

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0420H.03C
 Bill No.: HCS for HB 82
 Subject: Courts; Veterans
 Type: Original
 Date: March 21, 2025

Bill Summary: This proposal modifies provisions relating to treatment courts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	\$0 or (Could exceed \$600,000) to Unknown	\$0 or (Could exceed \$600,000) to Unknown	\$0 or (Could exceed \$600,000) to Unknown
Total Estimated Net Effect on General Revenue	\$0 or (Could exceed \$600,000) to Unknown	\$0 or (Could exceed \$600,000) to Unknown	\$0 or (Could exceed \$600,000) to Unknown

*Oversight assumes DOC's savings could exceed \$250,000 annually. Without additional information, Oversight cannot estimate the net impact.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§478.001 – Treatment courts

Officials from the **Office of the State Courts Administrator (OSCA)** state the potential budgetary impact of this proposal could initially be \$600,000 and continue to increase to an unknown amount due to the growth in mental health courts. Any significant changes will be reflected in future budget requests.

Oversight notes this proposal provides that before August 28, 2027, a treatment court division shall be established by each circuit court to provide an alternative system to dispose of cases which stem from a substance use disorder or mental health disorder. A mental health court may be established by any circuit court to provide an alternative to dispose of cases that stem from a mental health disorder or co-occurring disorder.

Currently all 46 circuits provide treatment court services with an estimated 6,092 participants for CY 2023. The Treatment Court Division has 147 programs representing services for adult drugs, DWI, veterans, families and juveniles. Oversight assumes this proposal will add mental health to the services as an alternative to incarceration/probation.

Based upon FY 2023 expenditures for treatment courts using the Treatment Court Resources Fund (0733), cost per participant is \$1,521 (\$9,642,143/6,092). There are many other factors that affect the operating costs associated with establishing and maintaining treatment courts which vary from county to county throughout the state.

OSCA's budget book presented the following information:

	CY 2023 participants	CY 2023 Programs
Adult Drug Treatment Court	4,245	82
DWI Treatment Court	1,016	27
Veterans Treatment Court	369	17
Family Treatment Court	429	17
Juvenile Treatment Court	33	4

Oversight is unaware of the number of mental health treatment courts that could be established, when those services would be needed and/or where those services would be located. Oversight assumes when the mental health treatment court services are needed within a certain circuit, OSCA would request the proper appropriation authority for those expenditures through the budget appropriation process. Therefore, Oversight will reflect a \$0 or (Could exceed \$600,000)

in costs because of the potential growth in mental health courts. Oversight will reflect this as a transfer out of the General Revenue Fund and transfer into the Treatment Court Resources Fund.

Officials from the **Department of Corrections (DOC)** state §478.001 adds that a mental health treatment court may be established by any circuit court to provide an alternative for the judicial system to dispose of cases that stem from a mental health disorder or co-occurring disorder. The department uses a classification system (1-5) that correlates an offender's mental health impairment with the necessary services and/or interventions for treatment of the disorder. It is unknown how many of the offenders with applicable mental health concerns that would typically be sentenced to the Department of Corrections would instead be diverted by the court to a mental health treatment court. Therefore, the department assumes an **unknown fiscal impact**.

Regarding §478.001.7, as statute has already mandated veterans treatment courts may be created, it is assumed the courts have already done so and have been utilizing them. Therefore, this change has no impact.

Oversight notes the provisions of this section provide for the establishment of a mental health court as an alternative for the disposal of cases that typically are sentenced to the DOC. In response to similar legislation from the current session (SB 143), DOC stated the department is unable to project a savings amount and assumes an unknown fiscal impact. Oversight notes if only 24 people are diverted away from DOC as a result of the mental health treatment courts, the savings would exceed \$250,000 annually ($\$10,485 \text{ annual incarceration costs} * 24 = \$251,640$). Therefore, for fiscal note purposes, Oversight will present a \$0 to unknown savings to the General Revenue Fund.

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

Officials from the **Office of Administration - Budget and Planning** defer to OSCA for any anticipated fiscal impact for this proposal.

Officials from the **Department of Mental Health**, the **Department of Social Services**, the **Office of the State Public Defender** and **Missouri Office of Prosecution Services** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND			
<u>Savings</u> – DOC (\$478.001) – reduction in costs resulting from diversions to mental health treatment courts p.4	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Transfer Out</u> – (\$478.001) – to establish mental health treatment courts p.3	\$0 or (Could exceed \$600,000)	\$0 or (Could exceed \$600,000)	\$0 or (Could exceed \$600,000)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	\$0 or (Could exceed \$600,000) to Unknown	\$0 or (Could exceed \$600,000) to Unknown	\$0 or (Could exceed \$600,000) to Unknown
TREATMENT COURT RESOURCES FUND			
<u>Transfer In</u> – funds from GR (\$478.001) p.3	\$0 or Could exceed \$600,000	\$0 or Could exceed \$600,000	\$0 or Could exceed \$600,000
<u>Cost</u> – program expenditures (\$478.001) p.3	\$0 or (Could exceed \$600,000)	\$0 or (Could exceed \$600,000)	\$0 or (Could exceed \$600,000)
ESTIMATED NET EFFECT ON TREATMENT COURT RESOURCES FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill requires all circuit courts to establish a treatment court division before August 28, 2027, which can include a mental health treatment court in order to provide an alternative for the judicial system to dispose of cases stemming from a mental health disorder or co-occurring disorder. Additionally, each treatment court division must have a veterans treatment court.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office
Department of Mental Health
Department of Corrections
Department of Social Services
Office of the State Public Defender
Office of the State Courts Administrator
Missouri Office of Prosecution Services



Julie Morff
Director
March 21, 2025



Jessica Harris
Assistant Director
March 21, 2025