

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	SB740
Version:	ENGR
Request Number:	
Author:	Rep. Kannady
Date:	4/8/2025
Impact:	See Analysis Below

Research Analysis

The engrossed version of SB 740 amends definitions in mental health statutes. The measure modifies the definition of *person requiring treatment* by removing the term immediate as it relates to a substantial risk of physical danger to self and others. Additionally, the measure removes the requirement for such person to pose a substantial risk of severe impairment or injury without intervention and removes a homeless person from the list of exceptions. The measure also expands the period in which a person qualifies as an assisted outpatient from 24 months to 36 months since the last act of serious violent behavior.

Prepared By: Suzie Nahach, House Research Staff

Fiscal Analysis

SB 740 expands the definition of a *person requiring treatment* or an *assisted outpatient* to include a homeless person, which was previously omitted by the definition.

The Department of Mental Health and Substance Abuse Services (ODMHSAS) expects this modification to increase the number of homeless individuals that require treatment. The potential cost is anticipated to range from \$32,493,988 on the low end to \$101,428,077 on the high end. According to the agency, there were 4,648 homeless in Oklahoma on any given night in 2023. In FY24 the agency reported that 1,438 homeless individuals were served by Urgent Recovery Clinics (URC) and 392 homeless served by Crisis Stabilization Units (CSU). The total cost estimate is based off the homeless population not currently served, which is 2,818.

Additionally, the estimate is based on the following assumptions:

1. Law Enforcement can take homeless individuals regardless of their mental health or substance abuse needs to URCs/CSUs.
2. On any given day a percentage of the homeless population (not currently receiving URC/CSU services) will be served.
3. All costs are currently based on the assumption that 75% of the unserved homeless population will go to URC and 25% will go to CSU.

ODMHSAS projects the total potential cost as follows:

Cost for Evaluation of Homeless for URC/CSU

Assuming all 2,818 individuals in the unserved homeless population are evaluated at least 7 times a year on the low end, or 52 times a year on the high end, at an average cost of \$209.14 per evaluation.

	Evaluation Events Per Year	
# of Evaluations	7	52
Total	\$4,125,496	\$30,646,539

Cost to House Homeless in URC/CSU

Assuming 10% to 25% of the unserved homeless population are housed in a URC/CSU post-evaluation.

	10% of Unserved Homeless Population		25% of Unserved Homeless Population	
URC	211	\$16,133,635	528	\$40,334,087
Crisis	70	\$11,955,473	176	\$29,888,683
Total	282	\$28,089,108	705	\$70,222,770

Cost to House Homeless in Jails

Assuming 5% to 10% of the unserved homeless population are taken to jail at a cost of \$1,330 per event.

	% of Homeless Expected to Be Taken To Jail	
% of Homeless to Jail	5%	10%
Total	\$187,369	\$374,738

Cost for AOT increased time in program

Assuming increase is 50% of the average Assisted Outpatient Treatment (AOT) cost of \$4,089.57.

	Clients Served Through AOT	
Avg AOT Clients Per Yr	15	30
Max AOT Clients Per Yr	\$92,015	\$184,031

	Low End	High End
SB740 Potential Total Cost	\$32,493,988	\$101,428,077

Although the actual cost will depend on the number of homeless individuals who actually receive services, which could be significantly lower, the anticipated impact on the state budget ranges from \$32,493,988 - \$101,428,077.

Prepared By: Alexandra Ladner, House Fiscal Staff

Other Considerations

None.