



**ARIZONA STATE SENATE**  
*Fifty-Sixth Legislature, Second Regular Session*

**AMENDED**  
FACT SHEET FOR S.B. 1101

appropriations; secure behavioral health facilities

Purpose

Appropriates \$35,000,000 from the state General Fund (state GF) and \$18,768,700 from Medicaid Expenditure Authority in FY 2025 to the Arizona Health Care Cost Containment System (AHCCCS) for the support and construction of secure behavioral health residential facilities (SBHRF) and secure behavioral health provider rate increases.

Background

Beginning January 1, 2024, if a factfinder finds that a defendant is dangerous and should be involuntarily committed to treatment, the court must dismiss the charges against the defendant without prejudice and commit the defendant to a secure state mental health facility ([Laws 2022, Ch.352](#); [A.R.S. § 13-4521](#)). A *secure state mental health facility* is a SBHRF that is licensed by the Department of Health Services to provide secure 24 hour on-site supportive treatment and supervision by staff with behavioral health training for persons who have been determined to be seriously mentally ill, chronically resistant to treatment for a mental disorder and who are placed in the SBHRF pursuant to court order (A.R.S. §§ [13-4501](#) and [36-425.06](#)).

[Laws 2022, Chapter 313](#) appropriated \$25,000,000 to AHCCCS to support five SBHRFs to provide secure on-site supportive treatment to persons who are determined to be seriously mentally ill, chronically resistant to treatment and placed in an SBHRF pursuant to court order. Appropriations for construction or other permanent improvements do not lapse until the purpose for which the appropriation was made has been accomplished or abandoned, unless the appropriation is available during the entire fiscal year without an expenditure from or encumbrance on the appropriation ([A.R.S. § 35-190](#)). In FY 2024, the \$25,000,000 appropriation made to AHCCCS in FY 2023 was reduced to remove funding for the construction of SBHRFs ([Laws 2023, Ch.133](#)).

S.B.1101 appropriates \$35,000,000 from the state GF in FY 2025 to AHCCCS.

Provisions

1. Appropriates \$25,000,000 from the state GF in FY2025 to AHCCCS for the support and construction of SBHRFs.
2. Requires AHCCCS to submit a report to the President of the Senate and the Speaker of the House of Representatives if it does not submit a proposal to use the \$25,000,000 appropriation by December 31, 2024.

3. Requires the report to include the reasons why the request for proposals has not been submitted and AHCCCS's plan to submit the request for proposals.
4. Requires SBHRFs to provide secure on-site supportive treatment to persons who are placed under court order and determined to be:
  - a) seriously mentally ill and chronically resistant to treatment; or
  - b) dangerous, incompetent to stand trial and not restorable.
5. Outlines where SBHRFs are required to be located as well as the number of SBHRFs to be located in each geographical area as follows:
  - a) three SBHRFs in the central geographic service area;
  - b) one SBHRF in the north geographic service area; and
  - c) one SBHRF in the south geographic service area.
6. Requires AHCCCS to allocate up to \$5,000,000 for each SBHRF and to prioritize SBHRFs that can operate within 12 months of the effective date of this legislation.
7. Appropriates \$10,000,000 from the state GF and \$18,768,700 from the Medicaid Expenditure Authority to AHCCCS in FY 2025 for an ongoing secure behavioral health provider rate increase.
8. Becomes effective on the general effective date.

Amendments Adopted by Committee

1. Appropriates the \$25,000,000 from the state GF to AHCCCS, rather than the Arizona Department of Administration, for the construction and support of SBHRFs.
2. Requires AHCCCS to submit a report, if it does not issue a request for proposals to use the \$25,000,000 by December 31, 2024, detailing the reason the request has not been submitted as well as a plan to submit the request.
3. Requires SBHRFs to provide on-site supportive treatment to persons who are placed under court order and determined to be dangerous, incompetent to stand trial and not restorable.

Senate Action

HHS            1/30/24    DPA            7-0-0

Prepared by Senate Research  
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MM/KS/slp