: h4257.go

DATE: March 24, 1998

PAGE 11

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None

VII. SIGNATURES:

COMMITTEE ON JUVENILE JUSTICE:

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AS REVISED BY THE COMMITTEE ON GOVERNMENTAL OPERATIONS:

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