

## Department of Planning and Budget 2004 Fiscal Impact Statement

**1. Bill Number**    **HB 1430**

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

**2. Patron**            Kilgore

**3. Committee**    Finance

**4. Title**            Drug Offender Assessment Fund; drug treatment courts

**5. Summary/Purpose:**

Under current law, persons convicted of drug-related offenses are assessed a fee of \$75 as part of their court costs. The revenue from these fees is deposited into the Drug Offender Assessment Fund. The statute establishing this fund directs that the money be appropriated by the General Assembly to the Department of Corrections (DOC), Department of Juvenile Justice (DJJ), Department of Criminal Justice Services (DCJS), and the Commission on VASAP. The statute goes on to stipulate that the funds are to be used for one of two purposes—(i) implementing and operating the offender substance abuse screening and assessment programs that DOC, DJJ, and VASAP were required by law to have and (ii) supporting community-based probation and local pretrial services agencies, for which DCJS provides funding.

The proposed legislation would add the Executive Office of the Supreme Court to the list of agencies eligible to receive these funds. Any funds appropriated to that agency would be for supporting drug treatment court programs.

The legislation also would give the Supreme Court the responsibility for administering the drug treatment program. The court would be responsible for distributing funds to drug treatment courts; providing technical assistance; training judges; training providers of administrative, case management, and treatment services to drug treatment courts; and evaluating the effectiveness and efficiency of drug treatment courts. The bill would establish a statewide drug treatment court advisory committee and require localities that establish drug treatment courts to also establish local advisory committees. These local advisory committees would establish policies and procedures for the operation of local drug treatment courts, including offender supervision and treatment.

A separate enactment clause stipulates that provisions of the bill would not be effective unless a general fund appropriation to implement its provisions is included in the 2004-2006 biennial budget, passed by the 2004 Session of the General Assembly and signed by the Governor.

**6. Fiscal Impact Estimates:** Final. See Item 8.

**Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2004-05	166,332	General
2005-06	166,332	General
2006-07	166,332	General
2007-08	166,332	General
2008-09	166,332	General
2009-10	166,332	General

**7. Budget amendment necessary:** Yes. Item 25.

**8. Fiscal implications:**

This legislation would have fiscal ramifications for both the Supreme Court and the Department of Corrections.

The annual revenue of the Drug Offender Assessment Fund (renamed the Drug Assessment and Treatment Fund in the proposed legislation) is approximately \$1.3 million. Under the provisions of amendments to the 2004-2006 budget bill proposed earlier by both the House and the Senate, money would be transferred from the Drug Offender Assessment Fund to the general fund--\$218,950 in FY 2005 and \$109,480 in FY 2006. If finally adopted, those transfers would leave approximately \$1.1 million available in FY 2005 and \$1.2 million available in FY 2006.

Historically, only DOC and DJJ have been appropriated funds from the Drug Offender Assessment Fund to support their substance abuse screening and assessment activities. Two years ago, these funds were deleted from DJJ's budget and transferred to the general fund as part of that agency's executive management savings. In the current biennium and in the budget bill for 2004-2006 proposed by the Governor, DOC was provided a little over \$1.0 million from the Drug Offender Assessment Fund. Approximately \$950,000 of this funding is used to support 16 positions in probation and parole district offices. Fourteen of those positions are certified substance abuse counselors, who provide treatment to offenders on probation and parole and oversee the districts' substance abuse screening and assessment efforts.

Assuming that the funding levels of DOC are maintained at \$950,000 and the amounts to be transferred to the general fund are maintained, there would be approximately \$130,000 in FY 2005 and \$240,000 in FY 2006, and subsequent fiscal years, from the Fund for appropriation to the Supreme Court for support of drug treatment programs. It is estimated that the annual operational cost of a drug treatment court is approximately \$250,000.

According to the Executive Office of the Supreme Court, that office would need two additional positions and \$166,332 annually to carry out the responsibilities imposed on it by the legislation. It is assumed that it was the intent of the legislature that the general fund appropriation stipulated in the second enactment clause be used for this purpose. Neither the

House nor the Senate included any general fund appropriation for this legislation in their respective budget amendments.

**9. Specific agency or political subdivisions affected:**

Department of Corrections  
Office of the Executive Secretary of the Supreme Court  
Local drug treatment courts

**10. Technical amendment necessary:** None.

**11. Other comments:**

As noted above, the second enactment clause of the proposed legislation states that the provisions of the bill do not take effect unless a general fund appropriation to implement its provisions is included in the general appropriation act for 2004-2006 "passed during the 2004 Session of the General Assembly." Because the 2004 Session of the General Assembly adjourned without adopting a budget for 2004-2006 and any budget adopted will be during a 2004 Special Session, it may be the case that the provisions of this legislation would not take effect, even if signed by the Governor. On the other hand, it could be argued that it was the intent of the General Assembly that a general fund appropriation be provided in 2004 for the 2004-2006 budget, regardless of the session in which the budget was enacted.

**Date:** 03/26/04 / rwh

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cc: Secretary of Finance

Secretary of Public Safety