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## FISCAL IMPACT REPORT

**SPONSOR** Hamblen **ORIGINAL DATE** 2/1/22  
**LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_  
**SHORT TITLE** Transitional Housing from Incarceration **SB** 166  
**ANALYST** Gaussoin

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY22	FY23		
	\$2,100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

House Bills 84 and 152 and Senate Bills 19 and 134.  
 Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
 Corrections Department (NMCD)  
 Human Services Department (HSED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 166 appropriates \$2.1 million from general fund to the Human Services Department for transitional housing and behavioral health services for recently released inmates.

This bill has no effective date. It is assumed the effective date is 90 days following adjournment of the Legislature.

### FISCAL IMPLICATIONS

**Appropriation.** The appropriation of \$2.1 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY23 shall revert to the general fund.

**Cost Savings.** The availability of housing and behavioral health services could reduce the recidivism rate and the number of inmates serving parole inside a prison because of weaknesses in their parole plans, including a lack of adequate housing. Both would result in savings to the state, but the extent of those savings is difficult to quantify. From the Corrections Department:

Options for stable housing and additional behavioral health services are likely to enable parolees and probationers to succeed at an increased rate, potentially reducing the costs of incarceration of parole and probation violators. The degree to which success on supervision would improve is likely to be small, while impactful, but estimating actual fiscal savings would require pure speculation.

**Administration.** The Human Services Department reports it will need a full-time staff member in the Behavioral Health Services Division to administer a supportive services program for recently incarcerated people at a cost of \$76,360 and one-quarter of a supervisor position at a cost of \$24,590. These costs could be covered by the SB166 appropriation.

## **SIGNIFICANT ISSUES**

According to U.S. Department of Housing and Urban Development (HUD), the National Alliance to End Homelessness found one in five people returning to the community from prison ends up homeless, with higher rates in urban areas. HUD reports research by the alliance and Council of State Governments found a correlation between homelessness and recidivism. HUD indicates lack of affordability and a criminal record can be a barrier to accessing housing by those recently released from incarceration.

SB166 “would greatly benefit” the state’s incarcerated and supervised offenders, according to the Corrections Department, and additional housing and behavioral services would complement the agency’s existing transition services and its collaboration with the Human Services Department. It notes many of its current housing options are temporary and more permanent options would improve post-incarceration stability and reduce recidivism.

HSD indicates recently released offenders are difficult to engage in behavioral health services but are more likely to have a successful transition after incarceration if services are established before their release and are accompanied by employment services and opportunities. The department says it has some peer support workers providing services inside of detention facilities.

The department notes it has several programs that provide similar services:

- Just Health mandates Medicaid managed care contractors coordinate behavioral health, physical health, transitional housing, and other transitional services to their members before release from incarceration.
- The RISE (Reach, Intervene, Support and Engage) program provides transitional case management and housing services to high-rate offenders being released from county jails.
- The Crisis Housing Program in Doña Ana and San Miguel counties provides temporary, transitional housing for persons with severe mental illness being discharged from jails or other institutional settings who would otherwise be homeless.

## **PERFORMANCE IMPLICATIONS**

If, as the Corrections Department suggests, the availability of stable housing and expansion of

behavior services would help more offenders successfully complete their probation or parole, performance on those measures would improve. It is also possible measures of recidivism would improve.

### **ADMINISTRATIVE IMPLICATIONS**

HSD reports it will need to develop a client and provider eligibility process in addition to creating a program for administering the program.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

House Bill 84 would expand the allowable uses for crime reduction grants to include, among other purposes, transitional or reentry homes for those recently released from incarceration.

The General Appropriation Act of 2022 is expected to contain a special appropriation for crime reduction grants if House Bill 84 or similar legislation is enacted.

House Bill 152 would appropriate \$10 million to the Local Government Division of the Department of Finance and Administration for Bernalillo County for purposes that include public housing options and transitional living facilities.

Senate Bills 19 appropriates \$70 million to the housing trust fund and Senate Bill 134 earmarks a percentage of senior severance tax bonds for the housing trust fund.

HFG/SEC/acv