

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 30, 2007

TO: Honorable Harold V. Dutton, Jr., Chair, House Committee on Juvenile Justice & Family Issues

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

IN RE: HB1756 by Madden (Relating to the grade of offense for which a person may be committed to the Texas Youth Commission and the termination of control of persons committed to the Texas Youth Commission.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1756, Committee Report 1st House, Substituted: a positive impact of \$58,557,309 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	\$22,689,391
2009	\$35,867,918
2010	\$40,838,547
2011	\$42,318,851
2012	\$42,369,962

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1	Change in Number of State Employees from FY 2007
2008	\$22,689,391	(638.0)
2009	\$35,867,918	(958.5)
2010	\$40,838,547	(958.5)
2011	\$42,318,851	(958.5)
2012	\$42,369,962	(958.5)

Fiscal Analysis

The bill amends Sections 54.04 and 54.05 of the Family Code to restrict juvenile courts from committing youth to the Youth Commission (TYC) for a misdemeanor crime, or for violation of misdemeanor probation, and requires the release of all youth committed to TYC for misdemeanor offenses prior to the enactment of the bill not later than their 19th birthday.

The Human Resources Code, Section 61.079(a) is amended to require TYC to release, or transfer determinate sentence youth to TDCJ for a term of parole at not earlier than age 16 and not later than age 19. Section 61.084, Human Resources Code is amended changing TYC's jurisdictional age from 21 to 19. This would require TYC to release or transfer youth to TDCJ at age 19.

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

The bill would take effect immediately if it receives a two-thirds vote from each house, or on September 1, 2007, if it does not receive the necessary vote.

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 TYC facilities, and a reduction in contracted capacity after the first two years. The combined TYC savings is estimated at \$28,777,836 in General Revenue Funds in fiscal year 2008 and \$43,358,895 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.

The total state fiscal impact would be a savings of \$22,689,391 in fiscal year 2008 and \$35,867,918 in fiscal year 2009 for a biennial total savings of \$58,557,309.

Technology

TYC anticipates no technology impact.

Local Government Impact

There would be local costs associated with this bill, as juvenile probation departments would be required to provide services to misdemeanants who are no longer eligible for commitment to TYC. JPC estimates the impact to be \$9,758,400 in fiscal year 2008 and \$18,217,200 in fiscal year 2009. These costs would vary among juvenile probation departments.

Source Agencies: 694 Youth Commission

LBB Staff: JOB, MN, GG, AI