

LEGISLATIVE BUDGET BOARD

Overview of Criminal and Juvenile Justice Correctional Population Projections, Recidivism Rates, and Costs Per Day

PRESENTED AT THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON ARTICLE V HEARING LEGISLATIVE BUDGET BOARD STAFF FEBRUARY 2017

Correctional Population Projections: Overview

- Correctional population projections are produced to serve as a basis for biennial funding determinations.
- Projections are based on current laws, policies, and practices.
 Subsequent shifts in these factors will be incorporated into future LBB projections.
- The LBB simulation model incorporates these factors into the population projections and tracks an individual's movement into, through, and out of the criminal or juvenile justice system.

Adult Correctional Projections: Populations

- Correctional Institutions
- Parole
- Community Supervision
 - Average Felony Direct
 - Misdemeanor Placements

Adult Correctional Projections: Incarceration Population and Operating Capacity

Fiscal Years 2012 to 2022



NOTES: In September 2013, TDCJ permanently removed 4,316 beds from capacity as part of the budget reductions directed by the Eighty-third Legislature, Regular Session, 2013. In December 2013, TDCJ permanently removed 40 beds from capacity to accommodate wheelchair accessibility. In July 2015, TDCJ permanently added five beds to capacity at the Santa Maria Unit to accommodate the expansion of the Baby and Mother Bonding Initiative program. In December 2016, 667 beds at the Kegans State Jail were permanently removed from capacity when the facility was repurposed as an intermediate sanction facility. In January 2017, 8 beds at the Holliday Unit were removed from capacity to accommodate wheelchair accessibility. SOURCES: Legislative Budget Board; Texas Department of Criminal Justice.

Adult Correctional Projections: Incarceration Population and Operating Capacity

Fiscal Years 2017 to 2022

FISCAL	INCARCERATION POPULATION (END-OF-MONTH	OPERATING	ACITY COMPARED	
YEAR	YEARLY AVERAGE)	CAPACITY	DIFFERENCE	PERCENTAGE
2017	147,409	152,117	4,708	3.1%
2018	147,256	152,117	4,861	3.2%
2019	147,175	152,117	4,942	3.2%
2020	147,205	152,117	4,912	3.2%
2021	147,443	152,117	4,674	3.1%
2022	147,393	152,117	4,724	3.1%

NOTE: Operating capacity is 96.0 percent of the sum of total unit capacities SOURCES: Legislative Budget Board; Texas Department of Criminal Justice.

Adult Correctional Projections: Parole

Fiscal Years 2012 to 2022



SOURCES: Legislative Budget Board; Texas Department of Criminal Justice.

Adult Correctional Projections: Felony Direct Community Supervision

Fiscal Years 2012 to 2022



SOURCES: Legislative Budget Board; Texas Department of Criminal Justice.

Adult Correctional Projections: Misdemeanor Community Supervision Placements

Fiscal Years 2012 to 2022



SOURCES: Legislative Budget Board; Texas Department of Criminal Justice.

Juvenile Correctional Projections: Populations

- State Residential
- Parole
- Probation
 - Adjudicated Probation
 - Deferred Prosecution
 - Conditional Pre-Disposition

Juvenile Correctional Projections: TJJD Actual and Projected State Residential Average Daily Population and Operating Capacity



NOTES: Operating capacity represents the total number of beds available for permanent assignment. Not included within this number are 332 temporary assignment (youth management and clinic) beds. Capacity includes 479 permanent assignment beds and 74 temporary assignment beds offline. The operating capacity is projected to increase slightly from fiscal years 2017 to 2018, when the agency returns 36 beds to capacity which are temporarily offline due to construction. The operating capacity for fiscal year 2017 is the operating capacity as of January 2017. SOURCES: Legislative Budget Board; Texas Juvenile Justice Department.

Juvenile Correctional Projections: TJJD State Residential Average Daily Population and Operating Capacity

Fiscal Years 2017 to 2022

FISCAL	State Residential Average Daily	OPERATING	OPERATING CAPACITY COMPARED TO PROJECTED POPULATION			
YEAR	POPULATION	CAPACITY	DIFFERENCE	PERCENTAGE		
2017	1,314	2,001	687	34.3%		
2018	1,373	2,037	664	32.6%		
2019	1,374	2,037	663	32.5%		
2020	1,338	2,037	699	34.3%		
2021	1,346	2,037	691	33.9%		
2022	1,331	2,037	706	34.7%		

SOURCES: Legislative Budget Board; Texas Juvenile Justice Department.

Juvenile Correctional Projections: Parole

Fiscal Years 2012 to 2022



SOURCES: Legislative Budget Board; Texas Juvenile Justice Department.

Juvenile Correctional Projections: Probation

Fiscal Years 2012 to 2022



SOURCES: Legislative Budget Board; Texas Juvenile Justice Department.

Qualitative Review

Interviews and focus groups were conducted with adult and juvenile practitioners in selected counties and at professional conferences as well as incarcerated individuals. Participants included:

- judges;
- prosecutors;
- adult community supervision staff;
- juvenile probation staff;
- state agency personnel; and
- Individuals incarcerated within adult correctional institutions.

Adult Criminal Justice Findings

- Practitioners report adult criminal justice populations are largely stable.
- Practitioners report the felony community supervision population has higher risks and greater needs than in previous years.

Juvenile Justice Findings

- Practitioners indicate juvenile population trends are stabilizing after several years of significant declines.
- Practitioners indicate juvenile justice populations have higher risks and greater needs than in previous years.

Criminal and Juvenile Justice Recidivism and Revocation Rates: Overview

- Recidivism is defined as a return to criminal or delinquent activity after previous criminal or delinquent involvement.
- There are many different indicators of recidivism. These indicators include:
 - o Rearrest/Rereferral
 - o Adjudication/Conviction
 - o Incarceration/Reincarceration
 - Revocation
- Rearrest/rereferral, adjudication/conviction, reincarceration/incarceration, and revocation are used to indicate recidivism.
- Each cohort is followed for three years.

NOTES: Rearrest is an indicator used in both the criminal and juvenile justice systems while rereferral is used only in the juvenile justice system. Adjudication includes individuals that have been adjudicated or readjudicated. Conviction includes individuals that have been convicted or reconvicted. Incarceration is an indicator for both criminal and juvenile justice system probation supervision populations.

Criminal and Juvenile Justice Recidivism and Revocation Rates: Highlights

Fiscal Year 2013								
Adult Populations	Rearrest %	Reconviction %	Incarceration/Reincarceration %					
Felony Community Supervision	35.9	23.6	25.8					
Prison	46.4	36.1	21.0					
State Jail	62.7	54.3	32.2					
Substance Abuse Felony Punishment Facility	44.4	35.4	45.4					
In-Prison Therapeutic Community	46.7	34.0	21.3					
Intermediate Sanction Facility	59.2	47.4	39.4					
Parole Supervision	44.2	33.9	19.8					
Fiscal Year 2016 Felony Revocation Rates								
Felony Community Supervision	15.3%							
Parole Supervision	7.2%							

NOTES: The reconviction rate includes individuals that have been convicted or reconvicted.

SOURCES: Legislative Budget Board; Texas Department of Criminal Justice; Texas Department of Public Safety.

Criminal and Juvenile Justice Recidivism and Revocation Rates: Highlights

Fiscal Year 2013								
Juvenile Populations	Rearrest %	Readjudication %	Incarceration/Reincarceration %					
Deferred Prosecution Supervision	42.5	11.1	1.6					
Adjudicated Probation Supervision	63.1	27.8	10.3					
Local Secure Residential Facility	73.9	45.6	22.0					
State Residential Facility	69.3	63.4	41.5					
Fiscal	Year 2016 I	Felony Revocatio	n Rates					
Deferred Prosecution Supervision		0.	3%					
Adjudicated Probation Supervision	5.7%							
Parole Supervision	24.3%							

NOTES: The readjudication rate includes individuals that have been adjudicated, readjudicated, or convicted.

SOURCES: Legislative Budget Board; Texas Department of Criminal Justice; Texas Department of Public Safety; Texas Juvenile Justice Department.

Criminal and Juvenile Justice Uniform Cost Per Day: Overview

The Criminal and Juvenile Justice costs per day per person are calculated for various criminal and juvenile justice correctional populations. The costs per day are used in funding determinations and to provide a basis of comparison among correctional facilities and programs and previously published costs per day.

- Uniform costs are assessments of the total costs of operating a correctional facility or program and are reported as costs per day per person.
- Costs per day were calculated for various Texas Department of Criminal Justice (TDCJ) and Texas Juvenile Justice Department (TJJD) populations and programs for fiscal years 2015 and 2016.

Criminal and Juvenile Justice Uniform Cost Per Day: Highlights

TDCJ Population	Fiscal Year 2015	Fiscal Year 2016
Prison (systemwide)	\$55.61	\$61.63
Parole Supervision	\$4.07	\$4.39
Community Supervision	\$3.36	\$3.42
TJJD Population	Fiscal Year 2015	Fiscal Year 2016
State Residential Facilities	\$427.91	\$441.92
Parole Supervision	\$36.26	\$39.12
Juvenile Probation Supervision	\$14.69	\$14.39

NOTES: The costs per day for community supervision and juvenile probation supervision represent a total cost per day and includes both the state and local cost of supervision.

SOURCES: Legislative Budget Board; Texas Department of Criminal Justice; Texas Juvenile Justice Department.



LEGISLATIVE BUDGET BOARD

Contact the LBB

Legislative Budget Board www.lbb.state.tx.us 512.463.1200

Juvenile Justice Department Summary of Recommendations - House

Page 1 David Reilly, Executive Director Matthew Puckett, LBB Analyst

Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$595,561,827	\$607,096,490	\$11,534,663	1.9%
GR Dedicated Funds	\$O	\$0	\$0	0.0%
Total GR-Related Funds	\$595,561,827	\$607,096,490	\$11,534,663	1.9%
Federal Funds	\$21,767,937	\$21,267,528	(\$500,409)	(2.3%)
Other	\$32,279,000	\$26,102,033	(\$6,176,967)	(19.1%)
All Funds	\$649,608,764	\$654,466,051	\$4,857,287	0.7%

	FY 2017	FY 2019	Biennial	Percent
	Budgeted	Recommended	Change	Change
FTEs	2,873.1	2,735.3	(137.8)	(4.8%)





Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Juvenile Justice Department Summary of Funding Changes and Recommendations - House

	Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A		
SIG	SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):								
A)	Base reduction - Pursuant to the 4 percent reduction requirement and including decreases primarily in state residential health and probation programs and services.	(\$4.5)	\$0.0	\$0.0	\$0.0	(\$4.5)	A, B, C, D, E, F		
B)	Probation Basic Supervision - Fund basic probation supervision at LBB projections and 2016 actual cost per day.	\$0.9	\$0.0	\$0.0	\$0.0	\$0.9	A.1.2.		
C)	State-operated Secure Facilities - Fund supervision, food, and basic needs of juvenile offenders placed in secure facilities in state custody at LBB projections and actual cost per day.	\$9.2	\$0.0	\$0.0	\$0.0	\$9.2	B.1.3.		
D)	Halfway Houses - Fund supervision, food, and basic needs of juvenile offenders placed in halfway houses at LBB projections and actual cost per day.	\$1.0	\$0.0	\$0.0	\$0.0	\$1.0	B.1.5.		
E)	Contract Residential Placements - Fund contract residential placements at LBB projections and actual cost per day.	(\$2.7)	\$0.0	\$0.0	\$0.0	(\$2.7)	B.1.9.		
F)	Parole Supervision - Fund basic parole supervision at LBB projections and agency requested CPD.	(\$0.1)	\$0.0	\$0.0	\$0.0	(\$0.1)	C.1.1.		
G)	Regional Diversion Alternatives - Biennialize funding for the Regional Diversion Alternatives Program at FY 2017 levels.	\$7.9	\$0.0	\$0.0	\$0.0	\$7.9	B.1.8.		
H)	Federal and Other Funds Reductions - Agency anticipated increase in Foundation School Program funds as the result of anticipated higher school attendance related to increased population projections in state residential facilities (\$1.4 million); agency anticipated reduction in Federal Funds as the result of a one-time Unexpended Balance from 2015 to 2016 (\$2.5 million) offset by increases in indigent care, school breakfast and school lunch funding related to increase populations (\$2.0 million); and an agency estimated decrease in Appropriated Receipts from collections at conferences and seminars, student benefit and vocational shop, and canteen funds (\$0.2 million).	\$0.0	\$0.0	(\$0.5)	\$1.2	\$0.7	B.1.3. B.1.5. C.1.1.		
I)	General Obligation Bond Proceeds - Recommendations incude a decrease of \$7.4 million as the bonds appropriated in previous biennia have been fully expended.	\$0.0	\$0.0	\$0.0	(\$7.4)	(\$7.4)	B.3.1.		

Juvenile Justice Department Summary of Funding Changes and Recommendations - House

	Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):							
(۲	Miscellaneous - Recommendations include a decrease of \$0.1 million for data center services estimates to maintain only existing obligations, and a decrease of \$0.1 million for the Office of the Independent Ombudsman as the result of one-time appropriations in 2016-17 for the expansion of duties of the office to local secure facilities.	(\$0.2)	\$0.0	\$0.0	\$0.0	(\$0.2)	D.1.1. F.1.2.
Т	TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)	\$11.5	\$0.0	(\$0.5)	(\$6.2)	\$4.8	As Listed
	SIGNIFICANT & OTHER Funding Increases	\$19.0	\$0.0	\$0.0	\$0.0	\$19.0	As Listed
	SIGNIFICANT & OTHER Funding Decreases	(\$7.5)	\$0.0	(\$0.5)	(\$6.2)	(\$14.2)	As Listed

NOTE: Totals may not sum due to rounding.

Juvenile Justice Department Selected Fiscal and Policy Issues – House

- 1. Four Percent Reduction. The Juvenile Justice Department (TJJD) target for reducing funding from 2016–17 General Revenue Fund expenditure levels, as required in the 4 percent reduction, was \$16.8 million or 2.8 percent after exemption of behavioral health funds (\$175.9 million). Recommendations take the 4 percent reduction identified by TJJD in the following areas, totaling \$4.5 million:
 - Decrease of \$1.9 million in Goal A, Community Juvenile Justice, for prevention and intervention programs, and pre and post adjudication facilities;
 - Decrease of \$1.6 million in Goal B, State Services and Facilities, for services and facilities oversight, health care, education, and support of state-operated and contract facilities for juveniles committed to state custody;
 - Decrease of \$0.1 million in Goal C, Parole Services, attributed to agency identified operational efficiencies in parole supervision;
 - Decrease of \$0.1 million in Goal D, Office of the Independent Ombudsman (OIO), for services related to investigation, evaluating, and securing the rights of juveniles in TJJD custody. OIO is a separate state agency housed in TJJD's bill pattern with administrative support provided by TJJD;
 - Decrease of \$0.2 million in Goal E, Juvenile Justice System, which provides training, monitoring and support to the juvenile probation system; and
 - Decrease of \$0.5 million in Indirect Administration, including Information Resources.
- 2. Juvenile Population Projections. TJJD submitted its LAR using projections published in the Legislative Budget Board Adult and Juvenile Correctional Population Projections, Fiscal Years 2016 to 2021, published in June 2016. Projections increased across the three areas of juvenile corrections: probation supervision, state custody, and parole supervision. State custody includes three types of residential placements: state-operated secure facilities, halfway houses, and contract residential placements. LBB projections are inclusive of all three types of residential placements. TJJD determines the number of youth placed in each type of facility within the projection.

Recommendations include funding to support LBB projections using fiscal year 2016 actual costs per day, with the exception of parole supervision, which is funded at the agency's requested cost per day. Recommendations fund additional services in each category at the agency's base requested levels, in some cases lower than 2016–17 expenditure levels. General Revenue Fund recommendations for the three projected areas of juvenile corrections are as follows:

- Probation basic supervision Increase of \$0.9 million for supervision of juvenile offenders in local communities.
- State-operated Secure Facilities Increase of \$9.2 million for supervision, food, and basic needs of juvenile offenders placed in secure facilities in state custody.
- Halfway Houses Increase of \$1.0 million for supervision, food, and basic needs of juvenile offenders placed in halfway houses.
- Contract Residential Placements Decrease of \$2.7 million based on TJJD's anticipated reduction in the use of contract residential facilities in the 2018–19 biennium.
- Parole Supervision Decrease of \$0.1 million for basic supervision of juvenile parole offenders (included in the 4 percent reduction).
- 3. Regional Diversion Alternatives. The Eighty-fourth Legislature, 2015, appropriated \$9.6 million in General Revenue for the Regional Diversion Alternatives Program, a new initiative established by Senate Bill 1630 designed to reduce commitment to state facilities by providing additional resources to juveniles through programs in local communities. The appropriation was larger in the second year to allow time for development and implementation in the first year before providing services. The program was implemented June 1, 2016 with targets of 30 juveniles in 2016 and 150 juveniles in 2017. In fiscal year 2016, the program served 24 juveniles, and through the first five months of fiscal year 2017, the program has received 121 applications, approved 72 diversions, and placed 67 juveniles in residential facilities. Recommendations increase General Revenue Funds by \$7.9 million to biennialize program funding at the fiscal year 2017 level.

Agency 644

LBB projections for state-operated secure facilities include an assumption that two additional cohorts of 150 juveniles will be diverted through this program in the 2018–19 biennium. This assumption resulted in a lower recommended funding level for state residential placement.

- 4. Federal Funds and Other Funds Reductions. Recommendations include an agency estimated \$0.5 million Federal Funds reduction as the result of a \$2.5 million Unexpended Balance from fiscal year 2015 to fiscal year 2016, creating higher than normal base Federal Funds expenditures offset by a \$2.0 million increase in indigent care and school breakfast and lunch funding associated with higher projected populations. Recommendations include a \$6.2 million decrease in General Obligation Bond Proceeds (Other Funds) as funds appropriated in previous biennia have been exhausted.
- 5. Full-time Equivalent Position Reduction. TJJD reports its operating funds are not sufficient to maintain its 2016–17 full-time equivalent position (FTE) limitation of 2,873.1. Recommendations reduce the FTE limit to 2,735.5 in both fiscal years.
- 6. Salary Increases. Recommendations include a \$0.2 million decrease in General Revenue Funds as the result of Comptroller of Public Accounts estimates for the 2.5 percent salary increase provided by the Eighty-fourth Legislature in 2015.

Juvenile Justice Department

Summary of Federal Funds (2018 - 19) - House



Programs with Federal Funding Changes from 2016 - 17



Selected Federal Fiscal and Policy





Section 3a

Juvenile Justice Department FTE Highlights - House

Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
2,855.1	2,873.1	2,873.1	2,735.3	2,735.3
2,531.5	2,637.9	2,873.1	NA	NA
	2015 2,855.1	2015 2016 2,855.1 2,873.1	2015 2016 2017 2,855.1 2,873.1 2,873.1	2015 2016 2017 2018 2,855.1 2,873.1 2,873.1 2,735.3

Schedule of Exempt Positions (Cap)					
Executive Director, Group 6	\$177,194	\$197,370	\$197,370	\$197,370	\$197,370

Notes:

a) State Auditor's Office is the source for the FY 2015 and FY 2016 annual average (actual) FTE levels

b) The State Auditor released a report (Report No. 16-706 August, 2016) which indicates a market average salary of \$228,754 for the Executive Director position at the Texas Juvenile Justice Department. Recommendations maintain the Executive Director's salary at the 2016-17 level.

Juvenile Justice Department Rider Highlights – House

Modification of Existing Riders

35. Regional Diversion Alternatives: Recommendations delete language in Rider 35 that is no longer applicable, maintaining the portion of the rider that directs the use of funds, and revising it to match the level of funding provided in the recommendations.

New Riders

None

Deleted Riders

- 24. Appropriation: Unexpended Balances of General Obligation Bond Proceeds: Funds appropriated in previous biennia have been exhausted.
- 27. Specialized Treatment Report: TJJD is statutorily required to submit a biennial report that is broader than, but inclusive of all information in this report. Removing this rider reduces redundancy in agency reporting requirements.
- 29. Harris County Leadership Academy: TJJD has a competitive, discretionary grant award process for determining the distribution of its grant funds to local Community Supervision and Corrections Departments. Funds referenced in the rider are maintained in 2018–19 recommendations.
- 32. Grievance Procedures: Employee grievance processes are addressed in the Texas Labor Code and TJJD internal policies currently in place.
- 37. Contingency for HB 1144: The requirements set forth under House Bill 1144, Eighty-fourth Legislature will expire on September 1, 2017.

Juvenile Justice Department Items Not Included in Recommendations - House

	2018-1	9 Biennial Total]		
	GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
Agency Exceptional Items - In Agency Priority Order						
1) Basic Probation Supervision and State Residential Services	\$24,705,946	\$24,705,946	149.0			\$32,315,385
a) Fund basic probation supervision at a cost per day of \$5.40	\$8,771,797	\$8,771,797	-	No	No	\$8,771,797
b) Fund institutional supervision at a cost per day of \$162.17 in FY 2018 and \$163.32 in FY 2019 to increase JCOs to comply with 1:12 state ratio as the rate of projected population increases.	\$6,789,850	\$6,789,850	105.0	No	No	\$6,789,850
c) Increase JCO staff to comply with 1:8 federal PREA supervision ratio	\$3,037,478	\$3,037,478	44.0	No	No	\$10,272,824
d) Increase funding for medical and psychiatric services	\$3,434,633	\$3,434,633	-	No	Yes	\$3,808,726
e) Increase funding for contract placements	\$2,672,188	\$2,672,188	-	No	No	\$2,672,188
2) Probation-related Funding	\$11,348,476	\$11,348,476	1.0			\$4,172,097
a) Restore 4 percent baseline reduction	\$2,316,195	\$2,316,195	-	No	No	\$2,316,195
b) New funding for discretionary state aid and technical assistance	\$6,140,000	\$6,140,000	1.0	No	No	\$140,000
c) Retain and recycle probation grant refunds	\$0	\$O	-	No	No	\$0
d) Funding to support a statewide, single risk assesment tool	\$2,892,281	\$2,892,281	-	Yes	Yes	\$1,715,902
3) Information Technology	\$23,424,613	\$23,424,613	1.0			\$132,556
a) Funding to support IT infrastructure refresh	\$6,821,007	\$6,821,007	-	Yes	Yes	\$0
b) Funding to support technical performance and cyber security monitoring tools	\$715,606	\$715,606	1.0	Yes	Yes	\$132,556
c) Funding to support a youth case management system	\$2,594,000	\$2,594,000	-	Yes	Yes	\$0
d) Funding to support an incident reporting system	\$2,175,000	\$2,175,000	-	Yes	Yes	\$0
e) Funding to support an increase in business network capacity	\$720,000	\$720,000	-	Yes	Yes	\$O
f) Funding to support video surveillance and radio communications refresh	\$10,399,000	\$10,399,000	-	Yes	Yes	\$O
4) Repair, Rehabilitation, and Vehicle Fleet	\$23,294,610	\$23,294,610	0.0			\$951,300
a) Funding for deferred maintenance and new installation and construction projects at facilities	\$21,444,610	\$21,444,610	-	No	Yes	\$0
b) Funding to purchase 73 fleet vehicles	\$1,850,000	\$1,850,000	-	No	No	\$951,300

Juvenile Justice Department Items Not Included in Recommendations - House

	2018-	19 Biennial Total				
	GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
5) Employee Compensation	\$13,641,600	\$13,641,600	0.0			\$13,641,600
a) Funding to increase compensation for JCOs and Parole Officers to levels comparable to TDCJ	\$3,720,000	\$3,720,000	-	No	No	\$3,720,000
b) Funding to increase other agency position salaries	\$4,701,600	\$4,701,600	-	No	No	\$4,701,600
 c) Funding to implement a three percent salary increase for Probation and Supervision Officers employed by local CSCDs 	\$5,220,000	\$5,220,000	-	No	No	\$5,220,000
d) Increase Executive Director salary authority-only to \$228,754	\$0	\$0	-	No	No	\$0
6) Residential and Parole Services, Development Programs	\$8,643,844	\$8,643,844	66.0			\$8,269,894
a) Implementation of best practice parole and re-entry program activities	\$2,222,276	\$2,222,276	16.0	No	No	\$1,929,126
b) Funding for positive youth development programs in state-operated facilities	\$2,849,770	\$2,849,770	17.0	No	Yes	\$2,817,630
c) Increased gang intervention activities	\$1,009,766	\$1,009,766	5.0	No	Yes	\$1,003,016
d) Expansion of case management activities	\$1,527,852	\$1,527,852	19.0	No	No	\$1,502,202
e) Funding to support an increase in mental health and independent living professionals	\$1,034,180	\$1,034,180	9.0	No	No	\$1,017,920
7) State-Operated Facilities	\$14,065,619	\$14,065,619	157.0			\$11,799,708
a) Purchase of an automated youth welfare system	\$1,427,250	\$1,427,250	-	Yes	No	\$0
b) Expansion of administrative investigations support	\$318,446	\$318,446	3.0	No	No	\$297,446
c) Funding to support an enhanced JCO staffing model	\$11,717,737	\$11,717,737	151.0	No	No	\$11,184,076
d) Expansion of Office of the Independent Ombudsman analytics, support and specialized vehicle fleet.	\$602,186	\$602,186	3.0	No	No	\$318,186

TOTAL Items Not Included in Recommendations	\$119,124,708	\$119,124,708	374.0	\$71,282,540

Juvenile Justice Department Appendices - House

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** Information is included in the presentation section of the packet

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
PREVENTION AND INTERVENTION A.1.1	\$6,258,443	\$6,024,354	(\$234,089)		commendations include a \$0.2 million decrease in General Revenue as the result the 4 percent reduction.
BASIC PROBATION SUPERVISION A.1.2	\$79,739,31 <i>7</i>	\$80,601,227	\$861,910		commendations include a \$0.9 million increase in General Revenue to fund basic pervision at LBB 2018-19 projected levels.
COMMUNITY PROGRAMS A.1.3	\$87,677,244	\$89,801,300	\$2,124,056		commendations include a \$2.1 million increase in General Revenue as the result the agency's realignment of behavioral health funding.
PRE & POST ADJUDICATION FACILITIES A.1.4	\$51,274,757	\$49,564,314	(\$1,710,443)	• •	commendations include a \$1.7 million decrease in General Revenue as the result the 4 percent reduction.
COMMITMENT DIVERSION INITIATIVES A.1.5	\$39,761,542	\$38,985,000	(\$776,542)		commendations include a \$0.8 million decrease in General Revenue as the result the agency's realignment of behavioral health funding.
JUV JUSTICE ALTERNATIVE ED PROGRAMS A.1.6	\$12,500,000	\$12,500,000	\$0	0.0%	
MENTAL HEALTH SERVICES GRANTS A.1.7	\$28,797,855	\$25,609,496	(\$3,188,359)		commendations include a \$3.2 million decrease in General Revenue as the result the agency's realignment of behavioral health funding.
REGIONAL DIVERSION ALTERNATIVES A.1.8	\$10,402,332	\$18,278,810	\$7,876,478		commendations include a \$7.9 million increase in General Revenue to fund gional Diversion Alternatives at fiscal year 2017 appropriated levels.
PROBATION SYSTEM SUPPORT A.1.9	\$5,446,405	\$5,553,424	\$107,019	of Al	commendations include a \$0.1 million increase in General Revenue as the result the agency's realignment of funding to support the Regional Diversion ternatives program; and an agency estimated \$5,111 decrease in Federal nds.
Total, Goal A, COMMUNITY JUVENILE JUSTICE	\$321,857,895	\$326,917,925	\$5,060,030	1.6%	
ASSESSMENT, ORIENTATION, PLACEMENT B.1.1	\$4,268,268	\$4,203,546	(\$64,722)		commendations include a \$0.1 million decrease in General Revenue as the result the 4 percent reduction.

Strategy/Goal INST'L OPERATIONS AND OVERHEAD B.1.2	2016-17 Base \$29,069,643	2018-19 Recommended \$29,266,072	Biennial Change \$196,429	% Change Comments 0.7% Recommendations include a \$0.2 million increase in General Revenue as the result of the agency's realignment of funding to support facility operations.
INST'L SUPERVISION AND FOOD SERVICE B.1.3	\$118,926,715	\$127,277,250	\$8,350,535	7.0% Recommendations include a \$9.2 million increase in General Revenue to fund state secure facilities at the LBB 2018-19 projected levels; an agency estimated \$0.8 million decrease in Federal Funds; and an agency estimated \$0.1 million decreased in Appropriated Receipts.
EDUCATION B.1.4	\$30,705,613	\$33,190,949	\$2,485,336	8.1% Recommendations include a \$0.2 million decrease in General Revenue as the result of the 4 percent reduction; a \$1.4 million increase in agency estimated Federal Funds related to estimated daily school attendance; and a \$1.4 million increase in agency estimated Other Funds (Foundation School Program Interagency Contract) related to estimated daily school attendance.
HALFWAY HOUSE OPERATIONS B.1.5	\$19,406,960	\$20,173,188	\$766,228	3.9% Recommendations include a \$1.0 million increase in General Revenue to fund Halfway Houses at LBB 2018-19 projected levels; and an agency estimated \$0.3 million decrease in Federal Funds.
HEALTH CARE B.1.6	\$17,299,921	\$16,893,103	(\$406,818)	(2.4%) Recommendations include a \$0.4 million decrease in General Revenue as the result of the 4 percent reduction.
PSYCHIATRIC CARE B.1.7	\$1,477,374	\$1,625,867	\$148,493	10.1% Recommendations include a \$0.1 million increase in General Revenue as the result of the agency's realignment of behavioral health funding.
INTEGRATED REHABILITATION TREATMENT B.1.8	\$24,387,181	\$24,752,016	\$364,835	1.5% Recommendations include a \$0.4 million increase in General Revenue as the result of the agency's realignment of behavioral health funding; and a \$910 agency estimated decrease in Other Funds (Interagency Contract).

Strategy/Goal CONTRACT RESIDENTIAL PLACEMENTS B.1.9	2016-17 Base \$15,301,927	2018-19 Recommended \$11,812,808	Biennial Change (\$3,489,119)	% Change Comments (22.8%) Recommendations include a \$2.7 million decrease in General Revenue to fund contract residential placements of youth in state custody at LBB 2018-19 projected levels; and an agency estimated \$0.9 million decrease in Federal Funds.
RESIDENTIAL SYSTEM SUPPORT B.1.10	\$5,630,498	\$4,778,574	(\$851,924)	(15.1%) Recommendations include a \$0.9 million decrease in General Revenue as the result of the 4 percent reduction.
OFFICE OF THE INSPECTOR GENERAL B.2.1	\$4,680,511	\$4,587,122	(\$93,389)	(2.0%) Recommendations include a \$0.1 million decrease in General Revenue as the result of the 4 percent reduction.
HEALTH CARE OVERSIGHT B.2.2	\$1,877,261	\$1,879,560	\$2,299	0.1% Recommendations include a \$2,299 increase in General Revenue as the result of agency realignment of funding.
CONSTRUCT AND RENOVATE FACILITIES B.3.1	\$7,946,438	\$607,966	(\$7,338,472)	(92.3%) Recommendations include a \$7.4 million decrease in General Obligation Bond Proceeds (Other Funds) as the bonds appropriated in previous biennia have been fully expended; and a \$64,407 increase in General Revenue as the result of agency realignment of funding.
Total, Goal B, STATE SERVICES AND FACILITIES	\$280,978,310	\$281,048,021	\$69,711	0.0%
PAROLE DIRECT SUPERVISION C.1.1	\$4,907,768	\$4,814,390	(\$93,378)	(1.9%) Recommendations include a \$0.1 million decrease in General Revenue as the result of the 4 percent reduction.
PAROLE PROGRAMS AND SERVICES C.1.2	\$2,245,393	\$2,884,870	\$639,477	28.5% Recommendations include a \$0.1 million increase in General Revenue as the result of the agency's realignment of behavioral health funding.
Total, Goal C, PAROLE SERVICES	\$7,153,161	\$7,699,260	\$546,099	7.6%

Strategy/Goal OFFICE OF THE INDEPENDENT OMBUDSMAN D.1.1	2016-17 Base \$1,983,765	2018-19 Recommended \$1,820,812	Biennial Change (\$162,953)	% Change Comments (8.2%) Recommendations include a \$0.1 million decrease in General Revenue as the result of the 4 percent reduction; a \$66,500 decrease in General Revenue for the one- time expansion of OIO duties in the 2016-17 biennium; and a \$17,815 agency estimated decrease in Criminal Justice Grants (Other Funds).
Total, Goal D, OFFICE OF THE INDEPENDENT OMBUDSMAN	\$1,983,765	\$1,820,812	(\$162,953)	(8.2%)
TRAINING AND CERTIFICATION E.1.1	\$3,795,144	\$3,744,334	(\$50,810)	(1.3%) Recommendations include a \$45,760 decrease in General Revenue as the result of the 4 percent reduction; and a \$5,050 decrease in agency estimated Appropriated Receipts (Other Funds).
MONITORING AND INSPECTIONS E.1.2	\$5,726,900	\$5,610,460	(\$116,440)	(2.0%) Recommendations include a \$0.1 million decrease in General Revenue as the result of the 4 percent reduction.
INTERSTATE AGREEMENT E.1.3	\$437,618	\$440,284	\$2,666	0.6% Recommendations include a \$2,666 increase in General Revenue as the result of the agency's realignment of funding.
Total, Goal E, JUVENILE JUSTICE SYSTEM	\$9,959,662	\$9,795,078	(\$164,584)	(1.7%)
CENTRAL ADMINISTRATION F.1.1	\$16,943,825	\$17,023,514	\$79,689	0.5% Recommendations include a \$0.1 million increase in General Revenue as the result of the agency's realignment of funding.
INFORMATION RESOURCES F.1.2	\$10,732,146	\$10,161,441	(\$570,705)	(5.3%) Recommendations include a \$0.5 million decrease in General Revenue as the result of the 4 percent reduction; and a \$0.1 million decrease in General Revenue for estimated data center services needs.
Total, Goal F, INDIRECT ADMINISTRATION	\$27,675,971	\$27,184,955	(\$491,016)	(1.8%)
Grand Total, All Strategies	\$649,608,764	\$654,466,051	\$4,857,287	0.7%

Juvenile Justice Department Summary of Federal Funds - House (Dollar amounts in Millions)

					2014 17	2018-19	2018-19	Recommended	0/ Channe
Program	Ect 2016	Bud 2017	Poc 2018	Poc 2010	2016-17 Base	2018-19 Rec	Rec % Total	Over/(Under) Base	% Change from Base
Frogram	EST 2010	DUG 2017	Rec 2010	Kec 2019	Dase	Kec	Total	Base	from base
Foster Care Title IV-E Administration @ 50%	\$4.7	\$4.7	\$4.7	\$4.7	\$9.5	\$9.5	44.5%	\$0.0	0.0%
Title I Program for Neglected & Delinquent Children	\$1.3	\$0.8	\$1.5	\$1.5	\$2.1	\$3.0	14.3%	\$0.9	42.6 %
National School Lunch Program	\$2.0	\$1.2	\$1.3	\$1.3	\$3.3	\$2.6	12.3%	(\$0.6)	(19.4%)
Special Education Grants to States	\$0.9	\$0.8	\$1.0	\$1.0	\$1.6	\$1.9	9.0 %	\$0.3	16.0%
School Breakfast Program	\$1.3	\$0.8	\$0.8	\$0.8	\$2.1	\$1.7	7.9 %	(\$0.4)	(19.4%)
Foster Care Title IV-E	\$1.3	\$0.9	\$0.6	\$0.6	\$2.1	\$1.3	6.1%	(\$0.8)	(39.2%)
Improving Teacher Quality State Grants	\$0.4	\$0.3	\$0.4	\$0.4	\$0.7	\$0.9	4.1%	\$0.2	26.3 %
Vocational Education Basic Grants to States	\$0.2	\$0.2	\$0.2	\$0.2	\$0.4	\$0.4	1. 9 %	\$0.0	4.7%
TOTAL:	\$12.2	\$9.6	\$10.7	\$10.6	\$21.8	\$21.3	100.0%	(\$0.5)	(2.3%)

