

## **BILL ANALYSIS**

H.B. 309  
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Corrections  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties contend that a pay-for-performance contract program, in which nongovernmental organizations finance and implement new service delivery models on behalf of governments, could prove beneficial in a public-private partnership for the provision of certain juvenile justice programs and services. Under this model, the parties note, the privately financed interventions that successfully improve social outcomes and save public funds would merit payments from the government, which in turn would generate a commensurate return on investment, but unsuccessful outcomes would not merit such payments. The parties believe that such a program for those services would place the focus squarely on the implementation of evidence-based practices that deliver results. H.B. 309 seeks to implement a study on the impact of such a program for juvenile justice programs and services.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 309 requires the Texas Juvenile Justice Department (TJJD) to conduct a study to determine the feasibility and potential costs and benefits to the state of implementing a pay-for-performance contract program under which TJJD would contract with an administrator for the operation of juvenile justice programs or the provision of juvenile justice services, the operation or provision of which would be funded using investor-provided financial capital, and make contract payments to the administrator using general obligation bond proceeds or other available money only if specified performance requirements for and outcomes from the programs and services are achieved and the return on investment to the state is positive. The bill authorizes TJJD to request assistance and information from the comptroller of public accounts, the Texas Public Finance Authority, or any other state agency as necessary to conduct the study.

H.B. 309 requires TJJD, not later than November 1, 2016, to submit a report on the results of the study to the governor, the lieutenant governor, and the presiding officers of the standing committees of the senate and house of representatives having jurisdiction over juvenile justice programs and services. The bill requires the report to indicate whether and to what degree implementing a pay-for-performance program would be cost-effective and feasible, to make recommendations regarding the manner in which TJJD could effectively operate a program TJJD determines would be cost-effective and feasible and the types of juvenile justice programs and services that would be selected for the program, and to identify any changes in law necessary for

implementation of the program. The bill's provisions expire January 1, 2017.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.