

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

March 22, 2013

TO: Honorable John Whitmire, Chair, Senate Committee on Criminal Justice

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB1185 by Huffman (relating to the creation of a mental health jail diversion pilot program.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1185, Committee Report 1st House, Substituted: a negative impact of (\$10,180,512) through the biennium ending August 31, 2015.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	(\$5,084,863)
2015	(\$5,095,649)
2016	(\$5,095,775)
2017	(\$5,095,906)
2018	(\$5,096,040)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
	1
2014	(\$5,084,863)
2015	(\$5,095,649)
2016	(\$5,095,775)
2017	(\$5,095,906)
2018	(\$5,096,040)

Fiscal Analysis

The bill would amend the Health and Safety Code as it relates to the creation of a mental health jail diversion pilot program. Under the provisions of the bill, the Harris County judge, in coordination with the Department of State Health Services (DSHS), shall establish and operate a

pilot program in Harris County for the purpose of reducing jail recidivism among persons with mental illness in the community. The bill requires the county judge to design and test through the pilot program a new criminal justice mental health service model and is required to seek input and coordinate with local entities regarding the pilot program. Under the provisions of the bill, the pilot program shall initially serve no fewer than 200 individuals per year, but is intended to serve 500 to 600 individuals per year.

The bill requires that the Harris County Commissioners Court contribute funding to the program that is equivalent to the value of the funds provided by the state for the program. Under the provisions of the bill, appropriations to fund the pilot program are in addition to regular funds made to the Mental Health and Mental Retardation Authority of Harris County and the Harris County Psychiatric Center.

The bill requires DSHS to submit a report to the legislature by December 1, 2016. The pilot program expires on September 1, 2017. The bill would take effect immediately if a two-thirds majority vote in both houses of the Legislature is received. Otherwise, the bill would take effect on September 1, 2013.

Methodology

DSHS assumes that the annual grant to fund the pilot program and serve the number of clients stated in the bill would be \$5,000,000 in General Revenue Funds per year from the state and the Harris County Commissioners Court would match that amount.

DSHS anticipates that supporting the pilot program and producing the legislative report will require 1 FTE in each fiscal year. The agency can absorb the additional FTE authority within its existing FTE cap. In fiscal year 2014, total salary costs would be \$46,024 with associated benefit costs of \$13,688. From fiscal years 2015 through 2018, total salary costs in each year would be \$61,211 with associated benefit costs of \$18,204. In fiscal year 2014, the costs are less due to incremental implementation. It is assumed the FTEs would be hired in the second quarter of fiscal year 2014. It is assumed that other operating expenses, computing, and other costs would total \$16,751 in fiscal year 2014 and \$7,834 in fiscal year 2015. Travel costs would be \$8,400 in each fiscal year.

Local Government Impact

Harris County reported that matching funds could be met with current funding for mental health programs and does not anticipate a significant fiscal loss associated with funding the pilot program.

Harris County estimates some savings associated with treating people through the program who would otherwise be in county jails. Assuming savings of \$125 per day for the program rather than jail, an average jail stay of 30 days, and 500 to 600 inmates treated per year, Houston County anticipates savings of \$1,875,000 to \$2,250,000 annually.

Source Agencies: 537 State Health Services, Department of

LBB Staff: UP, ESi, MB, CH, NB, KKR