

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 19, 2007

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

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

IN RE: HB2340 by Dunnam (Relating to conservatorship of the Texas Youth Commission.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2340, As Introduced: an impact of \$0 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	\$0
2009	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>STATE HIGHWAY FUND</i> 6	Change in Number of State Employees from FY 2007
2008	(\$4,095,549)	(29.0)
2009	(\$2,337,640)	(29.0)
2010	(\$2,341,334)	(29.0)
2011	(\$2,840,365)	(29.0)
2012	(\$2,348,724)	(29.0)

Fiscal Analysis

The bill would amend Title 3, Human Resources Code by adding Chapter 61A , placing the Youth Commission (TYC) under conservatorship and directing the governor to appoint a permanent conservator not later than the tenth day after the effective date of the bill. If the governor does not appoint a conservator within this time period, the lieutenant governor shall appoint a permanent conservator not later than the 15th day after the effective date of the chapter. If the lieutenant governor does not appoint a permanent conservator within this time period, a member of the legislature may institute an original proceeding in the Supreme Court of Texas to compel the lieutenant governor to appoint a permanent conservator.

To be eligible for appointment as a permanent conservator, a person must be qualified by experience or education in the development and administration of programs for the rehabilitation and reestablishment in society of children in the custody of agencies similar in mission and scope to TYC. The conservator's term would expire when the conservatorship dissolves or on the second anniversary of the appointment, whichever is earlier. The conservator would be paid the salary of a district judge

and would have no limits on reimbursements for expenses incurred during the course of the conservator's duties. The salary and expenses of the conservator would be paid by TYC.

The conservator would be able to terminate an employee whose conduct is determined to have contributed to the cause of the conservatorship, hire TYC employees, cooperate with any other public office or agency conducting criminal or civil investigations of illegal or improper conduct which jeopardizes the health, safety, and welfare of youth in TYC custody, change TYC's organization or structure to alleviate the conditions that caused the conservatorship, or contract with persons for management and administrative services necessary to effect the conservatorship. The conservator would be required to report to the governor, the lieutenant governor, and members of the legislature not later than the 60th day after the effective date of the chapter and every 60 days thereafter until the conservatorship is dissolved. The report would include a description of the measures taken to ensure TYC is able to provide for the health, safety, and welfare of youth in TYC custody, or sound fiscal management, and an estimate of the progress the conservator has made in attaining these goals. The conservatorship and the chapter would expire June 1, 2009, unless continued by the legislature.

The Department of Public Safety (DPS) would be required to station a Texas Ranger at each TYC facility to ensure the health, safety, and welfare of youth in TYC custody and to protect any whistleblower. The Ranger's orders are to be followed by any TYC employee unless countermanded by the conservator. DPS would also be charged with providing administrative and investigative support, paid for by DPS or TYC. DPS would be required to use non-uniformed personnel when conducting interviews with youth. DPS would be required to implement a toll-free telephone number and an internet website to receive complaints and information from members of the public regarding conduct by TYC officers and employees that jeopardized the health, safety, and welfare of youth in TYC custody.

The bill would take effect immediately if it receives a two-thirds vote of all members of each house, or on the 91st day after the last day of the legislative session if the two-thirds vote is not achieved.

Methodology

TYC reports that no significant fiscal impact can be determined at this time.

DPS anticipates an impact of \$6,433,189 in Fund 6, State Highway Fund for the 2008-09 biennium. This estimate includes \$2,059,036 in fiscal year 2008 and \$1,631,572 in fiscal year 2009 for the hiring of 29 additional FTEs, including 22 sergeants, 2 lieutenants, and 5 administrative assistants to meet the requirements of the bill. Additional costs of \$2,036,513 in fiscal year 2008 and \$706,068 in fiscal year 2009 are anticipated for travel, equipment, benefits, and other operating expenses related to the additional FTEs.

Technology

The technology impact is estimated at \$79,199 from Fund 6, State Highway Fund in fiscal year 2008 for computers, docking stations, printers, scanners, and enterprise agreements. Continuing technology costs are estimated at \$4,321 in future years for enterprise agreements.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 405 Department of Public Safety, 694 Youth Commission

LBB Staff: JOB, ES, GG, AI