

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 442** HLS 13RS 457
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 30, 2013 5:13 PM **Author:** LOPINTO
Dept./Agy.: Corrections **Analyst:** Stephanie C. Blanchard
Subject: Substance abuse probation program

CRIMINAL/SENTENCING OR DECREASE GF EX See Note Page 1 of 2

Provides relative to sentencing and treatment of certain offenders convicted of certain violations of the Uniform Controlled Dangerous Substances Law

Proposed law authorizes the secretary of DPS&C to establish a substance abuse probation program to provide substance abuse counseling and treatment for defendants sentenced to substance abuse probation. Authorizes the secretary to enter into cooperative endeavors or contracts with DHH, training facilities, and service providers to provide for substance abuse treatment and counseling for defendants participating in the program. Provides for the offenses of the defendant who will be eligible. Provides that a court shall suspend a sentence and order an eligible defendant to participate in a substance abuse program provided by the DPS&C if the court determines certain conditions. Provides that if an offender is eligible for participation in the program, the court shall order DPS&C to assign an authorized evaluator to prepare a suitability report. The district attorney and defendant's attorney shall have an opportunity to provide relevant information to the evaluator. If the court determines that the defendant should be enrolled in the substance abuse program, the court shall suspend the execution of the sentence and place the defendant on supervised probation.

(Continued on page 2)

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The proposed legislation contains two components that would result in an estimated savings of \$6.1 million in FY 14. The first component diverts an estimated 500 first and second time drug offenders to the substance abuse treatment program and places them under probation supervision rather than incarceration. Implementation of this component has an estimated savings of \$2.65 million in FY 14. The total cost to incarcerate these 500 offenders per year is \$4,451,175 (500 x 365 days x \$24.39 per day). FY 14 expenditures would be inclusive of \$1,750,000 or \$3,500 per offender for the implementation of the a substance abuse treatment program and \$432,525 for the cost of probation and parole to supervise an additional 500 offenders (500 x 365 days x \$2.37 cost to supervise per day). The cost savings for the first group of 500 offenders in FY 14 follows:

	FY 14
Incarceration costs	\$4,451,175
Reduced cost related to treatment	(\$1,750,000)
<u>P&P Supervision</u>	<u>(\$432,525)</u>
Total Cost	\$2,268,650
<u>Probation Fees</u>	<u>\$360,000</u>
Net Cost Savings	\$2,628,650

Total savings from the first group of 500 offenders being diverted to the substance abuse treatment program in FY 14 over the next 5 years would be \$7.8 million. If 500 offenders continue to be diverted to the substance abuse treatment program annually, total savings over the next 5 years would be approximately \$32 million. Assumptions include a group size of 500 first and second drug offenders per year sent to drug treatment and probation instead of incarceration, an average sentence length of 5 years based on 2010 and 2011 admissions, the average time served of 2 years (using a good-time rate of 0.4). The treatment costs of \$3,500 per offender is based on Texas' current program and rates.

(Continued on page 2)

REVENUE EXPLANATION

The proposed legislation would result in an increase in self-generated revenues as a result of 500 offenders being eligible for participation. Assuming 500 offenders would be eligible for participation in this program, estimated revenue collections would total \$360,000 (\$60 supervision fee x 500 offenders x 12 months).

This increase in self-generated revenues is included in HB 1.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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Staff Director

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CONTINUED EXPLANATION from page one:

Continued Explanation of Purpose on Page one:

If the judge makes an affirmative finding is unlikely to successfully respond to treatment without confinement, the court may impose additional incarceration or conditions of probation including but not limited to long term residential treatment or inpatient treatment either within the department or within the community. The defendant shall be required to participate in alcohol and drug testing at his own expense, unless the court determines that he is indigent. A defendant who is placed under the supervision of the substance abuse probation program shall pay the cost of the treatment program to which he is assigned and the cost of any additional supervision that may be required to the extent of his financial resources as determined by the substance abuse treatment program. If the defendant does not have the financial resources to pay all the related costs of the probation program, the court may arrange for the defendant to be assigned to a treatment program funded by the state or local government or order the defendant to perform supervised work for the benefit of the community in lieu of paying all or a part of the costs related to his treatment and supervision. The work shall be performed for and under the supervising authority of a parish, municipality, or other political subdivision or agency of the state or a charitable organization that renders service to the community or its residents. Further provides that the offender shall be required to undergo an addiction disorder assessment and a mental health screening which shall be reviewed by the secretary of the department. Provides that upon successful completion of the program the offender may be released as if released on parole and shall be subject to the provisions of present law relative to parole.

Continued Expenditure Explanation from Page one:

The second component of the proposed legislation provides for the early release of first and second time drug offenders after successful completion of an intensive 90-day inpatient substance abuse treatment program. This component has a potential savings of \$3.45 million in FY 14 and an additional \$1.4 million in FY 15. According to the Department of Corrections, it is estimated that approximately 527 offenders would be eligible for participation in this program and could be released on July 1, 2013, with an additional 317 offenders eligible for release incrementally throughout the year for a total of 844 offenders eligible pursuant to proposed legislation. In order to be considered for acceptance into the program, the offender must have served 2 years of their sentence and within 1 year of their release date.

Savings of state general fund in the amount of \$6.1 million is included in HB 1.

Note: The savings indicated above are estimates and may be negated by back-filling beds and recidivism.

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<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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