

NORTH DAKOTA LEGISLATIVE COUNCIL

Minutes of the

BUDGET COMMITTEE ON GOVERNMENT SERVICES

Wednesday, October 6, 2004
Roughrider Room, State Capitol
Missouri River Correctional Center
Bismarck, North Dakota

Representative Ron Carlisle, Chairman, called the meeting to order at 8:30 a.m.

Members present: Representatives Ron Carlisle, Bette B. Grande, Pam Gulleon, Joe Kroeber, Ralph Metcalf, Darrell D. Nottestad, Chet Pollert; Senators Richard Brown, Duaine C. Espegard, Ed Kringstad, Elroy N. Lindaas, Stanley W. Lyson

Members absent: Representatives Louise Potter, Amy Warnke; Senator Joel C. Heitkamp

Others present: Tim Mathern, State Senator, Fargo

Bob Stenehjelm, State Senator, Bismarck

Bob Martinson, State Representative, Bismarck

Todd Porter, State Representative, Mandan

Ken Svedjan, State Representative, Grand Forks

See attached appendix for additional persons present.

It was moved by Representative Metcalf, seconded by Representative Kroeber, and carried on a voice vote that the minutes of the June 17, 2004, meeting be approved as distributed.

DAKOTA WOMEN'S CORRECTIONAL REHABILITATION CENTER

At the request of Chairman Carlisle, Mr. Colby Braun, Interim Operations Administrator, Dakota Women's Correctional Rehabilitation Center, New England, presented information on the status of housing state female inmates and the related facility improvements. Mr. Braun said the sprinkler and fire alarm systems are complete and the elevator should be completed on October 15, 2004. He said security upgrades have been completed, including the installation of a Sally port. He said the center has begun planning for the construction of a maximum security facility, which has an estimated cost of \$400,000 and is anticipated to be complete by July 2005. Mr. Braun said 31 higher security female inmates arrived at the center on August 11-12, 2004. He said the center reached its highest inmate population on August 18, 2004, with a total of 103 female inmates. He said as of October 6, 2004, there are 90 female inmates at the center--52 minimum security inmates, 22 higher security inmates, and 16 inmates on orientation status. He said during the month of September there

were 21 new inmate arrivals and 28 inmate releases. Mr. Braun said the transition to a higher security facility has gone well and 10 additional employees have been hired and trained.

In response to a question from Representative Gulleon, Mr. Braun said it is not unusual to have large inmate turnover.

Mr. Braun presented the committee with information regarding the Dakota Women's Correctional Rehabilitation Center 2005-07 biennium budget. A copy of the information presented is on file in the Legislative Council office. Mr. Braun said the center has hired a public accountant--Kovash and Dasovick, P.C.--to prepare the budget. Mr. Braun said the total operating expenses for the 2005-07 biennium, excluding medical expenses, are projected to be approximately \$4.57 million, which would be a cost of \$69.57 per inmate per day based on a population of 90 inmates for 730 days. He said the current cost per day without medical costs is \$62.23. Mr. Braun said the center's 2005-07 biennium budget, excluding medical expenses, is as follows:

Operating Expenses (Excludes Medical Expenses)	Total	Costs Per Day*
Payroll	\$2,999,989	\$45.66
Administration	101,995	1.55
Facility operations	193,920	2.96
Inmate operations	431,529	6.57
Security systems	108,240	1.65
Food services	405,900	6.18
Debt service	328,470	5.00
Total	\$4,570,043	\$69.57

*Costs per day calculated using 90 inmates and 730 days.

Representative Carlisle requested the committee receive a copy of the Dakota Women's Correctional Rehabilitation Center financial statements when they are complete.

Mr. Braun presented the committee with information regarding the Dakota Women's Correctional Rehabilitation Center medical expenses from November 2003, when the center first began housing state female inmates, to October 2004. A copy of the information presented is on file in the Legislative Council office. Mr. Braun said medical expenses from November 2003 to October 2004 total \$465,050, or

\$22.18 per inmate per day. He said the Department of Corrections and Rehabilitation pays the center \$15.50 per inmate per day for medical expenses, which totaled \$324,997 from November 2003 to October 2004. Therefore, he said, the center's medical deficit as of October 2004 is \$140,053. Mr. Braun said pursuant to the housing contract between the Department of Corrections and Rehabilitation and the Dakota Women's Correctional Rehabilitation Center, the center will pay \$50,000 of the medical deficit, which leaves the department to pay the resulting deficit of \$90,053. He said the total medical expense amount of \$465,050 may decrease if St. Joseph's Hospital in Dickinson reduces the rates it has billed the center to Medicaid rates. He said these billings are being negotiated for the facility to receive the applicable Medicaid rate.

