

By: White of Tyler

H.B. No. 309

A BILL TO BE ENTITLED

AN ACT

relating to a study on the feasibility and potential costs and benefits of implementing a pay-for-performance contract program for certain juvenile justice programs and services.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. (a) In this section, "department" means the Texas Juvenile Justice Department.

(b) The department shall conduct a study to determine the feasibility and potential costs and benefits to this state of implementing a pay-for-performance contract program under which the department would:

(1) 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

(2) 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 this state is positive, thereby rewarding successful results and shifting the financial risk from this state.

(c) The department may 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

1 study required by this section.

2 (d) Not later than November 1, 2016, the department shall
3 submit a report on the results of the study to the governor, the
4 lieutenant governor, and the presiding officers of the standing
5 committees of the senate and house of representatives having
6 jurisdiction over juvenile justice programs and services. The
7 report must indicate whether and to what degree implementing a
8 pay-for-performance program described by Subsection (b) of this
9 section would be cost-effective and feasible, as determined by the
10 department. If the department determines a pay-for-performance
11 program would be cost-effective and feasible, the report must:

12 (1) make recommendations regarding the manner in which
13 the department could effectively operate the program and the types
14 of juvenile justice programs and services that would be selected
15 for the program; and

16 (2) identify any changes in law necessary for
17 implementation of the program.

18 (e) This section expires January 1, 2017.

19 SECTION 2. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2015.