

## **SUBCOMMITTEE RECOMMENDATION**

### **HB 5030**

#### **Public Defense Services Commission**

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To:	Ways and Means Full Committee
From:	Public Safety Subcommittee
Carrier:	Representative Sollman

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HB 5030 is the budget bill for the Public Defense Services Commission. The Commission provides constitutionally and statutorily-mandated legal representation in court to individuals determined eligible for state-supported legal services because of their inability to pay.

The Subcommittee approved a total budget of \$339.8 million, including \$321.4 million General Fund and \$18.5 million Other Funds. The budget includes 108 positions and 104.72 FTE. The budget is a decrease in funding of 4.5% from the 2019-21 legislatively approved budget.

The budget includes a holdback of funding in the amount of \$100 million General Fund, which is placed in a Special Purpose Appropriation appropriated to the Emergency Board for the Public Defense Services Commission. The release of the holdback is contingent upon the Commission's satisfactory progress, as determined by the Legislature and/or the Legislative Emergency Board, in executing Legislative expectations regarding the restructuring, modernization, financial controls, quality management, performance metrics, and governance of the agency. The holdback also is reflective of an inordinately high degree of uncertainty related to the procurement costs.

The Commission's 2021-23 budget, excluding the General Fund holdback, would represent a \$84.2 million, or 23.6%, increase from the 2019-21 legislatively approved budget and a \$38.6 million increase to the Commission's 2021-23 current service level budget.

The recommendation includes: (1) re-structuring the agency's appropriations along cost centers to increase the transparency of budgeted activities and to impose a heightened level of financial discipline and accountability on the agency; (2) reorganizing the agency along lines of business; (3) augmenting operational staffing in key areas of the agency, including agency leadership, financial management, and procurement; (4) adding compliance, audit, and performance management functionality to the agency;

(5) re-in-sourcing base level information technology services; (6) directing an independent financial and performance audit of the agency, including reviews of agency operations, procurement, human resources, information technology, accounting, budget, performance management, and auditing; (7) and providing General Fund to resolve material current service level deficits across the agency. These changes are premised on the Commission continuing to advance the recommendations of the Sixth Amendment Center study that was completed in 2018.

Apart from the 2021-23 biennium, there includes a 2019-21 biennium supplemental General Fund appropriation in the amount of \$3.8 million for Non-Routine Expenses and Court-Mandated Expenses. This is the second instance, in as many months, of supplemental funding being appropriated by the Legislature to resolve a current biennium deficit, as in March of this year the Legislature also provided the Commission with an addition \$7.6 million in General Fund.

The budget includes four budget notes related to status reporting to the Legislature and Emergency Board and the release of the General Fund holdback, direction for an external financial and performance audit of the agency to be conducted, direction to establish an internal audit function, and reporting on the development of the Compliance, Audit, and Performance Division.

The Commission's Key Performance Measures and targets were left unchanged; however, with the recommendation that the Commission undertake a comprehensive review and restructuring of the Commission's KPMS and target to align with the new programmatic structure of the Commission.

The Public Safety Subcommittee recommends HB 5030 be amended by the –1 amendment and be reported out do pass, as amended.