In response to a question from Senator Espegard, Mr. Braun said it is difficult to determine the inmate medical rate per day for the 2005-07 biennium until the Dakota Women's Correctional Rehabilitation Center has received the correct medical billings from St. Joseph's Hospital.

In response to a question from Representative Kroeber, Mr. Dave Krabbenhoft, Director of Fiscal Affairs, Department of Corrections and Rehabilitation, said the medical rate for all inmates at the department from July 1, 2003, through August 31, 2004, is \$8.44 per inmate per day.

Representative Kroeber said he is concerned about the high daily medical rate at the Dakota Women's Correctional Rehabilitation Center and that the 2005 Legislative Assembly will need accurate daily medical cost amounts from the center for budgeting and decisionmaking during the 2005 legislative session.

In response to a question from Representative Guleson, Mr. Krabbenhoft said the Department of Corrections and Rehabilitation daily inmate medical cost of \$8.44 includes both the male and female inmates' costs and that female inmates typically have more medical expenses than male inmates.

Mr. Krabbenhoft said one reason for the difference in inmate medical rates between the Department of Corrections and Rehabilitation and the Dakota Women's Correctional Rehabilitation Center is due to economies of scale. He said the department is able to spread its medical costs over a larger inmate population than the Dakota Women's Correctional Rehabilitation Center, especially the medical staffing costs. He said although female inmates typically have more medical costs than male inmates, he does not expect the department's daily medical cost per inmate to decrease much since the female inmates have moved to the New England facility because the department still houses some male inmates that have very large medical expenses.

DEPARTMENT OF CORRECTIONS AND REHABILITATION

Status of Housing State Female Inmates

At the request of Chairman Carlisle, Ms. Elaine Little, Director of Corrections, Department of Corrections and Rehabilitation, presented information regarding the status of housing state female inmates. A copy of the information presented is on file in the Legislative Council office. Ms. Little said on August 11-12, 2004, 31 higher security female inmates and unclassified new arrivals that were housed on the sixth floor of the James River Correctional Center in Jamestown were transferred to the Dakota Women's Correctional Rehabilitation Center in New England. She said as of October 2004, no female inmates are housed at the James River Correctional Center. Ms. Little said the Dakota Women's Correctional Rehabilitation Center has the ability to house 110 inmates--70 minimum security and 40 medium security and orientation. She said one dorm at the center will undergo construction to be converted into a maximum security unit for the housing of short-term and long-term disciplinary problem inmates and the housing contract states the unit is to be completed by July 1, 2005. She said as of October 2004 there is one disciplinary cell available at the center. Ms. Little said the female inmates on orientation status are housed in a separate unit than the classified inmates. She said they remain on orientation status for approximately one month, at which time they are classified by the Department of Corrections and Rehabilitation personnel and designated to either the minimum security or higher security unit at the center.

Ms. Little said treatment services for the female inmates at the Dakota Women's Correctional Rehabilitation Center include day treatment and intensive outpatient levels of chemical dependency treatment, aftercare, anger management, victim's group, trauma and loss group, and cognitive restructuring. She said the industries program, Prairie Industries, is operating at the center and the staff has been working closely with the department's Roughrider Industries staff for training and contract development. She said as of October 2004 the Prairie Industries program employed 10 female inmates that will be making t-shirts for the State Penitentiary and preparing to work on an order for 200 rainsuits for Dakota Outer Wear.

Ms. Little said as of October 6, 2004, the total female inmate count for the Department of Corrections and Rehabilitation is 126 inmates--90 inmates at the Dakota Women's Correctional Rehabilitation Center, 13 inmates on transition center status in Fargo and Bismarck, and 23 inmates at the Tompkins Rehabilitation and Correction Center in Jamestown.

