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FISCAL IMPACT REPORT

ORIGINAL DATE 2/14/07

SPONSOR Lujan, B. LAST UPDATED _____ HB 1054

SHORT TITLE Adult Mental Health Court Programs SB _____

ANALYST C. Sanchez

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
NFI	\$1,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 148, 13th District Mental Health Court; and SB 206, 1st Judicial District Mental Health Court

SOURCES OF INFORMATION

LFC Files

Responses Received From

Corrections Department (CD)

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of Bill

House Bill 1054 would appropriate \$1,000,000 from the general fund to the administrative office of the courts (AOC) for expenditure in FY 08 to provide staff, contractual services, and other operating costs for adult mental health court programs in the state. Judicial districts would petition the AOC for distribution of these mental health court funds. Any unexpended or unencumbered balance remaining at the end of FY 08 would revert to the general fund.

FISCAL IMPLICATIONS

Implementing a mental health court program at a judicial district court requires staff, treatment funds, other contractual services, and operating costs. The exact amount required will vary from court to court, mostly depending on what resources may already be available at the court, and the cost and availability of treatment in that court's community.

As one example, the First Judicial District is currently requesting \$250,000 to start a mental health court program in Santa Fe (SB 206). Based on that amount, HB 1054 could fund approximately four mental health programs around the state. Some funds may be deemed necessary at the AOC level for administrative purposes (see Administrative Implications), which could affect the total number of programs that could be funded by HB 1054.

The cost of incarcerating mentally ill offenders in jail will be reduced substantially due to their earlier release from jail and effective use of existing resources in the community. The costs of treatment while inmates are incarcerated will be avoided which, while not affecting the court budget, will be a cost avoidance for the counties, since Medicare/Medicaid benefits stop while people are incarcerated.

It is likely that some of the individuals who would be adjudicated under programs funded through HB 1054 would be Medicaid-eligible recipients. If this were the case, any monies used to provide mental health services that are part of the State Medicaid benefit package would be eligible for Federal match. The number of eligible clients and the amount of this impact cannot be readily determined.

The state will likely avoid future costs as the program successfully serves more clients.

SIGNIFICANT ISSUES

Mental health courts are part of the growing national trend towards therapeutic justice programs, or problem-solving courts, which are modeled on the nationally successful drug court programs. Like drug courts, mental health courts combine treatment with the coercive power of the judiciary and close supervision to ensure participants adhere to the treatment plan and other program requirements.

As with drug courts, mental health courts require close collaboration between the courts, the public defender's and district attorney's offices. Because of the time demands of such programs, mental health court budgets often include funds for all three agencies. Such programs also require treatment staff, in the form of psychologists or psychiatrists, family counselors, as well as court staff to administer and run the program who are trained for mental health diversion or supervised release services. This legislation is not contained in the judiciary's unified budget, though the \$250,000 requested by the First Judicial District Court to fund its mental health program (SB 206) is in the unified budget.

According to the Administrative Office of the Courts, untreated or inadequately treated offenders with mental illness usually re-offend. The Mental Health programs will reduce the number of offenders with mental illness who are jailed repeatedly. . . "The revolving door." This occurrence increases the risk to the community and perpetuates chronic re-entry into the criminal justice system.

PERFORMANCE IMPLICATIONS

The courts are participating in performance based budgeting. This bill may have an impact on the measures of the district courts in the following areas:

- cases disposed as a percentage of cases filed
- percent change in case filings by case types

The success of the programs will be measured by tracking the success of treatment and medication compliance and continued checking of court records for recidivism.

ADMINISTRATIVE IMPLICATIONS

The administrative implications of HB 1054 on the AOC could be significant, but would be appropriate given the growing interest throughout the state in mental health courts. The AOC and the Supreme Court have staff and a committee dedicated to oversight of the state's drug court programs, providing standardized operational guidelines and vetting program funding requests as part of the Judiciary's Unified Budget. HB 1054 would require similar administrative oversight of the funds and the requesting programs, oversight which would strain current staff and require additional committee work.

There would also be an immediate administrative impact on each court operating a mental health court program, resulting from added judicial and staff time needed to dispose of these types of cases in keeping with the dictates of the mental health court program. Over the long term, successful treatment of program participants should lead to a decrease in court workload as such participants recover sufficiently to lead more normal, law-abiding lives.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 148 13th District Mental Health Court, and SB 206 1st Judicial District Mental Health Court.

OTHER SUBSTANTIVE ISSUES

It is unclear if the bill will require the Corrections Department to somehow participate in the programs. These programs could require probation and parole officers to provide intensive supervision to certain offenders in the programs, and this could cause an administrative or fiscal burden on the Department. There is no appropriation in the bill to cover any increased costs to the Department. However, the bill may not involve any participation by the Department. It is difficult to assess the impact of the programs on the Department at this time.

ALTERNATIVES

Perhaps clarify the purpose and scope of the mental health court programs.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Offenders with mental illness will remain in jail longer than required due to insufficient staff to arrange for aftercare.