

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

PUBLISHED: 2/9/2026 11:53 AM

ORIGINAL

Bill Number: HB1105

Patron: Kilgore

Bill Title: Competency treatment in misdemeanor proceedings.

Bill Summary: Provides that in cases where the defendant has been charged with a misdemeanor offense, the court may (i) order outpatient treatment or (ii) dismiss the charges. Where a defendant is found to be incompetent, the bill permits a court to (a) order that such defendant receive treatment to restore his competency on an outpatient basis in a local correctional facility or at a location determined by the appropriate community services board or behavioral health authority, (b) order that such defendant be evaluated to determine whether he meets the criteria for temporary detention, or (c) dismiss the misdemeanor charge and release such defendant. The bill also requires a court to dismiss misdemeanor charges in a competency proceeding when a defendant is charged with both misdemeanor and felony offenses.

Budget Amendment Necessary: No.

Items Impacted: None.

Fiscal Summary: This legislation will likely result in census reduction and cost avoidance at facilities operated by the Department of Behavioral Health and Developmental Services (DBHDS); however the amount is indeterminate. Because facilities continue to operate at or above capacity (with a waitlist), this legislation is not expected to result in a reduction in current expenditures.

Fiscal Analysis: This legislation is expected to reduce the use of high-cost inpatient competency restoration at state facilities by allowing competency restoration on an outpatient basis for misdemeanor offenses.

Under current law, state facilities are required to admit forensic patients, including individuals ordered for competency restoration. Approximately 30 percent of forensic admissions to state facilities are for competency restoration services involving misdemeanor charges. These admissions consume substantial inpatient capacity that could otherwise be used for civil temporary detention order admissions and higher-acuity forensic cases. Allowing misdemeanor defendants to receive treatment to restore competency on an outpatient basis could divert up to 400 misdemeanor defendants from inpatient restoration services in a DBHDS facility.

Outpatient competency restoration costs approximately \$1,525 per person while inpatient competency restoration costs approximately \$91,125 per person, based on a median length of stay of 75 days (\$1,215 per day). It is possible that some of the eligible individuals will be admitted to DBHDS facilities under other statuses (i.e., temporary detention order or unrestorable defendant). However, it is unknown how many people will meet this more strict commitment criteria and lead to hospitalization.

State facilities are currently operating at approximately 99 percent census, exceeding both funded capacity and recommended safe operating levels for high-acuity inpatient settings, with a current waitlist of 48 forensic

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

individuals awaiting admission, thus it is not anticipated that the diversion of these individuals will result in savings at facilities that could be recouped.

DBHDS currently receives an annual appropriation of \$1.8 million for outpatient restoration services and treats approximately 700 individuals per year. Even if all possible 400 individuals who would otherwise be treated on an inpatient basis were allowed outpatient services, DBHDS could absorb the additional cases in the existing appropriation.

Other: This bill is a companion to SB528.