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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/28/2020

SPONSOR Rodriguez LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Law Enforcement-Assisted Diversion SB 126

ANALYST Hanika-Ortiz

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$500.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to an appropriation in the General Appropriation Act.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Administrative Office of the Courts (AOC)  
Law Offices of the Public Defender (LOPD)

### SUMMARY

#### Synopsis of Bill

Senate Bill 126 appropriates \$500 thousand from the general fund to the Department of Finance and Administration to support law enforcement-assisted diversion (LEAD) programs in the City of Santa Fe, Santa Fe County, Rio Arriba County, Bernalillo County and Dona Ana County.

### FISCAL IMPLICATIONS

The appropriation of \$500 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY21 shall revert to the general fund.

In New Mexico, LEAD programs are operational in Santa Fe, Bernalillo County and Rio Arriba County. Both the LFC and executive recommendations for the Human Services Department's Behavioral Health Services Division in FY21 include \$1 million for grants to LEAD programs.

The additional financial support in the bill for LEAD will help cover case managers, treatment and community services. Although New Mexico is a Medicaid expansion state, not all behavioral health services are covered by Medicaid so there is much unmet need for low-income

individuals.

LOPD reports that a three-year LEAD pilot in Santa Fe reduced participants' number of arrests, days in jail, use of heroin, and costs associated with emergency medical services. See *Evaluation of LEAD Santa Fe: A Summary Report of Findings of a 3-Year Pilot Period* (October 2018). [https://www.lead-santafe.org/wp-content/uploads/2018/10/LEAD-Report-Final\\_10818.pdf](https://www.lead-santafe.org/wp-content/uploads/2018/10/LEAD-Report-Final_10818.pdf).

The Evaluation of LEAD Santa Fe reported program costs of \$3,169 per client per year. For the LEAD client group, the average post-diversion criminal justice cost inclusive of EMS, EDs, police, court, district attorney, public defender, and detention was \$4,371 per client per year as opposed to the comparison group which was \$9,098 per client per year. When the program cost was added to criminal justice costs, the average annual cost was \$7,540 per client per year. Thus, overall cost savings of LEAD over system “as usual” was \$1,558 per client per year, a savings of 17 percent.

According to the LEAD National Support Bureau, nationally LEAD program costs vary widely across communities depending upon characteristics of the LEAD participants (e.g., prevalence of homelessness) as well as community factors (e.g., cost of living, Medicaid coverage).

### **SIGNIFICANT ISSUES**

According to the LEAD National Support Bureau, in a LEAD program, police officers exercise discretionary authority at point of contact to divert individuals to a community-based, harm-reduction intervention for law violations driven by unmet behavioral health needs (addiction, untreated mental illness, homelessness, extreme poverty). In lieu of the normal criminal justice system cycle -- booking, detention, prosecution, conviction, incarceration -- individuals are referred to a trauma-informed case-management program where the individual receives a range of support services, often including transitional housing and/or drug treatment. Prosecutors and police officers are expected to work closely with case managers to ensure that all contacts with LEAD participants going forward, including new criminal prosecutions for other offenses, are coordinated with the service plan for the participant to maximize the opportunity to achieve behavioral change.

### **PERFORMANCE IMPLICATIONS**

Programs should be expected to report data and follow national standards for LEAD programs.

### **ADMINISTRATIVE IMPLICATIONS**

LOPD reports expanding LEAD programs also has the potential to reduce attorney caseloads by moving low-risk individuals out of the criminal justice system, eliminating the costs associated with defending them in court. In addition, having more people get treatment, engage with social services, and reduce drug use may reduce crime which would further reduce attorney caseloads.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Additional operational support to expand LEAD programs would not be provided through this bill.

AHO/sb/rl