2003-05 Biennium Budget

At the request of Chairman Carlisle, Mr. Krabbenhoft presented information regarding the Department of Corrections and Rehabilitation 2003-05 biennium budget and the effect on the budget relating to the inmate populations. A copy of the information presented is on file in the Legislative Council office. Mr. Krabbenhoft said as of October 5, 2004, the 2003-05 biennium appropriation for female inmate contract housing and medical is projected to have approximately \$1.2 million remaining at the end of the biennium. However, he said, the large increase in the number of male inmates from the number estimated for the 2003-05 biennium budget and the increase in the medical contract amount for inmate physician services, with Independent Practitioners of America, will result in an estimated \$3.56 million increase in costs. Mr. Krabbenhoft said the net budget effect for the Department of Corrections and Rehabilitation for the 2003-05 biennium as of October 5, 2004, results in a \$2.36 million shortfall; however, due to savings in other areas of the department, the actual estimated general fund shortfall for the 2003-05 biennium is estimated to be \$1.25 million.

Mr. Krabbenhoft said the actual average male inmate population for September 2004 of 1,167 inmates is a slight decrease from the August 2004 average population of 1,178 inmates but it is still 106 male inmates more than the amount budgeted for September 2004. He said the actual average female inmate population for the month of September was 129 inmates, which is 6 inmates more than the amount budgeted for September 2004.

2005-07 Biennium Budget Request

At the request of Chairman Carlisle, Mr. Krabbenhoft presented information regarding the Department of Corrections and Rehabilitation 2005-07 biennium budget request. A copy of the information presented is on file in the Legislative Council office. Mr. Krabbenhoft said the department's 2005-07 biennium budget request includes a male inmate population growth rate of 5.62 percent for fiscal year 2006 and 5.67 percent for fiscal year 2007, or a range of 1,237 male inmates in July 2005 to 1,388 male inmates in June 2007. He said the department will be requesting new programs and additional treatment staff in its optional budget request in an effort to reduce the need for contract housing of male inmates at county jails or private prison facilities. Mr. Krabbenhoft said the department's 2005-07 biennium budget request includes a female inmate population growth rate of 5.60 percent for fiscal year 2006 and 5.61 percent for fiscal year 2007, or a range of 134 female inmates in July 2005 to 151 female inmates in June 2007. He said the department has estimated the 2005-07 biennium daily reimbursement rate for female inmates housed at the Dakota

Women's Correctional Rehabilitation Center to be \$85.50 for female inmates not requiring intensive treatment and \$98.70 per day for female inmates that do require intensive treatment. He said these daily rates are based on the 2003-05 biennium rates of \$77.73 and \$89.73 plus a 10 percent increase. He said the department did not receive the center's 2005-07 biennium budget information before it submitted its budget to the Office of Management and Budget; therefore, the department assumed a 10 percent increase for the 2005-07 biennium costs.

Architect's Study Results - East Cellhouse Replacement

Chairman Carlisle called on Mr. Tim Schuetzle, Director of Prisons Division, Department of Corrections and Rehabilitation, to present information regarding the study of the replacement of the east cellhouse at the State Penitentiary. Mr. Schuetzle said the construction of the east cellhouse was completed in 1910 and its capacity is 159 general population maximum security inmates. He said the State Penitentiary needs more segregation cells and a larger inmate orientation area. Mr. Schuetzle introduced Mr. Jeff Goodale, Corrections and Detention Architect, HDR Architecture, Inc., Chicago, and Mr. Bill Ellig, Partner, Ritterbush-Ellig-Hulsing, Bismarck, to present the results of the architect's study of the replacement of the east cellhouse at the State Penitentiary.

Mr. Goodale said findings from the study of the State Penitentiary include:

East cellhouse

- Nearly 100 years old and has structural and maintenance issues.
- Fails to meet current life safety standards.
- Fails to meet American Correctional Association (ACA) standards for space, light, and programs.
- Fails to meet Americans with Disabilities Act (ADA) standards for accessibility.

Medical facilities

- Lack of space, total beds available, and storage.
- Lack of privacy, especially in waiting and examination areas.
- No disabled access (stretcher used to carry inmates up stairs).
- No space for long-term hospice care.
- Pharmacy lacks workspace and security.
- Dental and x-ray are poorly located for security.
- Lack of facilities requires hospital stays in Bismarck.

Segregation

- Not enough beds available, which increases opportunities for assaults on staff and other inmates.
- Difficult to manage the population.
- No program or ancillary space.

Orientation

- Lacks sufficient beds for average number of new arrivals each month.
- Unable to separate inmate groups properly.
- Lack of processing space and inefficient workflow.
- Building could be utilized for general population housing.

