

Department of Fiscal Services
 Maryland General Assembly

FISCAL NOTE
Revised

House Bill 620 (Delegate Nathan-Pulliam, et al.)
 Appropriations Referred to Economic and Environmental Affairs

Alcohol and Drug Abuse Treatment - Inmates - State Funding

This amended bill requires State inmates and juvenile offenders who have an alcohol or drug dependency be placed in a treatment program, if they consent in writing. The Governor is required to provide funds in the budget for the program, although funding is limited to State inmates and phased in over fiscal years 1998-2001.

The departments of Public Safety and Correctional Services and Health and Mental Hygiene are required to submit several related reports with various due dates.

This bill is effective July 1, 1996, and sunsets on June 30, 2001.

Fiscal Summary

State Effect: General fund expenditures would increase by \$552,000 in FY 1998. Future year expenditures assume 550 inmates are treated each year in FY 1998 through FY 2000, 1,000 inmates are treated in FY 2001, and that no funding would be provided for juvenile offenders.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	0	551,818	582,168	614,187	1,178,122
Net Effect	\$0	\$551,818	(\$582,168)	(\$614,187)	(\$1,178,122)

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: None.

Fiscal Analysis

State Expenditures: Although the bill requires the State to provide substance abuse treatment for juveniles adjudicated by the juvenile courts, the bill specifies a schedule for

funding that does not include any services for juvenile offenders. If treatment for juveniles was provided, it would cost an estimated \$500,000 in fiscal 1997.

The DOC estimates that treatment for inmates costs an average of \$807 per capita while incarcerated. The Alcohol and Drug Abuse Administration estimates aftercare costs \$866 per capita and lasts approximately six months. As the bill limits aftercare to one month in fiscal 1998 through 2001, it is assumed the aftercare cost would be \$144 per capita during those years. Future year expenditures include 5.5% annual medical cost inflation.

The provisions of the bill relating to the number of inmates that will receive treatment each year are ambiguous. The bill may limit funding to 550 inmates expected to be released within six months in fiscal 1998, 1999, and 2000 with funding for 1,000 inmates in fiscal 2001 (non-cumulative). Alternatively, the provisions may limit funding to 550 inmates in fiscal 1998, 1,100 in fiscal 1999, 1,650 in fiscal 2000, and 2,650 in fiscal 2001 (cumulative). Costs for each interpretation are provided below.

<u>Fiscal Year</u>	<u>Non-Cumulative</u>	<u>Cumulative</u>
1998	551,818	551,818
1999	582,168	1,164,336
2000	614,187	1,842,561
2001	1,178,122	3,122,024

The bill contains a sunset provision that ends the program on June 30, 2001. As a result, there would be no additional cost in future years.

Expenditures for incarceration could be reduced to the extent that successful treatment leads to lower recidivism. This effect could be offset by the fact that limiting aftercare to one month may reduce the program's effectiveness.

Information Source(s): Department of Health and Mental Hygiene (Alcohol and Drug Abuse Administration), Department of Juvenile Justice, Department of Public Safety and Correctional Services (Division of Correction), University of Maryland Center for Substance Abuse

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