Appendix B
	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
ADP: Juveniles Supervised Under Conditional Release	3,008.62	2,979.06	3,151	3,226	3,348
Measure Explanation: Average Daily Population of Juveniles Under Conditional Relea	ose				
ADP: Juveniles Supervised Under Deferred Prosecution	6,818.96	6,315.75	6,068	6,347	6,064
Measure Explanation: Average Daily Population of Juveniles Supervised under Defen	rred Prosecution				
ADP: Juveniles Supervised Under Adjudicated Probation	12,840.25	12,090.59	11,000	12,998	13,361
Measure Explanation: Average Daily Population of Juveniles Supervised under Adju	dicated Probation				
ADP: Average Daily Population of Residential Placement	1,986.03	1,899.12	2,250	1,916	1,933
Measure Explanation: Average daily population of probation post-adjudication resid	dential placements.				
ADP: Commitment Diversion Initiatives	1,356.75	1,006.32	1,500	1,336	1,348
Measure Explanation: Average Daily Population in Commitment Diversion Initiatives					
Number of Regional Diversions	0	24	150	150	150
Measure Explanation: Number of Juveniles in Regional Diversion Program					
ADP: State Operated Secure Correctional Facilities	1,022.85	1,071.13	923	1,137	1,120
Measure Explanation: Average Daily Population: State Operated Secure Correction	al Facilities				

Juvenile Justice Department Performance Measure Highlights - House

Cost Per Day: State Operated Secure Correctional Facilities	\$207.17	\$164.96	\$167.63	\$154.53	\$154.47
Measure Explanation: Average Cost Per Day Per Juvenile in State-Operated Secure C	Correctional Facilities				
ADP: Halfway House Programs	133.74	143.34	146	146	146
Measure Explanation: Average Daily Population: Halfway House Programs					
Halfway House Cost Per Juvenile Day	\$190.00	\$187.09	\$178.34	\$189.28	\$189.28
Hullway House Cost Fer Sovenine Day	\$170.00	\$107.07	φ170.0 4	φ107.20	ψ107.20
Measure Explanation: Halfway House Cost Per Juvenile Day					
ADP: Parole	422.10	204.50	202	400	425
• ADP: Parole	433.10	394.59	393	428	425
Measure Explanation: Average Daily Population: Parole					
Parole Supervision Cost Per Juvenile Day	\$23.51	\$17.17	\$16.56	\$15.46	\$15.46
Measure Explanation: Parole Supervision Cost Per Juvenile Day					

Juvenile Justice Department Summary of Ten Percent Biennial Base Reduction Options Recommendations - House

			Biennial Reduction Amounts]		
Priority	ltem	Description/Impact	GR & GR-D	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
1)	Eliminate Prevention and Intervention; Reduce Regional Diversion Alternatives and Support	Eliminates Prevention and Intervention grants to probation departments and reduces Regional Diversion Alternatives, including two administrative FTEs.	\$7,158,928	\$7,158,928	2.0	\$0	18%	No
2)	Reduce oversight, training and other administrative activities	Elimination of two residential system leadership positions, one health service specialist and TJJD's Incident Reporting Center including 6 FTEs. Eliminates one Office of the Independent Ombudsman FTE. Eliminates 0.5 FTE in Construction and Renovation in FY 2019. Elimination of Navarro College JCO training, one FTE in administrative investigations, two Monitoring and Inspections FTEs, and 0.5 FTE in Interstate Compact in FY19. Eliminates nine FTEs across Legal, Finance, Human Resources, Audit, Executive Services, and Information Technology. Reduces state support of the Juvenile Case Management System project by \$0.1 million per year.	\$2,521,231	\$2,521,231	24.5	\$0	6%	No
3)	Reduce residential/parole operations and programs	Eliminates an estimated 70 JCO positions. Eliminates facility administrative and support staff (16 FTEs) in business services, Human Resources, Information Technology, maintenance, and leadership teams. Eliminates seven FTEs in career and technology education, core and elective courses, reading, Positive Behavioral Interventions and Supports, and special education. Requires closure of a halfway house and eliminates 24 associated FTEs. Scales back nurse staffing levels. Reduces contract residential placements by five to six beds. Eliminates four Parole Officers.	\$10,473,738	\$10,473,738	121.0	\$0	26%	No

Juvenile Justice Department Summary of Ten Percent Biennial Base Reduction Options Recommendations - House

				Biennial Reduction Amounts					
Prior	rity	ltem	Description/Impact	GR & GR-D	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
	4)	Reduce State Aid to Prob. Depts./Discontinue Reg. Diversions/Support	Reduces State Aid within Strategies A.1.2 and A.1.4, and phases out the Regionalization program beginning in FY 2018. TJJD would discontinue new diversions beginning in FY18. The remaining funding in that strategy would support only the youth that were diverted in FY17 but still receiving services in FY18. The remaining two positions in the Regionalization Division would also be eliminated.	\$7,158,926	\$7,158,926	2.0	\$0	18%	No
	5)	Reduce oversight, training and other administrative activities	Residential System Support, OIG, and Health Care Oversight (B.1.10., B.2.1., & B.2.2.): Eliminates three residential system leadership positions, one health service specialist, and the Contraband Detection and Interception (K9) unit including five FTEs. Eliminates one Office of the Independent Ombudsman FTE. Eliminates 0.5 FTE in Construction and Renovation. Eliminates one training specialist, one administrative support FTE, one FTE in administrative investigations, two Monitoring and Inspections FTEs, and 0.5 Interstate Compact FTEs in FY19. Eliminates nine FTEs across Legal, Finance, Human Resources, Audit, Executive Services., and Information Technology and reduces state support of the Juvenile Case Management System project by \$0.1 million per year.	\$2,521,230	\$2,521,230	24.5	\$0	6%	No

Juvenile Justice Department Summary of Ten Percent Biennial Base Reduction Options Recommendations - House

_			Biennial Reduction Amounts					
Priority	ltem	Description/Impact	GR & GR-D	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
6)	Reduce residential/parole operations and programs	Eliminates an estimated 70 JCO positions. Reduces facility administration and support staff (16 FTEs) in business services, Human Resources, Information Technology, maintenance, and leadership teams. Eliminates seven FTEs in career and technology education, core and elective courses, reading, Positive Behavioral Interventions and Supports), and special education. Requires the closure of a halfway house. Reduces health care funding available per youth-day to 15 percent below FY 2017 appropriated levels. Reduces Contract Residential Placements by five to six beds. Eliminates four Parole Officer positions and operating expenses.	\$10,473,738	\$10,473,738	97.0	\$0	26%	No

TOTAL, 10% Reduction Options	\$40,307,791	\$40,307,791	271.0	\$ 0	

TEXAS JUVENILE JUSTICE DEPARTMENT House Appropriations Article V Subcommittee Hearing

FEBRUARY 2017



TRANSFORMING YOUNG LIVES AND CREATING SAFER COMMUNITIES

TJJD: TRANSFORMING YOUNG LIVES AND CREATING SAFER COMMUNITIES

The Texas Juvenile Justice Department (TJJD) was created on December 1, 2011, by combining the juvenile probation and the state facilities and programs functions into a unified state juvenile justice system. TJJD works in partnership with state and local stakeholders to build an effective continuum of services through:

- State/local partnerships with 166 juvenile probation departments that serve all 254 Texas counties with rehabilitation programs and locally operated juvenile correctional facilities; and
- The operation of state secure correctional facilities and halfway houses to provide intensive and specialized rehabilitative services to high-risk and high-needs youth who have committed crimes. TJJD partners with 166 local juvenile probation Gainesville departments, providing: grant funding (26% of system funding) McFadden minimum standards and compliance monitoring Willoughby Cottrell technical assistance Schaeffer **M**cLennan Ron Jackson 🔒 🌧 TJJD manages five secure correctional institutions. Brownwood TJJD's eight medium restriction halfway houses assist youth Giddings in making a gradual transition home. Ayres 🛖 TJJD has contracts with eight privately-run facilities where youth can be placed. Three of the eight are secure facilities. York 1 🔒 Secure Facility

Halfway House

Evins

Edna Tamayo

TEXAS JUVENILE JUSTICE SYSTEM



REFERRALS TO COUNTY PROBATION REDUCED BY 42%





SUCCESSFUL REFORM EFFORTS

REGIONAL DIVERSION PROGRAM

- Sept. 1, 2016 Jan. 31, 2017
- 121 applications received
- 72 applications approved
- 67 youth placed in a residential facility

As of Jan. 31, 2017, 73 youth are in a placement and 3 are receiving aftercare services.

ONE- YEAR REARREST/REFERRAL RATE

RELEASE DATE	DIIL	COUNTY SECURE PLACEMENT
FY 2010	47.1%	45.7%
FY 2015	42.2%	47.1%

EDUCATION shows gains in graduation rates, GED certifications and youth achieving grade level reading abilities.

GED AND DIPLOMA AT RELEASE FY 2011—39% FY 2016—44% STUDENTS READING AT GRADE LEVEL AT RELEASE FY 2011—15% FY 2016—21%

TOTAL SECURITY ADMISSIONS are down 9.8% Aug.–Dec. 2015 compared to Aug.–Dec. 2016 (9,696 in 2015; 8,746 in 2016; net reduction = 950).

OVERALL INCIDENTS per Average Daily Population are down 3.7% and Assaults per Average Daily Population are down 6.6% since Aug. 2016.

CHALLENGES



AGING INFRASTRUCTURE

- 94% of the agency's network infrastructure endof-support or end-of-life
- Case planning, youth data management, program evaluation, and investigations operating on ancient legacy applications - difficult to maintain and increasingly vulnerable
- Incidents tracked in nine different databases that don't talk to each other
- Antiquated video equipment with poor resolution
- Campuses with ongoing deferred maintenance needs, including life/safety issues
- Aging vehicle fleet becoming less safe

CHALLENGES



ONGOING STAFFING SHORTFALLS

- FY 16 Institution JCO turnover rate 39.77%
 TJJD spends approximately \$5,700 to train each JCO
- FY 16 overall turnover rate 29.29%
- FY 15 overall turnover rate of 26.6% the second highest of any state agency (SAO Report, December 2015)
- Salaries are below other state agencies in similar positions and 78.8% are below the market rate
- High caseloads in case management and parole limits individual work between case managers, parole officers and youth; hinders effective family engagement

CHALLENGES



INCREASING COMPLEXITY OF YOUTH NEEDS

- Youth admitted to TJJD in FY 16:
 - 99% needed specialized treatment (substance abuse, sexual behavior, mental health, capital or serious violent offenders)
 - 82% had two or more specialized treatment needs
 - 55% needed mental health treatment (24% had low need; 29% had moderate need; 2% had high need.)
- Probation departments need funding, training, and technical assistance
- Less populated areas of Texas lack licensed professionals

NEW ADMISSIONS



NEW TJJD ADMISSIONS IN FY 2016

- 100% were committed for felony offenses
- 91% were male
- 84% were committed with an indeterminate sentence
- 16% with a determinate sentence
- 65% had at least one prior placement outside the home
- 67% had two or more prior felony or misdemeanor adjudications
- 43% had families with criminal histories
- 33% had a history of abuse or neglect
- 28% were eligible for special education services

STRATEGIC GOALS

1. MINIMIZE YOUTHS' IMMERSION IN THE JUSTICE SYSTEM.

Research shows that delinquent youth have the best chance of rehabilitative success when they stay as shallow in the juvenile justice system as their risk factors and treatment needs allow.

2. CULTIVATE PROACTIVE PROGRAMMING FOR SUSTAINABLE CHANGE.

The preponderance of evidence affirms the positive effect of proactive programming designed to not only stop a young offender's slide into a lifetime in the prison system, but also prepare them to become responsible, functional and productive members of society. Some examples would be intramural sports, the PAWS program, and college/career readiness skills.

3. ESTABLISH A RESILIENT AND MODERNIZED INFRASTRUCTURE.

While TJJD has been modernizing programs and services, our infrastructure has steadily aged. The state of the agency's capital assets—ranging from agency facilities, to network infrastructure and computing devices, to the agency's vehicle fleet—is reducing effectiveness and diverting valuable time and resources away from key priorities.

4. RECRUIT, DEVELOP, AND RETAIN A HIGHLY QUALIFIED AND EFFECTIVE WORKFORCE.

People are a critical driver of success in endeavors by TJJD as well as county probation departments. Bringing about sustainable change in a generation of young offenders requires a degree of steady, expert engagement at every level; that engagement is undercut by high turnover and staffing shortfalls.

FY 2017-2021 STRATEGIC GOALS



EXCEPTIONAL ITEMS

TJJD seeks the funds needed to ensure the agency: (1) maintains compliance with state and federal law; (2) successfully implements legislative mandates, including strong support for "front end" (probation) services; (3) addresses long-standing infrastructure needs and risks; (4) continues its system-wide pursuit of proactivity and positive behavioral approaches; and (5) sustains organizational stability with agency-directed action toward improvement.

TJJD has identified 7 exceptional items for consideration totaling \$119.1 million and 225 FTEs. These exceptional items reflect the four goals in the agency's strategic plan. These exceptional items, presented in order of priority, are:

	Dollars	FTEs
1. Fund Basic Services at Projected Population Levels	24,705,946	149.0
Fund basic probation at \$5.40 per day	8,771,797	
Fund institutional supervision at \$162.17/\$163.32 per day to comply with state ratios (1:12)	6,789,850	105.0
Additional JCO positions to comply with federal PREA supervision ratios (1:8)	3,037,478	44.0
Support rising cost to maintain medical and psychiatric services	3,434,633	
Increase funding for contract placements to match current rates	2,672,188	
2. Minimize Youths' Immersion in the Justice System	11,348,476	1.0
Restore baseline reductions in Prev. & Interv. and Pre & Post	2,316,195	
New funding for discretionary state aid (HRC.223.001[c]) & technical assistance	6,140,000	1.0
Retain and recycle probation grant funds	Adopt	
Implement statewide single risk assessment tool	2,892,281	
3. Modernize Critical End of Life Technologies & Legacy Applications	23,424,613	1.0
Core agency IT infrastructure refresh	6,821,007	
Technical performance and cyber security monitoring tools	715,606	1.0
Youth Case Management System	2,594,000	
Incident Reporting System	2,175,000	
Increase business network capacity	720,000	
Video surveillance & radio communication systems refresh	10,399,000	
4. Maintain Capital Assets through Repairs, Rehabilitation, and Replacement	23,294,610	
Facility repair and rehabilitation	21,444,610	
Increase current capital budget item by approximately 73 vehicles	1,850,000	
5. Recruit, Develop, and Retain a Highly-Qualified and Effective Workforce	13,641,600	
JCO & Parole Officer pay raise to be comparable with TDCJ	3,720,000	
Bring other agency position salaries closer to market rates	4,701,600	
Increase probation/supervision officer pay by approximately 3%	5,220,000	
Increase ED Salary Authority to Match SAO Market Estimate (authority only)	Adopt	
6. Cultivate Proactive Programming for Sustainable Change	8,643,844	66.0
Best practice parole & re-entry program	2,222,276	16.0
Positive programming in state-operated facilities	2,849,770	17.0
Gang intervention	1,009,766	5.0
Case management expansion	1,527,852	19.0
Increase mental health & independent living professionals	1,034,180	9.0
7. Improve Safety and Security in State-Operated Facilities	14,065,619	157.0
Automated Youth Welfare System	1,427,250	
Administrative investigations support expansion (AID)	318,446	3.0
Enhanced JCO staffing model	11,717,737	151.0
Inspector General support/analytics & specialized vehicles (OIG)	602,186	3.0
Grand Total, All Items	119,124,708	374.0

9



- Implementation of **regional youth diversion efforts** and coordination of services as directed by the 84th Legislature's Senate Bill 1630. The "regionalization" program involves grouping counties to maximize resources and serve more youth **closer to home** with a long-term goal of enhancing services and filling treatment gaps.
- Selection for Youth in Custody Practice Model (YICPM) by Georgetown University's Center for Juvenile Justice Reform and the Council of Juvenile Correctional Administrators. This program is providing TJJD with technical assistance in reviewing programs at individual youth facilities, identifying and remediating process gaps and offering guidance on implementing best practices.
 - reduced ethnic and racial disparities
 - more meaningful case management
 - staff support and development
 - strengthened family engagement
 - more effective community reintegration



- Evolution of the Capstone and Off Campus Employment Programs. These programs seek to increase the flexibility of youth scheduling and improve treatment services for youth in TJJD custody who have earned a diploma or GED. The typical participant is a youth in need of job and workplace skills training in preparation for reintegration with society. Some remain on campus to learn equipment operation or hone interview skills while others are able to work in the community as part of their transition strategy.
- The proliferation of Enhanced Vocational Training, which advances the rehabilitative process by preparing youth to become productive members of society. There was a six percent increase in the number of students who earned vocational certification during the 2015-2016 school from the previous school year.



- Expansion of our treatment options, building on our Giddings facility's renowned Capital and Serious Violent Offender Treatment Program (CSVOTP). TJJD has added Violent Offender Programs (VOPs) at Giddings, Gainesville and McLennan County to better address the rehabilitative needs of violent offenders. In 2012, data for committed youth showed that 51.4 percent were assessed as needing CSVOTP. In 2015, 75 percent of committed youth required some level of violent offender treatment, though not all were appropriate for CSVOTP.
- System-wide application of our Positive Behavior Intervention and Support (PBIS) approach, which has consistently borne fruit in in TJJD schools. PBIS accountability measures within TJJD schools contributed to a 9.2 percent reduction in behavioral referrals in the 2015-2016 school year compared to the previous year.



- Implementation of the flexible block school schedule on August 1, 2016, transforming the way educational services and rehabilitation is provided to TJJD youth. Students who attend school in the morning receive non-academic programming in the afternoon, while students that have non-academic programming in the morning attend school in the afternoon. Looking at August 1 – September 30, 2016, compared to the same timeframe in 2015, security incidents during school have decreased by 35 percent and Responsibility Center referrals have also decreased by 24 percent. By splitting the students at each facility into two groups, we have increased safety for youth and staff.
- Expansion of the Pairing Achievement With Service (PAWS) program, a unique canine therapy program in which TJJD youth spend 12 weeks training and bonding with a K9 partner, making the dog suitable for adoption. The K9 relationship and associated responsibilities have proven highly effective in building empathy, selfesteem and positive work habits in participating youth. On average, youth that completed PAWS are involved in less than half the number of major incidents per 100 days, compared to youth that did not complete the program, or 1/20th the number of incidents when compared to all TJJD youth.

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Department of Criminal Justice Summary of Recommendations - House

Page V-5 Bryan Collier, Executive Director Kelsey Vela, LBB Analyst

Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$6,603,388,629	\$6,573,664,691	(\$29,723,938)	(0.5%)
GR Dedicated Funds	\$60,374,348	\$40,374,348	(\$20,000,000)	(33.1%)
Total GR-Related Funds	\$6,663,762,977	\$6,614,039,039	(\$49,723,938)	(0.7%)
Federal Funds	\$18,813,320	\$18,156,178	(\$657,142)	(3.5%)
Other	\$139,932,735	\$139,180,261	(\$752,474)	(0.5%)
All Funds	\$6,822,509,032	\$6,771,375,478	(\$51,133,554)	(0.7%)

	FY 2017	FY 2019	Biennial	Percent
	Budgeted	Recommended	Change	Change
FTEs	39,483.9	39,450.6	(33.3)	(0.1%)





Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Department of Criminal Justice Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
Funding Changes and Recommendations:						
 A) Base reduction - Pursuant to the 4 percent reduction requirement and primarily resulting in the closure of an Intermediate Sanction Facility and decreases in administrative and support strategies and the Board of Pardons and Paroles. 	(\$24.0)	(\$2.4)	\$0.0	\$0.0	(\$26.4)	B1.1, C.1.11, D.1.1, Goals F and G
B) Video Surveillance Cameras - Decrease of \$10.0 million for video surveillance cameras at TDCJ units.	(\$10.0)	\$0.0	\$0.0	\$0.0	(\$10.0)	C.1.2.
C) Reentry Services Pilot Program - Decrease of \$2.0 million for a one-time reentry services pilot program involving agreements with the City of Houston and the City of Dallas in the 2016-17 biennium.	(\$2.0)	\$0.0	\$0.0	\$0.0	(\$2.0)	C.2.3.
D) Deferred Maintenance - Decrease of \$17.6 million in GR-D Fund 5166 for deferred maintenance funding in the 2016-17 biennium.	\$0.0	(\$17.6)	\$0.0	\$0.0	(\$17.6)	D.1.1.
E) Personal Computer Replacements - Decrease of \$0.5 million for agency requested personal computer replacements to align funding with a six year replacement cycle.	(\$0.5)	\$0.0	\$0.0	\$0.0	(\$0.5)	E.1.1, G.1.4.
F) CSCD Health Insurance - Increase of \$0.9 million to fund CSCD health insurance at 2016- 17 need.	\$0.8	\$0.0	\$0.0	\$0.0	\$0.8	A.1.5.
G) Federal Funds - Agency anticipated decrease in Federal Funds primarily as the result of one-time grant awards in 2016-17 that are not anticipated in the 2018-19 biennium.	\$0.0	\$0.0	(\$0.7)	\$0.0	(\$0.7)	B.1.1, C.1.2, F.2.1, G.1.2
 H) Other Funds - Agency anticipated decrease in Interagency Contracts as the result of a one-time Victim Rights Compliance Grant from the Office of the Attorney General. The decrease is partially offset by an anticipated increase in Appropriated Receipts from CSCD refunds for probation supervision at 2016-17 appropriated levels. 	\$0.0	\$0.0	\$0.0	(\$0.8)	(\$0.8)	C.1.2, G.1.2, G.1.3.
 Data Center Services - Increase of \$6.0 million in General Revenue to reflect current DIR estimates for the 2018-19 biennium. 	\$6.0	\$0.0	\$0.0	\$0.0	\$6.0	G.1.4.
Funding Changes and Recommendations (in millions)	(\$29.7)	(\$20.0)	(\$0.7)	(\$0.8)	(\$51.2)	As Listed
Funding Increases	\$6.8	\$0.0	\$0.0	\$0.0	\$6.8	As Listed
Funding Decreases	(\$36.5)	(\$20.0)	(\$0.7)	(\$0.8)	(\$58.0)	As Listed

NOTE: Totals may not sum due to rounding.

Department of Criminal Justice Selected Fiscal and Policy Issues - House

- 1. Strategic Fiscal Review. The Department of Criminal Justice (TDCJ) Correctional Managed Health Care (CMHC) is under Strategic Fiscal Review (SFR) for the Eighty-fifth Legislature. Significant observations and considerations include:
 - a) Recommended 2018–19 General Revenue Funds (\$1.1 billion) constitute 16.8 percent of the recommended 2018–19 General Revenue (\$6.5 billion) budget for TDCJ that is included within the General Appropriations Act (GAA).
 - b) TDCJ does not have any funds outside the treasury; however, contracted university health care providers have certain local accounts outside the treasury. The anticipated 2018–19 funds outside of the GAA total \$0.3 million and are primarily revenues from medical record fees, pharmaceutical revenue, and salvage equipment sales. See SFR Appendix 5 for additional details on CMHC various funding sources inside and outside of the GAA.
 - c) Regarding the three agency programs reviewed under SFR, all are within statutory requirements and/or authorizations (see SFR Appendices 1, 2, and 4 for additional details).
- 2. 2018-19 Funding Recommendations. Recommendations reduce agency appropriations from 2016–17 levels by \$51.1 million in General Revenue Funds and 33.3 full time equivalent (FTE) positions. Recommendations include the following:
 - a) Community Supervision and Operational Recommendations
 - Fund basic and parole supervision based on LBB June projections and fiscal year 2016 costs per day;
 - Fund probation community-based diversion programs and parole programs and services based on 2016–17 expenditure levels, with the exception of funding for one Intermediate Sanction Facility;
 - Fund correctional operations, services, education, and treatment based on 2016–17 expenditure levels;
 - Fund correctional managed health care at 2016–17 appropriated levels.

The TDCJ target for reducing funding from 2016–17 General Revenue Fund expenditure levels, as required in the 4 percent reduction, was \$242.0 million or 3.6 percent after exemption of behavioral health funds (\$496.7 million), Community Supervision and Corrections Department (CSCD) Health Insurance expenditures (\$129.5 million), and Border Security (\$0.5 million). Recommendations take the 4 percent reduction identified by TDCJ in the following areas, totaling \$26.4 million:

b) Agency-Identified 4 Percent Reductions Taken in Recommendations

- Goal A, Provide Prison Diversions \$3.9 million reduction to basic supervision as reflected LBB June projections (item a);
- Goal B, Special Needs Offenders \$0.1 million reduction to special needs offender programs;
- Goal C, Incarcerate Felons, Services \$0.3 million reduction to health care oversight;
- Goal D, Maintain Adequate Facilities \$2.4 million reduction repair and rehabilitation of facilities;
- Goal E, Board of Pardons and Paroles \$0.9 million reduction to the Board of Pardons and Parole;
- Goal F, Operate Parole System \$13.1 million reduction for the closure of an Intermediate Sanctions Facility; and
- Goal G, Indirect Administration \$5.7 million reduction for the entire goal.

- c) Additional General Revenue-Related Funding Reductions. Recommendations include additional reductions from 2016–17 General Revenue-Related expenditure levels as follows:
- Decrease of \$17.6 million in General Revenue-Dedicated Fund 5166 for deferred maintenance funding to \$40.0 million in the 2018–19 biennium;
- Decrease of \$10.0 million for video surveillance cameras at TDCJ units to \$0 in the 2018–19 biennium;
- Decrease of \$2.0 million for a one-time reentry services pilot program involving agreements with the City of Houston and the City of Dallas in the 2016–17 biennium;
- Decrease of \$0.5 million for personal computer replacements to align funding with a six-year replacement cycle.
- 3. Federal Funds and Other Funds. Recommendations include an estimated \$0.7 million Federal Funds reduction as the result of various decreases totaling \$1.8 million, including a one-time \$1.0 million Second Chance Act Prisoner Reentry Initiatives grant awarded in fiscal year 2016, offset by a \$1.1 million increase in estimated State Criminal Alien Assistance Program grants in the 2018–19 biennium. See Section 3a and Appendix B for additional detail. Other Funds reductions include a \$1.6 million decrease in Criminal Justice Grants from the Governor's Office, an estimated \$0.8 million increase in Appropriated Receipts for various collections, including CSCD probation refunds, and an agency estimated \$0.2 million decrease in Interagency Contracts as the result of a one-time Victim Rights Compliance Grant from the Office of the Attorney General.
- 4. CSCD Health Insurance. Recommendations move \$128.6 million in General Revenue Funds from the four probation strategies to a new strategy for CSCD health insurance to more transparently show the costs of providing health insurance to local probation department employees. Recommendations also include \$0.9 million in General Revenue Funds to fund CSCD health insurance at the 2016–17 agency estimated need. Exceptional Item 11, which includes a request for \$22.0 million for agency estimated 2018–19 CSCD health insurance is not included in the recommendations.
- 5. Vehicle Replacements. Recommendations maintain 2016–17 base level funding for vehicle replacements at \$13.9 million for approximately 300 vehicles. TDCJ currently has 1,439 vehicles that exceed the state's replacement criteria, which represents 65 percent of the agency's fleet. Replacing all vehicles over 200,000 miles by fiscal year 2019 would cost an estimated \$42.8 million.
- 6. Data Center Services. Recommendations include a \$6.0 million increase in General Revenue Funds for data center services to fund the Department of Information Resources (DIR) estimate for existing obligations for the 2018–19 biennium.
- 7. Salary Increases. Recommendations include a \$14.0 million decrease in General Revenue Funds in 2018–19 as the result of updated Comptroller of Public Accounts estimates for the 2.5 percent salary increase provided by the Eighty-fourth Legislature in 2015. Funding in 2016–17 was reduced by the same amount to reflect the actual base salary increase amount.
- 8. 2016–17 Supplemental Appropriations Request. TDCJ anticipates the need for a supplemental appropriations request of \$80.0 million in General Revenue Funds to fund Correctional Managed Health Costs in fiscal year 2017. The supplemental appropriation is not assumed in the 2018–19 recommendations.

Department of Criminal Justice

Summary of Federal Funds (2018 - 19) - House



Programs with Significant Federal Funding Changes from 2016 - 17



Program-by Percentage

the 2018-19 biennium.

Issues

Justice and Mental

Health

Collaboration

Program

(95.1%)

Section 3a

criminals

Texas Department of Criminal Justice

Contracting Highlights - House

Summary of Contracts Awarded 09/01/2014 to 01/17/2017 and Reported to LBB Contracts Database*

(Dollar values rounded to the nearest tenth of a million)



*Note: These figures reflect the total value of reported contracts awarded 09/01/2014 to 01/17/2017 and reported to the LBB contracts database. Values can include planned expenditures for subsequent years and represent the amounts contracted which may include funds from sources other than appropriated or General Revenue Funds.

1. TDCJ's two CMHC contracts for FY 15-16 were incorrectly reported in the Contract Database as "Other Services" as opposed to "Professional Services". These two contracts total approximately \$1.1 billion.

2. While TDCJ reports that is has revenue generating contracts, the majority are for good to be re-sold in the commissary and should not be labeled as revenue generating. LBB staff is working with TDCJ to correct these reporting errors.

Texas Department of Criminal Justice

Contracting Highlights

(Dollar values rounded to the nearest tenth of a million)

Largest Competitive Contracts Awarded 09/01/2014 to 01/17/2017	Award Method	Tot	al Value	% Change*	Award Date	Length	Renewals	Vendor
1 East Texas Treatment Facility	Competitive	\$	107.0	-	09/01/14	3 years	0	Management & Training Corporation
2 Estes Correctional Center	Competitive	\$	22.7	-	09/01/15	2 years	0	Management & Training Corporation
3 RF and GPS Monitoring Services	Competitive	\$	21.2	186.5%	09/01/14	6 years	2	3M Electronic Monitoring Inc.
4 Lockhart Correctional Center	Competitive	\$	20.6	-	09/01/15	2 years	0	Management & Training Corporation
Largest Non-Competitive Contracts Awarded 09/01/2014 to 01/17/2	0							
1 Correctional Managed Health Care Services	Interagency	\$	905.6	-	09/01/15	2 years	0	University of Texas Medical Branch
2 Correctional Managed Health Care Services	Interagency	\$	201.9	-	09/01/15	2 years	0	Texas Tech University
3 Utility-Gas-Multiple (40) Units	Interagency	\$	13.7	-	09/01/15	2 years	0	General Land Office
4 Worker's Compensation- TDCJ Employees	Interagency	\$	11.1	-	09/01/15	2 years	0	State Office of Risk Management
Largest Active Contracts from Previous Fiscal Years								
1 Bradshaw State Jail	Competitive	\$	98.8	-	01/16/11	6 years	2	CCA of Tennessee LLC
2 Bartlett State Jail	Competitive	\$	74.7	-	01/16/11	6 years	2	CCA of Tennessee LLC
3 Hospital & Medical Services for Offenders	Interagency	\$	74.1	-	03/06/21	5.5 years	0	Walker County Hospital Corporation

Texas Department of Criminal Justice

Summary of Total Costs (in millions) and Time Frames reported to the Quality Assurance Team*

		Original Projected Costs	Current Projected Costs	Difference in Costs	Expenditures to Date	Original Timeline in Months	Current Timeline in Months	Difference in Time	% Complete	
	Project Name									
1	Electronic Document Management System	\$14.7	\$13.5	-\$1.2	\$13.5	24	30	6	100%	•
	Project Totals (1)	\$14.7	\$13.5	-\$1.2	\$13.5					

Note: The Electronic Document Management System project is 8% under-budget and 24% over duration. The cost decreased due to two areas. The agency built-in a 5 percent contingency for project costs and did not allow expansion of the original scope which lowered the final contract costs. The duration increase was due to a number of software related issues not experienced during User Acceptance Testing (UAT). These findings required additional time for the project team support.

125% Quadrant II: Quadrant I: roject Schedule Within budget and over-Over-budget and overschedule schedule 50% \bigcirc **Total Project Cost** -100% -50% 50% 100% (Target) Quadrant III: Quadrant IV: Within budget and within Over budget and within schedule schedule -100%

Major Information Resources Projects

Legend

Project which is within budget and within schedule

Project which exceeds budget OR schedule

• Project which is over budget and behind schedule

*Note: These figures reflect all project costs (Capital and Informational) and timelines from self-reported monitoring reports that are sent to the Quality Assurance Team (QAT) for review. QAT includes representatives from the Legislative Budget Board, the State Auditor's Office, and the Department of Information Resources.

150%

Significant Project Highlights	QAT Budget Highli	ghts (in millions)		
1 Electronic Document Management System (EDMS) This project was authorized to begin in FY 2014 as a 24 month project and was appropriated \$12.9 million for project development (General Revenue).	Project Name		2016-17 Base	2018-19 Requested	2018-19 Recommended
Texas Department of Criminal Justice (TDCJ) acquired a Commercial-off-the-Shelf (COTS) Electronic Document Management System (EDMS) that captures, stores, manages and retrieves electronic documents and reports across the agency wide network. The	1 EDMS		\$0.0	\$0.0	\$0.0
accumulated volume of offender related paper files and microfilm images are now being scanned into the new EDMS repository. Digital records currently stored in the agency's existing imaging systems will be migrated to the new EDMS.		Total	\$0.0	\$0.0	\$0.0
The agency also purchased, customized, and deployed the Ohio Risk Assessment System (ORAS), also referred to as TRAS (Texas Risk Assessment System). Data sharing between TRAS, the agency's web-based offender case management system, and other legacy systems enabled streamlined access to offender records.					
Late into the project, the agency experienced minor deployment delays with three Change Control Requests (CCRs) that were submitted and approved by the Change Control Board. This modified the payment schedule for Paper File Imaging Phase II and extended the period of performance of the contract to allow sufficient time to complete the remaining Deliverables.					
Neubus, Inc. was the vendor for the EDMS Project. Neubus subcontracted with ImageSoft to perform the work associated with the deployment of the EDMS product and provide maintenance and support for year one (\$462,885), which ends October 31, 2016. Additionally, TDCJ is finalizing the procurement for maintenance and support for year 2, with 4 one-year renewal options.					

* Note: The agency was able to deploy the project \$1.2 million under the original estimated budget. This was due to the agency managing state staff and vendor costs and providing a 5% contingency during the planning stages of the project.