Facility

- Too much burden on central control and front lobby traffic.
- Path to visitation is lengthy.
- Laundry is poorly located.
- Medical is poorly located since it is on the upper floor.
- Yard access for vehicles and the south tower location need to be improved for better security.

Mr. Goodale said some results of the study's findings include expensive outsourcing of beds, difficulty in managing inmates, and exposure to lawsuits.

Mr. Goodale said expansion plans for the State Penitentiary include:

1. Relocating the warehouse.
2. Constructing new vehicle access and a new south tower.
3. Demolishing existing south tower.
4. Constructing new orientation housing, an inmate intake/transfer unit, clinic, infirmary, segregation unit, visitor's entrance, and laundry facility.
5. Eliminating east cellhouse.

Mr. Goodale said the expansion would result in a net prison bed gain of 123 permanent beds and would require an additional 38.4 staff. He said the total cost of the buildings is estimated to be \$16.3 million and the total project cost, including demolition costs, contingency, fees, furnishings, and equipment is estimated to be \$29.2 million. He said based on the buildings' construction costs of \$16.3 million, the cost per bed would be \$71,690. He said the total project cost would increase by approximately \$2.1 million if the project was delayed from 2006 until 2008.

Inmate Sentence Lengths and Recidivism Rates

At the request of Chairman Carlisle, Mr. Patrick W. Foley, Research Director, Department of Corrections and Rehabilitation, presented information on inmate sentence lengths and recidivism rates. A copy of the information presented is on file in the Legislative Council office. Mr. Foley said the trend for inmate

sentence lengths remains the same as the previous report to the committee, with the majority of inmates having sentence lengths of one year to less than five years. He said the majority of inmate admissions continues to be for drug- and alcohol-related offenses. Mr. Foley said the trend for recidivism rates is as expected, with no outstanding changes since the last report to the committee in June 2004. He said out of a sample of 1,583 cases there were 204 (12.9 percent) cases of recidivism, 153 (9.7 percent) technical violations, and 1,226 (77.4 percent) cases where the offender did not return to the State Penitentiary. He noted this sample does not fully meet the definition of recidivism because it has been studied for less than three years.

Senator Lyson suggested the Department of Corrections and Rehabilitation provide the definition of acronyms used within each document it prepares.

Missouri River Correctional Center - Riverbank Stabilization Tour

At 10:00 a.m. the committee traveled to the Missouri River Correctional Center to tour the site along the riverbank for the proposed Missouri River Bank Stabilization and Aquatic Restoration Demonstration/Study Project. Mr. Andy Mork, Chairman of the Burleigh, Oliver, Morton, McLean, and Mercer (BOMMM) Counties Joint Board and Mr. Ron Sando, a water resource consultant for the BOMMM Joint Board, presented information regarding the Missouri River Bank Stabilization and Aquatic Restoration Demonstration/Study Project and led the tour of the site. Mr. Mork and Mr. Sando presented detailed information regarding the proposed riverbank stabilization project at the June 17, 2004, Budget Committee on Government Services meeting.

Mr. Mork said the purpose of the project is to try various riverbank stabilization and aquatic restoration techniques and monitor the effects of the installation on the Missouri River corridor environment. He said approximately 9,000 feet of river frontage owned by the State of North Dakota located at the Missouri River Correctional Center has been selected as the primary site for the project. He said the total estimated cost for the proposed riverbank stabilization project is \$4.13 million, of which 75 percent of the funding will come from federal sources and 25 percent of the funding will be local costs such as cash and in-kind services, donated land rights, donated labor for maintenance, and other items. He said the BOMMM Joint Board will need to obtain easements from the state for the 57.5 acres of land that will be impacted by the project.

The committee toured the approximate 9,000 feet of riverbank along the Missouri River and observed the erosion and the related loss of acreage the state has experienced since 1976.

At 11:30 a.m. the committee traveled back to the Capitol, recessed for lunch, and reconvened at 1:00 p.m.

Representative Carlisle said the committee should consider a motion to require the Department of Corrections and Rehabilitation to obtain two land appraisals for the land the department owns at the Missouri River Correctional Center. He said the appraisals would include the valuation of the land with the riverbank stabilization project and without the project.

