

# JLBC Fiscal Note

**BILL #** HB 2307

**SPONSOR:** Biasicucci

**PREPARED BY:** Maggie Rocker

**TITLE:** ~~technical correction; critical infrastructure~~

~~information~~ NOW: dangerous incompetent defendants; out of state facilities

**STATUS:** As Amended by Senate HHS

## Description

The bill permits the Department of Health Services (DHS) to accept dangerous and mentally incompetent individuals for treatment on Arizona State Hospital's (ASH) forensic campus if no secure state mental health facility beds are available, until December 31, 2031. The bill specifies that ASH can admit no more than 3 dangerous and incompetent individuals and requires the defendant's originating county to pay for the totality of their nonpsychiatric or nonmental health disorder-related services at ASH. Finally, the bill requires the Administrative Office of the Courts to report semiannually the number of defendants determined to be dangerous and incompetent and requires DHS to conduct an analysis of the cost to construct and staff a secure state mental health facility on ASH grounds for this population. The bill includes an emergency clause.

## Estimated Impact

We estimate the bill would generate a state cost of \$1.1 million annually. We further estimate that counties would be responsible for reimbursing the state \$220,000 of this amount.

We anticipate that DHS would incur additional expenses to conduct a cost analysis for establishing a Secure Behavioral Health Residential Facility (SBHRF) on the ASH campus. We estimate the cost at \$250,000 for a preliminary analysis. A detailed architectural analysis would have a higher cost.

DHS has not yet responded to our request for their perspective.

## Analysis

Our estimate assumes the following:

- 1) The bill requires the use of the 3 ASH beds only if no SBHRF beds are available. There are currently no beds of this type in Arizona. The FY 2026 budget appropriated \$5 million to the Arizona Health Care Cost Containment System (AHCCCS) for the construction or retrofitting of an existing building to become the state's first SBHRF, which could potentially provide up to 16 beds for this population. AHCCCS issued a Request for Information in late January 2026. If these beds become available, the treatment costs of the relevant individuals would shift to the SBHRFs. The current budget, however, contains no operational funding for SBHRFs. These beds would probably not be available until at least FY 2028.
- 2) ASH's forensic campus has a total of 143 beds, 3 of which the bill would permit for admission of dangerous and incompetent defendants. Assuming the daily cost of care for non-restorable, dangerous defendants would be \$999, or consistent with costs to provide care in ASH's forensic rehabilitation program, this equates to a cost of \$365,000 annually for each admission, or \$1.1 million for 3 admissions.
- 3) The bill specifies that the defendant's county of origin would be responsible for nonpsychiatric and nonmental health disorder-related services provided to the defendant. We estimate that the county could pay 20% of the cost for the provision of acute care services, or approximately \$220,000.
- 4) To the extent ASH's forensic program is at capacity and must defer admission for persons deemed guilty except insane, DHS could incur a cost to reimburse counties the actual costs for each day the admission is deferred. However, ASH's forensic unit had a daily census of 126 patients in FY 2025, or 17 beds below its funded capacity.

3/23/26