Texas Department of Criminal Justice Rider Highlights - House

Modification of Existing Riders

- 47. Correctional Managed Health Care: Recommendations modify rider to require TDCJ to submit information not later than the end of each fiscal year demonstrating cost containment efforts to the Legislative Budget Board.
- 57. Contingency for Behavioral Health Funds: Recommendations revise rider to extend the requirements to both years of the biennium.

New Riders

59. Notification of Federal Regulatory Action: Recommendations include rider to require TDCJ to notify certain entities of the implementation of federal regulatory action related to the Offender Telephone System.

Deleted Riders

- 36. Appropriation of Unexpended Balances Bond Proceeds: Recommendations delete rider as TDCJ has expended all previously appropriated General Obligation Bond Proceeds for these projects.
- 58. Grievance Procedures: Recommendations delete rider as it amends Texas statute; employee grievances are addressed in the Texas Labor Code; and TDCJ has internal policies currently in place that address the subject of the rider.
- 59. Harris County Correctional Correction Facility: Recommendations delete rider and maintain the funding referenced in the rider, but do not specify its purpose. TDCJ has a competitive discretionary grant award process for determining the distribution of its grant funds to local Community Supervision and Corrections Departments.
- 60. Friends for Life Grant: Recommendations delete rider and maintain the funding referenced in the rider, but do not specify its purpose.
- 61. Reentry Services Pilot Programs: Recommendations delete rider and reduce funding in Strategy C.2.3, Treatment Services, by \$2.0 million as the funding is considered a one-time expenditure.
- 62. Study on Locations of Contracted Halfway House Beds: Recommendations delete rider as TDCJ has completed the required study.
- 63. Funding Increases for the 2016–2017 Biennium: Recommendations delete rider, an informational listing of funding appropriated in the previous biennium.

Department of Criminal Justice Items Not Included in Recommendations - House

		2018-					
		GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
Ager	cy Exceptional Items - In Agency Priority Order						
1)	Repair and Renovation of Facilities - Repairs to TDCJ facilities include: roof repairs, security fencing and lighting, electrical renovations, water/wastewater improvements, and major infrastructure repair.	\$55,720,000	\$55,720,000	0.0	No	Yes	\$98,330,000
2)	Contractual Per Diem Adjustments - Funding for increases in per diem rates for contracts with privately operated prisons, state jails, halfway houses, and Intermediate Sanction Facilities.	\$14,783,845	\$14,783,845	0.0	No	Yes	\$14,783,845
3)	Offender Health Care - Funding for anticipated health care cost increases, additional equipment, offender prescription medication cost increases, and salary increases for UTMB staff.	\$247,323,976	\$247,323,976	0.0	Yes	No	\$247,323,976
4)	Community Supervision and Corrections Department Health Insurance - Funding for health insurance benefit costs increases for CSCD employees.	\$22,023,885	\$22,023,885	0.0	No	No	\$22,023,885
5)	Probation Specialized Caseloads - Funding for additional CSCD diversion programs for mental health and substance abuse aftercare caseloads.	\$21,290,060	\$21,290,060	0.0	No	No	\$21,290,060
6)	In-Prison Therapeutic Community (IPTC) - Funding for an additional 500 treatment slots to serve 1,000 offenders annually.	\$15,371,976	\$15,371,976	0.0	No	Yes	\$15,371,976
7)	Additional TCOOMMI Funding - Funding to expand jail diversion services in rural areas to serve an additional 1,250 offenders; expand specialized caseloads to serve an additional 3,890 offenders; expand a dual diagnosis residential treatment facility to serve 160 offenders.	\$12,000,000	\$12,000,000	0.0	No	No	\$12,000,000
8)	Comprehensive Video Surveillance Systems - Installation of video surveillance cameras in TDCJ correctional facilities.	\$10,000,000	\$10,000,000	0.0	No	Yes	\$10,000,000
9)	Reentry Transitional Coordinators - Funding for an additional 30 Reentry Transitional Coordinators to assist upon offender intake.	\$2,856,104	\$2,856,104	30.0	No	No	\$2,856,104
10)	Corrections Information Technology System Project - Funding to update TDCJ's 40 year old mainframe and offender management system.	\$19,894,831	\$19,894,831	0.0	Yes	Yes	\$0

Department of Criminal Justice Items Not Included in Recommendations - House

		2018-	19 Biennial Total				
		GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
gei	ncy Exceptional Items - Board of Pardons and Paroles* - In Agency Priority Order						
1)	Consultant Services: Parole Guidelines Upgrade.	\$300,000	\$300,000	0.0	No	Yes	\$0
2)	Relocate Angleton and Gatesville Board Offices - Funding for lease costs.	\$121,751	\$121,751	0.0	No	No	\$121,751
3)	Relocate Angleton and Gatesville IPO Offices - Funding for lease costs.	\$679,861	\$679,861	0.0	No	No	\$679,861
4)	Relocate Angleton Hearing Offices - Funding for lease costs.	\$4,500	\$4,500	0.0	No	No	\$4,500
тс	TAL Items Not Included in Recommendations	\$422,370,789	\$422,370,789	30.0			\$444,785,958

*Board of Pardons and Paroles is a separate agency and its exceptional items should not be considered last priority.

Department of Criminal Justice Appendices - House

	SFR Table of Contents											
SFR Appendix	SFR Appendix Appendix Title											
1	1 SFR Program Funding											
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* Appendix is not included - no significant information to report

 ** Information is included in the presentation section of the packet

Correctional Managed Health Care Strategic Fiscal Review: Appendix 1-- Program Funding - House

Department of Criminal Justice - Correctional Managed Health Care

Correctional Managed Health Care (CMHC) is a collaboration between TDCJ, University of Texas Medical Branch (UTMB), and Texas Tech University Health Science Center (TTUHSC) to provide health care services to offenders incarcerated in state prisons. The program is overseen by the ten-member CMHC Committee. Offenders are the only Americans with a constitutional right to health care. The foundation of the constitutional right to healthcare for offenders is built on the Supreme Court's decision in Estelle v. Gamble, 429 U.S. 97; 97 S. Ct. 285; 50 L. Ed. 2d 251 (1976) that "deliberate indifference" to a prisoner's health was "cruel and unusual punishment" prohibited by the Eighth Amendment to the United States Constitution.

Until 1993, offender health care was provided through ambulatory clinics staffed by TDCJ-employed nurses and physicians, while emergency services were provided by local physicians and hospitals. Prison populations were approximately one-third of current populations at that time. In January 1993, the Comptroller of Public Accounts published a Texas Policy Report entitled *Against the Grain*, with recommendations for TDCJ to establish a managed care health system governed by a board comprised of members of TDCJ, UTMB, and TTUHSC, with a managed care administrator to establish a network of contract community health care providers and facilities. TDCJ implemented those recommendations. The Eighty-third Legislature, 2013, eliminated the managed care administrator position and provided contracting authority directly to TDCJ.

Mission Centrality/Authority



Total			2018-19		2018-19
Budget			Recommendations		Agency Total Request
				Recommendations retain \$40.5 million for correctional managed health	
		_		care activities that were included in the 4 percent reduction. Funding	
		Agency		maintains levels of service at 2016-2017 appropriated levels.	
100% Strategy	Budget, Ordered by Mission Centrality and Authority	Ranking	\$1,107,463,335		\$1,354,787,299
				Requests for funding to extend prescription medication for released	
3.1.10 Managed Health Care-				offenders to 30 days were not included in the recommendations.	
Pharmacy	Correctional Managed Health Care - Pharmacy	3	\$118,674,371		\$161,781,318
				Requests for funding market level adjustments to salaries, capital	
				equipment, repair to Hospital Galveston, and additional nursing staff	
89% 3.1.9 Hospital And Clinical Care	Correctional Managed Health Care - Hospital and Clinical Care	2	\$413,180,172	were not included in the recommendations.	\$552,746,110
•				Requests to bring FY 2018-2019 funding to the projected level of	
0% 3.1.8 Unit And Psychiatric Care	Correctional Managed Health Care - Unit and Psychiatric Care	1	\$575,608,792	expenditure were not included in the recommendations.	\$640,259,871

Correctional Managed Health Care

Strategic Fiscal Review Appendix 2 Program Listing -- Services and Administration - House

(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

	Agency Submission		LBB Staff Review and Analysis								
Agency Ranking	Program Name	Year Implemented	State Authority	Federal Authority	Authority	Mission Centrality	State Service	Service Area	Significant Audit and/or Report Findings	Contracts for Outsourced Services	
1	Correctional Managed Health Care - Unit and Psychiatric Care	1993	Agency Rider, Statute	Yes	Strong	Strong	Health Care - Disease Prevention, Treatment & Research	Statewide	Yes	Yes	
2	Correctional Managed Health Care - Hospital and Clinical Care	1993	Admin Code, Agency Rider, Statute	Yes	Strong	Strong	Health Care - Acute Care Services	Statewide	Yes	Yes	
3	Correctional Managed Health Care - Pharmacy	1993	Agency Rider, Statute	Yes	Strong	Moderate	Health Care - Acute Care Services	Statewide	Yes	Yes	

Note: Significant Audit and/or Report Findings. Since its creation, the correctional managed health care (CMHC) system has been audited and reviewed numerous times by the state. In 2012, the Sunset Commission audited TDCJ and made recommendations to areas of fiscal management and contract issues. The State Auditor's Office reviewed both the University of Texas Medical Branch (UTMB) and Texas Tech University Health Science Center (TTUHSC) in 2011 and issued two reports with similar findings within the university systems. Recommendations were related to the support and calculation of indirect costs, salary increases while projecting a deficit, reimbursement amounts, controls over CMHC expenditures, and supporting documentation. As a result of these recommendations, a new rider providing direction to TCJ and the university providers of correctional managed health care was added by the Eighty-second Legislature in 2011.

Correctional Managed Health Care

Strategic Fiscal Review Appendix 3: Program Listing -- Fiscal - House (Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

	Agency Submission					LBB Staff Review and Analysis									
Agency Ranking	Program Name	201	2-13 Expended	20 1	4-15 Expended		2016-17 Est / Budg	2017 FTEs Budg	R	2018-19 ecommended	2019 FTEs Rec.	Percent Change from Base	FTEs Change from Base	Revenue Supported?	Appropriate Use of Constitutional and GR- Dedicated Funds?
1	Correctional Managed Health Care - Unit and Psychiatric Care *	\$	474,546,901	\$	506,398,881	\$	575,757,556	0.0	\$	575,757,558	0.0	0.0%	0.0	No	Compliant
2	Correctional Managed Health Care - Hospital and Clinical Care	\$	328,005,641	\$	407,404,833	\$	413,180,165	0.0	\$	413,180,172	0.0	0.0%	0.0	No	Compliant
3	Correctional Managed Health Care - Pharmacy *	\$	98,795,931	\$	112,474,400	\$	118,764,856	0.0	\$	118,764,859	0.0	0.0%	0.0	No	Compliant
Total		\$	901,348,473	\$	1,026,278,114	\$	1,107,702,577	0.0	\$	1,107,702,589	0.0	0.0%	0.0		

	2016-17	2018-19
	Est/Budg	Recommended
Inside the Treasury	\$ 1,107,463,323	\$ 1,107,463,335
Outside the Treasury	\$ 239,254	\$ 239,254
Total	\$ 1,107,702,577	\$ 1,107,702,589

* Program has funds Outside the Treasury and / or Outside the Bill Pattern
Correctional Managed Health Care Strategic Fiscal Review Appendix 4: Assessments of Mission Centrality and Authority - House (Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Mission centrality is a judgment of how directly connected a program is to the core mission and goals of the agency, as identified in statute, agency strategic plans, or other documents. Authority is an assessment of how strong and explicit the legal basis is for the existence of the program and the way in which the agency is administering it.

MISSION CENTRALITY



Notes: Agency program rankings included after the program name. The matrix does not include Indirect Administration programs.

Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - House (Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

1	Account No:	1	Account Type:	GENERAL REVENUE FUNDS					
	Account Name:	General Revenue Fund							
	Legal Cite(s):	House Bill 1, 84th Legislature, Regular Session, Article V, Rider 47 - Correctional Managed Health Care, Gov Code, Ch.501, Subch. B, Subch. E,							
	Authorized Use:	Correctional Managed Health Care							
Ī	Revenue Source:	Fees are generated when an offender initiates a visit to a health care provider for a non-chronic or non-emergency condition. The \$100 fee per year is deducted							
		from the offender's trust fund. If the amount in the trust fund does not cover the health care fee, one-half off all deposits to the offender's trust account are applied							
		towards the fee.							

Ranking:	Program Name	2016-17		2018-19	In Compliance
		Est/Budg	Rec	commended	with Authorized Use?
	Correctional Managed Health Care - Unit and Psychiatric Care	\$ 4,545,641	\$	4,000,000	Yes
Total		\$ 4,545,641	\$	4,000,000	

Notes/Comments: Collected offender health care fees received are deposited in an account in the General Revenue Fund that may be used only to pay the cost of correctional health care. At the beginning of each fiscal year, the comptroller transfers any surplus from the preceding fiscal year to the state treasury to the credit of the General Revenue Fund.

2	Account No:	8011	Account Type:	GENERAL REVENUE FUNDS				
	Account Name:	General Revenue - Education & Recreation Program Receipts						
	Legal Cite(s):	House Bill 1, 84th Legislature, Regular Session, Article V, Rider 47 - Correctional Managed Health Care, Gov Code, Ch. 501, Subch. B, Subch. E,						
	Authorized Use:	Correctional Managed Health Care						
	Revenue Source:	Revenue collected from the operation of unit commissaries and gifts and other i	ncome for inmate we	elfare.				

Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - House (Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Ranking:	Program Name	2016-17 Est/Budg	2018-19 Recommended	In Compliance with Authorized Use?
2	Correctional Managed Health Care - Hospital and Clinical Care	\$-	\$ -	Yes
Total	·	\$-	\$-	

Notes/Comments: Revenue collected from the operation of unit commissaries and gifts and other income for inmate welfare are appropriated in Strategy C.1.6, Institutional Services. TDCJ was authorized to transfer \$10.0 million from this account to Strategy C.1.9, Hospital and Clinical Care, to address a CMHC funding shortfall for the 2014-15 biennium.

3	Account No:	8041	Account Type:	OTHER FUNDS				
	Account Name:	Interagency Contracts: Texas Correctional Industry (TCI)						
	Legal Cite(s):	use Bill 1, 84th Legislature, Regular Session, Article V, Rider 47 - Correctional Managed Health Care, Gov Code, Ch. 501, Subch. B, Subch. E,						
	Authorized Use:	Correctional Managed Health Care						
	Revenue Source:	Revenue collected from the sale of products produced by TCI						

Ranking:	Program Name	2016-17	2018-19	In Compliance
		Est/Budg	Recommended	with Authorized Use?
2	Correctional Managed Health Care - Hospital and	\$-	\$-	Yes
	Clinical Care			
Total		\$-	\$ -	

Notes/Comments: Receipts collected from the sale of products produced by TCI are appropriated in Strategy C.2.3, Texas Correctional Industries. TDCJ was authorized to transfer \$2.0 million from this account to Strategy C.1.9, Hospital and Clinical Care, to address a CMHC funding shortfall for the 2014-15 biennium.

Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - House (Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

4	Account No:	2	Account Type:	Outside the Treasury
	Account Name:	UTMB Local Account		
	Legal Cite(s):	Education Code, Sec. 51.009,		
	Authorized Use:	Correctional Managed Health Care		
	Revenue Source:	Collected revenue from various sources including offender eyeglass replaceme	nt fees, medical reco	rd copy fees, the sale of salvage equipment, and pharmaceutical
		revenue, such as medication rebates. Collected revenue may offset payments t	o UTMB from TDCJ.	

Ranking:	Program Name	2016-17		2018-19		In Compliance	
			Est/Budg	Re	commended	with Authorized Use?	
1	Correctional Managed Health Care - Unit and Psychiatric Care	\$	122,130	\$	122,130	Yes	
3	Correctional Managed Health Care - Pharmacy	\$	90,488	\$	90,488	Yes	
Total			212,618	\$	212,618		

Notes/Comments: Local funds are managed by UTMB.

5	Account No:	1	Account Type:	Outside the Treasury				
	Account Name:	TTUHSC Local Account						
	Legal Cite(s):	Education Code, Sec. 51.009						
	Authorized Use:	Correctional Managed Health Care						
		Collected revenue from various sources for medical record copy fees and pharmaceutical revenue, such as medication rebates. Collected revenue may offset payments to TTUHSC from TDCJ.						

Strategic Fiscal Review Appendix 5: Constitutional, General Revenue Dedicated Accounts, and Funds Outside the Treasury - House (Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Ranking:	Program Name	2016-17		2016-17 2018-19		In Compliance
			Est/Budg	Rec	ommended	with Authorized Use?
1	Correctional Managed Health Care - Unit and	\$	26,636	\$	26,636	Yes
	Psychiatric Care					
Total		\$	26,636	\$	26,636	

Notes/Comments: Local funds are managed by TTUHSC.

	2016-17		2018-19
	Est/Budg	R	ecommended
Inside the Treasury	\$ 4,545,641	\$	4,000,000
Outside the Treasury	\$ 239,254	\$	239,254
Total	\$ 4,784,895	\$	4,239,254

Department of Criminal Justice

Strategic Fiscal Review Appendix 6a: Program Summary - House

(Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Program: Correctional Managed Health Care - Unit and Psychiatric Care

Agency 1 of 3 Ranking

Unit-based mental health and health care services are provided to Texas Department of Criminal Justice (TDCJ) offenders by the University of Texas Medical Branch and Texas Tech University Health Sciences Center under the guidance/direction of the Correctional Managed Health Care (CMHC) Committee.

Legal Authority: Government Code, Ch. 501, Subch. B, Subch. E; House Bill 1, 84th Legislature, Regular Session, Article V, Rider 47 - Correctional Managed Health Care

Year Implemented	1993	Performance and/or		Revenue Supported	No		
Authority	Strong	Operational Issues	No	Appropriate Use of Constitutional and			
Centrality	Strong	Outsourced Services	Yes	General Revenue-Dedicated Funds	Compliant		
Service Area	Statewide	State Service(s)	Health Care - Disease Prevention, Treatment & Research				

Major Activities		2016-17		2018-19		2019	
	E	stimated / Budgeted	FTEs	R	ecommended	FTEs	% of Total
UTMB Unit Operations	\$	293,238,227	0.0	\$	293,238,227	0.0	50.9%
TTUHSC Unit Operations	\$	79,236,002	0.0	\$	79,236,002	0.0	13.8%
UTMB Unit Based - Psychiatric Care	\$	56,707,342	0.0	\$	56,707,343	0.0	9.8%
TTUHSC Psychiatric Care	\$	27,395,072	0.0	\$	27,395,072	0.0	4.8%
All Other Activities	\$	119,180,913	0.0	\$	119,180,914	0.0	20.7%
TOTAL	\$	575,757,556	0.0	\$	575,757,558	0.0	100.0%

		2018-19	
	R	ecommended	% of Total
Funds Inside the State Treasury	\$	575,608,792	100%
Funds Outside the State Treasury	\$	148,766	0.0%
Total	\$	575,757,558	100.0%



Comparison of State Prison Healthcare Costs Per Offender Per Day - FY 2014



Source: University of Texas Medical Branch

Program: Correctional Managed Health Care - Unit and Psychiatric Care

Agency Ranking 1 of 3

Summary of Recommendations and Fiscal and Policy Issues

1 Recommendations include \$19.5 million in General Revenue Funds for Unit and Psychiatric Care programs included in the agency's 4 percent reduction.

Recommended Statutory Changes for Program Improvement

1 Recommendations amend Government Code 501.063 to increase offender health care fees from \$100 to \$200 per year.

CMHC Emergency Room Evaluation Trends 12000 55% 60% 51% 49% 45% 10000 50% 10719 43% 8458 8000 10% 6984 6145 5934 6000 30% 4850 4333 4000 20% 3450 2772 2090 10% 2000 Number of ER Evaluations — Number of Return to Units — Percent of Returns

Enhancement Opportunities

1 Hospital care is the fastest growing program in Correctional Managed Health Care. The following enhancements could be opportunities to reduce use of hospitals, potentially creating long-term cost containment:

Opportunity 1 - Funding additional health care staff at market salary rates to increase unit medical hours of operation, thereby increasing the number of offenders treated onsite rather than in a hospital. Health care staffing levels vary by unit, but typically range from 12 to 16 hours. Prior to 2011, larger TDCJ units were staffed 24 hours per day and smaller units were staffed as needed. A CMHC budget reduction of \$118.7 million in All Funds realized in 2011 reduced staffing by 498 health care professionals employed by university providers, primarily Registered Nurses, and reduced hours of operation significantly. Staffing and hours of operation have not been restored to pre-reduction levels. Correctional officers are not authorized to determine medical need, meaning offenders who may have been previously treated at a unit must be transported to a hospital after health care staffing hours. Additionally, two correctional officers must accompany an offender to a hospital, lessening unit coverage and potentially increasing overtime.

Opportunity 2 - Increasing the number of unit infirmary beds for routine offender recovery could also achieve cost savings as the number of days in the hospital would be reduced. Contracts with free-world hospitals include an assumed length of stay for specific medical conditions; if an offender stays in the hospital longer than assumed, there is no additional cost to TDCJ. Hospital Galveston bills on a at cost basis, day for day, service for service, for offenders housed there. Either expanding capacity to increase infirmary beds, or swapping capacity across units to add infirmary beds could result in shorter hospital stays. TDCJ currently operates 655 infirmary beds across 109 units, many of which are occupied by offenders with long-term care needs.

2 Additional enhancement opportunities include reviewing and modifying corrections and sentencing policies and strengthening prison diversion programs to reduce the incarcerated population. Growth in total health care spending is correlated to a rise in offender population and increasing healthcare costs.

Challenges to Operation of Program

1 The age, size, and health status of offender populations are the primary determinants of states' total correctional health care spending. Other factors that affect the delivery of health care and drive costs are the proximity of prisons to hospitals, the prevalence of infectious and chronic disease, mental illness and substance abuse, and an aging offender population. Offenders have higher rates of mental illness, chronic medical conditions, and infectious diseases compared to the general public. The disproportionate prevalence of infectious diseases in the offender population, such as HIV, hepatitis, and diabetes are addressed by Chronic Care Clinic programs that aim to help offenders manage their health and prevent other serious health problems.

Program: Correctional Managed Health Care - Unit and Psychiatric Care

Agency Ranking 1 of 3

Funding Alternatives

1 Funding alternatives include amending Government Code 501.063 to increase the offender healthcare fee from \$100 to \$200 per year. TDCJ reports over 50% of offenders are indigent; therefore, funding for an increased health care fee would be drawn from future trust fund deposits. TDCJ collected approximately \$2.5 million in fiscal years 2015 and 2016.

2 Rider 47 (f)(2) requires TDCJ to reimburse UTMB and TTUHSC for indirect administrative services. In 2016-17, TDCJ reported \$24.5 million of Indirect Administrative Costs-Shared Services for both universities in the Unit and Psychiatric Care program. Indirect administrative costs include: general administration, legal, corporate human resources, general accounting, payroll, audits, etc. Savings could potentially be achieved if the Eighty-fifth Legislature chose to revise the practice of paying certain indirect costs.



Note: Budgeted 2016-17 funding does not include estimated supplemental appropriations.

Strategic Fiscal Review Appendix 6b: Program Summary - House (Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Program: Correctional Managed Health Care - Hospital and Clinical Care



Hospital Services are provided to TDCJ offenders through contractual agreements with the University of Texas Medical Branch (UTMB) and the Texas Tech University Health Sciences Center (TTUHSC) and their subcontractors.

Legal Authority: Government Code, Ch. 501, Subch. B, Subch. E; House Bill 1, 84th Legislature, Regular Session, Article V, Rider 47 - Correctional Managed Health Care

Year Implemented	1993	Performance and/or		Revenue Supported	No
Authority	Strong	Operational Issues	No	Appropriate Use of Constitutiona	l and
Centrality	Strong	Outsourced Services	Yes	General Revenue-Dedicated Fund	ds Compliant
Service Area	Statewide	State Service(s)	Health Care - Acut	e Care Services	

Major Activities	2016-17	2017		2018-19	2019	
	Estimated / Budgeted	FTEs	R	ecommended	FTEs	% of Total
UTMB Hospital Galveston	\$ 215,082,977	0.0	\$	215,082,978	0.0	52.1%
UTMB Contract Hospitals - Inpatient	\$ 38,157,033	0.0	\$	38,1 <i>5</i> 7,033	0.0	9.2%
TTUHSC Contract Hospitals - Inpatient	\$ 18,088,358	0.0	\$	18,088,358	0.0	4.4%
UTMB Contract Hospitals - ER	\$ 15,766,199	0.0	\$	15,766,200	0.0	3.8%
All Other Activities	\$ 126,085,598	0.0	\$	126,085,603	0.0	30.5%
TOTAL	\$ 413,180,165	0.0	\$	413,180,172	0.0	100.0%

	2018-19	
	Recommended	% of Total
Funds Inside the State Treasury	\$ 413,180,172	100%
Funds Outside the State Treasury	\$ -	0.0%
Total	\$ 413,180,172	100.0%



Disease		of Novemeber 2016 Percentage of Offenders			
Disease	Number of cases	rerectinge of offenders			
Asthma	10,427	7.1%			
Coronary Artery Diease	2,331	1.6%			
Hepatitis C	17,545	12.0%			
HIV	1,988	1.4%			
Hypertension	40,718	27.8%			
Seizure	5,149	3.5%			
Diabetes	8,877	6.1%			
Cancer Diagnosis	1,303	0.9%			
Note: FY 2016 Service Population is 146,365. Cancer Diagnosis					
reflects the number of new cancer diagnoses in fiscal year 2016.					

Program: Correctional Managed Health Care - Hospital and Clinical Care





Note: Infirmary Placements from Texas Tech University Health Science Center are not included. Source: University of Texas Medical Branch.

Summary of Recommendations and Fiscal and Policy Issues

2 of 3

Agency

Ranking

- Recommendations include \$16.5 million in General Revenue Funds for Hospital and Clinical Care programs included in the agency's 4 percent reduction.
- 2 Recommendation include amending Rider 47 to require TDCJ to submit information demonstrating cost containment efforts to the Legislative Budget Board at the end of each fiscal year.

Recommended Statutory Changes for Program Improvement

1 None

Enhancement Opportunities

1 Many TDCJ units are in medically underserved areas and Health Professional shortage Areas (HPSA). Statute allows for the use of appropriated funds for loan repayment programs to recruit and retain health care professionals; however, Rider 47 of the 2016-17 GAA prohibits the use of loan repayment programs.

Challenges to Operation of Program

- 1 Offenders over the age of 55 have increased at a faster rate than the overall TDCJ population. From fiscal years 2009 to 2015, the population of aging offenders increased by 45.6 percent. In fiscal year 2015, older offenders represent 10.8 percent of the prison population but account for 40.7 percent of hospital and specialty service costs. In addition, many TDCJ units are in medically underserved areas with a shortage of health care professionals.
- 2 The number of offenders requiring permanent placement in an infirmary bed has risen from 7 percent in fiscal year 2011 to 29 percent in fiscal year 2016. As a result, the total number of infirmary beds for offenders discharged from Hospital Galveston and community contract hospitals has decreased. The increase in infirmary bed placements over 24 hours is generally due to the overall increase in the number of offenders requiring infirmary placement. Factors creating pressure on TDCJ's infirmary capacity include offenders who may not require hospital services but require infirmary placement for appropriate care, an aging offender population, and long term infirmary care associated with the Hepatitis C virus and end-stage liver disease.

Funding Alternatives

- 1 Funding alternatives include deleting language in Rider 47 allowing contracted hospital providers to provide inpatient and outpatient services at a rate in excess of Medicare reimbursement rates after receiving prior written approval from the Legislative Budget Board. Paying contract hospital providers at a rate not to exceed the Medicare reimbursement methodology would save an estimated \$8.7 million per year. If reimbursement rates are reduced, hospitals may choose not to contract with CMHC.
- 2 Rider 47(d)(2) may also be amended to require contracted CMHC health care providers to provide inpatient and outpatient services through contract hospital providers at a rate not to exceed 100 percent of Medicaid fee for service. The current rider specifies Medicare reimbursement methodology. There could potentially be a savings to the Hospital and Clinical Care program although there are no reliable estimates. If reimbursement rates are reduced, hospitals may choose not to contract with CMHC.
- 3 Rider 47 (f)(2) requires TDCJ to reimburse UTMB and TTUHSC for indirect administrative services. In 2016-17, TDCJ reported \$14.9 million of Indirect Administrative Costs-Shared Services for both universities in the Hospital and Clinical Care program. Indirect administrative costs include: general administration, legal, corporate human resources, general accounting, payroll, audits, etc. Savings could potentially be achieved if the Eighty-fifth Legislature chose to revise the practice of paying certain indirect costs.

Agency 2 of 3 Ranking



Note: Budgeted 2016-17 funding does not include estimated supplemental appropriations.

Strategic Fiscal Review Appendix 6c: Program Summary - House (Includes Programs from All Funding Sources - Both Inside and Outside the State Treasury)

Program: Correctional Managed Health Care - Pharmacy

Agency Ranking 3 of 3

Pharmacy services in TDCJ are a joint collaboration between the partner agencies (TDCJ, UTMB and TTUHSC) of the CMHC Program. A Joint Pharmacy and Therapeutic Committee develops and maintains a state-wide medication formulary, medication use policies and disease management guidelines.

Legal Authority: Government Code, Ch. 501, Subch. B, Subch. E; House Bill 1, 84th Legislature, Regular Session, Article V, Rider 47 - Correctional Managed Health Care

Year Implemented	1993	Performance and/or		Revenue Supported	No
Authority	Strong	Operational Issues	No	Appropriate Use of Constitution	ıl and
Centrality	Moderate	Outsourced Services	Yes	General Revenue-Dedicated Fun	ds Compliant
Service Area	Statewide	State Service(s)	Health Care - Acu	te Care Services	

Major Activities	2016-17	2017		2018-19	2019	
	Estimated / Budgeted	FTEs	R	ecommended	FTEs	% of Total
UTMB Pharmaceutical Products	\$ 74,609,728	0.0	\$	74,609,728	0.0	62.8%
TTUHSC Pharmaceutical Products	\$ 23,033,945	0.0	\$	23,033,946	0.0	19.4%
UTMB Pharmacy Operations	\$ 14,420,976	0.0	\$	14,420,977	0.0	12.1%
UTMB Indirect - Shared Services Pharmacy	\$ 3,593,947	0.0	\$	3,593,948	0.0	3.0%
All Other Activities	\$ 3,106,260	0.0	\$	3,106,260	0.0	2.6%
TOTAL	\$ 118,764,856	0.0	\$	118,764,859	0.0	100.0%

		2018-19	
	R	Recommended	% of Total
Funds Inside the State Treasury	\$	118,674,371	99.9%
Funds Outside the State Treasury	\$	90,488	0.1%
Total	\$	118,764,859	100.0%



Agency Ranking 3 of 3

Summary of Recommendations and Fiscal and Policy Issues

1 Recommendations include \$4.4 million in General Revenue Funds for Pharmacy programs included in the agency's 4 percent reduction.

Recommended Statutory Changes for Program Improvement

1 None

Enhancement Opportunities

1 None

Challenges to Operation of Program

1 The primary challenges include the changing standards of care and increasing drug costs. Barriers to implementing best practices and technology such as mobile medication administration records and point of care barcodes are primarily funding based.

2 The 340B Drug Pricing Program provides outpatient drugs to 340B-eligible entities at significantly reduced costs. UTMB operates the centralized pharmacy for Correctional Managed Health Care and purchases pharmaceuticals for a majority of CMHC patients at 340B pricing. UTMB estimated that using 340B pricing for CMHC resulted in a savings of approximately \$67.4 million in fiscal year 2015. If UTMB loses eligibility for the 340B pricing, pharmaceuticals for CMHC will be purchased through the university's group purchasing organization and the university would try to negotiate greater savings in bids and contracts. This could offset some of the expected cost increase resulting from the loss of 340B program eligibility to an unknown extent. However, according to TDCJ, the proposed changes are no longer expected to be finalized and released due to the change in federal administration. UTMB does not have an immediate concern about losing its status as a covered entity in the 340B Program.

Funding Alternatives

1 Rider 47 (f)(2) requires TDCJ to reimburse UTMB and TTUHSC for indirect administrative services. In 2016-17, TDCJ reported \$4.3 million of Indirect Administrative Costs-Shared Services for both universities. Indirect administrative costs include: general administration, legal, corporate human resources, general accounting, payroll, audits, etc. Savings could potentially be achieved if the Eighty-fifth Legislature chose to revise the practice of paying certain indirect costs.

Program: Correctional Managed Health Care - Pharmacy

Agency Ranking 3 of 3



Note: Budgeted 2016-17 funding does not include estimated supplemental appropriations.

Department of Criminal Justice Appendices - House

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* Appendix is not included - no significant information to report

 ** Information is included in the presentation section of the packet

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
BASIC SUPERVISION A.1.1	\$244,072,014	\$147,333,533	(\$96,738,481)		Recommendations include a \$93.4 million decrease in General Revenue as the result of moving CSCD health insurance costs to a new strategy (A.1.5.); a \$3.9 million decrease in General Revenue to fund basic supervision at 2018-19 LBB projected levels; and a \$0.7 million increase in Appropriated Receipts for probation refunds from CSCDs at 2016-17 appropriated levels.
DIVERSION PROGRAMS A.1.2	\$261,113,107	\$237,788,055	(\$23,325,052)		Recommendations include a \$24.6 million decrease in General Revenue as the result of moving CSCD health insurance costs to a new strategy (A.1.5.) and a \$1.3 million decrease in Appropriated Receipts for probation refunds from CSCDs at 2016-17 appropriated levels.
COMMUNITY CORRECTIONS A.1.3	\$95,867,017	\$86,396,448	(\$9,470,569)		Recommendations include a \$8.5 million decrease in General Revenue as the result of moving CSCD health insurance costs to a new strategy (A.1.5.) and an agency estimated \$1.0 million increase in Appropriated Receipts for probation refunds from CSCDs at 2016-17 appropriated levels.
TRMT ALTERNATIVES TO INCARCERATION A.1.4	\$23,779,455	\$21,886,782	(\$1,892,673)		Recommendations include a \$2.1 million decrease in General Revenue as the result of moving CSCD health insurance costs to a new strategy (A.1.5.); and a \$182,621 increase in Appropriated Receipts for probation refunds from CSCDs at 2016-17 appropriated levels.
PROBATION HEALTH INSURANCE A.1.5	\$0	\$129,495,204	\$129,495,204		Recommendations include a new strategy for CSCD health insurance costs which includes moving costs out of the four previous strategies (\$128.6 million) and a \$0.9 million increase in General Revenue to meet the 2016-17 agency estimated need for CSCD health insurance.
Total, Goal A, PROVIDE PRISON DIVERSIONS	\$624,831,593	\$622,900,022	(\$1,931,571)	(0.3%)	

Strategy/Goal SPECIAL NEEDS PROGRAMS AND SERVICES B.1.1	2016-17 Base \$50,867,723	2018-19 Recommended \$50,491,033	Biennial Change (\$376,690)	% Change Comments (0.7%) Recommendations include a \$0.1 million decrease in General Revenue as part of the agency's 4 percent reduction and an agency estimated \$0.2 million Federal Funds decrease as the result the agency anticipating having fully expended a grant awarded in fiscal year 2015 by the end of fiscal year 2018.
Total, Goal B, SPECIAL NEEDS OFFENDERS	\$50,867,723	\$50,491,033	(\$376,690)	(0.7%)
CORRECTIONAL SECURITY OPERATIONS C.1.1	\$2,421,121,334	\$2,421,121,334	\$0	0.0% Recommendations fund Correctional Security Operations at 2016-17 expenditure levels.
CORRECTIONAL SUPPORT OPERATIONS C.1.2	\$179,617,945	\$168,905,282	(\$10,712,663)	(6.0%) Recommendations include a \$10.0 million decrease in General Revenue for video surveillance cameras; an agency estimated \$0.4 million decrease in Federal Funds for a one-time PREA grant; and an agency estimated \$0.3 million decrease in a one-time Criminal Justice Grant for additional surveillance cameras.
CORRECTIONAL TRAINING C.1.3	\$11,109,921	\$11,109,921	\$O	0.0% Recommendations fund Correctional Training at 2016-17 expenditure levels.
OFFENDER SERVICES C.1.4	\$28,605,893	\$28,605,893	\$O	0.0% Recommendations fund Offender Services at 2016-17 expenditure levels.
INSTITUTIONAL GOODS C.1.5	\$336,980,351	\$336,980,351	\$O	0.0% Recommendations fund Institutional Goods at 2016-17 expenditure levels.
INSTITUTIONAL SERVICES C.1.6	\$412,721,338	\$412,721,338	\$O	0.0% Recommendations fund Institutional Services at 2016-17 expenditure levels.
INST'L OPERATIONS & MAINTENANCE C.1.7	\$397,753,594	\$397,748,366	(\$5,228)	(0.0%) Recommendations fund Institutional Operations and Maintenance at 2016-17 General Revenue expenditure levels, and include a \$5,228 agency anticipated decrease in Federal Funds.
UNIT AND PSYCHIATRIC CARE C.1.8	\$575,608,790	\$575,608,790	\$0	0.0% Recommendations fund Unit and Psychiatric Care at 2016-17 expenditure levels, excluding an agency estimated supplemental appropriation.
HOSPITAL AND CLINICAL CARE C.1.9	\$413,180,165	\$413,180,165	\$0	0.0% Recommendations fund Hospital and Clinical Care at 2016-17 expenditure levels, excluding an agency estimated supplemental appropriation.
MANAGED HEALTH CARE-PHARMACY C.1.10	\$118,674,368	\$118,674,368	\$0	0.0% Recommendations fund Pharmacy at 2016-17 expenditure levels, excluding an agency estimated supplemental appropriation.