Ms. Little said the land appraisals will be expensive and the Department of Corrections and Rehabilitation does not have funds in its 2003-05 biennium budget to pay for the appraisals.

In response to a question from Representative Carlisle, the legislative budget analyst and auditor said it will be the decision of the Department of Corrections and Rehabilitation how to handle the request but the department can proceed and then address the additional costs in its deficiency request of the 2005 Legislative Assembly, if necessary.

Representative Carlisle requested language be added to the motion stating the Department of Corrections and Rehabilitation is to pay for the land appraisals and may request a deficiency appropriation, if necessary.

It was moved by Representative Nottestad, seconded by Representative Grande, and carried on a roll call vote that the Budget Committee on Government Services request the chairman of the Legislative Council send a letter to the director of the Department of Corrections and Rehabilitation to request that the department obtain two private appraisals of the land owned by the State of North Dakota for the Missouri River Correctional Center, that the appraisals include valuations of the property with or without riverbank stabilization, that the appraisals be available for consideration by the 2005 Legislative Assembly, that the Department of Corrections and Rehabilitation pay for the appraisals from its 2003-05 biennium budget appropriation, and that the department may request a deficiency appropriation, if necessary. Representatives Carlisle, Grande, Metcalf, Nottestad, and Pollert and Senators Brown, Espeland, Lindaas, and Lyson voted "aye." No negative votes were cast.

MENTAL HEALTH ASSOCIATION IN NORTH DAKOTA

Chairman Carlisle called on Senator Brown to introduce Ms. Sheree Spear, Director of Public Policy and Advocacy, Mental Health Association in North Dakota. Senator Brown said part of the committee's responsibility is to study the needs of individuals with mental illness, drug and alcohol addictions, and physical or developmental disabilities, including the long-term plans for the State Hospital and

Developmental Center and the effectiveness of alternatives to incarceration. He said although the committee has received information regarding the effectiveness of alternatives to incarceration, the information was from the incarceration point of view and he would like the committee to receive information regarding mental health issues in addition to incarceration. Senator Brown introduced Ms. Spear who presented information on the needs of people with mental illness, chemical addictions, and co-occurring disorders. A copy of the information presented is on file in the Legislative Council office.

Ms. Spear said there is a critical need for early diagnosis and early and ongoing treatment for individuals with mental illness and chemical dependency. She said there is also a need to enhance community-based services that will result in cost benefits to the state. She said the Mental Health Association has dedicated much effort toward prison diversion strategies for mentally ill and chemically dependent individuals in which building community services and improving the ability to access the services are critical for the success of the diversion programs.

Ms. Spear said mental illness covers a broad spectrum and severe mental illness (SMI) refers to psychotic, delusional, and profound thought disorders such as schizophrenia and bipolar I and II, which can be fatal and debilitating disorders. She said severe mental illness disorders involve brain structure and function changes and are considered disabilities for which the federal Americans with Disabilities Act regulations apply. Ms. Spear presented a video to illustrate to the committee the experiences of an individual with auditory hallucinations. She said the number one need for people with severe mental illness is early diagnosis and early and ongoing treatment to reduce fatalities, homelessness, incarceration, and lost productivity. She said individuals with psychotic brain disorders suffer brain damage with each psychotic episode. She said the Mental Health Association believes that training first-line contacts, which are individuals that come into contact with a severe mentally ill individual in crisis, is critical to ensuring appropriate responses that provide for early diagnosis and medical treatment for the individual with severe mental illness.

Ms. Spear said the challenges mentally ill and chemically dependent individuals face include homelessness, timely access to drug treatment, and medication affordability. She said the following items are needed to treat chemical addictions and severe mental illness:

- Long-term residential treatment centers.
- Inpatient treatment.
- Outpatient drug and co-occurring disorders treatment.
- Housing.
- Case management.

