

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION**

**May 4, 2023**

**TO:** Honorable Harold V. Dutton, Jr., