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FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/08
 SPONSOR HFC LAST UPDATED 1/30/08 HB 252/aHJCS
 SHORT TITLE 2nd District Community Custody Program SB _____
 ANALYST Peery-Galon

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$250.0	Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY08	FY09	FY10	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$0.1	\$0.1	\$0.1	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

Administrative Office of the Courts (AOC)

New Mexico Corrections Department (NMCD)

Adult Parole Board

SUMMARY

Synopsis of Substitute

The House Judiciary Committee Substitute for House Bill 252 appropriates \$250.0 from the general fund to the New Mexico Corrections Department to contract for the provision of drug treatment and mental health services to offenders under the jurisdiction of the Second Judicial District Drug Court.

FISCAL IMPLICATIONS

The appropriation of \$250.0 contained in this bill is a non-recurring expense to the general fund.

Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

HSD reports any behavioral health services provided to Medicaid-eligible individuals would be eligible for federal match if all the following criteria are met:

- The service must be a benefit under the New Mexico Medicaid State Plan;
- The provider must be credentialed as a Medicaid provider of that service as part of the ValueOptions New Mexico contracted provider network; and
- The provider is providing services in accordance with his or her licensure.

NMCD states if the proposed legislation results in probationers and parolees assigned to the Second Judicial District Drug Court successfully completing that program, it reduces the chances of them violating their conditions of probation or parole and their chances of being sent to prison on a probation or parole violation. NMCD reports this could lead to minimal to moderate decreases in prison population.

Based on FY06 actual expenditures, the average annual cost to incarcerate an individual in a NMCD correctional facility is \$31,239, and the average annual cost of probation and parole/community corrections client is \$1,343.

Adult Parole Board states the proposed legislation would provide needed funds to ensure adequate intervention and services in this drug court. If the intervention intended is successful, it should reduce recidivism which would have positive long-term fiscal implications. The Adult Parole Board notes that a recurring appropriation might be in order rather than a one-time appropriation.

SIGNIFICANT ISSUES

HSD states that the New Mexico Corrections Department, as part of the Behavioral Health Collaborative, directs the single state entity to secure providers of mental health and substance abuse treatment services to provide treatment to offenders participating in the Second Judicial District Drug Court. HSD notes that the appropriation of additional general funds in the proposed legislation is not in the Executive budget recommendation.

AOC states the House Judiciary Committee Substitute for House Bill 252 clarifies the purpose of the treatment funds. The drug court program at the Second Judicial District Court is the oldest drug court in New Mexico and the second largest program in the state. It works with over 200 participants a year, repeat offenders who are often self-medicating for underlying mental illnesses, such as schizophrenia, severe depression or bipolar disorders. AOC reports the majority of the Second Judicial District Drug Court participants indicate their primary drug of choice is methamphetamine. Abusers of methamphetamine require greater services than those abusing other drugs, such as marijuana, alcohol and even cocaine. AOC states the funds appropriated in the proposed legislation would allow for an increased level of treatment intensity necessary to help those abusing methamphetamine, and the diversity of treatment necessary to help those with underlying mental health problems.

NMCD states the House Judiciary Committee Substitute for House Bill 252 clarifies that the department will use the funding in the proposed legislation to obtain treatment for offenders in the Second Judicial District Drug Court.

PERFORMANCE IMPLICATIONS

HSD notes the proposed legislation relates to the governor's performance and accountability contract's goal to improve behavioral health through an interagency and collaborative model and measure to provide enhanced services for high-risk and high-need individuals. It also relates to the New Mexico Behavioral Health Collaborative draft goal to reduce the adverse effects of substance abuse and mental illness.

NMCD notes that drug court participants truly need drug treatment, and the proposed legislation would help ensure treatment for Second Judicial District Drug Court offenders for fiscal year 2009.

ADMINISTRATIVE IMPLICATIONS

AOC states that over the long term, successful treatment of even more participants should lead to a decrease in court workload as such participants recover sufficiently to lead more normal, law-abiding lives.

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