	2016-17	2018-19	Biennial	%
Strategy/Goal	Base	Recommended	Change	Change Comments
HEALTH SERVICES C.1.11	\$10,435,110	\$10,090,202	(\$344,908)	(3.3%) Recommendations include a \$0.3 million decrease in General Revenue as the result of the agency's 4 percent reduction.
CONTRACT PRISONS/PRIVATE ST JAILS C.1.12	\$210,402,229	\$211,531,628	\$1,129,399	0.5% Recommendations fund Contract Prisons and Private State Jails at 2016-17 General Revenue expenditure levels, and include a \$1.1 million estimated Federal Funds increase for SCAAP.
RESIDENTIAL PRE-PAROLE FACILITIES C.1.13	\$17,457,856	\$17,457,856	\$0	0.0% Recommendations fund Residential Pre-parole Facilities at 2016-17 expenditure levels.
TEXAS CORRECTIONAL INDUSTRIES C.2.1	\$139,852,946	\$139,852,946	\$0	0.0% Recommendations fund Texas Correctional Industries at 2016-17 expenditure levels.
ACADEMIC/VOCATIONAL TRAINING C.2.2	\$3,838,088	\$3,838,088	\$0	0.0% Recommendations fund Academic and Vocational Training at 2016-17 expenditure levels.
TREATMENT SERVICES C.2.3	\$57,162,828	\$55,162,828	(\$2,000,000)	(3.5%) Recommendations include a \$2.0 million decrease in General Revenue as the result of a one-time reentry pilot program in 2016-17.
SUBSTANCE ABUSE FELONY PUNISHMENT C.2.4	\$99,441,071	\$99,441,071	\$0	0.0% Recommendations fund SAFPFs at 2016-17 expenditure levels.
IN-PRISON SA TREATMT & COORDINATION C.2.5	\$65,419,087	\$65,419,087	\$0	0.0% Recommendations fund IPTCs at 2016-17 expenditure levels.
Total, Goal C, INCARCERATE FELONS	\$5,499,382,914	\$5,487,449,514	(\$11,933,400)	(0.2%)
MAJOR REPAIR OF FACILITIES D.1.1	\$60,000,000	\$40,000,000	(\$20,000,000)	(33.3%) Recommendations include a \$20.0 million decrease in General Revenue-Dedicated Fund 5166 for deferred maintenance funding in the 2016-17 biennium.
LEASE-PURCHASE OF FACILITIES D.1.2	\$0	\$0	\$0	0.0%
Total, Goal D, ENSURE ADEQUATE FACILITIES	\$60,000,000	\$40,000,000	(\$20,000,000)	(33.3%)
BOARD OF PARDONS AND PAROLES E.1.1	\$9,595,1 <i>77</i>	\$9,194,202	(\$400,975)	(4.2%) Recommendations include a \$0.4 million decrease in General Revenue as part of the agency's 4 percent reduction and an additional \$17,170 decrease in General Revenue for personal computer funding reductions to meet industry replacement standards.

	2016-17	2018-19	Biennial	%
Strategy/Goal	Base	Recommended	Change	Change Comments
REVOCATION PROCESSING E.1.2	\$15,774,615	\$15,615,723	(\$158,892)	(1.0%) Recommendations include a \$0.2 million decrease in General Revenue as part of the agency's 4 percent reduction.
INSTITUTIONAL PAROLE OPERATIONS E.1.3	\$33,531,608	\$33,184,126	(\$347,482)	(1.0%) Recommendations include a \$0.3 million decrease in General Revenue as part of the agency's 4 percent reduction.
Total, Goal E, BOARD OF PARDONS AND PAROLES	\$58,901,400	\$57,994,051	(\$907,349)	(1.5%)
PAROLE RELEASE PROCESSING F.1.1	\$12,943,823	\$12,943,823	\$0	0.0% Recommendations fund Parole Release Processing at 2016-17 expenditure levels.
PAROLE SUPERVISION F.2.1	\$239,472,381	\$238,254,426	(\$1,217,955)	(0.5%) Recommendations fund Parole Supervision at 2016-17 General Revenue expenditure levels and include a \$1.2 million decrease in Interagency Contracts (Other Funds) as the result of a one-time Criminal Justice Grant from the Governor's Office in fiscal year 2016.
HALFWAY HOUSE FACILITIES F.2.2	\$62,269,705	\$62,269,705	\$0	0.0% Recommendations fund Halfway House Facilities at 2016-17 expenditure levels.
INTERMEDIATE SANCTION FACILITIES F.2.3	\$69,155,228	\$56,065,023	(\$13,090,205)	(18.9%) Recommendations include a \$13.1 million decrease in General Revenue as the result of the agency's 4 percent reduction for the closure of on ISF.
Total, Goal F, OPERATE PAROLE SYSTEM	\$383,841,137	\$369,532,977	(\$14,308,160)	(3.7%)
CENTRAL ADMINISTRATION G.1.1	\$58,203,354	\$57,595,928	(\$607,426)	(1.0%) Recommendations include a \$0.6 million decrease in General Revenue as the result of the agency's 4 percent reduction.
INSPECTOR GENERAL G.1.2	\$25,944,422	\$25,255,263	(\$689,159)	(2.7%) Recommendations include a \$0.3 million decrease in General Revenue as the result of the agency's 4 percent reduction; a \$0.2 million decrease in Interagency Contracts (Other Funds) for a one-time Criminal Justice Grant from the Governor's Office; an agency anticipated \$50,000 decrease in Interagency Contracts (Other Funds); a \$6,819 decrease in agency estimated Federal Funds; and a \$93,045 agency estimated decrease in Appropriated Receipts for Controlled Substance

Receipts.

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
VICTIM SERVICES G.1.3	\$4,582,950	\$3,387,548	(\$1,195,402)	1 ((Recommendations include a \$42,129 decrease in General Revenue as the result of the agency's 4 percent reduction; a \$1.0 million decrease in Interagency Contracts (Other Funds) for a one-time Criminal Justice Grant from the Governor's Office; and an agency anticipated \$0.2 million decrease in Interagency Contracts (Other Funds) for one-time Victim Rights Compliance Grant from the Office of the Attorney General.
INFORMATION RESOURCES G.1.4	\$55,953,539	\$56,769,142	\$81 <i>5</i> ,603	(Recommendations include a \$5.7 million decrease in General Revenue as the result of the agency's 4 percent reduction; a \$6.0 million increase for Department of Information data center services estimates; and a \$0.5 million decrease in General Revenue for personal computer funding reductions to meet industry replacement standards.
Total, Goal G, INDIRECT ADMINISTRATION	\$144,684,265	\$143,007,881	(\$1,676,384)	(1.2%)	
Grand Total, All Strategies	\$6,822,509,032	\$6,771,375,478	(\$51,133,554)	(0.7 %)	

Department of Criminal Justice Summary of Federal Funds - House (Dollar amounts in Millions)

							2018-19	Recommended	
					2016-17	2018-19	Rec %	Over/(Under)	% Change
Program	Est 2016	Bud 2017	Rec 2018	Rec 2019	Base	Rec	Total	Base	from Base
State Criminal Alien Assistance Program (SCAAP)	\$8.2	\$7.9	\$8.6	\$8.6	\$16.2	\$1 <i>7</i> .3	95.2 %	\$1.1	7.0%
HIV Care Formula Grants	\$0.2	\$0.2	\$0.2	\$0.2	\$0.4	\$0.4	2.4%	\$0.0	2.9 %
National Asset Seizure Forfeiture Program	\$0.3	\$0.0	\$0.2	\$0.2	\$0.3	\$0.3	1.7%	(\$0.0)	(2.2%)
Second Chance Act Prisoner Reentry Initiative	\$0.1	\$1.1	\$0.1	\$0.0	\$1.1	\$0.1	0.6%	(\$1.0)	(90.0 %)
Criminal & Juvenile Justice and Mental Health Collaboration Program	\$0.0	\$0.2	\$0.0	\$0.0	\$0.2	\$0.0	0.0%	(\$0.2)	(95.1%)
Support for Adam Walsh Act Implementation Grant Program	\$0.1	\$0.1	\$0.0	\$0.0	\$0.1	\$0.0	0.0%	(\$0.1)	(97.3 %)
Protecting Inmates & Safeguarding Communities-Discretionary	\$0.0	\$0.4	\$0.0	\$0.0	\$0.4	\$0.0	0.0%	(\$0.4)	(100.0%)
All Other Grants	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%	(\$0.0)	(100.0%)
TOTAL:	\$9.0	\$9.9	\$9.1	\$9.0	\$18.8	\$18.2	100.0%	(\$0.7)	(3.5%)

Department of Criminal Justice FTE Highlights - House

Full-Time-Equivalent Positions	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
Сар	40,306.4	39,467.4	39,467.4	39,453.8	39,450.6
Actual/Budgeted	37,269.4	38,214.9	39,483.9	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 8	\$260,000	\$266,500	\$266,500	\$266,500	\$266,500
Presiding Officer, Board of Pardon and Paroles, Group 5	\$172,000	\$176,300	\$176,300	\$176,300	\$176,300
Parole Board Member, Group 3 (6)	\$110,000	\$112,750	\$112,750	\$112,750	\$112,750

Notes:

a) State Auditor's Office is the source for the FY 2015 and 2016 annual average (actual) FTE levels.

b) FY 2015 and 2016 actual FTE figures are less than the FTE cap limits due to staff vacancies.

c) The State Auditor's Office report entitled Executive Compensation at State Agencies (Report No. 16-706, August 2016) indicates a market average salary of \$273,237 for the Executive Director position at the Department of Criminal Justice and recommends keeping the current Group classification for the position. The agency is not requesting any changes to its Exempt Position.

Department of Criminal Justice Performance Measure Highlights - House

		Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019		
Average Number of Felony Offenders Under Direct	Supervision	156,913	155,758	157,248	157,212	1 <i>57</i> ,853		
Measure Explanation: Recommendations are based on the LBB's June 2016 Adult and Juvenile Correctional Population Projection report.								
Number of Community Supervision Residential Beds (Grant Funded	2,787	2,723	2,723	2,723	2,723		
Measure Explanation: The number of grant - funded Community Supervision and Corrections Departments	•	ns beds is determined t	through a TDCJ disci	retionary award pro	ocess. The beds are o	operated by local		
 Number of Special Needs Offenders Served Through Programs 	the Continuity of Care	31,901	45,924	40,000	40,000	40,000		
Measure Explanation: Additional funding for treatme	ent services in the 2016-17 bien	nium led to more offe	enders receiving serv	ce.				
 Average Number of Offenders Incarcerated (in non- institutions) 	contracted correctional	138,843	137,258	136,935	136,920	136,911		
Measure Explanation: Recommendations are based o	n the LBB's June 2016 Adult and	d Juvenile Correctiond	al Population Project	on report.				
 Average Number of Offenders in Contract Prisons and Jails 	nd Privately Operated State	9,582	9,545	9,696	9,531	9,399		
Measure Explanation: Recommendations are based o	n the LBB's June 2016 Adult and	d Juvenile Correctionc	al Population Project	on report.				
Average Number of Offenders Under Active Parole	Supervision	87,546	87,304	87,751	87,849	88,055		
Measure Explanation: Recommendations are based o	n the LBB's June 2016 Adult and	d Juvenile Correctionc	al Population Project	on report.				
Average Number of Offenders in Work Programs For	acilities	492	488	500	486	469		
Measure Explanation: The average number of offenc	lers in work program facilities is	expected to remain s	table.					

Department of Criminal Justice Performance Measure Highlights - House

	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
 Average Number of Offenders Completing Treatment in Substance Ale Punishment Facilities 	buse Felony 5,763	5,621	6,350	6,350	6,350
Measure Explanation: The average number of offenders completing tr each offender, the number of offenders sentenced to this program by	-				
Average Number of Pre-parole Transferees in Pre-parole Transfer Fac	cilities 199	199	200	196	194
Measure Explanation: The average number of offenders in pre-parole	transfer facilities is expected to slig	htly decrease due to	higher per diem co	sts.	

Department of Criminal Justice Summary of Ten Percent Biennial Base Reduction Options Recommendations - House

	Biennial Reduction Amounts							
Priority	ltem	Description/Impact	GR & GR-D	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
1)	Special Needs Programs & Services	Five percent reduction includes treatment of mentally ill offenders supervised in the community, including intensive case management and support services such as psychiatric assessments, medications, and counseling; continuity of care services involving pre-release and post-release screening, referral and medical/psychiatric treatment to offenders nearing release from incarceration; processing of offenders eligible for release to Medically Recommended Intensive Supervision; and administering the pre-release Social Security application process for offenders. Includes two FTEs in Special Needs Administration.	\$1 <i>5</i> 3,3 <i>57</i>	\$153,3 <i>57</i>	2.0	\$0	N/A	No
2)	Offender Services	Five percent reduction includes State Counsel for Offenders, Access to Courts, academic and vocational programs, and Chaplaincy. Includes Counsel Substitute program, release payments for prison offenders, and interstate compact services. Includes 48 FTE and 226 fewer offenders accessing academic and vocational programs.	\$3,743,758	\$3,743,758	48.0	\$0	N/A	No
3)	Administrative Support Operations	Five percent reduction includes Office of Inspector General, Victim Services, Information Resources, and monitoring of offender health care delivery as well as management oversight and internal controls within the agency. Includes 59 FTEs and will reduce the provision of OIG investigative resources, and victim services, information resources.	\$7,224,797	\$7,224,797	59.0	\$0	N/A	No
4)	Correctional Unit Support	Five percent reduction includes unit-based and regional support operations, including unit offender records, offender mail, countroom operations, and the Classification and Records Department. Includes 147 FTEs.	\$8,627,565	\$8,627,565	147.0	\$O	N/A	No
5)	Parole Supervision	Five percent reduction includes supervision of offenders released on parole and mandatory supervision. Includes 151 Parole Officers and support staff and will increase caseload ratio to 88.	\$12,009, <i>757</i>	\$12,009,757	151.0	\$O	N/A	No

Department of Criminal Justice Summary of Ten Percent Biennial Base Reduction Options Recommendations - House

			Biennial Reduction Amounts]		
Priority	ltem	Description/Impact	GR & GR-D	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Introduced Bill?
6)	Probation	Five percent reduction includes formula and discretionary funding for CSCDs for probation supervision, treatment diversions, and other alternatives to incarceration. Includes 169 CSCD probation officer positions, will increase caseload ratio by 11 percent, and 7,500 fewer offenders served on specialized caseloads.	\$15,230,286	\$15,230,286	0.0	\$0	N/A	No
7)	Privately Operated Facilities	Five percent reduction includes vendors to provide services at seven correctional centers, four state jails, one pre-parole transfer facilities, one Driving While Intoxicated (DWI) facility, one work program facility, eight halfway house facilities, and four intermediate sanction facilities. Includes 652 beds.	\$15,708,244	\$15,708,244	0.0	\$0	N/A	No
8)	Correctional Managed Health Care	Additional 5 percent reduction to 2018-19 base request, which is 96% of the 2016- 17 funding level. Includes offender health care including unit care, hospital care, and pharmacy.	\$48,605,844	\$48,605,844	0.0	\$O	N/A	No
9)	Institutional Goods and Services	Additional 5 percent reduction to 2018-19 base request, which is 96% of the 2016- 17 funding level. Includes unit-based goods and services associated with 109 units statewide including food and laundry service, utilities, facilities maintenance, agricultural operations, commissary operations, transportation and warehousing functions, major repair and renovation of facilities, and Texas Correctional Industries. Includes 448 employees.	\$59,050,030	\$59,050,030	448.0	\$0	N/A	No
10)	Correctional Security Operations	Five percent reduction includes confinement of offenders sentenced to prison and state jail. Includes 1,394 correctional positions.	\$117,278,364	\$117,278,364	1,394.0	\$0	N/A	No
11)	Special Needs Programs & Services	Additional 5 percent reduction.	\$153,358	\$153,358	2.0	\$0	N/A	No
12)	Offender Services	Additional 5 percent reduction.	\$3,743,758	\$3,743,758	48.0	\$0	N/A	No
13)	Administrative Support Operations	Additional 5 percent reduction.	\$7,224,797	\$7,224,797	59.0	\$0	N/A	No
14)	Correctional Unit Support	Additional 5 percent reduction.	\$8,627,565	\$8,627,565	147.0	\$0	N/A	No
15)	Parole Supervision	Additional 5 percent reduction.	\$12,009,757	\$12,009,757	151.0	\$0	N/A	No
16)	Probation	Additional 5 percent reduction.	\$15,230,286	\$15,230,286	0.0	\$0	N/A	No

Appendix E

Department of Criminal Justice Summary of Ten Percent Biennial Base Reduction Options Recommendations - House

			Biennial	Reduction Amoun	ts			
Priority	ltem	Description/Impact	GR & GR-D	All Funds	FTEs	Potential Revenue Loss	Program	Included in Introduced Bill?
17)	Privately Operated Facilities	Additional 5 percent reduction.	\$15,708,244	\$15,708,244	0.0	\$0	N/A	No
18)	Correctional Managed Health Care	Additional 5 percent reduction.	\$48,605,843	\$48,605,843	0.0	\$O	N/A	No
19)	Institutional Goods and Services	Additional 5 percent reduction.	\$59,050,031	\$59,050,031	448.0	\$0	N/A	No
20)	Correctional Security Operations	Additional 5 percent reduction.	\$117,278,363	\$117,278,363	1,394.0	\$0	N/A	No
21)	Board of Pardons and Paroles	Additional 5 percent reduction.	\$2,827,200	\$2,827,200	29.0	\$0	N/A	No
22)	Board of Pardons and Paroles	Additional 5 percent reduction.	\$2,827,200	\$2,827,200	29.0	\$O	N/A	No

TOTAL, 10% Reduction Options

\$580,918,404 \$580,918,404 4,556.0 \$0

2018-19 Budget Hearing Presentation

HOUSE APPROPRIATIONS COMMITTEE



Texas Department of Criminal Justice

Bryan Collier, Executive Director

TEXAS DEPARTMENT OF CRIMINAL JUSTICE

10 Year Comparison

Comparison	Then	Now	% Change
Number of Facilities	112 + Leased Beds [2,000]	108	
Number of Incarcerated Offenders	156,127	147,034	-5.8%
Number of Offenders in Administrative Segregation	9,542	3,903	-59.1%
3 Year Prison Recidivism Rate	27.9%	21.4%	-23.3%
Number of Parolees	75,820	86,078	13.5%
Number of Felony Probationers	170,779	155,167	-9.1%

TEXAS DEPARTMENT OF CRIMINAL JUSTICE Items Not Included in LBB Recommendations - House

The general appropriations bill as introduced provides funding at the current operational levels for most agency operations and programs. The Texas Department of Criminal Justice (TDCJ) budget request for the 2018-19 biennium includes additional items of policy and operational significance. Totaling \$421.3 million in general revenue funding for the biennium, each of these exceptional items are fundamentally important to the operations of the agency. A considerable portion of this request for additional appropriations deals directly with basic operational issues related to infrastructure needs and offender health care. Our continued emphasis on diversionary initiatives and population management is also reflected by requests that include increased funding for the local Community Supervision and Corrections Departments (CSCDs), mental health, substance abuse treatment, and offender reintegration. A continued investment in these diversion and treatment initiatives remains the best strategy to maintain a stable and successful criminal justice system. Funding requests for these additional items are provided below.

1) Repair and Renovation of Facilities

Continued repair and rehabilitation funding is necessary to maintain our existing physical plant, numbering over 100 correctional facilities statewide. Many these facilities are over 75 years old. The size, scope and complexity of our physical plant requires substantial ongoing repair and renovation. Identified throw condition assessments as well as major work requests prepared by operational staff, the 2018-19 request represents only a portion of the agency's infrastructu repair and rehabilitation needs. We are continuously prioritizing these projects based on security and safety requirements. Totaling \$95.7 million, including \$40.0 million in the FY 2018-19 base, these projects include: roof repairs, security fencing and lighting, electrical renovations, water/wastewater improvement and other major infrastructure repairs.

2) Contract Per Diem Adjustments

In order to limit the growth of state expenditures, long-term contracts have historically been established with private vendors for several secure facilities, including private prisons, privately operated state jails, and intermediate sanction facilities. These competitively awarded contracts are evaluated and awarded with escalating rates, resulting in increases of approximately 2% annually. Based on the current funding level for these facilities, we will require an additional \$14.8 million for the 2018-19 biennium to maintain the current population in these correctional and parole facilities. Without this funding, approximately 730 correctional and parole beds will be eliminated.

3) Offender Health Care

According to university providers, additional funding of \$247.3 million is critical to ensure effective overall quality of care within the system and deliver the level of services required by minimum standards. Of this amount, an estimated \$150.0 million is required to bring the FY 2018-19 funding to the projected levels of expense incurred for the delivery of services currently provided. Funding less than this level, which takes into account the rising costs of health care, could require elimination of services. University providers are encountering significant difficulties in the ability to recruit and retain the professional staff necessary to provide care at TDCJ correctional facilities. Therefore, \$37.9 million is included in this request to provide market level adjustments (5% in FY 2018 and an additional 5% in FY 2019) to the salaries of the direct offender health care delivery staff. The correctional health care system is also facing critical capital equipment needs for x-ray units, dialysis machines, dental chairs, and other equipment with estimated cost totaling \$14.5 million. Other initiatives at a cost of \$21.0 million will provide for the hiring of nursing and key health care staff to enhance CMHC programs, such as mental health inpatient and outpatient services. Additionally, \$1.5 million will provide funding for the extension of prescriptions for released offenders to cover 30 days and \$22.4 million will provide for substantial repair and renovations at the Hospital Galveston physical plant.

2018-19 BIENNIAL REQUEST

55.7

\$

FTEs

S

247.3

14.8

TEXAS DEPARTMENT OF CRIMINAL JUSTICE

Items Not Included in LBB Recommendations - House (continued)

4) Probation –Community Supervision and Corrections Departments Health Insurance

Without this additional funding, CSCDs will not be able to maintain the employer's portion of state health insurance provided through the Employees Retirement System of Texas (ERS) at projected 2018-19 levels, without reducing current staffing levels and programs that divert offenders from incarceration. Caseload sizes may increase by approximately 14.3% due to an estimated 244 community supervision officers (CSOs) statewide not being funded in order to cover these health insurance payments to ERS.

5) Probation Specialized Caseloads

We are requesting \$21.3 million in additional funding for CSCDs diversion programs for mental health and substance abuse aftercare caseloads. This funding will allow for expanding the mental health caseloads in areas of the state with the highest need and provide for additional mental health residential services in more rural jurisdictions. The substance abuse aftercare caseloads will be used to maximize treatment and increase positive outcomes by enhancing the comprehensive treatment plan for probationers. CSCDs will be able to enhance their graduated sanction models that support the substance abuse treatment needs of offenders who are at risk of revocation due to technical violations. These programs and services provide judges with more alternatives to incarceration, both as a sentencing option and as an alternative to revocation.

6) In-Prison Therapeutic Community (IPTC)

The In-Prison Therapeutic Community (IPTC) program is utilized for eligible offenders who have a need for substance abuse treatment and who the Board of Pardons and Paroles has approved for release on parole, contingent upon completion of the IPTC program. Upon completion of the incarceration phase, a six-month treatment program, offenders are released on parole and must complete an aftercare phase of treatment. The aftercare treatment consists of residential care for three months followed by six to nine months of outpatient counseling. With the increase in the number of IPTC votes and the success of the program, an additional 500 treatment slots totaling \$15.4 million will provide treatment for an additional 1,000 offenders annually.

7) Additional TCOOMMI Funding

Requested funding of \$12.0 million for the Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI) would expand jail diversion services in rural areas, providing offenders with special needs services designed to divert them from incarceration in prisons and state jails. The program expansion would serve an additional 1,250 offenders with serious mental illnesses. This funding would also serve approximately 3,890 offenders with a high criminogenic risk and clinical care need, as well as serve an additional 160 probationers in a designated dual diagnosis residential treatment facility. The expansion of these services will enhance TCOOMMI's capability to provide intensive mental health case management, psychiatric assessments and diagnostics, and psychosocial rehabilitation.

22.0

\$

\$

21.3

15.4

12.0 \$

TEXAS DEPARTMENT OF CRIMINAL JUSTICE 2018-19 BIENNIAL REQUEST

Items Not Included in LBB Recommendations - House (continued)

8) Comprehensive Video Surveillance System

Since 2009, the legislature has provided \$10 million each biennium to our agency for the installation of comprehensive video surveillance systems on maximum-security correctional facilities. Over that period, we have been able to complete about three units each biennium, with 13 of the 22 targeted facilities now complete or being installed. These surveillance systems provide management with an indispensable investigative tool. The information collected by these cameras (over 850 strategically located throughout a unit) can store information for up to 21 days and can be integrated with other technologies in use today. This continued funding will further strengthen the TDCJ's investigative and security resources, in addition to enhancing the safe and secure operation of our units.

9) Reentry Transitional Coordinators

We are requesting 30 additional Reentry Transitional Coordinators to complete validated risk assessment instruments upon intake at state jail facilities to assess all state jail offenders' criminogenic risk/need and guide their programming during incarceration. Offenders with medium or high risk of reoffending will be immediately referred for cognitive intervention, substance abuse interventions, and vocational programming and life skill classes. Offenders will also be given comprehensive reentry services to include assistance with completing applications for applicable federal and state benefits and providing resources for post release support in their county of release.

10) Corrections Information Technology System Project

The funding request for the Corrections Information Technology System Project would modernize the current corrections mainframe-based system (legacy systems utilized for offender management, starting from initial conviction to reintegration with the public). These systems were initially built 40 years ago, are comprised of more than 12 million lines of COBOL programming code and require maintenance of more than 68 individual systems. There are challenges with these aging systems which include security risks, diminishing COBOL experience, system incompatibility with modern technologies, extensive maintenance requirements and difficulty in modifying or adding functionality. Funding for the Corrections Information Technology System Project would allow the agency to provide sustainability and security for the state corrections system. Information technology systems that cannot be properly protected or secured would be given priority for upgrade or replacement. This funding would continue the agency's initiative of upgrading its critical information technology infrastructure.

GRAND TOTAL, ALL EXCEPTIONAL ITEMS

\$ 10.0

\$

\$

30

FTEs

30

\$ 421.3

19.9

2.9



TEXAS BOARD OF PARDONS AND PAROLES

David Gutiérrez

Presiding Officer

MISSION STATEMENT

To perform its duties as imposed by Article IV, Section 11, of the Texas Constitution and:

- Decide which prisoners to release on parole or discretionary mandatory supervision;
- Decide conditions of parole and mandatory supervision;
- Decide revocation of parole and mandatory supervision; and
- Recommend clemency matters to the Governor.



PAROLE APPROVAL RATES

15-YEAR TREND


PAROLE CONSIDERATIONS

FY 2007 – FY 2016



DISCRETIONARY MANDATORY REVIEWS

FY 2007 – FY 2016



HEARINGS DECISIONS WITH REVOCATION TYPE FY 2007 – FY 2016



Board of Pardons and Paroles Expenditure Chart FY 2016



85th Legislature Exceptional Items

5.1. Exceptional Item Request Schedule (Summary)

Agency Code: 697

Agency Name: Texas Board of Pardons and Paroles

ltem				Object of			Total Biennium	
Priority	Status	Description	Strategy	Expense	Excp 2018	Excp 2019	Cost	
11	New	Consultant Services: Parole Guideline Upgrades, Non-Recurring	5.1.1.	2001	150,000	150,000	300,000	
12	New	Fac. Maint./Lease, Recurring	5.1.1.	2006	43,734	75,017	118,751	
13	New	Fac. Maint./Lease, Non-Recurring	5.1.2.	2006	367,466	312,395	679,861	
14	New	Fac. Maint./Lease, Non-Recurring	5.1.3.	2006	0	4,500	4,500	
		Total Exceptional Items			561,200	541,912	1,103,112	
Method	Method of Funding							
1		General Revenue			561,200	541,912	1,103,112	
		Total Method of Financing			561,200	541,912	1,103,112	

Department of Public Safety Summary of Recommendations - House

Steve McCraw, Director

John Wielmaker, LBB Analyst

Fisher Reynolds, LBB Analyst

	2016-17	2018-19	Biennial	Biennial
Method of Financing	Base	Recommended	Change (\$)	Change (%)
General Revenue Funds	\$1,971,450,970	\$1,777,063,463	(\$194,387,507)	(9.9%)
GR Dedicated Funds	\$34,403,942	\$18,177,768	(\$16,226,174)	(47.2%)
Total GR-Related Funds	\$2,005,854,912	\$1,795,241,231	(\$210,613,681)	(10.5%)
Federal Funds	\$440,745,912	\$406,039,361	(\$34,706,551)	(7.9%)
Other	\$135,608,798	\$122,316,416	(\$13,292,382)	(9.8%)
All Funds	\$2,582,209,622	\$2,323,597,008	(\$258,612,614)	(10.0%)

	FY 2017	FY 2019	Biennial	Percent
	Budgeted	Recommended	Change	Change
FTEs	10,503.1	10,182.7	(320.4)	(3.1%)

Agency Budget and Policy Issues and/or Highlights

• Recommendations for border security funding include eliminating funding for one-time items, reducing funding for Operation Secure Texas to reflect the addition of 250 troopers assigned to the border region, and increasing funding to biennialize the salaries for the additional 250 troopers.

• Recommendations place driver license and driving safety strategy-level appropriations in a new Goal to allow for greater appropriations transparency for the Driver License Improvement Program.





Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Agency 405

Department of Public Safety Summary of Funding Changes and Recommendations - House

	Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
SI	GNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional deto	ails are provide	d in Appendix A):				
A)	Four Percent Reduction - Agency identified reductions in General Revenue and General Revenue- Dedicated funds across multiple strategies pursuant to the 4 percent reduction. Reductions include the elimination of 320.4 vacant FTE positions, funding for one-time items related to DLIP, and other reductions to agency operations.	(\$50.2)	\$0.0	\$0.0	\$0.0	(\$50.2)	Most Strategies
B)	Border Security - Net reduction for border security funding. The recommendation funds ongoing costs for troopers and their support at fiscal year 2017 full deployment levels, while eliminating funding for one-time and transitional expenditures. (The \$150.3 million amount does not include the \$3.7 million in border security funding DPS included in their allocation of the 4 percent reduction. The full reduction for border security is \$154.0 million.)	(\$132.9)	(\$17.4)	\$0.0	\$0.0	(\$150.3)	2.1.2, 2.1.4
C)	Driver License Improvement Program - Reduce one-time items funded as part of the 84th Legislature's \$40.0 million appropriation for DLIP.	(\$2.6)	\$0.0	\$0.0	\$0.0	(\$2.6)	6.1.1
D)	Fuel Adjustment - Reduction to reflect lower fuel cost assumptions.	(\$1.9)	\$0.0	\$0.0	\$0.0	(\$1.9)	1.1.1, 1.1.5, 1.3.1,
E)	Colton's Law (HB 2053) - Reduction for the funding provided by the 84th Legislature to implement HB 2053.	(\$1.0)	\$0.0	\$0.0	\$0.0	(\$1.0)	1.3.1
F)	Federal Funds and Appropriated Receipts - Federal Funds and Appropriated Receipts- Net change of recommended Federal Funds and Appropriated Receipts estimates.	\$0.0	\$0.0	(\$34.7)	\$2.0	(\$32.7)	Primarily Goal D and 5.2.1
G)	Sexual Assault Kit Testing - Net change resulting from the completion of the outsourced testing of SAKs submitted for testing prior to August 31, 2011 (reduction of \$8.0 million) and the new funding for the outsourced testing of SAKs submitted for testing after August 1, 2011 (increase of \$4.2 million).	(\$3.8)	\$0.0	\$0.0	\$0.0	(\$3.8)	5.1.1
H)	Schedule C Raises - To raise the pay level for certain state employees paid under the Schedule C Classification Salary Schedule.	\$1.4	\$0.0	\$0.0	\$0.0	\$1.4	Many Strategies (primarily Goal C)
I)	CAPPS - Reduction for one-time CAPPS appropriation.	(\$2.2)	\$0.0	\$0.0	\$0.0	(\$2.2)	7.1.3

Department of Public Safety Summary of Funding Changes and Recommendations - House

	commendations for the 2018-19 Biennium 6-17 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
J) Interoperability - Method of finance Radio Infrastructure Fund).	swap from GR Fund 01 to GR-D Fund 5153 (Emergency	(\$1.1)	\$1.1	\$0.0	\$0.0	\$0.0	3.2.2
K) General Obligation Bond Proceeds - appropriated in prior biennia as fund	Decrease in General Obligation Bond Proceeds Is have been fully expended.	\$0.0	\$0.0	\$0.0	(\$13.7)	(\$13.7)	7.1.6
OTHER Funding Changes and Recommendat	tions (these issues are not addressed in Section 3 but details are	provided in Appe	ndix A):				
OTHER Funding Changes and Recommendat	tions (these issues are not addressed in Section 3 but details are	provided in Appe	ndix A):				
L) Estimated Inter-Agency Contracts - A	tions (these issues are not addressed in Section 3 but details are Agency estimated decrease in Inter-Agency Contracts. ease to reflect the disater-contingent nature of this fund	provided in Appen \$0.0 \$0.0	ndix A): \$0.0 \$0.0	\$0.0 \$0.0	(\$0.3) (\$1.3)	(\$0.3) (\$1.3)	E.1.1 D.1.3
L) Estimated Inter-Agency Contracts - A	Agency estimated decrease in Inter-Agency Contracts.	\$0.0	\$0.0		• •		
 L) Estimated Inter-Agency Contracts - A M) Emergency Deficiency Grants - Decrease source. 	Agency estimated decrease in Inter-Agency Contracts.	\$0.0	\$0.0 \$0.0		(\$1.3)		
 L) Estimated Inter-Agency Contracts - A M) Emergency Deficiency Grants - Decrease source. 	Agency estimated decrease in Inter-Agency Contracts. ease to reflect the disater-contingent nature of this fund Changes and Recommendations (in millions)	\$0.0	\$0.0 \$0.0 (\$16.3)	\$0.0	(\$1.3)	(\$1.3)	D.1.3

Department of Public Safety Overview of HB 1 (As Introduced) Funding and FTE Levels

3 4% reduct	Adjustment for agency's 4% reduction		10,503.1 (320.4)	2017 FTE Cap:	House FTEs:	т
Ŷ	\$ <u>(258.6)</u> <			Total Net Variance from Base:	otal Net Vari	-
	\$ 56.5			TOTAL Increases:		
	12.0 1.4	555 001	penditure estimates	Increase Federal Funds award expenditure estimates Increase Schedule C salary	30. 31.	
		001 666	AK testing ue estimate	Add funding for post-8/31/2011 SAK testing Increase Approp. Receipts revenue estimate	28. 29.	
		001	and travel only)	Add funding for SB 2053 (salaries and travel only)	27.	
	1.0	5153	MOF swap)	Add Fund 01 for NIBRS training (MOF swap) Add Fund 5153 for interoperability (MOF swap)	\checkmark	
	0.7 3.0	001	nger Division or OST	Add funding to biennialize 1x. Ranger Division Add funding for Tx. Ranger O/T for OST	Rela	Bor Secu
	\$ 26.9	001 001	opers	 Due to House decisions: 21. Add funding for Pilatus fuel 22. Add funding to biennialize 250 tro 		
				Increases in Funding (All Funds):	creases in F	-
	\$ (315.1)			TOTAL Decreases:		
		8000		Remove Fund 8000	20.	
	(1.1)	801	(MOF swap)	Delete Fund 1 for interoperability (MOF	19.	
	(2.7)	001	sing Children) Intions	Reduce funding for SB 2053 (Missing Children)	17. 18	
oee ∠o, below	(o.U) (2.2)	001		Delete funding for CAPPS	15. 16.	
.	(2.6)	001	-	Delete one-time items from DLIP	14.	
See 25, below		5153 116	to the Governor) (MOF swap)	Delete NIBRS grants (transterred to the Governor) Delete Fund 116 NIBRS training (MOF swap)	→ 12.	B
See 24, below	(72.0)	001		Delete "flexible funding" item for OST	; <u>1</u> ;	
	(1.6)	8 9 9	lege item	Delete one-time South Texas College item	ې مې څ	Sec lated
See 21, below	(20.2) (2.4) (7.5)	8 0 0 0 0	Iligence Center	Reduce 4% per Policy Letter Delete one-time Trans-Texas Intelligence Center Delete one-time Pilatus aircraft	∘ , o o o	ırity
				_	Due to	
See 29, below		777 666	ed Receipts	Decrease in estimated Inter-Agency Contracts Decrease in estimated Appropriated Receipts	.4 <u>.</u> 3	
See 30, below	\$ (46.7) (13.7)	555 780	<i>ie agency:</i> unds	Due to revised estimates on the part of the agency:1. Decrease in estimated Federal Funds2. Decrease in G.O. Bond Proceeds	Due to 1. 2.	
				Decreases in Funding (All Funds):	ecreases in	D
\$	\$2,323,597,008	"	\$2,582,209,622			
	ı		1,315,750) Governor Emergency Grant	8000	
	19,907,188		33,575,620	G.O. Bond Proceeds	780	
	7,334,770		7,642,970	Interagency Contracts	Funds 777	Funds
	93,418,633		91,418,633		666	2
	1,655,825		1,655,825	Interagency Contracts - CJD	444	
	406,039,361		440,745,912	i Federal Funds	Federal 555	Federal Funds
	1,112,174		16,378,348	3 Emergency Radio	5153	
	3,025,000		3,025,000	Breath Alcohol Testing	5013	
	9,900,000		9,900,000		nds 5010	Funds
	4,140,594		4,140,594		ă.	GR-
÷	\$ 1,777,003,403 -		۵ (1,971,450,970) 960,000	General Revenue Commission on Law Enforc.	116	
.		I				
	2018-19 Rec.		2016-17 Base	Method of Finance		

2018-19 Recommended FTEs:

10,182.7

Department of Public Safety Selected Fiscal and Policy Issues - House

- Four Percent Reduction. Recommendations for the Department of Public Safety (DPS) reduce funding from 2016–17 General Revenue-Related expenditure levels by \$50.2 million or 2.5 percent and approximately 320.4 full-time equivalent positions (FTEs) as the result of the required 4 percent reduction. The majority of the 320.4 FTEs included in the 4 percent reduction are unfilled positions, reflecting the agency's historical variance between its authorized FTE levels and actual FTE levels (see No. 5 below and Section 3-2 for further detail). Below is a summary of the reduction by agency function:
 - Deferred Maintenance Repair and maintenance projects (\$2.9 million)
 - Agency Operations Eliminate 8.0 FTEs and reduce operations in Cyber Security, audit, and financial services (\$5.7 million)
 - Driver License Eliminate funding for one-time items (\$7.4 million see number 7 below for further detail)
 - Regulatory Eliminate 20.1 FTEs, reduce support for supporting License To Carry issuances (\$1.8 million)
 - Law Enforcement/Intelligence Eliminate 7.9 FTEs and reduce operations supporting criminal investigations and criminal intelligence activities (\$3.9 million)
 - FTE Reduction Eliminate 284.4 additional vacant FTE positions to better align the agency's FTE cap with its historical actual FTE levels (\$28.5 million see number 5 below for further detail).
- 2. Border Security. The Eighty-fourth Legislature, 2015, appropriated \$749.8 million in General Revenue–Related Funds to DPS as part of the \$800.0 million for border security. Recommendations include \$663.1 million for this purpose, including \$595.8 million in General Revenue–Related Funds for DPS in the 2018–19 biennium. This represents a \$154.0 million decrease from the 2016–17 biennium, primarily as the net result of maintaining support for DPS personnel at fiscal year 2017 full deployment levels, while eliminating funding for one-time and transitional expenditures. The funding includes:
 - \$301.4 million to fund routine border security operations and other baseline border security-related activities;
 - \$145.6 million to fund a 50-hour work week for all DPS' commissioned law enforcement officers;
 - \$143.4 million to fund the full biennial costs of the 22 Texas Rangers (\$9.5 million), 250 troopers (\$133.9 million), and 115 support staff added by the Eighty-fourth Legislature, Regular Session, 2015;
 - \$4.4 million to fund fuel, travel, and support staff costs for Operation Secure Texas; and
 - \$1.0 million to fund training for local law enforcement agencies on transitioning crime reporting methodology to the National Incident Based Reporting System (see No. 4, below).

DPS is requesting an amendment of the 2018–19 General Appropriations Act (GAA), Art. IX, Section 7.11, Border Security, to remove any definition to a border region; remove Legislative Budget Board (LBB) from the development of a reporting template for border security expenditures; and qualify the scope of the reporting to "specific funding provided for border security purposes, which includes other law enforcement operations..." These requested rider changes are not included in recommendations.

- 3. Border Security Cost Containment Report. DPS Rider 57, Border Security Cost Containment Report, was added by the Eighty-fourth Legislature, 2015, to require annual reporting on the agency's cost containment measures with regards to border security operations. While the agency did not provide dollar-level specificity, the report identified the following cost sparing initiatives:
 - Costs for overtime and travel will decrease as more of the 250 additional troopers funded by the Eighty-fourth Legislature, 2015, complete their Field Training Officer program (i.e., probationary period);

- Tactical Marine Unit is contracting with a fuel vendor for less expensive fuel, using smaller vessels whenever possible to allow for a reduction in operating costs, and shortening operation hours from 14 hours per shift to 12 hours per shift;
- Texas Rangers are diversifying cell providers for Operation Drawbridge cameras, which has extended the life of approximately 500 2G Operation Drawbridge cameras;
- The Aircraft Operations Division is using several fuel trailers at the Rio Grande City Airport for the refueling of aircraft. This has resulted in a cost savings by reducing aircraft flight time away from the operating area and allows the division to use Jet-A fuel locally in Rio Grande City at a discounted price.
- 4. National Incident Based Reporting System (NIBRS). Recommendations transfer \$8.2 million in General Revenue-Dedicated Emergency Radio Infrastructure Account No. 5153 in each fiscal year to the Office of the Governor (OOG) to fund grants for local law enforcement entities to implement NIBRS. While the funding was originally appropriated to DPS in the 2016–17 biennium as part of the Border Security Initiative, DPS and OOG entered into a Memorandum of Understanding to transfer administration of the grant program to OOG. Recommendations directly appropriate the funding to OOG and eliminate the need for an interagency contract. At the end of fiscal year 2016, OOG reported awarding \$1.0 million in NIBRS grants.

Recommendations also include swapping \$1.0 million in General Revenue-Dedicated Fund 116, Commission on Law Enforcement, appropriated by the Eighty-fourth Legislature, 2015, to fund DPS training on NIBRS for law enforcement agencies with the same amount in General Revenue Fund 01.

- 5. Full-time Equivalent Levels. Recommendation authorize 10,182.7 FTEs. This is a reduction of 320.4 FTEs from the fiscal year 2017 authorized cap of 10,503.1 FTEs. The reduction of 320.4 FTEs was part of the 4 percent reduction. The agency is requesting these FTEs should the funding for the 4 percent reduction be appropriated. The variance between the agency's authorized FTE cap and its actual number of FTEs is a historical issue and it is unlikely the agency will be able to attain the 10,182.7 FTEs recommended. In fiscal year 2016, for example, the agency averaged 864.2 FTEs below its cap. As of the end of fiscal year 2016, DPS reported 174.0 vacancies for commissioned officer positions, and 418.6 vacancies for non-commissioned positions.
- 6. Deferred Maintenance. Recommendations include a total of \$27.5 million for deferred maintenance (\$14.9 million in General Revenue Funds and \$12.6 million in General Obligation Bond Proceeds). The Eighty-fourth Legislature, 2015, directed the agency to expend \$41.0 million in All Funds for deferred maintenance, of which \$21.0 million was capital budget authority only and \$20.0 million comprised both capital budget authority and base funding. Recommendations eliminate the \$21.0 million item from the agency's capital budget. DPS requested a reallocation of baseline funds for deferred maintenance from \$20.0 million to \$27.5 million. As such, when comparing funding appropriations only, recommendations increase funding within total baseline funding levels for deferred maintenance by \$7.5 million in All Funds. The recommended funding for deferred maintenance is intended to fund the deferred maintenance items contained in the agency's most recent reports to the Joint Select Committee on Government Facilities.
- 7. Driver License Improvement Program (DLIP) Funding and Performance. Including the recommended DLIP funds for FY 2018–19, the state will have appropriated a total of \$443.1 million for DLIP since the 2012–13 biennium, as shown in the table below:

DLIP Appropriations by Biennium				Re	commended	
	 82nd Leg. 2012-13	83rd Leg. 2014-15	84th Leg. 2016-17		85th Leg. 2018-19	otal priated
 a. To improve driver licensing processing capacities by funding 6 megacenters, queuing technology, etc. 	\$ 64.1	\$ 64.1	\$ 64.1	\$	64.1	\$ 256.4
 b. To improve driver licensing processing capacities by funding 2 new offices (in Houston and Dallas), 325 automated self-service kiosks, and upgrades to the division's electronic fingerprinting technology. 	-	30.9	30.9		30.9	92.7
c. To fund ongoing salary costs for staff added in fiscal year 2013 as part of DLIP.	-	8.0	8.0		8.0	24.0
d. Funding to reduce wait times.	-	-	40.0		40.0	80.0
e. Allocation of 4 percent reduction per agency's request	-	-	-		(7.4)	(7.4)
f. Reduction for one-time items included in the Eighty-fourth Legislature's \$40.0 million appropriation	-	-	-		(2.6)	(2.6)
Total:	\$ 64.1	\$ 103.0	\$ 143.0	\$	133.0	\$ 443.1

The Administrator's Statement in DPS' LAR reads in part "The driver license program has experienced significant challenges in providing Texas drivers with an efficient and expedient process...driven largely by significant population growth and lack of new facilities and personnel..."

Performance measure reports show the agency has not met its fiscal year 2014, 2015, or 2016 targets to address wait times at statewide driver license offices. In 2014, 2015, and 2016 the agency targets were to complete 76 percent, 77 percent, and 80 percent (respectively) of original and identification card applications within 45 minutes. Actual performance was 52 percent in 2014, 46 percent in 2015, and 46 percent in 2016.

An internal DPS audit of transactions made in fiscal year 2015 concluded that documentation was not consistently available to tie DLIP appropriations to DLIP expenditures. DPS cannot verify that expenditures were made in accordance with DLIP objectives.

The Eighty-fourth Legislature, 2015, appropriated \$40.0 million in General Revenue for DLIP. DPS expended these appropriations for the following purposes: 170.3 FTEs, equipment, training, technology, 6 new offices, 13 office relocations, 9 rural county offices, 5 major remodels, 24 office refreshes, cyber security, and the Gessner CDL Annex. Of this \$40.0 million appropriation, DPS identified in its LAR Section 6B \$10.0 million as one-time costs. This amount is the sum of \$7.4 million identified by the agency as part of its 4 percent General Revenue reduction and \$2.6 million for additional one-time items.

The \$10.0 million reduction accounts for a decrease in funding associated with the Gessner capital project and remodeling, training and other one-time costs. Recommended funding of \$133.0 million for DLIP in the 2018–19 biennium is sufficient to maintain current operations at driver license offices, provided these funds are expended solely on DLIP.

DPS is requesting a total of \$57.5 million for driver license improvement (Exceptional Item No. 3), of which \$14.2 million is to fund a "gap" between the agency's baseline appropriation request level and the anticipated costs of administering the Driver License Division. DPS reports this variance is comprised of additional costs relating to salaries, overtime, turnover rates, background checks, building rent, janitorial services resulting from contract changes, a loss of federal grants, and unforeseen requirements to upgrade driver license offices to enhance security to comply with the federal government's REAL ID Act. This \$14.2 million component of Exceptional Item No. 3 is in addition to the \$7.4 million reduction the agency opted to allocate to the Driver License Division as part of its 4 percent reduction.

8. New Driver License Goal and Associated New Rider. Recommendations add a new goal (Goal F, Driver License Services and Driver Safety) to the agency's bill pattern to better identify, monitor, and control state appropriations for the driver licensing and driving safety functions. Recommendations also include a new rider proscribing fund transfers out of Goal F absent prior authorization of the LBB.

Recommendations for Goal F total \$282.7 million in All Funds and 2,275.8 FTEs, a decrease of \$7.9 million in General Revenue Funds. This reduction is the net of the following: \$7.4 million identified by the agency as part of the four percent reduction; \$2.6 million additional reduction for certain one-time items that were components of the \$40.0 million the Eighty-fourth Legislature, 2015, appropriated for DLIP; and agency-requested transfers into Goal F totaling \$2.1 million.

Recommendations do not include the \$57.5 million requested by DPS for the agency's Driver License Services, Safety Education, and Driver License Improvement Program strategies in Exceptional Item No. 3. See Section 5 for further detail.

9. Adjustments for Lowered Fuel Cost. Recommendations reduce General Revenue Funds for fuels and lubricants by \$1.8 million using the annual gallon usage estimated by DPS and the average retail price of motor gasoline, all types, of \$2.66 per gallon in fiscal year 2018 and \$2.86 per gallon in fiscal year 2019.

The Eighty-fourth Legislature, 2015, appropriated \$31.5 million for fuel in FY 2016, but DPS reported only expending \$20.4 million on fuels. DPS reports the difference (\$11.1 million) was used for travel and overtime costs associated with OST; body vests and armored vests; and increased projected lump-sum payments associated with Schedule C pay raises from 3 years ago (DPS provides lump-sum payments to retiring law enforcement staff for all compensatory and annual leave accrued).

- 10. Colton's Law (Missing Children). Recommendations continue funding the salary and travel components only (\$1.7 million) of the \$2.7 million the Eighty-fourth Legislature, 2015 appropriated to implement the provisions of HB 2053 relating to missing children.
- 11. Schedule C Salaries / DPS Trooper Pay. Recommendations include an additional \$1.4 million to fund raises for certain state law enforcement personnel paid under Schedule C Salary classification.
- 12. Vehicle Replacement. Recommendations include \$65.8 million to replace 1,400 vehicles assuming a replacement schedule for pursuit vehicles at 124,000 miles and non-pursuit vehicles at 135,000 miles.

As of August 2016, the DPS vehicle fleet was comprised of 4,924 vehicles. Of this total, 1,123 vehicles are covert vehicles, or vehicles that are not reported to the Comptroller's Office of Vehicle Fleet Management. DPS reports 90 percent of these covert vehicles are used by the agency's Criminal Investigations and Texas

Ranger Divisions. See Section 3-3 for a snapshot of the composition of the DPS vehicle fleet reported to the Comptroller's Office of Vehicle Fleet Management. Further, Section 3-2 provides a breakout of vehicles that are included in these recommendations and the vehicles requested in two separate components of Exceptional Item No. 2.

13. Adjustments to Estimated Appropriations

Recommendations increase Appropriated Receipts (Other Funds) and Federal Funds by \$3.9 million and \$12.0 million, respectively. Adjustments to Appropriated Receipts increase agency's estimated revenues from primarily background checks and License to Carry applications.

Recommended increases to Federal Funds are as follows:

- CFDA 16.741 Forensic DNA Backlog Reduction Strategy 5.1.1 (\$3.0 million)
- CFDA 20.218 Motor Carrier Safety Assistance Strategy 3.1.2 (\$4.0 million)
- CFDA 97.047 Pre-disaster Mitigation Strategy 4.1.3 (\$2.0 million)
- CFDA 20.231 PRISM Strategy 3.1.2 (\$1.0 million)
- CFDA 11.549 SLIGP Strategy 3.2.2 (\$2.0 million)

See Section 3a and Appendices B and B-1 for further detail on these federal funds sources.

14. Sexual Assault Kit (SAK) Testing. Recommendations reduce General Revenue Funding by a net \$3.8 million, which reflects both a decrease due to the agency fully spending \$8.0 million from a prior appropriation in 2016–17, and new funding of \$4.2 million in 2018–19. The Eighty-third Legislature, 2013, appropriated \$10.9 million to the Department of Public Safety (DPS) for the testing of 10,543 SAKs existing prior to August 1, 2011, pursuant to the enactment of Senate Bill 1636, Eighty-second Legislature, 2011. This funding was not intended for the testing of SAKs in investigations occurring after August 1, 2011. DPS used its Unexpended Balances authority to carry the first year's appropriation into FY 2015, and then expended \$2.9 million in FY 2015, which left the balance of \$8.0 million for the Unexpended Balances amount reported for FY 2016. DPS anticipates expending the \$8.0 million by the end of the 2016–17 biennium.

Recommendations include \$4.2 million to fund the outsourced testing of 4,219 backlogged SAKs resulting from investigations occurring after August 1, 2011.

DPS is requesting \$15.6 million and 67.5 FTEs in Exceptional Item No. 5 to increase the capacity of its crime labs. DPS is also requesting \$1.0 million in Exceptional Item No. 11 to maintain a DNA outsourcing capacity to cover periods where vacancies, equipment failures, or other issues impact productivity.

- 15. CAPPS: The Eighty-fourth Legislature, 2015, appropriated \$2.2 million and 4.0 FTEs to DPS to support a one-time transition to CAPPS. Recommendations eliminate funds for this item in the 2018–19 biennium.
- 16. Personal Computer Replacement. Recommendations include \$8.3 million in General Revenue to replace 6,000 personal computers operating on Windows 7 or that are older than six years for the 2018–19 biennium. The Eighty-fourth Legislature, 2015, appropriated \$8.3 million for personal computer replacement. DPS refreshes its personal computers on a three-year replacement cycle through its IT Modernization capital budget item.
- 17. DPS Revenues. DPS is authorized by statute to collect certain fees and administer certain funds, e.g., for the Driver Responsibility Program. See Appendix I for detail on these revenues.
- 18. Radio Interoperability Method of Finance Swap. Recommendations include \$1.1 million from General Revenue–Dedicated Fund 5153, Emergency Radio Infrastructure, for DPS' activities to orchestrate greater interoperable radio communication capability in Texas. Previously, the state appropriated \$1.0 million in

Section 3

General Revenue Funds to DPS in both the 2014–15 and 2016–17 biennia to fund the state's facilitating role in enhancing Texas' overall radio interoperability capacity. DPS requested an increase in General Revenue–Related Funding for interoperability from \$1.0 million to \$1.1 million. This requested increase is included in, and not in addition to, the agency's General Revenue–Related Fund baseline request target.

- 19. Crime Laboratories Backlog and Recommended New Performance Measures. Recommendations include the following three new performance measures pertaining to DPS' Crime Laboratory services:
 - Average Cost to Complete a DNA Case (Efficiency) DNA evidence is directly linked to public safety due to the nature of the offenses that require DNA analysis. According to the U.S. Department of Justice, DNA evidence helps solve and prevent some of the most serious violent crimes. This measure demonstrates the efficiency of the Crime Laboratory's DNA forensic testing discipline for law enforcement agencies.
 - Number of DNA Cases Completed (Output) DNA evidence is directly linked to public safety due to the nature of the offenses that require DNA analysis. According to the U.S. Department of Justice, DNA evidence helps solve and prevent some of the most serious violent crimes. This measure is intended to demonstrate the extent of the efforts that the Crime Laboratory Service contributes to solving crime.
 - Percentage of Cases Backlogged (Efficiency) This measure demonstrates the efficiency of crime laboratory forensic testing for law enforcement agencies.

Department of Public Safety

Summary of Federal Funds (2018 - 19) - House



Programs with Significant Federal Funding Changes from 2016 - 17

Program-by Amount





Selected Federal Fiscal and Policy Issues

Section 3a

Assistance grants, resulting in decreasing expenditures in the 2018-19 biennium. Hazard Mitigation Grants lag two years behind, leading to an increase in expenditures in the 2018-19 biennium as projects complete. 2. In FY 2016, DPS received \$10.0 million

in Fire Management Assistance Grants for the Hidden Pines/Bastrop wildfire. The agency has budgeted to expend the majority of the grant in the 2018-19 biennium.

3. LBB recommendations increase estimated expenditures for five grants for the 2018-19 biennium due to new grants and low agency projections. Total adjustment is \$12 million.

Program-by Percentage

Department of Public Safety

Contracting Highlights - House

Summary of Contracts Awarded 09/01/2014 to 01/17/2017 and Reported to LBB Contracts Database*

(Dollar values rounded to the nearest tenth of a million)



*Note: These figures reflect the total value of reported contracts awarded in FY 15-16 and reported to the LBB contracts database. Values can include planned expenditures for subsequent years and represent the amounts contracted which may include funds from sources other than appropriated or General Revenue Funds.

Department of Public Safety

Contracting Highlights

			0 0	•				
(Dollar values rounded to the nearest tenth of a million)								
Largest Competitive Contracts Awarded 09/01/14 - 01/17/17	Award Method	Total V	alue	% Change*	Award Date	Length	Renewals	Vendor
1 TFC Building Lease - Amarillo - 20528	Competitive	\$	20.4	-	08/24/16	50 years	0	C&M Villarreal Properties Management Ir
2 Purchase of Chevy Tahoes for THP Patrol Units	Competitive	\$	11.7	0.8%	01/15/16	N/A	0	Johnson Grayson Automotive
3 TFC Project Management Services	Competitive	\$	11.7	1846.6%	06/01/15	1 year	0	Texas Facilities Commission
4 Carrollton TFC Building Lease	Competitive	\$	11.2	-	03/17/16	10 years	0	Development 2000 Inc.
Largest Non-Competitive Contracts Awarded 09/01/14 - 01/17/	17							
1 National Guard Transitional Deployment	Interagency	\$	20.6	167.5%	09/28/15	2 years	0	Texas Military Department
2 Peace Officer Services for Toll Plazas	Interagency	\$	19.6	-	11/18/15	2 years	0	North Texas Tollway Authority
3 MOU NIBRS	Interagency	\$	16.4	-	05/03/16	1 year	0	Office of the Governor
4 Deferred Maintenance	Interagency	\$	11.9	-	10/06/14	2 years	0	Texas Facilities Commission
Largest Active Contracts from Previous Fiscal Years								
1 Driver Responsibility Program Services	Competitive	\$	56.4	-53.0%	08/21/14	3 years	0	Gila Corporation
2 Mailing services	Competitive	\$	31.9	160.2%	04/18/11	6 years	0	FIS Global

*Note: The percent change in contract value between initial award amount and the current contract value. Includes contract amendments and renewals.

Department of Public Safety Quality Assurance Team Highlights - House

Summary of Total Costs (in millions) and Time Frames reported to the Quality Assurance Team*

	Original Projected Costs	Current Projected Costs	Difference in Costs	Expenditures to Date	Original Timeline in Months	Current Timeline in Months	Difference in Time	% Complete
Project Name								
1 Automated Fingerprint								
Identification System (AFIS)	\$4.2	\$4.5	\$0.3	\$4.5	30	38	8	100%
2 Enterprise Case Management	\$3.7	\$8.0	\$4.3	\$4.0	17	34	17	95%
3 Fingerprint, Portrait, Signature	\$7.8	\$6.5	-\$1.3	\$6.5	38	54	16	100%
4 Texas Data Exchange (TDex)	\$6.1	\$6.1	\$0.0	\$0.0	11	17	6	40%
5 Texas Law Enforcement								
Telecommunications (TLETS)	\$5.6	\$5.6	\$0.0	\$0.0	23	47	24	12%
Project Totals (5)	\$27.4	\$30.7	\$3.3	\$15.0				
Notes:								

The Automated Fingerprint Identification System (AFIS) project is 27% over-budget and 7% over duration. The cost increased due to the need for additional hardware for the project database. The duration increase was due to milestones being adjusted for the implementation phase of the project.

The Enterprise Case Management project is 115% over-budget and 130% over duration. Both initial increases were due to the agency placing the project on hold and canceling the initial RFO. The agency re-initiated the project using the same project timeline with new cost estimates. Due to the high volume of outstanding defects, the user acceptance testing was deferred. The schedule was re-baselined and the contract was amended to accommodate the new implementation date.

The Fingerprint, Portrait, Signature (FPS) project is 16% under-budget and 41% over duration. The cost decreased due to \$1.8 million for Driver License Center PC desktops being paid by the vendor. The duration increase was due to corrections applied during software testing.

The Texas Data Exchange (TDex) project is 50% over duration due to changes by the agency during contract award.

The Texas Law Enforcement Telecommunications (TLETS) project is 100% over duration. The increase was due to multiple delays with procurement activities and to amending the language in the contract which delayed the solicitation process and final award.



Legend

Project which is within budget and within schedule

Project which exceeds budget OR schedule

Project which is over budget and behind schedule

Department of Public Safety Quality Assurance Team Highlights - House

Significant Project Highlights	QAT Budget Highlights (in millions)			
¹ Automated Fingerprint Identification System (AFIS)		2016-17	2018-19	2018-19
This project was authorized to begin in FY 2014 as a 30 month project and was appropriated \$4.0 million for project development (General Revenue).	Project Name	Base	Requested	Recommended
	1 AFIS	\$0.0	\$0.0	\$0.0
This project was deployed in April 2016 as a system that stores the identifying characteristics of more than 4.8 million individuals	2 Enterprise Case Mgmt.	\$1.4	\$0.0	\$0.0
currently on file in the Department of Public Safety's (DPS) Crime Records Service. The Automated Fingerprint Identification System	3 FPS	\$0.0	\$0.0	\$0.0
(AFIS) also performs systematic searches of unknown fingerprints by optically scanning a print and comparing it with those in the	4 Texas Data Exchange	\$0.0	\$0.0	\$0.0
database.	5 TLETS	\$0.0	\$0.0	\$0.0
The project was part of DPS's capital budget project - IT and Crime Records Project which included enhancements and upgrades for AFIS, Computerized Criminal History (CCH) System, TXGANG (TXDPS gang database) and agency core technology infrastructure.	Total	\$1.4	\$0.0	\$0.0

2 Enterprise Case Management

This project was authorized to begin in FY 2013 as a 24 month project and was appropriated \$1.4 million for project development (General Revenue).

The Enterprise Case Management originally included a Link Analysis portion to replace multiple disparate investigative or administrative case management systems. In September 2013, the agency placed the project on hold and canceled the Request For Offer (RFO) due to respondents not meeting agency requirements. This extended the project by six months.

In October 2013 the project was re-baselined and a new scope was formed that includes a Request Management Systems in Law Enforcement Operations (Fusion Core in Intelligence & Counterterrorism Division). This scope change extended project costs and increased the original timeline by another six months.

After making significant progress on the project, the agency began experiencing issues related to a large number of software defects; agency trainers were not adequately prepared to train agency staff and development related to reporting fell behind schedule.

Department of Public Safety Quality Assurance Team Highlights - House

³ Fingerprint, Portrait, Signature (FPS)

This project was authorized to begin in FY 2013 as a 38 month project and was appropriated \$3.3 million for project development (General Revenue).

This project replaced a portion of the Department of Public Safety's (DPS) driver license equipment that enhanced images for fingerprints, portraits, and signatures with higher resolution and quality. The Fingerprint, Portrait, Signature (FPS) project is part of the overall revamping of DPS's driver license offices. The project was deployed in April 2016 and was completed under budget. DPS attributed the project cost savings to the FPS system contractor covering the costs to upgrade the equipment to a new operating system; removing contractor traveling costs; reducing contractor staffing during the implementation stage; and reducing the number of desktop stations leased from 1,500 to 1,100 units.

4 Texas Data Exchange (TDex)

This project was authorized to begin in FY 2015 as an 11 month project. The agency used operational funds for project development.

The Texas Data Exchange (TDEx) is a system that compiles law enforcement incident records and other non-intelligence criminal justice information into a central repository for sharing across jurisdictional lines. The information is available for law enforcement and criminal justice purposes. The project was initiated in September 2015 and implementation was moved out an additional six months due to vendor negotiations and planning.

This project provides a pass through service to the Local, State and Federal Law Enforcement Agencies. DPS considers TDEx mission critical with the potential of saving law enforcement lives and improving the safety of local, state and federal officers.

5 Texas Law Enforcement Telecommunications System (TLETS)

This project was authorized to begin in FY 2013 as a 23 month project and was appropriated \$1.0 million for project development (State Highway Fund 6).

The Texas Law Enforcement Telecommunications System (TLETS) consists of a distributed software application and secure network services. TLETS is provided to over 100,000 Criminal Justice employees, through over 8,800 directly defined workstations and 40,000 devices defined with city and county systems that interface with TLETS. DPS will utilize portions of TLETS existing hardware and software for this effort, with a possibility of the awarded vendor providing new software to replace the expiring system.

The project completion date was extended on four separate occasions which were related to contract procurement activities and project planning and implementation.

Section 3-1

Totals 3,801 vehicles

Composition of the DPS Vehicle Fleet As of August, 2016



Number of Vehicles by Mileage - Texas Department of Public Safety

Projected Average Mileage at Turn-In Baseline Requested Funding Levels

Period	Black & Whites	Non-Pursuit	Overall
FY 2018	152,500	156,000	153,500
FY 2019	160,000	163,000	161,000

Projected Average Mileage at Turn-In Exceptional Item Requested Funding Levels

Period	Black & Whites	Non-Pursuit	Overall
FY 2018	110,000	110,000	110,000
FY 2019	110,000	110,000	110,000

Source: DPS

SECTION 3-1

State Funding for Vehicles - HB 1 As Introduced & DPS Requested

		e Request Million		leet Vehicle Replacement Million		Additional 250 Troopers* 2 Million		AL REQUEST 1.8 Million
	ەدەھ No. of Vehicles	Avg. \$ per Vehicle	ەدەھ No. of Vehicles	Avg. \$ per Vehicle	۶20.2 No. of Vehicles	Avg. \$ per Vehicle		Avg. \$ per Vehicle
THP Vehicles				Avg. u per veniore		Avg. & per veniere		Avg. oper veniore
Sedans	60	\$37,793	146	\$43,216	0	0	206	\$41,637
SUV	799	\$59,359	710	\$64,812	285	\$70,966	1,794	\$63,361
Other**	8	\$28,950	5	\$35,373	0	0	13	\$31,420
TMU Vehicles								
Sedans	1	\$37,793	3	\$43,216	0	0	4	\$41,860
SUV	11	\$59,359	10	\$64,812	0	0	21	\$61,956
Other	4	\$28,950	2	\$35,373	0	0	6	\$31,091
Interoperable Comm. Vehicles								
Sedans					0	0	0	
SUV	1	\$32,065	1	\$33,265	0	0	2	\$32,665
Other	18	\$28,950	13	\$30,150	0	0	31	\$29,453
Crime Lab Vehicles								
Sedans	8	\$23,741	5	\$24,941	0	0	13	\$24,203
SUV					0	0	0	
Other	3	\$28,950	2	\$30,150	0	0	5	\$29,430
Other Vehicles								
Sedans	139	\$23,741	98	\$28,942	0	0	237	\$25,892
SUV	83	\$38,971	60	\$45,071	0	0	143	\$41,530
Other	265	\$28,950	185	\$34,151	0	0	450	\$31,088
Total Vehicles:	1,400	\$46,979	1,240	\$53,081	285	\$70,966	2,925	\$51,903
Sedans	208	\$27,862	252	\$37,303	0	\$0	460	\$33,034
SUV	894	\$57,436	781	\$63,255	285	\$70,966	1,960	\$61,722
Other	298	\$28,950	207	\$33,902	0	\$0	505	\$30,980
	1,400	\$46,979***	1,240	\$53,081***	285	\$70,966***	2,925	\$51,903

Notes:

Amount only includes the vehicle related costs.

^{**} 92% of vehicles classified as Other will be light duty 1/2 ton pickups, 4% will be medium duty pickups, and 4% will be cargo vans or minivans.

*** Agency reports the average cost per vehicle difference between the baseline amount and the Exceptional Item amounts is due to the extra costs associated with fully equipping the vehicles acquired with the Exceptional Item funding. This equipment includes in-car computers, lightbars, vehicle make ready, and other items. DPS reports if the agency replaced the same items in the baseline request, the agency would have acquired fewer vehicles (1,219 total vehicles or would have had to pay \$8.5 million more for the 1,400 vehicles.