Ms. Spear said a new initiative, the Jail Intervention Coordinating Committee, goes beyond jail diversion and looks at the entire scope of services to try and link individuals with treatment and services before their problem escalates to a level that requires court and law enforcement involvement. She said this committee's membership consists of individuals from housing authorities, hospitals, human service centers, police, parole and probation, Blue Cross Blue Shield of North Dakota, and others. She said the committee has developed presentence diversion alternatives that offer treatment plans instead of jail sentences for individuals that meet the eligibility criteria and the committee plans to discuss these alternatives with the Attorney General, the Chief Justice, and area judges. Ms. Spear introduced Mr. Scott Stenerson, Fargo police officer and Vice Chairman of the Jail Intervention Coordinating Committee, to present information regarding the effects chemically dependent repeat offenders have on the criminal justice system. A copy of the information presented is on file in the Legislative Council office. Mr. Stenerson said there are many costs associated with repeat offenders, including medical costs, court costs, and police costs. He said some repeat offenders are chemically dependent but it is more difficult to determine individuals that may have co-occurring mental illness without a psychological examination. Mr. Stenerson said mental health and chemical dependency evaluations, including court-ordered evaluations, need to be completed and a treatment program be initiated while an offender is in custody and sober, with a discharge plan available prior to the offender's release. He said the discharge plan should address issues such as housing, case management, and a continuing treatment plan.

Senator Brown said mental health is an important issue for the state of North Dakota and the reason he requested individuals from the Mental Health Association to present information to the committee was to make the committee aware of the mental health issues and needs in the state. He thanked Ms. Spear and Mr. Stenerson for their presentations.

DEPARTMENT OF HUMAN SERVICES

Status of the State Hospital Sexual Offender Program

Chairman Carlisle called on Mr. Alex C. Schweitzer, Superintendent, State Hospital, to present information regarding the status of the sexual offender program at the State Hospital. A copy of the information presented is on file in the Legislative Council office. Mr. Schweitzer also distributed copies of written testimony to the committee that he prepared in response to the committee's June 17, 2004, meeting regarding mentally ill individuals in North Dakota correctional facilities. A copy of the information distributed is on file in the Legislative Council office.

He said the State Hospital works closely with the Department of Corrections and Rehabilitation in regard to mentally ill inmates. Mr. Schweitzer said the State Hospital evaluates criminal defendants and prepares competency and criminal responsibility evaluations for the district courts and admits and treats individuals from county jails that have a mental illness. He said the hospital provides a consultant psychiatrist for the seriously mentally ill in the North Dakota correctional system, which evaluates, makes treatment recommendations, and orders medications for inmates. Mr. Schweitzer said in 2001 the hospital began providing residential substance abuse services for male and female inmates from the Department of Corrections and Rehabilitation. Mr. Schweitzer said although no statistics were kept 15 years ago regarding the number of mentally ill individuals in prison, the State Hospital concludes the number of inmates with mental illness has risen dramatically over the last 15 years, based on the increase in the number of services the hospital provides at the prison. He said a portion of the increase can be attributed to an increase in recognition and treatment of mental illness. Mr. Schweitzer said the State Hospital executive staff conducted an analysis of the number of mentally ill individuals and substance abusers in the North Dakota correctional system. He said the medical department at the Department of Corrections and Rehabilitation provided the State Hospital with data on the mentally ill in prison for two time periods--the period from January 1, 2000, to November 23, 2001, and for the year 2003. He said the hospital's review of the statistics from the two periods concludes that approximately 10 percent of the current prison population is considered seriously mentally ill and a portion of the 10 percent have personality disorders that predispose them to criminal activity in spite of adequate mental health care. Mr. Schweitzer said the daily rate for inpatient services at the State Hospital for mentally ill individuals is between \$333 and \$396 per day. He said the State Hospital has the following recommendations for the Budget Committee on Government Services regarding mentally ill individuals and substance abusers:

- Primary emphasis should be placed on prevention efforts and the treatment of mentally ill and substance abusers in community-based services.
- Conduct a thorough review of mental health services and expenditures in the correctional system to determine if they are adequate to meet the prisoner's needs.
- The State Hospital should continue to provide residential services to substance abusers from the correctional system, consulting services for the most seriously mentally ill from the correctional system, competency evaluations,

treatment for the mentally ill from county jails, and evaluation and treatment of sexual offenders.

