

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: HB1914 by McReynolds (Relating to abolishing the Private Sector Prison Industries Oversight Authority and to the certification and operation of private sector prison industries programs.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Government Code by abolishing the Private Sector Prison Industries Oversight Authority and transferring the functions, property, and employees to the Texas Board of Criminal Justice (TBCJ). The bill would require that the funds in the private sector prison industries account, real property and private sector prison industries oversight authority be transferred to the TBCJ and the maximum amount allowed in the private sector prison industry account would be lowered from \$2.0 million and limit the balance in the account to \$1.0 million. The bill would remove the requirement that the Comptroller of Public Accounts transfer one-half of the balance above \$2.0 million to General Revenue Fund. The bill would expand authorized expenditures in the account to allow that the funds may be used to pay costs associated with the storage of evidence that contains biological material used in the prosecution and conviction of an offense or of a sexual assault or other sex offense. The bill would require the Board to supervise the operation of the private sector industries programs to ensure program operation in a manner designed to avoid the loss of existing jobs of persons not incarcerated. The bill would require that board members include in their training not later than January 1, 2010, the history and operations of the Private Sector Prison Industries Oversight Authority, as applicable in the Government Code. The bill would add provisions limiting contracts for a private sector industries program and would require a government entity give its senator, state representative and certain others 60 days notice prior to entering into such a contract. The Board would be required to allow no more than 750 participants and no more than 11 cost accounting centers. The Board would be required to adopt rules specifying required contract language. Information related to the program would be required to be placed on the board's Internet site.

The bill would require that on the date that TBCJ is designated the certificate holder for this state by the Bureau of Justice Assistance, the Private Sector Prison Industries Oversight Authority would be abolished and all powers transferred to the TBCJ. Notwithstanding any other provision, before the date TBCJ is designated the Private Sector Prison Industries Oversight Authority shall continue to fulfill all duties and exercise all powers given to the authority. On or after the date on which the TBCJ is designated as the certificate holder, all references in law to the Private Sector Prison Industries Oversight Authority means the TBCJ.

The Texas Department of Criminal Justice and the Texas Workforce Commission have determined that the cost of implementing the provisions of this bill would not be significant.

Local Government Impact

None of the requirements applicable to a county under the provisions of the bill would cause a significant fiscal impact to Local Workforce Development Boards.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 320 Texas

Workforce Commission, 694 Youth Commission, 696 Department of Criminal Justice

LBB Staff: JOB, ESi, GG, SDO, AI, DB