

Fiscal Estimate Narratives
DOC 4/1/02

LRB Number 01-4037/2	Introduction Number SB-496	Estimate Type Original
Subject Drug abuse treatment for first-time and second-time nonviolent drug possession offenders		

Assumptions Used in Arriving at Fiscal Estimate

This bill requires that, if a person is convicted of a nonviolent drug possession offense, the person be placed on probation and ordered to participate in drug use intervention services as a condition of that probation, unless certain exceptions apply. These offenders could not be sentenced to prison or jail. This bill would allow the courts to order the Department of Corrections to pay for treatment for those offenders. This bill also grants courts discretion to order DOC to provide drug use intervention services to a person who is convicted of any crime other than a crime against life or bodily security, a crime against children, or a crime involving a firearm, if the court finds that the person is drug dependent. The court may require that DOC provide drug use intervention services to such a person while he or she is in prison, jail, or otherwise confined, or while the person is on extended supervision or probation.

In calculating the fiscal impact on DOC in this bill, certain assumptions were made.

The FY01 admissions are representative of future statistics.

The average cost of a drug assessment is \$63.

DOC estimates that 68% of offenders have a need for alcohol and drug treatment.

The average cost for an offender to complete an outpatient AODA group therapy program is \$154.

The average cost to house an offender in a halfway house is \$66 a day.

The average stay in a halfway house is 90 days.

75% of the offenders will be treated in a group and 25% in a halfway house.

DOC will be required to fund the costs of all AODA treatment. Although the bill specifies that offenders will be required to fund treatment to the extent possible, it is impossible to predict the percentage of treatment costs that would be offset. Offenders currently are required to pay supervision fees, restitution, court costs, attorney fees, and child support.

Probation

In FY01, there were 25,932 admissions to probation. Of this total, 1,370 offenders would be eligible for mandatory treatment under the provision of this bill, while 22,331 would be eligible for discretionary treatment.

Mandatory treatment costs for the eligible non-violent drug offenders is estimated to be \$2,276,102 annually. This is based on 1,370 needing assessments at a cost of \$86,310 (1,370*\$63). It is also assumed that 342 (1,370*25%) offenders would need to be placed in a halfway house at a cost of \$2,031,480 (342*\$66*90). The remaining 1,028 (1,370*75%) offenders would need AODA outpatient treatment at a cost of \$158,312 (1,028*\$154).

Under this bill, the courts would have the discretion to require treatment services for an additional 22,331 offenders. Following the assumption that 68% of the offenders have an AODA treatment need, 15,185 offenders could be required by the court to obtain treatment services. The total cost for these offenders is estimated to be \$25,258,801. This is based on 15,185 offenders needing assessment at a cost of \$956,655 (15,185*\$63). Of those offenders placed on probation, it is estimated that 11,389 (15,185*75%) offenders would need outpatient AODA treatment at an annual cost of \$1,753,906 (11,389*\$154). It is also estimated that 3,796

(15,185,*25%) offenders would need to be placed in a halfway house. This cost is estimated to be \$22,548,240 (3,796*\$66*90). A portion of these costs may be offset by existing DOC resources, since some of these offenders may currently be receiving treatment.

Institutions

In FY01, there were 9,208 adult prison admissions. Of those admissions, 2,749 were admitted to prison with a new sentence and without a violation. Of these 2,749 admissions, two would have been eligible for mandatory probation and treatment under the provisions of this bill, while 1,468 would have been eligible for discretionary treatment.

Actual treatment costs for this group could exceed \$246,610 annually. This is based on 1,470 offenders needing assessment at a cost of \$92,610 (1,470*\$63). Of those offenders, it is estimated that 1,000 (1,470*68%) would need some form of AODA treatment at a cost of \$154,000 (1,000*\$154) annually. A portion of these costs may be offset by existing DOC resources, since some of these offenders may currently be receiving treatment.

It should also be noted that 972 offenders entered the prison system as a probation and parole violation with a new sentence. A percentage of these offenders may be eligible for discretionary treatment under this bill. However, DOC is unable to determine which of these offenders would be eligible because it is not possible to determine which sentence resulted in the violation.

Court ordered AODA treatment for offenders, would take precedence over current offenders on AODA waiting lists. As of September 2000, DOC had 3,000 inmates on waiting lists for AODA treatment. DOC would not be able to meet this demand for treatment without additional resources and staff.

Extended Supervision

Under this bill, courts can order AODA treatment as a condition of extended supervision. In practice, courts would most likely mandate treatment for offenders while incarcerated and then require some level of aftercare while offenders are on extended supervision. Aftercare for offenders can range from \$90 to \$200. Assuming a cost of \$150 for AODA aftercare treatment per offender and 1,470 offenders needing treatment, the aftercare cost could be \$220,500 (1,470*\$150) per year.

Jails

This bill provides that DOC would be responsible for court-ordered treatment services for individuals sentenced to jail. In FY00 there were 247,996 admissions to Wisconsin county jails. The Office of Justice Assistance estimates that 34.5% of these admissions (85,559) were for offenders sentenced to jail.

If 68% of those sentenced to jail had court-ordered treatment services, DOC would be responsible for treatment costs for 58,180 offenders. However, many individuals sentenced to jail are also placed on probation. These individuals would have already been counted in the probation calculation. If 50% of those sentenced to jail do not also have probation sentences (no data on this breakout exists), this would leave 29,090 offenders that DOC may need to provide treatment services.

It is estimated that assessments for this group would cost \$1,832,670 (29,090*\$63) annually. Of those offenders, it is estimated that 68% will need some form of treatment service at a cost of \$3,046,305 (29,090*68%*\$154). It should be noted that these individuals may need more intensive and more costly treatment.

Mandated Study

This bill would also require the Department of Health Family Services (DHFS), after consultation with DOC, to commission a study of the effects of providing drug use intervention services to nonviolent drug possession offenders and other offenders who are drug dependent. DHFS estimates the cost of this study to be \$100,000 annually.

Estimated annual fiscal impact for DOC: \$33,000,000

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-4037/2		Introduction Number SB-496	
Subject			
Drug abuse treatment for first-time and second-time nonviolent drug possession offenders			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs	33,000,000		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$33,000,000		\$
B. State Costs by Source of Funds			
GPR	33,000,000		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$	\$	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$33,000,000	\$	
NET CHANGE IN REVENUE	\$	\$	
Agency/Prepared By		Authorized Signature	Date
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