

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 16, 2007

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

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

IN RE: HB3639 by Turner (Relating to an independent office of Inspector General to investigate abuse in facilities operated by the Texas Department of Criminal Justice or the Texas Youth Commission.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3639, As Introduced: a negative impact of (\$14,694,516) 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	(\$8,799,758)
2009	(\$5,894,758)
2010	(\$5,894,758)
2011	(\$5,894,758)
2012	(\$5,894,758)

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	(\$8,799,758)	111.0
2009	(\$5,894,758)	111.0
2010	(\$5,894,758)	111.0
2011	(\$5,894,758)	111.0
2012	(\$5,894,758)	111.0

Fiscal Analysis

The bill would add Chapter 512 to the Government Code, which would create an independent Office of Inspector General for the purpose of conducting audits of policies and procedures and investigating allegations of sexual abuse, physical and psychological abuse within facilities controlled or contracted by the Department of Criminal Justice (TDCJ) and the Youth Commission (TYC). The Inspector General would be appointed by the governor for a two-year term. The Inspector General would review departmental policies and procedures, conduct audits of investigatory practices and other audits, and conduct investigations of TDCJ and TYC, as requested by the directors of the agencies or a member of the legislature. The Inspector General could also initiate an investigation or audit under polices to be developed by the office. The Inspector General would be required to inspect each correctional facility at least once every six years and would require public reports submitted to the legislature. The Inspector General would establish a toll-free public telephone number for the purpose of identifying alleged wrongdoing by an employee of TDCJ and TYC.

Methodology

TYC assumes that the Office of Youth Care Investigations would be reduced, as many of the current responsibilities of that office would be moved to the newly created Office of Inspector General. TYC would show a savings of \$863,831 in fiscal year 2008 and in future years caused by a reduction of 18 FTEs.

TDCJ reports that if the current TDCJ Office of Inspector General is to take on additional responsibilities, the cost would be \$9,663,589 in fiscal year 2008 and \$6,758,589 in fiscal year 2009 for a biennial total of \$16,422,178 (\$9,944,016 in salaries for 129 additional FTEs, \$760,000 in other operating expenses, \$2,905,000 in equipment, and \$2,813,162 in benefits). If the intent of the bill is to create a new Office of Inspector General outside TDCJ, the agency anticipates no fiscal impact to TDCJ. However, the newly created Office of Inspector General would require funding outside the estimates of these two agencies, and would require that a budget be submitted to the legislature, per section 512.201 of the bill. TDCJ and TYC are unable to estimate costs for a separate agency. The fiscal impact and net change in state employees from this analysis reflects the reduction in funds and employees for TYC, and increased funds and employees to TDCJ.

Technology

No technology costs are anticipated.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

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

LBB Staff: JOB, ES, GG, AI