Department of Public Safety FTE Highlights

Full-Time-Equivalent Positions	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
Сар	9,165.3	10,306.1	10,503.1	10,182.7	10,182.7
Actual/Budgeted	9,090.8	9,441.9	10,503.1	N/A	N/A

Schedule of Exempt Positions (Cap)					
Executive Director, Group 6	\$183,498	\$220,039	\$220,039	\$220,039	\$220,039

Notes:

a) State Auditor's Office is the source for the FY 2015 and FY 2016 annual averages (actual).

b) The State Auditor released a report (Report No. 16-706 August, 2016) which indicates a market average salary of \$258,854 for the Director position at the Texas Department of Public Safety. The department did not request an increase in the Director's salary for the 2018-19 biennium. Recommendations maintain the Director's salary at the 2016-17 level.

Section 3-2

Department of Public Safety Rider Highlights - House

Modification of Existing Riders

- 26. Appropriations Limited to Revenue Collections (ALRC) and Other Direct and Indirect Costs: Recommendations amend existing ALRC riders for all affected agencies to update text and to remove non-ALRC information.
- 42. Driver License Improvement Plan Reporting: Recommendations delete existing language relating to establishing a new Driver License Mega center in Denton County, as it is scheduled to open in 2017.
- 47. Hiring Officers with Previous Experience: Recommendations amend existing rider to credit up to four years of experience as a peace officer in any state within the United States towards an officer's salary calculation under Salary Classification Schedule C.
- 54. Headquarters Relocation Study: Recommendations amend rider to require the Department of Public Safety (DPS) to use funds appropriated in any strategy to study to the degree to which proceeds from the sale of the department's existing Austin headquarters property could offset the costs associated with purchasing the property and facilities required for a new department headquarters. DPS did not conduct the study during the 2016–17 biennium. See Section 3, No. 24 for further detail. This study shall be submitted to the Legislative Budget Board (LBB) no later than June 1, 2018.
- 64. Security Improvements in the Texas State Capitol and the Governor's Mansion: Recommendations amend rider to remove reference to specific funds and the requirement that DPS replace, service, and maintain video surveillance, access control equipment and software, and emergency signal equipment. Recommendations maintain the rider requirement to report on the improvements made in the last fiscal year to the Texas State Capitol and the Governor's Mansion, and add the requirement presently contained in Rider 65 to conduct a Capitol Complex security threat assessment to assess security needs in the Capitol Complex. Rider 65 is recommended for deletion.

New Riders

- 53. Transfer Prohibition Goal F, Driver License Services and Driver Safety: Recommendations add a new rider proscribing fund transfers out of Goal F, Driver License Services and Driver Safety, absent prior authorization of the LBB.
- 54. Crime Laboratory Cost Containment: Recommendations add a new rider directing DPS "should continuously find ways to operate efficiently and develop cost containment measures."
- 55. Sexual Assault Kit Testing: Recommendations add a new rider clarifying the \$4.2 million appropriated for Sexual Assault Kit (SAK) testing is for the outsourced testing of backlogged SAKs resulting from investigations occurring after August 31, 2011.

Deleted Riders

Estimates of Future Federal Funds and Criminal Justice Grants: Recommendations delete rider as the agency included this data in its 2018–19 Legislative Appropriations Request.

Unexpended Balances: Recommendations delete rider as the department does not anticipate a need for Unexpended Balance authority for Sexual Assault Kit Testing for the 2018–19 biennium. See Section 3, No. 16 for further detail.

Border Security Initiative: Recommendations delete rider pending the Legislature's funding decisions for the Border Security Initiative.

Multiuse Training Facility: Recommendations delete rider as multiuse training facility funds were a one-time appropriation for the 2016–17 biennium. See Section 3, No. 2 and Appendix K for further detail.

Regional Center for Public Safety Excellence at South Texas College: Recommendations delete rider as appropriations were a one-time transfer item for the 2016–17 biennium. See Section 3, No. 2 and Appendix K for further detail.

Contingency for Senate Bill 3: Recommendations delete rider as the this was a one-time appropriation to establish the Texas Transnational Intelligence Center in the 2016–17 biennium. See Section 3, No. 2 and Appendix K for further detail.

Department of Public Safety/Military Department Transitional Funding: Recommendations delete rider pending the Legislature's funding decisions for the Border Security Initiative.

Requirements Relating to Appropriations for New Troopers: Recommendations delete rider because the department anticipates it will meet the 250 new trooper goal established by the Eighty-fourth Legislature, 2015.

Transfer of Vehicles to Walker County: Recommendations delete rider because DPS transferred the vehicles to Walker county during the 2016–17 biennium.

DPS Region IIb Facility: Recommendations delete rider because DPS completed work on the Region IIb facility during the 2016–17 biennium.

Capitol Complex Security Threat Assessment: Recommendations delete rider but maintain the Capitol Complex security threat assessment reporting requirement in modified Rider 64, "Security Improvements in the Texas State Capitol and the Governor's Mansion."

Department of Public Safety Items Not Included in Recommendations - House

	2018-1					
	GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
Agency Exceptional Items - In Agency Priority Order						
 Four Percent General Revenue Recovery: \$28.5 million to fund 176.4 commissioned FTE positions; \$7.9 million for the DLIP office and information technology support; \$3.9 million to maintain capacity to collect information relating to criminal investigations; \$1.3 million for handgun licensing; \$2.9 million for deferred maintenance and repairs; and \$2.0 million across the agency to maintain overall operations level 	\$46,517,382	\$46,517,382	320.4	Yes	Yes	\$46,517,382
 2) Border Security: a. \$97.1 million to recruit, train, and equip 250 new troopers, incl 285 vehicles (376.1 FTEs); b. \$28.1 million to add 5,000 more cameras to Operation Drawbridge (4.0 FTEs); c. \$39.4 million to acquire and maintain 4 aircraft; d. \$36.8 million to purchase radios, erect tower sites, and support equipment (5.6 FTEs); e. \$1.4 million to enhance the Joint Crime Information Center (9.0 FTEs); f. \$4.6 million for communications equipment for deployment around the state (2.3 FTEs); g. \$65.8 million to replace 1,240 vehicles at 100,000-110,000 miles; h. \$8.9 million to acquire greater agency bandwidth data supply (4.0 FTEs); i. \$9.6 million to strengthen the agency's cybersecurity posture (8.0 FTEs); and j. \$3.7 million to support the agency's routine border security operations 	\$295,437,762	\$295,437,762	409.0	Yes	Yes	\$234,437,654
 3) Driver License: a. \$33.9 million to expand CDL testing capacity to meet federal standards (101.9 FTEs); b. \$5.1 million for IT issues in the agency's Driver License Division (19.8 FTEs); c. \$0.7 million to fund the fees associated with passport identification verification; d. \$14.2 million to fund ongoing costs and driver license budget shortfalls; and e. \$3.6 million to initiate Phase One of a planned call center transformation (15.8 FTEs) 	\$57,522,778	\$57,522,778	137.5	Yes	Yes	\$46,376,130

Department of Public Safety Items Not Included in Recommendations - House

	2018-19					
	GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
 4) Law Enforcement Operations Enhancement: a. \$0.9 million to upgrade cellular cracking equipment; b. \$5.2 million to replace in-car computers; c. \$19.5 million to create 2 inspection facilities and improve 15 facilities (1.0 FTE); d. \$1.4 million for Texas Ranger Division for 3-D crime scene scanners; e. \$9.1 million for additional personnel (25.9 FTEs); and f. \$0.6 million to acquire two armored tactical Bearcat vehicles 	\$36,676,930	\$36,676,930	26.9	Yes	Yes	\$18,003,195
 5) Public Safety Infrastructure: a. \$4.2 million to replace ageing crime lab equipment; b. \$1.7 million to process handgun applications (10.1 FTEs); c. \$11.4 million to analyze forensic evidence (67.5 FTEs); d. \$3.0 million to maintain Cisco Enterprise Smartnet; e. \$2.9 million to offset revenue losses due to decrease in the number of background checks; f. \$2.1 million to use Compassionate Use Program fees to fund program operations (7.9 FTEs); g. \$1.6 million for Oracle software maintenance; h. \$0.7 million to migrate to Windows Office 365; and i. \$2.6 million to move mainframe applications to distributed servers 	\$30,025,564	\$30,025,564	85.5	Yes	Yes	\$22,642,788
 6) Training: a. \$1.7 million to add more staff to the 4 FTEs currently dedicated to recruit training (4.2 FTEs); b. \$1.0 million to create a team of instructors for the reality based training (2.1 FTEs); c. \$0.7 million to provide a live-feed virtual reality training capability (3.0 FTEs); d. \$0.5 million to support the Command College leadership school (1.0 FTEs); and e. \$0.3 million to study organized criminal enterprises (1.0 FTE) 	\$4,349,842	\$4,349,842	11.3	Yes	No	\$3,149,115

Section 5

Department of Public Safety Items Not Included in Recommendations - House

	2018-1					
	GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
 7) CAPPS Financials: a. Salaries and wages and other personnel costs for 12 FTEs to deploy CAPPS Financials in the 2018-19 biennium. 	\$3,527,534	\$3,527,534	12.0	Yes	Yes	\$2,000,099
 B) Deferred Maintenance and Support: a. \$12.0 million to fund generator replacement, energy conservation, and automation systems; b. \$1.7 million to hire staff to administer DPS facilities support (9.0 FTEs); and c. \$1.3 million to a conduct facilities condition assessment. 	\$14,996,616	\$14,996,616	9.0	No	Yes	\$13,596,656
 P) Routine Operations (Border Security): a. \$12.0 million to fund salaries of approximately 80.0 FTEs involved in routine operations. 	\$12,000,000	\$12,000,000	0.0	No	No	\$12,000,000
 10) Crimes Against Children (HB 2153): a. \$0.8 million and 3.0 FTEs for the Interdiction for the Protection of Children Program to maintain staffing, fund overtime to provide training and continuing education for instructors, and acquire associated training materials. 	\$755,212	\$755,212	3.0	No	No	\$755,212
 11) Contingency for Outsourced DNA Testing: a. \$1.0 million to maintain a DNA outsourcing capacity to cover periods where vacancies, equipment failures, or other issues impact productivity. 	\$1,000,000	\$1,000,000	0.0	No	No	\$1,000,000

TOTAL Items Not Included in Recommendations	\$502,809,620	\$502,809,620 1,014.6	\$400,478,231

Department of Public Safety Appendices - House

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* Information is included in the presentation section of the packet

Department of Public Safety Funding Changes and Recommendations - House, by Strategy -- ALL FUNDS

Recommended funding changes that cross multiple strategies include the following:

- GR Fund 01 decrease of \$1.9 million for lowered fuel prices (see Section 3, No. 10 and Section 3-1 for more information).
- GR Fund 01 decrease of \$50.2 million for the 4 percent reduction (see Section 3, No. 1 and Appendix A-1 for more information).
- GR Fund 01 increase of \$1.4 million for Schedule C salary raises (see Section 3, No. 14 for more information).
- GR-Related Fund decrease of \$150.3 million for border security (see Section 3, No. 2 and Appendix A-1 for more information).
- Federal Funds net decrease of \$34.7 million (see Section 3a and Appendices B and B-1 for more information).
- Appropriated Receipts (Other Funds) net increase of \$2.0 million to better align historical revenues with estimates (see Section 3, No. 15 for detail).
- Agency-requested transfer of baseline funds among strategies to reallocate funding for vehicles.

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
ORGANIZED CRIME A.1.1	\$147,223,507	\$142,290,302	(\$4,933,205)	(3.4%) Vo	ariance is attributable to the following: GR Fund 01 decrease of \$5,409,040 due to 4 percent reduction. GR Fund 01 increase of \$238,056 due to Schedule C raises. GR Fund 01 increase of \$360,983 for vehicle allocation. GR Fund 01 reduction of \$256,042 for reduced fuel cost. See Section 3-1. Estimated Federal Funds increase of \$132,838 primarily in seized/forfeited assets revenues from the Equitable Sharing Program (CFDA 16.922). See also Appendix A- 2 for further information. Note, this Strategy includes the \$9.9 million in GR-D Sexual Assault Program Fund 5010 appropriated by the 84th Legislature to combat human trafficking. Recommendations maintain the \$9.9 million funding level. See Section 3, No. 19 for more detail.
CRIMINAL INTERDICTION A.1.5	\$30,210,650	\$29,003,151	(\$1,207,499)	(4.0%) Vo	ariance is attributable to the following: GR Fund 01 decrease of \$1,062,042 due to 4 percent reduction. GR Fund 01 increase of \$42,001 for vehicle allocation. GR Fund 01 decrease of \$187,458 for reduced fuel cost.
INTELLIGENCE A.2.1	\$15,789,574	\$14,656,504	(\$1,133,070)	(7.2%) Vo	ariance is attributable to the following: GR Fund 01 decrease of \$774,089 due to 4 percent reduction. Estimated Federal Funds decrease of \$358,980 primarily in Emergency Management Performance Grants (CFDA 97.042).

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
SECURITY PROGRAMS A.2.2	\$48,321,676	\$46,583,832	(\$1,737,844)	(3.6%) Va	Interagency Contracts (Other Funds) decrease of \$1. iriance is attributable to the following: GR Fund 01 decrease of \$1,767,844 due to 4 percent reduction.
HOMELAND SECURITY GRANT PROGRAM A.2.3	\$5,119,880	\$O	(\$5,119,880)		e Governor changed the State Administering Agency for this grant (State Homeland curity Program, CFDA 97.067.073) from DPS to the Office of the Governor.
SPECIAL INVESTIGATIONS A.3.1	\$67,403,286	\$63,397,742	(\$4,005,544)	(5.9%) Va	Ariance is attributable to the following: GR Fund 01 decrease of \$2,535,354 due to 4 percent reduction. GR Fund 01 increase of \$64,924 due to Schedule C raises. GR Fund 01 reduction of \$360,983 for vehicle allocation. GR Fund 01 reduction of \$109,951 for reduced fuel cost. GR Fund 01 reduction of \$978,684 to the \$2,668,760 appropriated to implement HE 2053 relating to missing children (Colton's Law). Reduction is sufficient to fund just the salary and travel costs associated with the agency's implementation of HB 2053. See Section 3, No. 11c for more detail.
Total, Goal A, COMBAT CRIME AND TERRORISM	\$314,068,573	\$295,931,531	(\$18,137,042)	(5.8%)	Estimated Federal Funds decrease of \$85,496 in Public Safety Partnership and Community Grants (CFDA 16.710).
NETWORKED INTELLIGENCE B.1.1 ROUTINE OPERATIONS B.1.2	\$15,968,174 \$66,276,282	\$12,820,174 \$59,294,928	(\$3,148,000) (\$6,981,354)		R Fund 01 decrease of \$3,148,000 due to 4 percent reduction. ariance is attributable to the following: GR Fund 01 reduction of \$7,500,000 due to removing the one-time funding for a Pilatus aircraft. GR Fund 01 increase of \$612,500 for fuel to operate the Pilatus GR Fund 01 reduction of \$2,430,812 due to removing the one-time funding for the Trans-Texas Intelligence Center. GR Fund 01 reduction of \$366,824 for vehicle allocation.

	2016-17	2018-19	Biennial	%	
Strategy/Goal	Base	Recommended	Change	Change	Comments
					Agency-requested transfer in \$2,703,782 out of GR Fund 01 from Strategy 3.2.1,
					Public Safety Communications to reverse a transfer made from this strategy in FY
					2016. The GAA appropriated funding and capital budget authority for radios
					(\$4,273,256 in 2016 and \$4,254,949 in 2017). In both FY 2016 and FY 2017,
					\$2,674,170 of the radio cost was to have been financed with federal seized funds.
					However, as federal seized fund collections were not sufficient to pay for this portion
					of the agency's radio lease, DPS opted to use GR Fund 01 in strategy 2.1.2, Routin
					Operations to fund this expenditure in fiscal year 2016. DPS reports they assume
					there will be sufficient collections in fiscal year 2017 to fund the radio purchase.
EXTRAORDINARY OPERATIONS B.1.3	\$83,406,122	\$6,720,910	(\$76,685,212)	(91.9%) Vo	ariance is attributable to the following:
					GR Fund 01 decrease of 79,645,212 to reflect the cost-sparing effects of adding
					250 troopers to the border region by September 1, 2017. See Section 3, No. 2 for
					more information.
					GR Fund 01 increase of \$2,960,000 to provide overtime costs for Texas Rangers
					participating in Operation Secure Texas. These costs were originally funded out of
					Strategy 2.1.4, Recruitment, Retention, and Support as part of the \$72.0 million the
					84th Legislature appropriated for "flexible funding". Except for this \$3.0 overtime
					item, recommendations reduce all the \$72.0 million in "flexible funding." See also Section 3, No. 2.
RECRUITMENT, RETENTION, AND SUPPORT B.1.4	\$322,250,277	\$274,831,466	(\$47,418,811)	(147%) V	ariance is attributable to the following:
	<i><i><i><i><i>w</i>wwwwwwwwwww</i></i></i></i>	<i>\</i> 27 <i>-</i> 70017-00	(\$47,410,011)	(140) /0) //	GR Fund 01 decrease of \$572,018 due to 4 percent reduction.
					GR Fund 01 increase of \$1,100,084 for vehicle allocation.
					GR Fund 01 reduction of \$2,000,000 due to removing the one-time funding for the
					Multi-Use Training Facility.
					GR Fund 01 reduction of \$1,582,000 due to removing the one-time funding for the
					Regional Center for Public Safety Excellence at South Texas College.
					GR Fund 01 reduction of \$72,000,000 due to removing all "flexible funding"
					appropriated by the 84th Legislature. See Section 3, No. 2 as well as Appendix I
					for more information.

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
					GR Fund 01 increase of \$26,906,743 to pay the salary costs of the 250 additional troopers funded by the 84th Legislature. Because the additional troopers were added to the agency's payroll over the course of the 2016-17 biennium, the full costs of all the added troopers would not fully accrue until FY 2018. As such, recommendations fund the full salary costs for all the added troopers in the 2018-19 biennium. GR Fund 01 increase of \$728,380 to pay the salary costs of the additional Texas Ranger Divisions funded by the 84th Legislature. Because the personnel staffing the new Division were added to the agency's payroll over the course of the 2016-17 biennium, the full costs of all the added staff would not fully accrue until FY 2018. A such, recommendations fund the full salary costs for all the added staff in the 2018-17 biennium, the full costs of all the added staff would not fully accrue until FY 2018. A
Total, Goal B, SECURE TEXAS	\$487,900,855	\$353,667,478	(\$134,233,377)	(27.5%)	19 biennium.
TRAFFIC ENFORCEMENT C.1.1	\$388,102,289	\$373,805,1 <i>5</i> 7	(\$14,297,132)	(3.7%) Vo	ariance is attributable to the following: GR Fund 01 decrease of \$12,686,990 due to 4 percent reduction. GR Fund 01 increase of \$757,454 due to Schedule C raises. GR Fund 01 increase of \$698,525 for vehicle allocation. Transfer of \$2.0 million from this strategy to 6.1.1 to mitigate the agency's Driver License Division's funding shortfall. See Section 3, Nos. 9 and 10 for more detail.
COMMERCIAL VEHICLE ENFORCEMENT C.1.2	\$129,823,606	\$129,857,544	\$33,938	0.0% Va	 GR Fund 01 reduction of \$1,066,121 for reduced fuel cost. Recommendations for this strategy include baseline funding levels (\$3.0 million) out of the GR-D Breath Alcohol Testing Fund No. 5013. bariance is attributable to the following: GR Fund 01 decrease of \$3,409,462 due to 4 percent reduction. GR Fund 01 increase of \$324,622 due to Schedule C raises. GR Fund 01 decrease of \$1,437,196 for vehicle allocation. GR Fund 01 reduction of \$248,252 for reduced fuel cost. Recommended Federal Funds increases of \$4,804,227 for estimated increases in the following grants:

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
PUBLIC SAFETY COMMUNICATIONS C.2.1	\$33,908,338	\$34,612,308	\$703,970	2.1% Va	 Motor Carrier Safety Assistance Program (CFDA 20.218) - recommended increase of \$1.7 million (note, LBB staff increased estimates for this grant by \$4.0 million to bring the estimate more into alignment with historic funding levels); Performance and Registration Information System (CFDA 20.231) - recommended increase of \$.5 million (note, LBB staff increased estimates for this grant by \$1.0 million to bring the estimate more into alignment with historic funding levels); Border Enforcement Grant (CFDA 20.233) - recommended increase of \$2.6 million estimated by the agency. Interagency Contracts (Other Funds) decrease of \$1. riance is attributable to the following: GR Fund 01 decrease of \$235,038 for vehicle allocation. Agency-requested transfer of \$2,703,782 out of GR Fund 01 from Strategy 2.1.2, Routine Operations. The GAA appropriated funding and capital budget authority for radios (\$4,273,256 in 2016 and \$4,254,949 in 2017). In both FY 2016 and FY 2017, \$2,674,170 of the radio cost was to have been financed with federal seized funds. However, as federal seized fund collections were not sufficient to pay for this portion of the agency's radio lease, DPS used GR Fund 01 in strategy 2.1.2, Routine Operations to fund this expenditure in fiscal year 2017 to fund the radio purchase.
INTEROPERABILITY C.2.2	\$3,908,422	\$3,112,174	(\$796,248)	(20.4%) Va	Anticipated Federal Funds net increase of 3,642,790 primarily in seized/forfeited assets revenues from the Equitable Sharing Program (CFDA 16.922). See also Appendix A-2 for further information. This increase is offset by an estimated decrease of \$289,184 in State Homeland Security Program Grants (CFDA 97.067.073). riance is attributable to the following: Recommendations swap GR Fund 01 with an equal amount of GR-D Emergency Radio

	Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
						Anticipated Federal Funds decrease of \$796,248 from State & Local Implementation Grants (CFDA 11.549). Recommendations increase the agency's estimate for this grant by \$2.0 million to better align the recommended amount with the expected funding for this grant program. See also Section 3, No. 16, as well as Appendices B and B-1 for further detail.
Total, Goa	I C, ENHANCE PUBLIC SAFETY	\$555,742,655	\$541,387,183	(\$14,355,472)	(2.6%)	
EME	ERGENCY PREPAREDNESS D.1.1	\$20,317,639	\$17,193,383	(\$3,124,256)	(15.4%) Vo	ariance is attributable to the following: GR Fund 01 decrease of \$253,197 for vehicle allocation. Anticipated Federal Funds decrease of \$2,871,060 for reductions in Interagency Hazardous Material Public Sector Training (CFDA 20.703), Emergency Management Performance Grants (CFDA 97.042), and the State Homeland Security Program (CFDA 97.067.073). Interagency Contracts (Other Funds) increase of \$1.
RES	SPONSE COORDINATION D.1.2	\$4,018,969	\$4,028,971	\$10,002	0.2% Vo	ariance is attributable to the following: Anticipated Federal Funds increase of \$10,001 primarily associated with Emergency Management Performance Grants (CFDA 97.042). GR Fund 01 increase of \$1.
RECO	OVERY AND MITIGATION D.1.3	\$354,951,354	\$315,986,014	(\$38,965,340)	(11.0%) Vo	ariance is attributable to the following: GR Fund 01 reduction of \$245,986 due to 4 percent reduction. Anticipated Federal Funds decrease of \$37,403,605 for estimated reductions in Public Assistance Grants (CFDA 97.036), Pre-disaster Mitigation (CFDA 97.047), and Repetitive Flood Claims (CFDA 97.092). These reductions are offset by estimated increases in Hazard Mitigation Grants (CFDA 97.039) and Fire Management Assistance Grants (CFDA 97.046).
ST/	ATE OPERATIONS CENTER D.1.4	\$20,617,443	\$22,528,629	\$1,911,186	9.3% Vo	Fund 8000 (Governor's Emergency and Deficiency Grants) reduction of \$1,315,750 due to exigent and as-needed award basis. ariance is attributable to the following: Anticipated Federal Funds increase of \$1,911,185 attributable to Emergency Management Performance Grants (CFDA 97.042). GR Fund 01 increase of \$1.
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Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
Total, Goal D, EMERGENCY MANAGEMENT	\$399,905,405	\$359,736,997	(\$40,168,408)	(10.0%)	
CRIME LABORATORY SERVICES E.1.1	\$74,512,484	\$72,252,746	(\$2,259,738)	(3.0%) Vo	ariance is attributable to the following: GR Fund 01 reduction of \$7,999,666 for Sexual Assault Kit testing. See Section 3, No. 17 for further detail. GR Fund 01 increase of \$4,219,000 for the outsourced testing of backlogged Sexual Assault Kits submitted for testing after August 31, 2011. See Section 3, No. 17 for further detail. GR Fund 01 increase of \$48,398 for vehicle allocation. Anticipated Federal Funds increase of \$1,780,730 attributable to the Forensic DNA Backlog Reduction Program (CFDA 16.741). See also Section 3, No. 16. Decrease in Interagency Contracts of \$308,200 attributable to an estimated reduction in requests for blood alcohol testing equipment (breathalyzers).
CRIME RECORDS SERVICES E.1.2	\$97,793,897	\$79,228,850	(\$18,565,047)	(19.0%) Vo	ariance is attributable to the following: GR Fund 01 decrease of \$3,158,400 due to 4 percent reduction. GR Fund 01 increase of \$371,700 for vehicle allocation. GR Fund 01 increase of \$480,000 for NIBRS training MOF swap from GR-D Fund 116. GR-D Fund 116 decrease of \$480,000 for NIBRS training MOF swap to GR Fund 01. GR-D Fund 5153 decrease of \$16,378,348 for NIBRS grant program transfer to the Office of the Governor. Anticipated increase in Appropriated Receipts of \$600,001 primarily attributable to increased demand for criminal background checks. See also Section 3, No. 16.
VICTIM & EMPLOYEE SUPPORT SERVICES E.1.3	\$2,231,572	\$2,231,572	\$0	0.0%	
REG SVCS ISSUANCE & MODERNIZATION E.2.1	\$27,435,269	\$27,930,582	\$495,313	1.8% Vo	ariance is attributable to the following: GR Fund 01 reduction of \$904,688 due to 4 percent reduction.

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Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
					Increase in Appropriated Receipts of \$1.4 million attributable to increased demand for issuing certain licenses, such as License To Carry. See also Section 3, No. 16.
REGULATORY SERVICES COMPLIANCE E.2.2	\$25,396,202	\$25,189,925	(\$206,277)	(0.8%) V	ariance is attributable to the following: GR Fund 01 reduction of \$441,312 due to 4 percent reduction. GR Fund 01 increase of \$235,035 for vehicle reallocation.
Total, Goal E, REGULATORY SERVICES	\$227,369,424	\$206,833,675	(\$20,535,749)	(9.0 %)	
DRIVER LICENSE SERVICES F.1.1	\$239,545,393	\$232,094,437	(\$7,450,956)	(3.1%) V	 ariance is attributable to the following: GR Fund 01 reduction of \$7,384,776 due to 4 percent reduction. GR-related transfers totaling \$2,482,001 from the following strategies: Increase from transfer of \$2.0 million in GR Fund 01 from Strategy C.1.1, Traffic Enforcement, to mitigate the Driver License Division's (DLD) funding shortfall. See Section 3, No. 9 for more detail. Decrease from transfer of \$1.0 million in GR-D Fund 501 (Motorcycle Safety Education) to Strategy F.1.2, Safety Education, on request of the agency. Agence had erroneously transferred funds from this account to address the DLD's shortfall However, this method of finance is dedicated for very specific purposes, and main not be used for general operations of the DLD. Increase from transfer of \$480,001 in GR Fund 01 from Strategy F.1.3, Enforcement and Compliance Services, for driver license strategy realignment.
SAFETY EDUCATION F.1.2 ENFORCEMENT & COMPLIANCE SVCS F.1.3	\$9,482,902 \$41,646,593	\$9,482,902 \$41,164,592	\$0 (\$482,001)	0.0% (1.2%) V	GR Fund 01 increase of \$15,000 for vehicle allocation GR Fund 01 increase of \$22,015 for driver license strategies realignment. GR Fund 1 decrease of \$2,585,196 for Driver License Improvement Plan one-time reduction items. See Section 3, Nos. 9 and 10 for further detail. ariance is attributable to the following:
EINFORCEMEINT & COMPLIAINCE SYCS F.1.3	941,040,373	941,104,37Z	(\$40 ∠, ∪∪⊺)	(1.270) V	GR Fund 01 reduction from transfer of \$482,001 to Strategy F.1.1, Driver License Services, for driver license strategy realignment.
Total, Goal F, DRIVER LICENSE SVCS & DRIVER SAFETY	\$290,674,888	\$282,741,931	(\$7,932,957)	(2.7%)	

	2016-17	2018-19	Biennial	%	
Strategy/Goal	Base	Recommended	Change	Change Comments	
HEADQUARTERS ADMINISTRATION G.1.1	\$56,769,821	\$55,942,302	(\$827,519)	(1.5%) Variance is attributable to the following:	
				GR Fund 01 reduction of \$646,520 due to 4 percent red	luction.
				GR Fund 01 reduction of \$180,999 for vehicle reallocat	
REGIONAL ADMINISTRATION G.1.2	\$30,115,688	\$29,997,182	(\$118,506)	(0.4%) Variance is attributable to the following:	
				GR Fund 01 reduction of \$118,506 for vehicle reallocat	ion.
INFORMATION TECHNOLOGY G.1.3	\$97,322,733	\$93,923,282	(\$3,399,451)	(3.5%) Variance is attributable to the following:	
				GR Fund 01 reduction of \$1,092,798 due to 4 percent r	eduction.
				GR Fund 01 reduction of \$86,433 for the Master Lease	Purchasing Program.
				GR Fund 01 reduction of \$2,220,220 to reduce the one-	time funding for CAPPS
				deployment. See Section 3, No. 18 as well.	-
FINANCIAL MANAGEMENT G.1.4	\$13,581,254	\$12,843,183	(\$738,071)	(5.4%) Variance is attributable to the following:	
				GR Fund 01 reduction of \$471,448 due to 4 percent red	luction.
				GR Fund 01 increase of \$86,430 for the Master Lease F	urchasing Program.
				Anticipated Federal Funds decrease of \$353,053 comp	ised of the following grants:
				Decrease of \$90,610 for State & Local Implementati 11.549)	on Grant Program (CFDA
				Decrease of \$21,208 for the Motor Carrier Safety A 20.218)	ssistance Program (CFDA
				Decrease of \$4,272 for the Emergency Management	Performance Grants (CEDA
				97.042)	
				Decrease of \$236,965 for State Homeland Security	Program (97.067.073)
				Increase of \$1 for the Public Assistance Grant Progra	ım (97.036)
				Increase of \$1 for the Hazard Mitigation Grant Prog	
TRAINING ACADEMY AND DEVELOPMENT G.1.5	\$32,521,027	\$30,893,628	(\$1,627,399)	(5.0%) Variance is attributable to the following:	
				GR Fund 01 decrease of \$1,656,400 due to 4 percent r	eduction.
				GR Fund 01 increase of \$29,001 for vehicle reallocation	
FACILITIES MANAGEMENT G.1.6	\$76,237,299	\$59,698,636	(\$16,538,663)	21.7%) Variance is attributable to the following:	
				GR Fund 01 reduction of \$2,870,231 due to 4 percent r	eduction.

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Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
					Decrease in General Obligation Bond Proceeds of \$13,668,432. Total General Obligation Bond Proceeds recommendation is \$19,907,188 and is budgeted for the following uses: \$7,274,348 for the El Paso Crime Laboratory from the remaining balance of the \$200.0 million approved by Article IX, Sections 19.70 and 19.71 of House Bill 1, Eightieth Legislature, Regular Session, 2007; and \$12,632,840 for deferred maintenance (\$2,725,400 from the remaining balance of the \$15.0 million approved by Article IX, Section 17.02 of Senate Bill 1, Eighty
					 third Legislature, Regular Session, 2013, and \$9,907,440 from the remaining balance of the \$200.0 million approved by Article IX, Sections 19.70 and 19.71 of House Bill 1, Eightieth Legislature, Regular Session, 2007). Total Funding for Deferred Maintenance: This strategy includes the \$14,908,645 in
					General Revenue Funds dedicated in Rider 40 for deferred maintenance. In combination with the G.O. Bond Proceeds for deferred maintenance cited above, recommendations for deferred maintenance total \$27,541,485. See also Section 3, No. 8.
Total, Goal G, AGENCY SERVICES AND SUPPORT	\$306,547,822	\$283,298,213	(\$23,249,609)	(7.6%)	
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Grand Total, All Strategies \$2,582,209,622 \$2,323,597,008 (\$258,612,614) (10.0%)

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Department of Public Safety Summary of Federal Funds - House (Dollar amounts in Millions)

					2016-17	2018-19	2018-19 Rec %	Recommended Over/(Under)	% Change
Program	Est 2016	Bud 2017	Rec 2018	Rec 2019	Base	Rec	Total	Base	from Base
Disaster Grants - Public Assistance	\$203.5	\$51.3	\$103.3	\$68.3	\$254.8	\$171.6	42.2%	(\$83.2)	(32.7%)
Hazard Mitigation Grant	\$52.7	\$38.4	\$83.0	\$45.3	\$91.1	\$128.3	31.6%	\$37.2	40.8%
Emergency Management Performance Grants	\$16.5	\$18.6	\$16.4	\$18.4	\$35.2	\$34.8	8.6%	(\$0.3)	(1.0%)
Border Enforcement Grant	\$12.1	\$14.4	\$14.5	\$14.5	\$26.4	\$29.1	7.2%	\$2.6	9.9%
Motor Carrier Safety Assistance Program	\$7.0	\$4.7	\$6.7	\$6.7	\$11.7	\$13.4	3.3%	\$1.7	14.8%
Fire Management Assistance Grant	\$0.0	\$0.0	\$7.0	\$3.0	\$0.0	\$10.0	2.5%	\$10.0	148,880.3%
Equitable Sharing Program	\$0.5	\$1.8	\$3.1	\$3.1	\$2.2	\$6.3	1.5%	\$4.1	184.9%
Forensic DNA Backlog Reduction Program	\$2.3	\$0.7	\$2.4	\$2.4	\$3.0	\$4.8	1.2%	\$1.8	59.9 %
Pre-disaster Mitigation Grants	\$3.6	\$0.1	\$1.2	\$1.2	\$3.7	\$2.4	0.6%	(\$1.3)	(36.2%)
Interagency Hazardous Material Public Sector Training & Planning	\$1.4	\$1.4	\$1.2	\$1.2	\$2.8	\$2.3	0.6%	(\$0.5)	(17.1%)
State & Local Implementation Grant Program- Interoperability Planning	\$1.8	\$1.1	\$1.0	\$1.0	\$2.9	\$2.0	0.5%	(\$0.9)	(30.7%)
Performance & Registration Information Systems Management	\$0.5	\$0.0	\$0.5	\$0.5	\$0.5	\$1.0	0.2%	\$0.5	82.5%
High Intensity Drug Trafficking Areas (HIDTA) Program	\$0.1	\$0.1	\$0.1	\$0.1	\$0.3	\$0.3	0.1%	\$0.0	0.8%
State Homeland Security Program	\$6.1	\$0.0	\$0.0	\$0.0	\$6.1	\$0.0	0.0%	(\$6.1)	(100.0%)
All Other Grants	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1	\$0.0	0.0%	(\$0.1)	(100.0%)
TOTAL:	\$308.3	\$132.5	\$240.3	\$165.7	\$440.7	\$406.0	100.0%	(\$34.7)	(7.9%)

CFDA No.	Program Name	FY 2012-13	FY 2014-15	FY 2016-17	FY 2018-19 Rec.	2018-19 Variance from 2016-17	CFDA Description / Explanation of Variance
97.039.000	Hazard Mitigation Grant	64,864,273	70,425,134	91,083,693	128,256,936	37,173,243	To provide funding support to reduce the risk of future damage, loss of life and property in any area affected by a major disaster. Expenditures for the 2018-19 biennium are estimated to increase by 41 percent over the 2016-17 biennium. A major reason for this is that the Hazard Mitigation Grant Program lags about 2 years behind the Public Assistance Grant Program (CFDA 97.036) federal disaster declarations. Thus the large disaster declarations (i.e., Hurricane Ike) from FY 2009 are scheduled to close in 2019, generating large projected final payments to subrecipients for long term construction projects.
97.046.000	Fire Management Assistance Grant	63,223,502	3,755,181	6,705	9,989,127	9,982,422	Cost-sharing grants for the mitigation, management, and control of any fire on publicly (nonfederal) or privately owned forestland or grassland that threatens such destruction as would constitute a major disaster. Note, about half the federal funding for the Bastrop Memorial Day Fire in FY 2012 is included in this award, as is the federal funding for 52 other Texas fires in the same year. More recently, expenditures from this grant decreased from \$2.9 million in FY 2015 to \$7,250 in FY 2016 and \$2,511 in FY 2017. DPS estimates an increase to \$7.0 million in FY 2018 because in FY 2016 DPS received a FMAG award for the Hidden Pines/Bastrop wild fire, estimated to be about \$10.0 million. FMAGS have a 2 year period of availability. In FY 2016 and FY 2017 DPS was winding down FMAGs awarded in FY 2014.
16.922.000	Equitable Sharing Program	16,929,820	13,247,794	2,207,286	6,289,260	4,081,974	The Comprehensive Crime Control Act of 1984 authorized federal officials to implement a national asset forfeiture program. One of the most important provisions of asset forfeiture is the authorization to share federal forfeiture proceeds with cooperating state and local law enforcement agencies. The Department of Justice Asset Forfeiture Program serves not only to deter crime but also to provide valuable additional resources to state and local law enforcement agencies. Among the permissible uses of equitable sharing funds, priority should be given to supporting community policing activities, training, and law enforcement agencies for law enforcement purposes only.
20.233.000	Border Enforcement Grant	29,428,181	20,761,304	26,449,361	29,056,386	2,607,025	To ensure motor carriers operating commercial vehicles entering the United States from a foreign country are in compliance with commercial vehicle safety standards and regulations, financial responsibility regulations and registration requirements of the United States, and to ensure drivers of those vehicles are qualified and properly licenses to operate the commercial vehicle.

