

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2108

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session  
Legislative Fiscal Office

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### Measure Description:

Establishes standards and procedures for determining fitness of youth to proceed on delinquency petition.

### Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Human Services (DHS) Public Defense Services Commission (PDSC), Department of Justice, District Attorneys and Counties, Oregon Judicial Department (OJD), Oregon Youth Authority (OYA)

### Expenditure Impact:

See Analysis

### Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

### Analysis:

House Bill 2108 codifies the conditions, standards and procedures for determining if a person under 18 years of age in a delinquency petition is fit to proceed. Certain sections of the bill become operative on January 1, 2012. The bill declares an emergency and is effective on passage.

Currently, Oregon law has no uniform procedure for determining fitness in juvenile proceedings and does not specify options for the court when a youth is found unfit to proceed. This bill outlines a definition of unfit, and provides the statutory structure and timelines for raising the issue of fitness, obtaining fitness evaluations, challenging evaluations and administering restorative services in cases involving a person who is under 18 years in a delinquency petition. The bill also specifies qualifications for evaluators and reporting requirements for evaluations.

This bill has an expenditure impact on the Oregon Health Authority. The fiscal impact of this bill on the Department of Human Services is indeterminate depending on the number of youths entering the children's residential program as a mandatory client as a result of this bill. The fiscal impact of this bill on the Public Defense Services Commission, Department of Justice, District Attorneys and counties is indeterminate dependant on whether or not this bill would result in an increase in requests for fitness evaluations and/or challenges to fitness evaluations including appeals.

### Oregon Health Authority (OHA)

The bill requires OHA to:

1. formalize and administer the fitness to proceed evaluation process including (a) developing training standards for psychiatrists, licensed psychologists and licensed clinical social workers conducting fitness evaluations; (b) developing guidelines for conducting evaluations; and (c) providing courts with a list of qualified evaluators.
2. oversee a program to provide restorative services to youths who have been determined unfit to proceed and have been determined by the courts to have the potential to gain or regain fitness to proceed in the foreseeable future. OHA is directed to provide or arrange for the provision of restorative services within 30 days after receiving a court order. OHA is required to develop qualifications and standards for persons providing restorative services.

To carry out the provisions of this bill, OHA anticipates establishing one Operations Policy Analyst 2 position [1.00 FTE, 185,142 General Fund for a full biennium] to coordinate both the evaluation and the restorative services components of this bill.

OHA estimates the contract cost of the restorative services program to be approximately \$600,000 General Fund per biennium. This amount is based on the following assumptions: Using the Juvenile Code Revision Work Group review of profiles of youth who passed through the Oregon system in the last two years and statistics from comparable states including Michigan, Connecticut and Virginia, OHA speculates that approximately 45 youths would require restorative services each year. Again, based on expenditures from comparable states, OHA infers the cost of restorative services to be \$7,000 per year per youth served for contracted time and materials. OHA reports that restorative services are not eligible for federal matching funds because they are not considered treatment services but psycho-educational services for the court process. In current practice, restorative services are not available to youths. Because restorative services are limited to helping a youth regain fitness to proceed in court proceedings, they are not considered mental health treatment medically driven by a diagnosis. Therefore they are not covered under the Oregon Health Plan or Healthy Kids.

In summary, OHA estimates the fiscal impact of this bill to be about \$785,142 General Funds per biennium, including 1.00 FTE position.

Costs for the actual fitness to proceed evaluations are not included in the OHA portion of the fiscal because in current practice these costs are typically incurred by the Public Defense Services Commission or counties, and the bill specifies that these costs continue to be the responsibility of the Public Defense Services Commission or counties. See analysis below.

#### Department of Human Services (DHS)

HB 2108 has an indeterminate impact on the Department of Human Services, Division of Developmental Disabilities Division (DD). Section 10 (8) of the bill states if the court orders placement for restorative services, the court may specify the type of care, supervision, security or services to be provided by the authority to any youth placed in the custody of the Department of Human Services. The authority may place the youth in any facility authorized to accept the youth and provide the necessary services and care. Passage of this bill may result in additional placement of youths in the children's residential program as mandatory clients. According to DHS, this is the most restrictive and costly level of care with an average monthly rate of \$15,318 per client. Although at this time, the number of youths entering the children's residential program as a mandatory client as a result of this bill is indeterminate, note that one additional youth would have a fiscal impact of about \$367,632 (37% General Fund / 63% Federal Funds) per biennium on the DHS budget.

#### Public Defense Services Commission (PDSC)

HB 2108 has an indeterminate fiscal impact on PDSC. The bill stipulates that if a circuit court determines that a youth is financially eligible, the public defense services executive director is required to pay all fees and costs associated with the court ordered fitness evaluation. Under current practice, attorneys may request that PDSC approve the expenditure of funds for a fitness to proceed examination (also known as Aid and Assist hearings) as being reasonable and necessary for adequate representation of a youth in a delinquency proceeding. PDSC reports that the Commission is currently expending funds for fitness to proceed examinations in delinquency matters. PDSC estimates the cost for a fitness to proceed evaluation at about \$1,500 per examination. PDSC cannot estimate the number of additional fitness to proceed evaluations, if any, that might result from the enactment of this bill.

#### Department of Justice (DOJ)

HB 2108 has a minimal impact on the Department of Justice. DOJ does not expect passage of this bill to result in additional workload. The department anticipates that with passage of this bill, DOJ would

provide routine legal advice for OHA in its development of rules and contracts necessary to carry out OHA obligations.

#### District Attorneys and Counties

HB 2108 has an indeterminate impact on District Attorneys and counties. The bill specifies that if a county court determines that a youth is financially eligible, the county is required to pay all fees and costs associated with the court ordered fitness evaluation. Counties anticipate minimal fiscal impact based on the assumption that county involvement in delinquency petitions as outlined in the bill would be rare. However, the bill also states the county is required to pay all fees and costs associated with the court ordered fitness evaluation if an evaluation is ordered at the request of a district attorney or juvenile department. In addition, the bill stipulates that after an evaluation is conducted at the request of the youth, the state shall have the right to seek an independent evaluation at its own expense. It is not known whether this bill would result in an increase in requests for fitness evaluations and/or challenges to fitness evaluations.

#### Oregon Judicial Department (OJD)

HB 2108 has an indeterminate, but minimal impact on the Oregon Judicial Department. This bill requires the circuit court to determine financial eligibility to pay the fees and costs of fitness to proceed evaluations, enter orders for payment if a youth is found financially eligible, and appeals. The bill also requires the court to make written findings if a youth must be removed from the youth's current placement for the purpose of an evaluation. These requirements will require modifications of forms and processes, as well as additional training, and may increase workload for staff and judges.

#### Oregon Youth Authority (OYA)

HB 2108 has no fiscal impact on the Oregon Youth Authority. The bill specifies that OHA, PDSC and counties have the financial responsibility for fitness to proceed evaluations and restorative services.

SB 411 is similar to this measure.