Mr. Schweitzer said the State Hospital opened a second sexual offender unit on June 1, 2004, consisting of 10 beds to deal with the growth in the sexual offender population. He said the capacity of the new unit is 25 beds, so the hospital has the option for further expansion if needed. He said with the addition of the second unit, the hospital has two secure services units totaling 32 beds, of which 28 beds are for evaluation and treatment of sexual offenders and 4 beds are reserved for competency evaluations, county jail transfers, and individuals who are mentally ill and dangerous. He said as of October 2004 the two units have an occupancy of 22 sexual offenders--17 civilly committed sexual offenders, 2 sexual offenders that have been recommended for civil commitment and are waiting for a court hearing, and 3 sexual offenders that are being evaluated. He said the hospital anticipates an additional four individuals to be referred for evaluation by the end of 2004. Mr. Schweitzer said the original cost estimate for opening the second sexual offender unit was \$1.1 million; however, the actual cost is anticipated to be less than \$1.1 million due to referral delays, which resulted in the unit opening one month later than anticipated. Mr. Schweitzer said the annual cost per patient in the sexual offender unit is \$74,100 with an average of 27 patients in the two units. He said the projected cost per patient for the 2005-07 biennium is \$75,900.

In response to a question from Representative Pollert, Mr. Schweitzer said due to efficiencies within the State Hospital, approximately \$1.2 million of the \$2 million budget cut provided by the 2003 Legislative Assembly has been accounted for; therefore, the hospital still needs to identify areas to save the remaining \$800,000.

In response to a question from Representative Metcalf, Mr. Schweitzer said the per patient cost of \$74,100 for sexual offenders is for direct treatment costs only and it does not include any indirect costs.

Children and Family Services Division

Chairman Carlisle called on Mr. Paul Ronningen, Director, Children and Family Services Division, Department of Human Services, to present information regarding the funding included in the department's 2005-07 biennium budget request to address additional child welfare costs related to illegal drug manufacturing and use. A copy of the information presented is on file in the Legislative Council office. Mr. Ronningen said as the Department of Human Services is finalizing its 2005-07 biennium budget, it is factoring in trends resulting from the increased methamphetamine use, such as the increase in foster care. He said the department is conducting a

workload analysis for social workers and supervisors that are employed at the county level and the results of the analysis will be available in December 2004 and for consideration during the 2005 legislative session.

In response to a question from Representative Carlisle, Mr. Ronningen said as a result of the department's concern for staff safety in dealing with illegal drug-related cases, staff members have been attending methamphetamine training sessions and the department will work with the Attorney General's office to develop protocol.

GOVERNOR'S TASK FORCE ON VIOLENT AND SEXUAL OFFENDERS

Chairman Carlisle called on Mr. Duane Houdek, Legal Counsel, Governor's office, to present an update on the Governor's Task Force on Violent and Sexual Offenders, including the costs associated with the recommendations of the task force for the 2005-07 biennium. Mr. Houdek said as of October 2004 the Governor's 2005-07 biennium budget has not been completed but the Governor's office is working with the individual agencies to provide the necessary funding in the specific agency bills for carrying out the task force recommendations. He said agencies that are directly impacted by the task force recommendations include the Department of Corrections and Rehabilitation and the Department of Human Services.

In response to questions from Representative Carlisle, Mr. Houdek said the task force recommendations will be contained in a package of bills from the task force that will be introduced to the 2005 Legislative Assembly. He said some of the bills included in the package are bills to increase the lengths of sentences and probation, a bill for community commitment, and a bill granting authority for the use of global positioning system tracking and other supervisory techniques. Mr. Houdek said the technology for global positioning system tracking continues to improve while the cost continues to decrease to as low as \$5 per day.

In response to a question from Representative Metcalf, Mr. Houdek said the task force took the best interests of the offender into consideration when creating the recommendations.

Representative Metcalf said the task force recommendations will not be effective unless an adequate amount of treatment staff is added to agencies' budgets to provide the necessary treatment to the offenders.

COMMITTEE DISCUSSION AND STAFF DIRECTIVES

It was moved by Senator Brown, seconded by Representative Nottestad, and carried that the

chairman and the staff of the Legislative Council be requested to prepare a report and to present the report to the Legislative Council.

Senator Lyson said the number of methamphetamine labs seized and the number of methamphetamine-related arrests have decreased in North Dakota during 2004. He said, however, the number of arrests relating to cocaine have increased.

Ms. Little said that in the future it is possible the department may see a decrease in the number of prison admissions as a result of a decrease in drug-related arrests.

Chairman Carlisle thanked the committee for its work.

It was moved by Senator Lindaas, seconded by Senator Espgaard, and carried that the meeting be adjourned sine die.

Chairman Carlisle adjourned the meeting sine die at 2:50 p.m.

Stephanie A. Johnson
Fiscal Analyst

Jim W. Smith
Legislative Budget Analyst and Auditor

ATTACH:1