

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

TO: Honorable Jerry Madden, Chair, House Committee on Corrections

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2807 by Madden (Relating to the operations and functions of the Texas Youth Commission.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2807, As Introduced: a positive impact of \$63,477,874 through the biennium ending August 31, 2009.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$24,370,549
2009	\$39,107,325
2010	\$44,077,474
2011	\$45,557,298
2012	\$45,607,929

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1	Change in Number of State Employees from FY 2007
2008	\$24,370,549	(631.0)
2009	\$39,107,325	(951.5)
2010	\$44,077,474	(951.5)
2011	\$45,557,298	(951.5)
2012	\$45,607,929	(951.5)

Fiscal Analysis

The bill would amend Article 2.12, Code of Criminal Procedure to include inspectors general at the Youth Commission (TYC) as peace officers. The bill would amend Chapter 61 of the Human Resources Code to establish an office of inspector general in TYC to investigate fraud committed by TYC employees, including contract parole officers, crimes committed in TYC and in contract programs. The inspectors general would report directly to the TYC board, who would appoint a commissioned peace officer as chief inspector general. The office of inspector general would be able to employ commissioned peace officers as inspectors general with all the powers and duties given to peace officers in this state.

The bill would amend Sections 54.04 and 54.05 of the Family Code to restrict juvenile courts from committing youth to the Youth Commission for a misdemeanor crime, or for violation of misdemeanor probation, and requires any youth committed to TYC for a misdemeanor prior to the enactment of the bill to be released not later than his 19th birthday.

The Government Code, Section 508, Subchapter E would be amended to require a parole panel to review the records of a youth without a determinate sentence who is transferred to the Department of Criminal Justice (TDCJ) before releasing him on parole. The period of parole could not exceed two years. If the parole panel revokes the parole of a person transferred from TYC to TDCJ, the panel may require the person to serve the remainder of his term in TDCJ, and may not recommit the person to TYC. A person serving a term of parole for a state jail felony may only be confined in a state jail. A person who is released from TYC on parole is considered to have been convicted of the offense for which his was previously adjudicated in juvenile court.

The Human Resources Code, Chapter 61 would be amended to require TYC to release or transfer youth without determinate sentences to TDCJ for a term of not more than two years confinement or parole not before age 16 and not later than age 19. Section 61.084, Human Resources Code is amended to require that a youth adjudicated with a determinate sentence be transferred to TDCJ parole on his 19th birthday if the youth has not already been transferred or released. The bill would reduce TYC's board from seven members to five, and would require that at least one member of the board be a member of a child advocacy organization and at least one be a member of a victim's advocacy organization. TYC would be required to regularly conduct internal audits and report the results of such audits quarterly to the committees of the senate and house of representatives with primary jurisdiction over matters concerning correctional facilities.

The bill would amend Article 104.003, Code of Criminal Procedure, which requires TDCJ to reimburse expenses incurred by counties when prosecuting offenses committed by TDCJ inmates, or offenses committed on TDCJ property. The amendment changes this requirement from certain felony offenses to any offense committed on TDCJ property. The reimbursable expenses include salaries and expenses of interpreters, travel expenses for witnesses, food, lodging, and compensation for jurors, transcripts for appeal, inquest costs if a death occurs, travel expenses for prosecutor's staff, court reporter's fees, and the cost of special security officers. The bill would amend the Code of Criminal Procedure by making the Youth Commission subject to the same reimbursement requirement. The bill would add Section 61.098 to the Human Resources Code, Chapter 61, Subchapter G, to authorize a district attorney, a criminal district attorney, or a county attorney performing the duties of a district attorney in a county where a facility is operated or under contract with TYC, to request that the special prosecution unit prosecute an offense under Article 104.003, Code of Criminal Procedure, that occurs in a TYC facility.

The bill would repeal Sections 54.04 (s) and (t), Family Code, Section 54.05 (k), Family Code, and Section 61.084 (f), Human Resources Code.

