

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 15, 2009

TO: Honorable Garnet Coleman, Chair, House Committee on County Affairs

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

IN RE: HB3247 by Martinez, "Mando" (Relating to the authority of a county to contract with a private organization for the operation of a detention facility.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Local Government Code to require in a county in which Chapter 174 of the Local Government Code is adopted that the county commissioners court may not contract with a private organization to place inmates in a detention facility operated by an organization unless the county is granted authority to do so through a collective bargaining agreement entered into between the county and the employees of the sheriff's office.

Local Government Impact

Only one applicable county provided information regarding the fiscal impact of the provisions of the bill. Bexar County reports that as of April 2009, the county had 67 inmates in other facilities, including 24 that are held in a privately run facility. These 24 inmates are at no cost to the county. If the county had to absorb the cost of housing the inmates because no contract was agreed upon, the cost would be \$438,000. Operational costs would increase by \$18,250 for each inmate added to the 24. If an agreement to contract with private organizations is not reached, Bexar County anticipates having to absorb costs as indicated at a minimum of \$438,000 or having to build an additional facility to remain in compliance with current jail standards at a cost of \$22 million or higher.

According to the Texas Association of Counties, based on the information provided by Bexar County, it is assumed a county would experience a significant negative fiscal impact as a result of implementing provisions of the bill if the collective bargaining agreement does not authorize the county to place inmates in a facility operated by an organization.

Source Agencies:

LBB Staff: JOB, DB