

Amend CSSB 1952 (house committee printing), by striking Article 5B (page 110, line 16, through page 138, line 24) and adding a new Article 5B to read as follows:

ARTICLE 5B. PRISON PRIVATIZATION STUDY

SECTION 5B.01. CREATION. The select committee on prison privatization is created.

SECTION 5B.02. COMPOSITION. (a) The select committee is composed of:

- (1) three members appointed by the governor;
- (2) three members appointed by the lieutenant governor;
- (3) three members appointed by the speaker of the house of representatives;
- (4) one member employed by the Legislative Budget Board and appointed by the executive director of that board;
- (5) one member employed by and appointed by the comptroller;
- (6) one member employed by and appointed by the state auditor; and
- (7) one member employed by the Criminal Justice Policy Council and appointed by the executive director of that council.

(b) Each individual required to make an appointment under Subsection (a) shall make the appointment as soon as possible after the effective date of this Act, but not later than October 1, 2003.

SECTION 5B.03. DUTIES. (a) The select committee on prison privatization shall prepare a report that, for the purposes of comparing cost effectiveness and program effectiveness of prison facilities operated by the Texas Department of Criminal Justice and prison facilities operated by or potentially operated by private contractors, analyzes the following issues:

- (1) the best possible methods and processes for administering and monitoring contracts for prison privatization;
- (2) whether an existing agency of the state or a newly created agency should administer future prison privatization contracts;
- (3) the probable cost savings to the state if prison privatization is increased;

(4) the standards that should be used to compare program effectiveness and the best methods for comparing costs for provision of programs by the department and costs for provision of programs by contractors;

(5) the history of prison privatization efforts in this state and in other populous states, with special emphasis on subissues related to program effectiveness, performance records, cost savings, ethical concerns, and impact on relevant communities;

(6) as to potential contractors, the backgrounds and past achievements of those contractors;

(7) which facilities or services currently provided primarily by the Texas Department of Criminal Justice could best be performed by a contractor; and

(8) whether ethical standards could be adopted to protect the state from corruption or ethical conflicts.

(b) In addition to the issues described by Subsection (a) of this section, the report must analyze the impact that privatization of a Texas Department of Criminal Justice facility or function would have on the community in which the function is performed or the facility is located, including economic impact, workforce impact, impact caused by higher employee turnover rates, and impact on community facilities and services.

(c) The select committee shall present copies of the report not later than November 1, 2004, to the governor, the lieutenant governor, and the speaker of the house of representatives.

SECTION 5B.04. HEARINGS. The select committee on prison privatization, for the purpose of gathering information necessary for the preparation of the report required by Section 5B.03 of this article, shall hold at least four public hearings. At least one of the hearings must be held in a municipality with a population greater than one million and at least two of the hearings must be held in a municipality or county in which more than one division of the Texas Department of Criminal Justice operates a facility or performs a function.

SECTION 5B.05. EXPIRATION. The select committee on prison privatization is abolished and this article expires November 30, 2004.