16.741.000	Forensic DNA Backlog Reduction Program	6,176,057	5,610,738	2,973,966	4,754,696	1,780,730	To assist eligible states and units of local government to process, record, screen, and analyze forensic DNA and/or DNA database samples to increase the capacity of public forensic DNA and DNA database laboratories to process more DNA samples, thereby helping to reduce the number of forensic DNA and DNA database samples awaiting analysis.
20.218.000	Motor Carrier Safety Assistance Program	19,485,334	15,153,856	11,669,895	13,393,979	1,724,084	To provide financial assistance to reduce the number and severity of accidents and hazardous materials incidents involving commercial motor vehicles. The goal is to increase the likelihood that safety defects, driver deficiencies, and unsafe motor carrier practices will be detected and corrected before they become contributing factors to accidents.
20.231.000	Performance & Registration Information Systems Management	-	700,000	548,090	1,000,000	451,910	"PRISM" - a federal-State partnership to help keep unsafe carriers off the road. To help states establish information systems connections between state commercial vehicle registration and FMCSA's safety databases. These connections provide states with up-to-date information on carriers' safety status when carriers try to register or renew registrations with the state.
95.001.000	High Intensity Drug Trafficking Areas (HIDTA) Program	1,495,403	763,831	258,150	260,183	2,033	To reduce drug trafficking and drug production in the United States by facilitating cooperation and intelligence sharing among law enforcement agencies and support coordinated law enforcement strategies which maximize use of available resources to reduce the supply of illegal drugs in designated areas and in the United States as a whole.
11.555.000	Public Safety Interoperable Communications Grant Program	10,983,152	-	-	-	-	To assist public safety agencies in the advancement of interoperable communications. Texas share of the \$968.4 million total in one-time grant funds to enhance interoperable communications projects in the 56 States and Territories. Grants used to assist public safety agencies in the acquisition of, planning and coordination of, deployment of, or training for the use of interoperable communications systems. These grants had a special condition that required the States and Territories to have an approved Statewide Communication Interoperability Plan (SCIP).
16.111.001	Joint Law Enforcement Operations	147,078	-		-	-	Reimbursements paid to state and local law enforcement agencies from federal seizing agencies such as DEA or FBI to reimburse expenses incurred in joint law enforcement operations, such as overtime, travel, fuel, training, and equipment.
16.554.000	National Crime History Improvement	1,382,819	-	-		-	To enhance the quality and completeness of the nation's criminal history record systems.
16.803.000	Byrne Justice Grants - Stimulus	5,392,715	-	-	-	-	To support all components of the criminal justice system from multi- jurisdictional drug and gang task forces to crime prevention and domestic violence programs, courts, corrections, treatment, and justice information sharing initiatives.

20.234.000	Safety Data Improvement Project	-	230,484	-	-	- To improve the overall quality of commercial motor vehicle data, and to improve the timeliness, efficiency, accuracy, and completeness of state processes and systems used to collect, analyze, and report large truck and bus crash and inspection data.
20.238.000	Commercial Informat DL System	1,490,688	323,648	-	-	- Discontinued item. Was a discretionary grant program that provided funding to upgrade states' commercial driver licensing information systems to make them compatible with the new modernized CDLIS specifications.
21.000.000	National Foreclosure Mitigation Counseling Program	-	812,629	-	-	- To address the nationwide foreclosure crisis by dramatically increasing the availability of housing counseling for families at risk of foreclosure. NeighborWorks America distributes funds to competitively selected grantee organizations, which in turn provide the
97.008.000	Urban Area Security Initiative-non profit	1,509,275	439,041	-	-	- To provide funding for target hardening, other physical security enhancements, and activities to nonprofit organizations that are at high risk of terrorist attack and located within one of the specific UASI- eligible Urban Areas.
97.032.000	Crisis Counseling	162,477	-	-	-	- To provide supplemental funding for technical assistance and training as well as short-term crisis counseling services to individuals impacted by a Presidentially-declared major disaster that includes Individual Assistance grants.
97.052.000	Emergency Operations Centers	5,714,246	717,762	-	-	- To improve emergency management and preparedness capabilities by supporting flexible, sustainable, secure, strategically located and fully interoperable EOCs with a focus on addressing identified deficiencies and needs. Also provides funding for construction or renovation of a government's principal EOC. Note, these are pass- through funds to subrecipients.
97.055.000	Interoperable Communications Equipment	3,177,314	-	-	-	- To provide governance, planning, training and exercise funding to carry out initiatives to improve interoperable emergency communications. All activities proposed under the program must be integral to the grantee's approved Statewide Communication Interoperability Plan (SCIP).
97.067.000	Homeland Security Grant Program	16,950,788	-	-	-	- To assist state and local governments in obtaining the resources required to support the National Preparedness Goal's (NPG's) associated mission areas and core capabilities.

97.067.008	Urban Area Security Initiative	263,825,170	80,468,417	-	-	- Part of the HSGP. To fund the planning, organization, equipment, training, and exercise needs of high-threat, high-density Urban Areas, and assists them in building an enhanced and sustainable capacity to prevent, protect against, mitigate, respond to, and recover from acts of terrorism. The drop between 2012-13 and 2014-15 is attributable to a balance issue. According to the Tracking Schedule, DPS received large awards in FYs 2009, 2010, and 2011 and expended them in the 12-13 biennium, increasing that bienniums' expenditures.
97.067.053	Citizen Corp Program	1,736,352	68,083	-	-	- No longer funded as discrete grant program. But funds are allowable for encouraged activities and costs under the FY 2012 HSGP.
97.067.067	Operation Stone Garden	54,145,828	46,480,986	-	-	- Part of the HSGP. OPSG supports enhanced cooperation and coordination among law enforcement agencies in a joint mission to secure the United States' borders along routes of ingress from international borders. The drop between 2014-15 and 2016-17 appears to be a balance issue, where awards prior to the FY 2014-15 biennium were expended in the 2014-15 biennium. According to the Tracking Schedule, the agency doesn't anticipate a decline in the award amount. OPSG funds are allocated based on risk-based prioritization using a U.S. Customs and Border Protection Sector-specific border risk methodology. Factors considered include, but are not limited to: threat, vulnerability, miles of border, and other border-specific "law enforcement intelligence."
97.067.071	Metro Medical Response System	10,423,169	315,177	-	-	- No longer funded as discrete grant program. But funds are allowable for encouraged activities and costs under the FY 2012 HSGP.
97.075.000	Raid & Transit Security Grant Program	2,048,321	-	-	-	- To support transportation security for critical transit infrastructure (including bus, ferry, and rail systems) to strengthen the nation's critical transit infrastructure against risks associated with potential terrorist attacks.
97.078.000	Buffer Zone Protection Plan	9,077,947	39,714	-	-	- To increase the preparedness capabilities of jurisdictions responsible for the safety and security of communities surrounding high-priority Critical Infrastructure and Key Resource assets through planning and equipment acquisition.
97.082.000	Earthquake Hazards Reduction State Assistance	37,485	-	-	-	- To support costs associated with providing guidance, technology transfer, and assistance to States and local communities with earthquake and other hazard mitigation activities
97.089.000	Driver License Security Grant	3,498,611	885,796	-	-	- This program provides funding to prevent terrorism, reduce fraud and improve the reliability and accuracy of personal identification documents that states and territories issue. The program is intended to address a key recommendation of the 9/11 Commission to improve the integrity and security of State-issued driver's licenses (DL) and identification cards (IC). Federal funding for REAL ID ceased in FY 2011.

97.107.000	National Incident Management System	40,000	-	-	-	-	To advance the nation's preparedness and implementation of the NIMS through the development and deployment of consistent systems for the request, dispatch, use, and return of resources needed to support local capabilities, and change outcomes for survivors. These systems form a national mutual aid network that can help to build, sustain, and deliver the core capabilities needed to achieve the National Preparedness Goal.
97.111.000	Regional Catastrophic Preparedness Grant Program	6,580,434	2,282,756	-	-	-	To support co-ordination of regional, all-hazard planning for catastrophic events, including the development of all necessary integrated planning communities, plans, protocols, and procedures. To allow jurisdictions to determine how to improve their catastrophic planning processes through "Fix, Build, and Resource": fix shortcomings in existing plans; build regional planning processes and planning communities; and link operational needs identified in plans to resource allocation, including homeland security grant programs.
97.120.000	HS: Border Interoperability Demonstration Projects	1,735,065	18,759	-	-	-	Texas (McAllen) was one of 7 border states awarded funding to address the interoperable communications needs of police officers, firefighters, emergency medical technicians, National Guard, and other emergency response providers in border regions. This Texas award was specifically for the "Rio Grande Valley Border Interoperability Regional Project."
97.092.000	Repetitive Flood Claims	431,900	1,249,196	1,918	-	(1,918)	To reduce or eliminate the long-term risk of flood damage to structures insured under the National Flood Insurance Program (NFIP) that have had one or more claims for flood damages through mitigation activities.
16.579.008	Domestic Marijuana Eradication	418,771	707,525	19,195		(19,195)	Grants to deter the cultivation of marijuana in the United States by providing direct support to state and local cannabis eradication efforts.
16.710.000	Public Safety Partnership and Community	-	6,812	85,496	-	(85,496)	"COPS" grants to advance the practice of community policing as an effective strategy in communities' efforts to improve public safety by shifting resources to preventing crime; developing training and technical assistance to enhance law enforcement officers problemsolving and community interaction skills; and promoting collaboration between law enforcement and community members.
97.042.000	Emergency Management Performance Grants	32,579,336	46,321,165	35,168,579	34,828,578	(340,001)	To support a comprehensive, all-hazard emergency preparedness system by building and sustaining certain core capabilities, such as strengthening a state or community's emergency management governance structures; updating and approving specific emergency plans; and designing and conducting readiness exercises.

20.703.000	Interagency Hazardous Material Public Sector Training & Planning	2,221,707	2,355,106	2,778,898	2,302,959	(475,939)	To assist in developing, improving and implementing emergency response plans under EPCRA and to stimulate support for training of Public Sector employees to respond to accidents and incidents involving hazardous materials.
11.549.000	State & Local Implementation Grant Program- Interoperability Planning	-	3,308,667	2,886,858	2,000,000	(886,858)	To identify, plan, and implement the most efficient way to utilize and integrate the infrastructure, equipment, and other architecture associated with the nationwide public safety broadband network to satisfy the wireless communications and data services needs. Note, this grant award and the awards noted in CFDAs11.555 and 97.120 are one time grants for projects to establish/enhance interoperability capabilities. DPS received one award in 2014 for \$5.5 million. There is the possibility of additional federal funding becoming available as the federal government rolls out its public safety broadband expansion.
97.047.000	Pre-disaster Mitigation	4,326,317	2,711,403	3,692,981	2,356,976	(1,336,005)	To support pre-disaster mitigation planning and projects primarily addressing natural hazards to reduce injuries, loss of life, and damage and destruction to property from natural hazards.
97.067.073	State Homeland Security Program	121,410,962	47,916,704	6,143,216	-	(6,143,216)	Part of the HSGP. Supports the implementation of State Homeland Security Strategies to address the identified planning, organization, equipment, training, and exercise needs to prevent, protect against, mitigate, respond to, and recover from acts of terrorism and other catastrophic events. The drop between 2012-13 and 2014-15 appears to be a balance issue, where grants awarded prior to 2013-13 were expended in 2012-13. SAA status moved to Governor's Office starting in FY 2016.
97.036.000	Public Assistance Grants	305,756,157	241,579,611	254,771,625	171,550,281	(83,221,344)	To assist State and local governments in responding to and recovering from the devastating effects of disasters by providing assistance for debris removal, emergency protective measures and the repair, restoration, reconstruction or replacement of public facilities or infrastructure damaged or destroyed.
	TOTAL FEDERAL FUNDS Percent Change from Prev. Biennium:	\$ 1,068,806,654 <i>N/A</i>	\$ 609,657,279 -43.0%	\$ 440,745,912 -27.7%	\$ 406,039,361 -7.9%	\$ (34,706,551)	

Department of Public Safety Performance Measure Highlights - House

	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
Number of Arrests for Narcotics Violations	1,835	2,078	1,700	1,800	1,800
Measure Explanation: The increase in the number of narcotics arrests in 2016 is att investigations.	tributed to the large numbe	er of defendants arre	ested after the cul	lmination of several	long-term drug
Number of Cameras Deployed	2,256	4,245	3,215	4,000	4,250
Measure Explanation: The number of operational portable surveillance cameras use reporting period. Border counties are defined in the General Appropriations Bill (2			within border co	ounties as of the last	day of the
Percent of the State Population Covered by Hazard Mitigation Plans	64.1%	87%	85%	80%	78%
Measure Explanation: The percentage of the state population living in a county or most populated counties have completed their plans and have had them approved l		proved hazard mitig	gation plan. DPS	reports a majority c	of the top 20
Number of Offender DNA Profiles Completed	50,650	43,175	47,000	47,000	47,000
Measure Explanation: The total number of convicted offender DNA profiles for wh (CODIS).	hich DNA analysis has been	conducted and the p	profile entered in	to the Combined DN	NA Index System
Number of Law Enforcement Agencies Reporting NIBRS Crime Data	78	86	127	168	208
Measure Explanation: Indicates the number of law enforcement agencies in the stat Bureau of Investigation-managed incident-based crime reporting system through w	•		• • •		
Percent of State Population Covered by NIBRS	13.3%	13.9%	16%	18%	21%
Measure Explanation: The measure of the percentage of the state population in Na population as a whole.	ntional Incident Based Repo	rting System-reporti	ng jurisdictions as	s a percentage of th	e state
Handgun Licensing: Number of Original and Renewal Licenses Issued	169,358	270,061	218,443	150,000	150,000
Measure Explanation: Growth in the number of original and renewal handgun licen January 2016, and DPS assumes those licensees will continue renewing licenses thro	•	continue. There has l	been a significant	t increase in license	holders since

Department of Public Safety Summary of Ten Percent Biennial Base Reduction Options - House

			Biennial	Reduction Amou	nts]		
Priority	ltem	escription/Impact GR & GR-D All Funds FTEs				Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in LBB Recs?
1)	OGC Administrative Cuts	Cancel online legal research services and paper legal publications, issue a hiring and salary freeze for 4.0 legal staff FTEs, and reduce OGC staff by 4.0 FTE \$883,278 8.0					N/A	No
2)	Finance Division hiring freeze and contract services	Maintain vacancy rate at March 2016 levels and reduce the use of contracted services to \$2,800 per month.	\$711,570	\$711,570	0.0	\$0	N/A	No
3)	Regulatory Services Division Reductions	Freeze hiring and salaries of personnel and eliminate 46.7 FTEs who perform application, registration, and certification processing, license issuance, customer service, and business operations for regulatory programs.	\$0	N/A	No			
4)	Information Technology Reductions	Aduction to the Geographic Information System TxMap, Discontinue use of IBM a ainframe Software, reduce maintenance and service funds to the Satellite Space JB, eliminate the space segment from the Sattelite Space system, discontinue use agency Microsoft License agreement, and renewal of Palo Alto 7050 firewall ense.					N/A	No
5)	Texas Highway Patrol Service Reductions	Reduce 321 Texas Highway Patrol FTEs throughout the state.	\$46,553,962	\$46,553,962	321.0	\$0	N/A	No
6)	Service Reductions (FTEs - layoffs) - LES	FTE reductions and reduced expenditures as a result of fewer cases worked.	\$8,064,924	\$8,064,924	47.8	\$2,714,400	N/A	No
7)	Texas Ranger Division Service Reductions	Eliminate 8.1 positions within the Texas Ranger Division and reduce funding to \$4,243,802 \$4,243,802 8.1 Operation Drawbridge.					N/A	No
8)	Service Reduction (Other) - ICT	FTE and travel cost reductions.	\$1,978,540	\$1,978,540	15.5	\$0	N/A	No
9)	Driver License Division Service Reductions	Reduce Driver License Division workforce by 126.7 FTEs and make other service reductions.	\$18,875,158	\$18,875,158	126.7	\$0	N/A	No
10)	Criminal Investigations Division Service Reduction	Reduce 111 FTEs within the Criminal Investigations Division.	\$13,825,260	\$13,825,260	111.0	\$0	N/A	No
11)	Deferred Maintenance Reduction	Reduce deferred maintenance budget by \$4.8 million.	\$4,827,211	\$4,827,211	0.0	\$0	N/A	No
12)	Emergency Management Division Service Reductions	Eliminate 5.4 FTEs within the Texas Department of Emergency Management.	\$747,801	\$747,801	5.4	\$0	N/A	No

Appendix E

Department of Public Safety Summary of Ten Percent Biennial Base Reduction Options - House

			Biennial	Reduction Amou	nts			
Priority	ltem	Description/Impact	GR & GR-D	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in LBB Recs?
13)	Service Reduction (Other) - AOD	Reduce aircraft flying hours.	\$2,815,555	\$2,815,555	0.0	\$0	N/A	No
14)	Texas Military Forces Contract Reduction	Reduce funding for the Texas Military Forces contract and eliminate 20.2 FTEs.	\$2,236,448	\$2,236,448	20.2	\$0	N/A	No
15)	Service Reduction (Other) - ETR	Reduce starting recruit number across four schools or one scheduled in fiscal year 2018. Additional 5% reduction could come from any savings between recruits starting and graduating resulting from attrition.	\$4,233,682	\$4,233,682	0.0	\$0	N/A	No

TOTAL, 10% Reduction Options

\$120,569,760 \$120,569,760 710.4 \$2,966,650

Appendix E

	Revenue Collected or Distributed - Fiscal Years 2016 and 2017											
	Appropriated			1	Unappr	opriated						
	General Revenue	General Revenue	Texas Mobility Fund	Fund For Veterans' Assistance	Motorcycle Education Fund	Glenda Dawson Donate Life TX Registry	Breath Alcohol Testing Fund	Emergency Radio Infrastructure	Trauma Fac. & EMS Fd	TOT &	TAL Appropriated Unappropriated	
	0001	0001	0365	0368	0501	0801	5013	5153	5111			Trust
Combat Crime and Terrorism												
Court Costs		\$451,365					\$1,840,224	\$18,436,796		\$	20,728,385	
Controlled Substance Act - State Seized 40%/60%	\$1,991,190	\$6,046,517					_			\$	8,037,707	
Enhance Public Safety										-		
Improve Highway Safety in Texas												
Motor Carrier Act Penalities			\$5,579,894							\$	5,579,894	
Regulatory Agency Services										_		
Crime Laboratory Services										-		
Reimbursement Drug Cases Examined	\$2,774,343									\$	2,774,343	
Crime Records Services	\$68,020,965	\$1,104,519								\$	69,125,484	\$26,815,290
Texas.gov Fees - Crime Records	φ00,020,903	\$770.659								\$	770,659	φ20,013,290
Driver License		ψιτ0,000								Ψ	110,000	
Driver Responsibility Prog Rider		\$146,239,096							\$146,239,096	\$	292,478,191	
Driver Responsibility 1%	\$1,320,277	\$1,864,056							φ140,239,090	\$	3,184,333	
Driver Responsibility Vendor Fee	\$11,890,118	φ1,004,030								\$	11,890,118	
Donations	φ11,090,110	\$716,461		\$2,838,937		\$994,516				\$	4,549,914	
Fees & Licenses	\$68,109	\$36,651,933	\$402,125,958	φ2,030,937	\$2,449,172	\$994,510				\$	441,295,172	
Texas.gov Fees - Driver License	φ00,109	\$72,609,049	φ 4 02,123,930		φ2,449,172					\$	72,609,049	
Regulatory Services Division		φ12,009,049								- -	72,009,049	
Motor Vehicle Inspection Fees			\$2,038,300							\$	2,038,300	
Texas.gov Fees - Motor Vehicle Inspection		\$28,197,800	φ2,030,300							\$	28,197,800	
Concealed Handgun		\$51,534,651								\$	51,534,651	
Texas.gov Fees - Concealed Handgun		\$3,267,279								\$	3,267,279	
Controlled Substances		\$247,425									247,425	
Sale of Prescription Pads	\$1,583,647	φ241,420	+			++		+ +	+ +		1,583,647	
Metal Recycling	φ1,000,047	\$726,056	+			++					726,056	
Private Security Rider	\$1,956,126	\$15,410,711	+ +			+ +	+ +	+ +			17,366,837	
Fees	\$243,000	ψ10,410,711	+ +			+ +	+ +	+ +		\$	243,000	
Texas.gov Fees - Other	ψ240,000	\$47,362				+ +	+			\$	47,362	
		ψτ1,302								*	71,502	
Miscellaneous Revenue												
Other Miscellaneous Revenue	\$14,721,906	\$12,833,502								\$	27,555,408	
<u> </u>	\$ 104,569,682	\$ 378,718,440	\$ 409,744,152	\$ 2,838,937	\$ 2,449,172	\$ 994,516	\$ 1,840,224	\$ 18,436,796	\$ 146,239,096	\$	1,065,831,015	\$ 26,815,290

OVERVIEW OF SELECTED REGULATORY PROGRAMS

positions appropriation for RSD is \$52.5 million in All Funds, and an authorized staffing level of 365.0 full-time equivalent Program; 7) Capitol Access Pass Program; 8) Ignition Interlock Devices; and 9) Private Security. The 2016–17 Precursor Chemical Laboratory Apparatus; 5) Commissioned Online Prescription System; 6) Compassionate Use areas throughout the state: 1) License to Carry Handguns; 2) Texas Metals Program; 3) Vehicle Inspection; The Department of Public Safety (DPS) Regulatory Services Division (RSD) oversees and regulates nine program 4

This overview focuses on two program areas: License to Carry Handguns and the Texas Metals Program

LICENSE TO CARRY HANDGUNS

active handgun license holders in Texas, an increase of 120 percent since December 2010. were 937.419 active licenses and 3,458 certified instructors. Additionally, in April 2016, DPS reported 1,017,618 applications received by DPS has increased over time, as shown in Figure 1. At the end of calendar year 2015 there applicant; and 4) any potential criminal acts with which the applicant could have been involved. The volume of LTC license paperwork; 2) potential fraudulent or altered supporting documents; 3) complaints made regarding the Subchapter H. When processing LTC applications, RSD screens based on the following criteria: 1) expired instructor DPS administers the License to Carry (LTC) program under the authority of Texas Government Code Chapter 411,

Figure 1 shows the changes in licenses issued and denied from calendar years 2010 to 2015.

FIGURE 1

LICENSE TO CARRY APPLICATIONS ISSUED AND DENIED CALENDAR YEARS 2010 TO 2015



Source: Department of Public Safety

62 2016 actual performance, recommendations reduce the target for this measure to 80 percent. DPS also requested a target reduction for "Number of Days to Issue a Renewal Handgun License," which is 45 days, from 100 percent to 90 percent. In its 2018–19 Legislative Appropriations Request, DPS requested a performance measure target reduction for "The Percent of Original Handgun Licenses Issued Within 60 Days" percent. Based on the agency's 2016 actual performance, recommendations reduce the target for this measure to from 100 percent to 62 percent. Based on the agency' ഹ

TEXAS METALS PROGRAM

This training is accessible to local law enforcement agencies throughout the state. metals training as part of the application process to obtain an original two-year certificate and to renew a certificate. In January 2016, the agency adopted new rules requiring Metal Recycling Entities (MREs) to participate in an online

that each MRE adheres to safety standards, provided by statute. website. Due to the number of potentially harmful elements at MREs, DPS implements certain measures to ensure as well as a current and valid email address. DPS is required to maintain a list of all registered MREs on its internet the state. Each applicant must register with DPS and maintain current mailing and principal place of business address DPS administers the Texas Metals Program under the authority of the Texas Administrative Code, Title 37, Part 1, Chapter 36 and the Texas Occupations Code, Chapter 1956. Through this program, DPS registers all MREs throughout

Figure 2 shows the number of applications and active Metal Recycling Entities for fiscal years 2014 and 2015

FIGURE 2 METAL RECYCLING ENTITY APPLICATIONS AND ACTIVE LOCATIONS FISCAL YEARS 2014 TO 2015

Arrests	Criminal Investigations	Criminal Inspections	Active Locations	Active Dealers	Applications Approved	
18	51	548	934	538	378	2014
24	42	507	868	528	416	2015

Source: Department of Public Safety

requires all MREs to view reported thefts before uploading transactions. However, local law enforcement agencies are not required to report to DPS instances of theft at MREs. The agency reports that it works collaboratively with larger law enforcement agencies throughout the state to combat metals theft and fraud. In rural areas and in local law enforcement agencies are not required to report theft at MREs to DPS, the agency is unable to account for collaboration with smaller police departments, DPS Special Agents handle most metals theft investigations. Because frequently. all instances of theft that occur at MREs throughout the state and cannot identify which metals are stolen most DPS allows local law enforcement agencies to report metals theft through its Texas Online Metals database and

oversight to DPS, local law enforcement agencies, and MREs. This would ensure a full and accurate listing of stolen metals is maintained in a central database to provide greater Chapter 1956, to require law enforcement agencies to report metals theft through DPS' Texas Online Metals database. An option to improve the agency's monitoring capacity of stolen metals is to amend the Texas Occupations Code.



Presentation to the House Appropriations Committee

Overview of the

Texas Department of Public Safety's FY2018-19 Exceptional Items & Riders

> Steven McCraw Director

> > February 2017



Comparison of Current Biennium with H.B. 1

GOAL / MOF	FY2016-17 Est/Bud	FY2018-19 HB1 Rec	Biennial Difference
GOAL A - COMBAT CRIME AND TERRORISM	\$ 314,068,573	\$ 295,931,531	\$ (18,137,042)
GOAL B - SECURE TEXAS	\$ 487,900,855	\$ 353,667,478	\$ (134,233,377)
GOAL C - ENHANCE PUBLIC SAFETY	\$ 555,742,655	\$ 541,387,183	\$ (14,355,472)
GOAL D - EMERGENCY MANAGEMENT	\$ 399,905,406	\$ 359,736,997	\$ (40,168,409)
GOAL E - REGULATORY SERVICES	\$ 227,369,424	\$ 206,833,675	\$ (20,535,749)
GOAL F - DRIVER LICENSE SVCS & DRIVER SAFETY	\$ 290,674,888	\$ 282,741,931	\$ (7,932,957)
GOAL G - AGENCY SERVICES AND SUPPORT	\$ 306,547,822	\$ 283,298,213	\$ (23,249,609)
TOTAL, GOALS	\$ 2,582,209,623	\$ 2,323,597,008	\$ (258,612,615)
General Revenue	\$ 1,971,450,970	\$ 1,777,063,463	\$ (194,387,507)
General Revenue-Dedicated	\$ 34,403,942	\$ 18,177,768	\$ (16,226,174)
Other Funds	\$ 135,608,798	\$ 122,316,416	\$ (13,292,382)
Federal Funds	\$ 440,745,913	\$ 406,039,361	\$ (34,706,551)
TOTAL, METHOD OF FINANCING	\$ 2,582,209,623	\$ 2,323,597,008	\$ (258,612,615)
Full-Time Equivalent Positions (FTEs)	10,503.1	10,182.7	(320.4)



H.B. 1 Exceptional Item Summary

ltem	Description	Amount Requested (millions)		Requested		Comm FTEs	Highlights
1	Reinstate 4% General Revenue Reduction			177.4	Reinstates 177.4 Commissioned Officer Positions from Highway Patrol, Texas Rangers, EPB, and CID; The remaining 143 FTEs are non-commissioned professionals with 108 FTEs associated with the Drivers License Division		
2	Border Security	\$	291.7	409.0	285.0	250 additional Troopers and enhanced Drawbridge services along the Border; Six (6) replacement aircraft; Statewide Radio System; replacement of 1,240 additional high-mileage vehicles; increase agency bandwidth; enhance cyber security.	
3	Driver License	\$	57.5	137.5		CDL service expansion; Call Center transformation; DL technology resources; DL operating budget	
4	Law Enforcement Operations Enhancement	\$	36.7	26.9	20.0	CVE Facility Enhancement; Replace end-of-life THP in-car systems; Texas Ranger crime scene equipment; personnel for Capitol Security	
5	Public Safety Infrastructure	\$	30.0	85.5	1.0	Replace aging crime lab equipment; Improve Handgun License Application response time; indirect support of law enforcement	
6	Training	\$	4.3	11.3	6.0	Recruit training enhancement; Virtual Training; Reality Based training; Command College; enhanced research capabilities	
7	Financial Reporting	\$	3.5	12.0		CAPPS Financial; Improved & integrated system for accounting, contract & grants management, and procurement.	
8	Deferred Maintenance and Support	\$	15.0	9.0		Address Administrative support and address part of \$195 million in deferred maintenance identified by 2010 Facility Condition Assessment.	
9	Restoration of Baseline Border Salaries	\$	12.0			\$12M in strategy B.1.2., Routine Operations, for salaries that were reduced in FY2016-17 budget in order to limit border security funding to \$800M	
10	HB2053/IPC	\$	0.7	3.0		Interdiction for the Protection of Children Program (IPC) is designed to teach troopers and other law enforcement officers how to recognize indicators of endangered children who do not exhibit obvious signs of abuse. This request fully funds this effort.	
	TOTALS	\$	501.6	1,014.6	489.4		



DPS Expenditures by Percentage





EI #1 – Reinstate 4% GR Reduction \$50.2M

- To meet the 4 percent reduction requirement, reductions were considered for programs or areas that would have the least impact to the citizens of Texas
- □ A \$50.2 million reduction however will have an adverse impact across agency divisions and throughout the state
- The reductions include 320.4 FTEs in direct service positions, both commissioned and non-commissioned, and indirect support across the agency
 - Commissioned positions affected: 177.4 FTEs
 - ➢ Non-commissioned positions affected: 143.0 FTEs



EI #1 – Reinstate 4% GR Reduction \$50.2M

- Commissioned Positions Restore 177.4 Commissioned Positions FTEs, which are from Texas Highway Patrol, Commercial Vehicle Enforcement, Texas Rangers,, Executive Protection Bureau, Capitol Complex, and Criminal Investigation \$28.5M
- Driver License Restore 108.0 FTEs for DL Offices and continue Driver License Improvement Program (DLIP) office and Information Technology (IT) support - \$7.9M
- □ Law Enforcement Intelligence Maintain ability to collect information from other agencies that participate in TTIC for the TX Data Exchange and restore 7.9 FTEs that support Intelligence and Counter Terrorism \$3.9M
- □ Regulatory Licensing Restore 20.1 FTEs that support the Handgun Licensing Program to avoid delaying issuance of licenses \$1.3M
- □ **Deferred Maintenance** Restore funding for critical maintenance and repairs impacting potential life and safety issue for building occupants **\$2.9M**
- □ Agency Operations Restore 7.0 FTEs, impacting vital agency support areas including cyber security, audit, financial operations, general counsel, inspector general, and emergency management impacting disaster recovery and business continuity capabilities, payroll, public integrity investigations, and other support operations \$5.7M



EI #2 – Border Security \$291.7M

- This funding would provide for the second half of the 500 planned Troopers to be assigned to the border area, fund the expansion of Operation Drawbridge, and replace six (6) aging aircraft.
- DPS would also be better placed to replace 1,240 high-mileage law enforcement vehicles and better maintain its fleet of vehicles.
- □ It would provide enhanced statewide radio system operation and maintenance across the state. The request would also allow DPS to maintain its mobile communications command platforms and replace aging and outdated radio equipment that is deployed across Texas.



EI #2 – Border Security \$291.7M

- Adds 250 more Troopers to Border Area **\$97.1M**
- □ Replacement of 1,240 additional high-mileage vehicles **\$65.8M**
- Adds more cameras to Operation Drawbridge activities along the border - \$28.1M
- □ Replaces 2 helicopters and 4 planes **\$39.4M**
- □ Statewide Radio System Operation and Maintenance **\$36.8M**
- Statewide Regional Analytical Capabilities for Intelligence and Counter Terrorism (ICT) - \$1.4M
- □ Mobile Communications Command Platforms \$4.6M
- □ Increase agency bandwidth **\$8.9M**
- Cyber Security tools and support- **\$9.5M**



EI #3 – Driver License \$57.5M

- This request would expand the commercial driver license services in compliance with requirements of the Federal Motor Carrier Safety Administration (FMCSA) for issuing commercial driver licenses in effect since 2015.
- □ It would provide additional resources for the Driver License Customer Service Center, which cannot manage the number of driver license customer contacts it receives and lacks sufficient technology and staffing to meet current demand.
- □ It would provide increased funding to verify the social security number and lawful status of driver license applicants as required by federal law.