Methodology

TYC estimates that the release of youth who are age 19 or older and are currently committed for misdemeanor offenses, and youth who commit misdemeanor offenses no longer being eligible for commitment to TYC would reduce the average daily population by 259 in fiscal year 2008 and 602 in fiscal year 2009. The release or transfer to TDCJ of felony offenders who are 19 or older and are currently committed to TYC, and the future implications of releasing or transferring all felony commitments at age 19 is estimated to reduce TYC population by 433 each year. Parole populations would be reduced by 26 misdemeanants in fiscal year 2008 and 159 in fiscal year 2009, and 932 felons each year. The impact of the population reduction would result in the closure of three TYC facilities (Marlin Assessment and Orientation Unit, John Shero State Juvenile Correctional Facility, and Victory Field Correctional Academy), and a reduction in contracted capacity after the first two years. There would be costs associated with the addition of 3 audit staff and 4 inspectors general to meet the provisions of the bill. The combined TYC savings from the implementation of the bill is estimated at \$31,742,904 in General Revenue Funds in fiscal year 2008 and \$47,769,212 in General Revenue Funds in fiscal year 2009. A FTE reduction of 638.0 in fiscal year 2008 and 958.5 in fiscal year 2009 is anticipated.

In order to counter the savings to TYC from the provision of the bill that would release youth from TYC custody, the cost to TDCJ to accommodate the sentenced offenders and certain violent offenders that would be transferred to TDCJ was also included. TYC estimates that 404 youth would be transferred to TDCJ in fiscal year 2008 and 278 youth would be transferred to TDCJ in each following fiscal year as a result of the bill. TYC also estimates 1,117 youth would be transferred to the adult parole system in fiscal year 2008 and 732 youth would be transferred to the adult parole system in each following fiscal year as a result of the bill.

In order to estimate the future impact of the proposal, the transfer of offenders from TYC to TDCJ was applied in a simulation model. Costs of incarceration by TDCJ are estimated on the basis of \$40 per inmate per day, reflecting approximate costs of either operating facilities or contracting with other entities. No costs are included for facility construction. Costs of parole supervision are estimated on the basis of \$3.51 per day. The total state fiscal impact to TDCJ would be a cost of \$6,088,445 in fiscal year 2008 and \$7,490,977 in fiscal year 2009 for a biennial cost to TDCJ of \$13,579,422.

TYC does anticipate that the special prosecution unit referenced in Human Resources Code, Section 61.098 would receive approximately 50-60 requests per year from offenses occurring in TYC facilities. The Walker County Special Prosecution Unit (SPU) estimates the bill would cost \$2,454,820 for the biennium. Costs would include salaries (\$1,934,000), professional fees and services (\$65,260), fuels and lubricants (\$40,000), office supplies (\$20,000), utilities (\$67,400), travel expenses (\$50,000), rent (\$116,560), other operating expenses (\$81,600), and vehicles (\$80,000). These cost estimates are based on the assumption of 100-120 TYC cases per year, which differs from the TYC assumption of 50-60 cases per year.

The Juvenile Probation Commission anticipates no fiscal implication from the implementation of the bill.

The total state fiscal impact would be a savings of \$24,370,549 in fiscal year 2008 and \$39,107,325 in fiscal year 2009 for a biennial total savings of \$63,477,874.

Technology

The technology impact for TYC is estimated at \$10,356 in fiscal year 2008 for workstations for 7 FTEs, software, and a scanner, with no anticipation of on going costs in future years. The fiscal impact for the Walker County Special prosecution Unit for fiscal year 2008 is estimated at \$33,000 and includes computers, software, and infrastructure costs associated additional county employees with no ongoing technology costs anticipated in future years.

Local Government Impact

The bill may impact units of local government, but a cost estimate is unable to be determined at this time.

Source Agencies: 665 Juvenile Probation Commission, 694 Youth Commission, 696 Department of Criminal Justice

LBB Staff: JOB, ES, GG, AI, KJG