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FISCAL IMPACT REPORT

ORIGINAL DATE 2/4/06

SPONSOR Snyder LAST UPDATED _____ HB _____

SHORT TITLE Second Judicial District Drug Court Program SB 728

ANALYST McSherry

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|--------|-------------------------|------------------|
| FY06 | FY07 | | |
| | \$99.0 | Recurring | General Fund |
| | | | |

(Parenthesis () Indicate Expenditure Decreases)

Senate Bill 728 duplicates the appropriation to the 2nd Judicial District in the General Appropriation Act and relates to House Bills 182 and 134.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of Bill

Senate Bill 728, "Second Judicial District Drug Court Program" appropriates \$99,000 from the general fund to the Second District Judicial for the purpose of replacing federal funds for the District's adult drug court.

FISCAL IMPLICATIONS

The appropriation of \$99,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

SIGNIFICANT ISSUES

This \$99 thousand appropriation is included in the version of the General Appropriations Act, House Bill 2, which has passed the house.

The cost-per-client-per-day for drug courts is lower than the costs of incarceration, averaging \$19.94 in FY05 versus the average cost of incarceration of \$73.97/day (according to AOC); average cost of incarceration in state penitentiary facilities is \$81.83. Drug courts typically last approximately a year or more, while incarceration time which drug court participants would have faced if they were not participants in a drug court program varies.

There were 185 drug court graduates from the 2nd judicial district in FY05 with a 55 percent graduation rate.

According to AOC,

If the graduates had not had access to drug court programs, but had instead gone through the normal probation process, a conservative estimate is that 40% of them would have soon come before the courts again for similar crimes. 40% or 217 offenders would likely come before the courts again and face a charge leading to a period of incarceration. The cost of incarceration for one month for those 217 re-offenders equals \$481,545, and if they were felony charges leading to a full year's incarceration, that's \$5,778,536. Over the course of a year, that's almost \$6 million in avoided incarceration costs due to the drug court programs.

Other studies have looked at the cost benefits of drug court programs from a larger perspective, considering not just avoided incarceration costs, but the following comparisons with probationers: (1) drug court graduates' wages are higher during and after drug court than probationers; (2) they work longer than probationers, resulting in higher taxes and FICA payments, lower TANF and food stamps use; and (3) drug court graduates health care costs and mental health services were significantly lower than those for probationers. Various city and county studies around the country have traced such cost savings for their drug court programs and realized that for every \$1 they spent on their drug court programs they were saving from \$2 to \$10 in other costs.

Other cost savings are realized through the birth of drug-free babies to participants of the drug court programs. There were at least 20 drug-free babies born to program participants in FY05, many of whom would have been drug-affected if not drug-addicted without the mother's participation in the drug court program. Hospitalization and ongoing health care costs for drug-affected or addicted babies are substantial. For example, children with fetal alcohol syndrome can require \$1.4 million in treatment over their lifetime.

PERFORMANCE IMPLICATIONS

According to AOC:

By combining treatment with the coercive power of the judiciary, the drug court model has shown through national studies that it outperforms virtually all other intervention strategies for drug involved offenders: recidivism of drug court graduates is much less than for similar offenders, the cost-per-client of drug court participants is significantly less than that for incarceration, and even those who do not successfully complete a pro-

gram have a greater chance of long-term success due to the longer period of treatment received during their involvement in a drug court program.

ADMINISTRATIVE IMPLICATIONS

The replacement of funds for this purpose would not result in any administrative changes.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill duplicates the appropriation for the 2nd Judicial District Court included in the General Appropriations Act.

The Bill is also related to other bills proposing funds for drug courts such as House Bill 182 “Expand and Create Drug Courts” and Senate Bill 134 “Expand and Create Drug Courts.”

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The funding to replace federal funds for the 2nd Judicial District’s drug court will not be appropriated twice and will remain in the General Appropriations Act.

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