EI #3 – Driver License \$57.5M

- Expand Commercial Driver License testing to meet federal requirements - \$33.9M
- □ Improve driver license technology resources **\$5.1M**
- □ Continue required lawful presence and passport verification services **\$0.6M**
- Eliminate and address driver license budget shortfalls to address wait times - \$14.2M
- □ Phase One: Call Center Transformation \$3.6M



EI #4 – Law Enforcement Operations Enhancement \$36.7M

- □ Funding for this item would provide additional high-tech inspection stations in areas with increased demand and improve technology at existing facilities for CVE services
- It would provide for additional police presence and protection at the Capitol Complex to enhance safety and security
- □ It would provide for the replacement of in-car computer systems needed for patrol vehicles as well as current criminal investigation and crime scene response equipment



EI #4 – Law Enforcement Operations Enhancement \$36.7M

- Upgrade to Cellular Tracking Equipment **\$0.9M**
- □ Replace end-of-life THP in-car computer systems **\$5.2M**
- Commercial Vehicle Enforcement (CVE) Facility Enhancement - \$19.5M
- Texas Ranger crime scene equipment 1 Freightliner and 3 scan stations - \$1.4M
- □ Additional personnel for Capitol Security **\$9.1M**
- Bearcat Armored Tactical Vehicles for Texas Rangers \$0.6M



EI #5 – Public Safety Infrastructure \$30.0M

- Public safety infrastructure enhancements are needed throughout the support areas of the agency.
- □ Includes upgrades and replacement of crime laboratory equipment and information technology network infrastructure.
- Technology advances have negated the need for annual fingerprint-based background checks. Replacement revenue is therefore needed to maintain the fingerprint identification and criminal history systems.
- Funding to administer the Compassionate Use Act, enacted as SB 339 by the 84th Legislature, are also requested.
- Additional funding to manage the continued increase in handgun licenses to meet the statutory issuance requirements.



EI #5 – Public Safety Infrastructure \$30.0M

- □ Replace aging crime laboratory equipment \$4.2M
- □ Improve Handgun License Application response times **\$1.7M**
- □ Improve crime laboratory service cycle times- **\$11.4M**
- □ Mainframe refactoring **\$2.6M**
- Cisco Enterprise Smartnet \$3.0M
- □ AFIS Revenue Replacement \$2.9M
- Establish operational support for Compassionate Use Program **\$2.1M**
- □ Oracle software maintenance **\$1.6M**
- □ Office 365 Migration for IT **\$0.6M**



EI #6 – Training \$4.3M

- This request will provide additional funds for recruit training to handle the current and future training demands. This request also includes resources for comprehensive active shooter training for all commissioned officers to combat threats to public safety.
- □ Recruit Training Enhancements **\$1.7M**
- □ Reality Based Training **\$1.0M**
- □ Virtual Training Capabilities **\$0.7M**
- □ Enhance Command College **\$0.5M**
- □ Enhance Research Capabilities **\$0.3M**



EI #7 – Financial Reporting (CAPPS) \$3.5M

- DPS deployed CAPPS HR/Payroll in FY 2016 and has been selected to deploy CAPPS Financials in the 2018-19 biennium - \$3.5M
- Will replace aging financial systems with Centralized Accounting and Payroll / Personnel System (CAPPS)
- □ CAPPS Financials will integrate accounting, contract and grants management, procurement, security.
- Will interface with HR/Payroll system for a fully integrated system



EI #8 – Deferred Maintenance/Support \$15.0M

- This request includes additional funding for deferred maintenance projects and support to address DPS' aging infrastructure along with routine maintenance, energy conservation projects, and building automation systems to increase the efficiency and safety of current facilities.
- Address the most critical maintenance projects \$12.0M
 Address administrative shortfalls and support \$1.7M
 Conduct Facilities Condition Assessment \$1.3M



EI #9 – Restoration of Baseline Border Salaries \$12.0M

\$12M in strategy B.1.2., Routine Operations, for salaries that were reduced in FY2016-17 budget in order to limit border security funding to \$800M

 If funding is not restored this will result in a reduction of DPS officers to secure the border with Mexico.
 Approximately 80 positions would be impacted by having salary dollars cut from the base budget.



EI #10 – HB 2053/IPC \$0.7M

□ Interdiction for the Protection of Children Program (IPC) is designed to teach troopers and other law enforcement officers how to recognize indicators of endangered children who do not exhibit obvious signs of abuse. This program offers invaluable and sophisticated training created to assist law enforcement officers in identifying and rescuing missing, exploited or at-risk children, and arresting suspects who harm or endanger children.

This exceptional item request will allow the agency to maintain staffing, provide training and continuing education for instructors, and associated training materials.


DPS Requested Rider Changes

Changes Requested

- ▶ #47 Hiring Officers with Previous Experience
- > Art IX Sec 7.11 Border Security Reporting by Counties

New Rider Requested

- Revenue Collections Compassionate Use Program
- Compensation for Law Enforcement Assignments
- ➢ UB for Multiuse Training Facility

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
2. Capital Budget.	2. Capital Budget.	Add a new line item for the Multiuse Training Facility under a. Construction of Buildings and Facilities. See New Rider #705, Appropriations: Multiuse Training Facility. Adjust according to requested funding.
3. Marked Vehicles. None of the funds appropriated above may be expended for the salaries of personnel operating motor vehicles used to stop and actually arrest offenders of highway speed laws unless such vehicles are black, white, or a combination thereof and plainly marked with the department's insignia <u>owned and</u> operated by the department and personnel are trained and certified in the use of radar.	3. Marked Vehicles. None of the funds appropriated above may be expended for the salaries of personnel operating motor vehicles used to stop and actually arrest offenders of highway speed laws unless such vehicles are black, white, or a combination thereof and plainly marked with the department's insignia.	The change to the rider allows the Department of Public Safety (DPS) to use unmarked vehicles and/or subdued markings where appropriate. The rider currently prevents the DPS from stopping vehicles for speeding violations in unmarked patrol cars. The change allows the Texas Highway Patrol Division to use unmarked or subdued vehicles for speed enforcement. It does not allow non-commissioned individuals to stop vehicles since they would be violating the law, which state law addresses this concern.
17. Contingency Appropriation Reduction. The funds appropriated above to the Department of Public Safety are reduced by an equal amount from the General Revenue Fund in the event the Department of Public Safety expends any funds not authorized by the General Appropriations Act, any provision within this Act which places a limitation on expenditures, or an affirmative action by the Legislature.	17. Contingency Appropriation Reduction. The funds appropriated above to the Department of Public Safety are reduced by an equal amount from the General Revenue Fund in the event the Department of Public Safety expends any funds not authorized by the General Appropriations Act, any provision within this Act which places a limitation on expenditures, or an affirmative action by the Legislature.	Delete this rider because the agency prepares its budget to restrict expending funds in excess of its appropriations and therefore complies with this directive as an agency standard policy.

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
18. Appropriation Transfers. Notwithstanding Article IX, Section 14.01, the Department of Public Safety may not transfer funds between items of appropriation in excess of 15 percent and shall provide quarterly notification to the Governor and the Legislative Budget Board any time the Department of Public Safety transfers an amount of \$100,000 or more between items of appropriation. The Department of Public Safety shall report to the Governor and the Legislative Budget Board quarterly the total number and amount of transfers during the previous quarter. The report shall include the amount transferred, the strategies involved, and justification for the transfer.	18. Appropriation Transfers. Notwithstanding Article IX, Section 14.01, the Department of Public Safety may not transfer funds between items of appropriation in excess of 15 percent and shall provide quarterly notification to the Governor and the Legislative Budget Board any time the Department of Public Safety transfers an amount of \$100,000 or more between items of appropriation. The Department of Public Safety shall report to the Governor and the Legislative Budget Board quarterly the total number and amount of transfers during the previous quarter. The report shall include the amount transferred, the strategies involved, and justification for the transfer.	Deletion of this rider allows the Department of Public Safety to transfer funds up to 20 percent of authority between strategies and also eliminates the reporting requirement similar to other state agencies as required by Article IX, Sec. 14.01.
22. Hardship Stations . Out of funds appropriated above, the Department of Public Safety is authorized to designate 40 hardship stations across the state based on excessive vacancies and/or cost of living, and to designate specialized assignments across the state based on the type of assignments and/or skills required for the position. The Department of Public Safety shall provide incentives to commissioned peace officers accepting these positions. The incentives will be based upon available funds as determined by the Director.	22.Hardship Stations. Out of funds appropriated above, the Department of Public Safety is authorized to designate 40 hardship stations across the state based on excessive vacancies and/or cost of living, and to designate specialized assignments across the state based on the type of assignments and/or skills required for the position. The Department of Public Safety shall provide incentives to commissioned peace officers accepting these positions. The incentives will be based upon available funds as determined by the Director.	This rider limits the agency to 40 designated stations across the state. By eliminating the limitation, it will allow the Texas Highway Patrol (THP) to expand incentives to other areas that experience a high rate of vacancies due to the economic conditions of the duty stations or job function. It will also help meet the increased volume of work and specialized skills needed to provide police traffic supervision, traffic, and criminal law enforcement on Texas highways. THP has 194 troopers in the 40 duty stations and by removing the current limit it is projected there may be an increase in the number of designated stations by a third.

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
26. Appropriations Limited to Revenue Collections. Fees and other miscellaneous revenues as authorized and generated by the Private Security Bureau Program of the Department of Public Safety shall cover, at a minimum, the cost of the biennial appropriations for the 2016-17 2018-19 biennium made above in Strategies E.3.1, Regulatory Services Issuance and Modernization (\$2,608,487), and E.3.2, Regulatory Services Compliance (\$4,826,528), as well as the "other direct and indirect costs" indicated above (the amounts are solely related to the Private Security Bureau Program). In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above in Strategies E.3.1. and E.3.2, to be within the amount of revenue expected to be available.	2625. Appropriations Limited to Revenue Collections. Fees and other miscellaneous revenues as authorized and generated by the <u>operation of the</u> Private Security Bureau Programof the Department of Public Safety pursuant to the Texas Occupations Code, Section 1702.062, shall cover, at a minimum, the cost of the biennialappropriations for the 2016-17 bienniummade above in Strategies E.32.1, Regulatory Services Issuance and Modernization (\$2,608,487), and E.32.2, Regulatory Services Compliance (\$4,826,528), as well as the "other direct and indirect costs" indicated above (the amounts are solely related to the Private Security Bureau)made elsewhere in this Act associated with this program. Direct costs for the Private Security Program are estimated to be \$3,800,519 in fiscal year 2018 and \$3,800,519 in fiscal year 2019 and "other direct and indirect costs" are estimated to be \$1,282,179 in fiscal year 2018 and \$1,338,717 in fiscal year 2019. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above in Strategies E.3.1. and E.3.2, to be within the amount of revenue expected to be available.	The change increases the amount specified for the program, however, it does not increase appropriations.
31. State Disaster Resource Support and Staging Sites. From funds appropriated above in Goal D, Emergency Management, the Texas Division of Emergency Management is authorized to spend no more than \$1,008,000 in fiscal year 2016 and \$1,008,000 in fiscal year 2017 for the operation of no more than two state disaster resource support and staging sites which	3129. State Disaster Resource Support and Staging Sites. From funds appropriated above in Goal D, Emergency Management, the Texas Division of Emergency Management is authorized to spend no more than \$1,008,000 in fiscal year 20162018 and \$1,008,000 in fiscal year 20172019 for the operation of no more than two state disaster resource support and staging sites which	The change to the rider provides the Texas Department of Emergency Management the flexibility to determine the number of staging sites and locations needed to address any disasters that may occur throughout the state and to minimize the state disaster support costs.

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
are currently established. The <u>the</u> Texas Division of Emergency Management is authorized <u>in fiscal year</u> <u>2018 and fiscal year 2019</u> to spend funds for the daily operation of state disaster resource support and staging sites. This does not include any costs associated with disaster response. Funds used under this provision may be expended for capital budget purposes notwithstanding limitations on capital budget expenditures elsewhere in this Act.	are currently established. The Texas Division of Emergency Management is authorized to spend funds for the daily operation of state disaster resource support and staging sites. This does not include any costs associated with disaster response. Funds used under this provision may be expended for capital budget purposes notwithstanding limitations on capital budget expenditures elsewhere in this Act.	The staging sites will be based on historical experiences and anticipated future needs to provide expedited responses to disasters that minimize damages and costs to the impacted areas.
 40. Funding for Deferred Maintenance. Included in Strategy F.1.8.F.1.6., Facilities Management is \$17,778,877 \$18,282,249 in General Revenue Funds in fiscal year 2016 2018 for the purpose of funding priority health and safety deferred maintenance needs of the Department of Public Safety. By October 1 of fiscal year 2016 2018, the Department of Public Safety shall submit to the Legislative Budget Board a written request to expend the funds for specific deferred maintenance projects. The request shall be considered approved unless the Legislative Budget Board issues a written disapproval within 30 days of receipt of the request. The Legislative Budget Board may approve or disapprove a request prior to the completion of the 30 day period. The agency shall not expend the funds identified in this rider without prior Legislative Budget Board approved unless Included in amounts above are unexpended and unobligated balances of General Revenue appropriation for deferred maintenance projects approved under the provision of Article V. Rider 2 of House Bill 1. Fighty 	4038. Funding for Deferred Maintenance. Included in Strategy F.1.8G.1.6, Facilities Management, is \$17,778,877 <u>\$14,908,645</u> in General Revenue Funds in fiscal year 20162018 for the purpose of funding priority health and safety deferred maintenance needs of the Department of Public Safety. By October 1 of fiscal year 20162018, the Department of Public Safety shall submit to the Legislative Budget Board a written request to expend the funds for specific deferred maintenance projects. The agency shall not expend the funds identified in this rider without prior Legislative Budget Board approval.	The change to the rider provides flexibility in terms of commencing deferred maintenance projects as soon as possible. Also, the modification provides UB authority for any potential projects that are not encumbered by the end of the fiscal year because of any external delays. This rider has also been changed to update fiscal years and strategy.
unobligated balances of General Revenue appropriation		

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes remaining as of August 31, 2017, are appropriated to the Department of Public Safety for the fiscal year beginning September 1, 2017, for the same purpose.	Proposed House Bill 1 Introduced Changes	Comments / Notes
 42. Driver License Improvement Plan Reporting. a. Included in the amounts above is \$74,652,503 in fiscal year 2016 and \$67,304,297 in fiscal year 2017 in General Revenue Funds for the purpose of the driver license improvement plan. b. Included in the amounts noted above in (a) is \$6,200,000 in fiscal year 2016 and \$3,100,000 in fiscal year 2017 in General Revenue Funds for the purpose of establishing a new Driver License Megacenter in Denton County. None of the funds appropriated above may be used for a Driver License Megacenter in Collin County. c. The Department of Public Safety shall provide an annual report on the effectiveness of the driver license improvement plan not later than December 1st of each fiscal year. The report shall include information related to specific expenditures, program outcomes and outputs, obstacles to improvement, and any other information that the department deems necessary in order to fully report on the progress of the driver license improvement plan. 	 4239. Driver License Improvement Plan Reporting. a. Included in the amounts above is \$74,652,503\$66,491,914 in fiscal year 20162018 and \$67,304,297\$66,491,914 in fiscal year 20172019 in General Revenue Funds for the purpose of the driver license improvement plan. b. Included in the amounts noted above in (a) is \$6,200,000 in fiscal year 2016 and \$3,100,000 in fiscal year 2017 in General Revenue Funds for the purpose of establishing a new Driver License Megacenter in Denton County. None of the funds appropriated above may be used for a Driver License Megacenter in Collin County. eb. The Department of Public Safety shall provide an annual report to the Legislative Budget Board and the relevant standing committees of the Legislature on the effectiveness of the driver license improvement plan not later than December 1st of each fiscal year. The report shall include information related to specific expenditures, program outcomes and outputs, obstacles to improvement, and any other information that the department deems necessary in order to fully report on the progress of the driver license improvement plan. The report shall also detail the following by type of transaction: (1) average wait times at driver 	The change to the rider includes rolling all funds into the Department of Public Safety's base level of funding for these purposes and continues to provide an annual report on the driver license improvement plan by December 1st each fiscal year.

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changeslicense offices within a twenty-mile radius of each mega center; (3) a statewide weighted average of wait times at all driver license offices; (4) an analysis and explanation if wait times have increased at mega centers, driver license offices within a twenty-mile radius of each mega center, and driver license offices outside the twenty-mile 	Comments / Notes
 45. Contingency Appropriations: Unexpended Balances for Training on Incident Based Reporting. Contingent upon the enactment of legislation by the Eighty fourth Legislature relating to the modification of the Occupations Code to expand the allowable uses of the General Revenue Dedicated Law Enforcement Officers Standards and Education Account No. 116 to include grants administered by the Department of Public Safety, the Department of Public Safety is appropriated in Included in amounts appropriated above in Strategy E.1.2, Crime Records Services, \$480,000 in fiscal year 2016 2018 and \$480,000 in fiscal year 2017 2019 out of from the General Revenue- Dedicated Law Enforcement Officers Standards and Education Account No. 116 is to provide grants to local law enforcement agencies for training on incident based reporting. Any unexpended balances from the General Revenue- Dedicated Law Enforcement Officers Standards and Education Account No. 116 described herein and remaining as of August 31, 2017, (estimated to be \$720,000) are appropriated for the same purposes for the fiscal year beginning September 1, 2017. 	45 <u>41</u> . Contingency Appropriation for Training on Incident Based Reporting. Contingent upon the enactment of legislation by the Eighty fourth Legislature relating to the modification of the Occupations Code to expand the allowable uses of the General Revenue- Dedicated Law Enforcement Officers Standards and Education Account No. 116 to include grants administered by the Department of Public Safety, included in the appropriationsIncluded in the amounts appropriated above in Strategy E.1.2, Crime Records Services_the Department of Public Safety is appropriated in Strategy E.1.2, Crime Records Services,\$480,000 in fiscal year 20162018 and \$480,000 in fiscal year 20172019 out of the Law Enforcement Officers Standards and Education Account No. 116 <u>in General Revenue Funds</u> to provide grants to local law enforcement agencies for training on incident based reporting.	Report on progress is due in 2017. The change to this rider provides Unexpended Balance authority for any remaining funds in the event the project is delayed into the next biennium. The estimated potential UB is unknown.

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
 46. Enhance Driver Responsibility Program Outreach and Education. Out of funds appropriated above, the Department of Public Safety (DPS) shall develop a statement about Driver Responsibility Program (DRP) surcharges and work with applicable agencies to include this statement in: (1) Texas Department of Insurance TexasSure insurance verification letters; and (2) driver license renewal notices mailed by DPS; and (3) on the websites of certain cities that allow individuals to pay fines online for DRP surchageable offenses. DPS shall develop information regarding DRP and work in cooperation with the Texas Commission on Law Enforcement to incorporate this information into peace officer training academy and continuing education curricula. 	 4642. Enhance Driver Responsibility Program Outreach and Education. Out of funds appropriated above, the Department of Public Safety (DPS) shall develop a statement about Driver Responsibility Program (DRP) surcharges and work with applicable agencies to include this statement in: (1) Texas Department of Insurance TexasSure insurance verification letters; (2) driver license renewal notices mailed by DPS; and (3) on the websites of certain cities that allow individuals to pay fines online for DRP surchageable offenses. DPS shall develop information regarding DRP and work in cooperation with the Texas Commission on Law Enforcement to incorporate this information into peace officer training academy and continuing education curricula. 	The change to the rider aligns with the payment process since the Driver Responsibility Program (DRP) fines are paid using the DRP Vendor's website and not paid through city websites.
47. Hiring Officers with Previous Experience. From funds appropriated above in Strategy B.1.5 B.1.4, Recruitment, Retention, and Support, the Department of Public Safety may, at the time a commissioned officer is hired, elect to credit up to four years of experience as a peace officer in the any state within the United States as years of service for the purpose of calculating the officer's salary under Salary Classification Schedule C as provided in Article IX, Section 2.01 of this Act. All officers hired under this provision are subject to the one-year probationary period under Section 411.007 (g) notwithstanding the officers rank or salary classification.	4743. Hiring Officers with Previous Experience. From funds appropriated above in Strategy <u>B.1.5</u> <u>B.1.4</u> , Recruitment, Retention, and Support, the Department of Public Safety may, at the time a commissioned officer is hired, elect to credit up to four years of experience as a peace officer in the state as years of service for the purpose of calculating the officer's salary under Salary Classification Schedule C as provided in Article IX, Section 2.01 of this Act. All officers hired under this provision are subject to the one-year probationary period under <u>Government Code</u> , Section 411.007 (g) notwithstanding the officers rank or salary classification.	The change to the rider allows the Department of Public Safety to allow years of peace officer experience from any state within the United States. This rider has also been changed to update the strategy.

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
54. Study Required. The Department of Public Safety shall use the funds appropriated above in Strategy F.1.8, Facilities Management, to study the degree to which the proceeds from the sale of the agency's Austin headquarters property could offset the costs associated with purchasing the property and facilities required for a new agency headquarters.	54<u>45</u>. Headquarters Relocation Study. The Department of Public Safety shall use the funds appropriated above in Strategy F.1.8, Facilities Management, to study the degree to which the proceeds from the sale of the agency's Austin headquarters property could offset the costs associated with purchasing the property and facilities required for a new agency headquarters. <u>This study shall be submitted to the Legislative Budget Board by June 1, 2018.</u>	This rider is no longer needed since the requirement was for a one-time study.
60. Transfer Prohibition – Goal B, Secure Texas.	60 <u>50</u> . Transfer Prohibition -Goal B, Secure Texas.	The change to the rider adds language to
a. Notwithstanding Article IX, Section 14.01 of this Act and except as provided below in "b" and "dc", the Department of Public Safety shall not transfer funds out of Goal B, Secure Texas.	a. Notwithstanding Article IX, Section 14.01 of this Act and except as provided below in "b" and "d", the Department of Public Safety shall not transfer funds out of Goal B, Secure Texas.	include a 30 day review to approve transfers of funding outside of Goal B unless specifically denied. Also, it deletes language relating to lapsing of funds
b. Exceptions to the proscription above in "a" are limited to the following:	b. <u>An Ee</u> xceptions-to the proscription above in "a" are limited to is the following:	since it is anticipated that these funds will be expended in the biennium they are appropriated in and will continue to be
(1) Funding for overtime pay sufficient to increase the work week for all of the agency's troopers to an average of 50 hours per week;	(1) Ffunding for overtime pay sufficient to increase the work week for all of the agency's troopers to an average of 50 hours per week;	used for the same purposes identified in the most efficient and effective use of these funds.
(2) Funding for grants to law enforcement agencies to facilitate transition to a National Incident Based Reporting System; and	(2) Funding for grants to law enforcement agencies to facilitate transition to a National Incident Based Reporting System; and	
(3) Funding to reimburse the Texas Military Department for transitional National Guard deployment costs.	(3) Funding to reimburse the Texas Military Department for transitional National Guard deployment costs.	
c. Any funds other than those noted above in "b" remaining in Goal B, Secure Texas, on August 31, 2017, shall lapse to the General Revenue Fund.	c. Any funds other than those noted above in "b" remaining in Goal B, Secure Texas, on August 31, 20172019, shall lapse to the General Revenue Fund.	
$\frac{d}{c}$. All transfers out of Goal B other than those	d. All transfers out of Goal B other than those noted above in "b" are subject to the prior approval of the Legislative	

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
noted above in "b" are subject to the prior approval of the Legislative Budget Board. In the event the agency determines a need to transfer funds out of Goal B other than those noted above in "b", the agency may submit a request to the Legislative Budget Board detailing the rationale for the transfer. <u>The request shall be considered approved unless the Legislative Budget Board issues a written disapproval within 30 days of receipt of the request. <u>The Legislative Budget Board may approve or disapprove a request prior to the completion of the 30 day period.</u></u>	Budget Board. In the event the agency determines a need to transfer funds out of Goal B <u>for a purpose</u> other than <u>those the purpose</u> noted above in "b", the agency may submit a request to the Legislative Budget Board detailing the rationale for the transfer.	
 64. Security Improvements in the Texas State Capitol and the Governor's Mansion. Out of the funds appropriated above and authorized in Rider 2, Capital Budget, the Department of Public Safety shall allocate and expend \$950,000 in the 2016-17 biennium for the replacement, service, and maintenance of video surveillance, access control equipment and software, and emergency signal equipment in the State Capitol and Extension, and in the Governor's Mansion. The equipment replacement shall be complete no later than August 31, 2017. The Department of Public Safety shall coordinate the purchase, installation, and maintenance of these items with the State Preservation Board. The Department of Public Safety shall report semiannually to the Governor, Lieutenant Governor, the Speaker, the Chair of Senate Administration, and the Chair of House Administration 	 64<u>52</u>. Security Improvements in the Texas State Capitol and the Governor's Mansion. Out of the funds appropriated above and authorized in Rider 2, Capital Budget, the Department of Public Safety shall allocate and expend \$950,000 in the 2016-17 biennium for the replacement, service, and maintenance of video surveillance, access control equipment and software, and emergency signal equipment in the State Capitol and Extension, and in the Governor's Mansion. The equipment replacement shall be complete no later than August 31, 2017. The Department of Public Safety shall coordinate the purchase, installation, and maintenance of these items with the State Preservation Board. The Department of Public Safety shall report semi-annuallyby September 1, 2018 to the Governor, Lieutenant Governor, the Speaker, the Chair of Senate Administration, and the Chair of House 	This rider is no longer needed because it is expected to be a one-time item that was funded from the Department of Public Safety's base funding to provide improvements to the capitol complex security.
on the progress and status of this and any other Capitol and Mansion security project.	Administration on the progress and status of this security improvements made in the last fiscal year to the Texas State Capitol and the Governor's Mansion and any other	

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
	Capitol and Mansion security project. <u>In the same report,</u> <u>the Department of Public Safety shall also identify the</u> <u>security needs in the Capitol Complex. The report must</u> <u>also include Department of Public Safety strategies to</u> <u>address threats to individual members of the Legislature.</u>	
	53. Transfer Prohibition - Goal F, Driver License Services and Driver Safety.	
	 a. Notwithstanding Article IX, Section 14.01 or other provision of this Act, the Department of Public Safety may not transfer funds out of Goal F, Driver License Services and Driver Safety, without the written approval of the Legislative Budget Board. b. Any funds remaining in Goal F, Driver License Services and Driver Safety, on August 31, 2019, shall lapse to the General Revenue Fund. 	
	54. Crime Laboratory Cost Containment. Included in performance measure targets above for Goal E, Crime Laboratory Services, are performance measures to track the efficiency and output of crime laboratory services which should also be used for management of forensic evidence cases by each crime lab. Further, the crime labs should continuously find ways to operate efficiently and develop cost containment measures. Cost containment measures the department must consider include: (1) maintaining communication with agencies requesting forensic testing occurs; and (2) stopping work on a forensic test in accordance with applicable accreditation	

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
	standards for instances in which a crime lab has begun testing that is determined to be unnecessary.	
	55. Sexual Assault Kit Testing. Included in the amounts appropriated above in Strategy E.1.1, Crime Laboratory Services, is \$4,219,000 in fiscal year 2018 in General Revenue Funds for the outsourced testing of backlogged Sexual Assault Kits from investigations occurring after August 1, 2011.	
701. Appropriations Limited to Revenue Collections: Compassionate Use Program. In addition to amounts appropriated above in E.3.1. Regulatory Services Issuance & Modernization, the Department of Public Safety is appropriated all fees and other miscellaneous revenue generated above the Biennial Revenue Estimate pursuant to Health and Safety Code Chapter 487 estimated to be \$1,362,531 in fiscal year 2018 and \$693,040 in fiscal year 2019. In the event that actual and/or projected revenue collections are insufficient to offset the costs identified by this provision, the Legislative Budget Board may direct that the Comptroller of Public Accounts reduce the appropriation authority provided above to be within the amount of revenue expected to be available.		Add new rider for the implementation and regulation of the Compassionate Use Program (SB 339, enacted during the 84th Legislative session), requires fees "in amounts sufficient to cover the cost of administering this chapter." This rider would appropriate the revenue authorized to administer the program, which appropriation authority was not provided in the 206-17 biennium.
In addition, the "Number of Full-Time Equivalents (FTE)" in the agency's bill pattern is increased by 8.0 FTEs in fiscal year 2018 and 8.0 FTEs in fiscal year 2019.		
702. Reimbursement of Advisory Committees. Out of		Add new rider to allow travel

Texas Department of Public Safety House Bill 1 Requested Rider Changes		
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes
<u>funds appropriated above, reimbursement of travel costs</u> <u>shall be in accordance with provisions of this Act related</u> <u>to the per diem of Advisory Committee Members.</u>		reimbursement authority of the Department of Public Safety's advisory committee members as required by Art IX, Sec. 5.08. Travel of Advisory Committee Members.
703. Law Enforcement for Specified Assignments. The Department of Public Safety participates in grant funded and interagency contracts funded programs that allow employees to provide law enforcement services for specified assignments. Out of funds appropriated above, the Department of Public Safety is authorized to pay employees funded from grants and interagency contracts at a rate of time and half for all hours worked on the grants, regardless if the employee has worked in excess of a 40 hour workweek. This provision only applies to programs that allow for time and a half compensation and that reimburse the Department of Public Safety for the total cost of the employees' time.		Add a new rider to compensate staff at time and a half for law enforcement services funded with grants for specified areas (STEP program, construction sites, DWI enforcement during certain holiday weekends, security of energy sector locations) without regard to working more than a 40 hour week. This would provide legislative clarification to continue this practice of compensation for these specialized assignments.
704. Appropriation Unexpended Balances: Driver License Self Service Enhancement. Included in the amounts appropriated above in E.2.1. Driver License Services, are unexpended and unobligated balances as of August 31, 2017 (estimated to be \$3,500,000) in General Revenue Funds for the biennium beginning September 1, 2017 for Driver License Improvement Self Enhancement projects. Any unexpended balances of these funds remaining as of August 31, 2017, are appropriated to the Department of Public Safety for the fiscal year beginning September 1, 2017, for the same purpose.		Add a new rider to allow for unexpended balance authority to allow the Driver License Division the appropriation authority to complete the driver license improvement self enhancement project in the 2018-19 biennium. During the 2016- 17 biennium, technology resources have been focused on implementing legislative mandates such as Real ID and compliance with current state and federal regulations related to commercial driver

Texas Department of Public Safety House Bill 1 Requested Rider Changes				
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes licensing program. The self enhancement		
		project will require approximately two years to complete due to complexity of programming and systems integration and will not be started until late fiscal year 2017 and therefore will not be complete until fiscal year 2019.		
705. Appropriations: Multiuse Training Facility. In addition to amounts appropriated to the Department of Public Safety, in Strategy B.1.2, Routine Operations, is unexpended and unobligated balances (estimated to be \$0), in fiscal year 2018 for the construction of a Multiuse Training Facility to be used by DPS, the Texas military forces, county and municipal law enforcement agencies, and any other military or law enforcement agencies, including agencies of the federal government for training purposes.		Add a new rider for Unexpended Balance authority. \$2 million was appropriated in the 2016-17 biennium for a Multiuse Training Facility. The new rider would provide appropriation authority if the funds are not expended during the biennium. The funding would be intended for the same purposes in the 2018-19 biennium.		
Article IX Requested Changes				
 Sec. 7.11 Border Security. (a) The Department of Public Safety, Texas Military Department, Texas Parks and Wildlife Department, Trusteed Programs Within the Office of the Governor, Texas Department of Criminal Justice, Texas Alcoholic Beverage Commission, Texas Commission on Law Enforcement, and any other agency as requested by the Legislative Budget Board, shall report all budgeted and expended amounts and performance results for border security as of January 31st - February 28th and August 	 Sec. 7.11. Border Security. (a) The Department of Public Safety, Texas Military Department, Texas Parks and Wildlife Department, Trusteed Programs Within the Office of the Governor, Texas Department of Criminal Justice, Texas Alcoholic Beverage Commission, Texas Commission on Law Enforcement, <u>Office of the Attorney General, Soil and</u> <u>Water Conservation Board, and any other agency as</u> requested by the Legislative Budget Board, shall report all budgeted and expended amounts and performance 	The change to the rider continues to require border security reporting while modifying the definition of border security to align with the reporting submitted during the 2016-17 biennium. This modification will also allow the reporting to capture the expenditures within the limitations of the Department of Public Safety's financial reporting system.		

Texas Department of Public Safety House Bill 1 Requested Rider Changes			
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes	
 31st of each fiscal year to the Legislative Budget Board. (b) In this section, border security is defined as activities associated with deterring crimes and enforcing state laws related to offenses listed in the Texas Government Code, Section 772.0071, or hunting and fishing laws related to poaching, or for which Texas receives federal grants intended to enhance law enforcement, or that relate to federal law enforcement operations., between designated entry and exit points in counties: (1) adjacent to or a portion of which is located within 20 miles of an international border; or (2) adjacent to two counties located on an international border with a population of more than 5,000 and less than 7,500 according to the most recent decennial census; or (3) adjacent to the Gulf Intracoastal Waterway, as defined by the Texas Transportation Code, Section 51.002(4). (c) This report shall be provided not later than 30 days after the reporting period specified in Subsection (a) and in a manner prescribed by the Legislative Budget Board. The report shall include, at a minimum: (1) expended amounts from specific funding provided for border security purposes, which includes other law enforcement operations, and related performance results for activities related to enforcing laws listed in Subsection (b) that occurring: (A) in each county in Subsection (b) as well as for activities statewide that support the definition included in Subsection (b); enforcement of those laws in these counties, and (B) in any geographic region outside of the counties 	 indicatorsresults for border security as of February 28thJanuary 31st and August 31st of each fiscal year to the Legislative Budget Board. (b) In this section, border security is defined as activities associated with deterring crimes and enforcing state laws related to offenses listed in the Texas Government Code, Section 772.0071, or hunting and fishing laws related to poaching, or for which Texas receives federal grants intended to enhance law enforcement, or that relate to federal law enforcement operations, between designated entry and exit points in counties: (1) adjacent to or a portion of which is located within 20 miles of an international border; or (2) adjacent to two counties located on an international border with a population of more than 5,000 and less than 7,500 according to the most recent decennial census; or (3) adjacent to the Gulf Intracoastal Waterway, as defined by the Texas Transportation Code, Section 51.002(4). (c) This report shall be provided not later than 30 days after the reporting period specified in Subsection (a) and in a manner prescribed by the Legislative Budget Board. The report shall include, at a minimum: (1) expended amounts and performance indicatorsresults for activities related to enforcing laws listed in Subsection (b) that occurrocurring: (A) in each county in Subsection (b) as well as for activities statewide that support the definition included in Subsection (b); enforcement of those laws in these 		
included in Subsection (b), as requested, such as areas 2018-19 House Bill 1	14	Texas Department of Public Safety	

Texas Department of Public Safety House Bill 1 Requested Rider Changes				
LAR Requested 2016-17 Rider Changes	Proposed House Bill 1 Introduced Changes	Comments / Notes		
 identified as smuggling corridors (2) the method of finance of budgeted and expended amounts; (3) the object of expense of budgeted and expended amounts; and (4) regular and overtime pay. 	 counties, and (B) in any geographic region outside of the counties included in Subsection (b), as requested, such as areas identified as smuggling corridors; (2) the method of finance of budgeted and expended amounts; (3) the object of expense of budgeted and expended amounts; and (4) regular and overtime pay. 			

Special Provisions Relating to Public Safety and Criminal Justice Agencies (Page V-68) Rider Highlights - House

No significant changes.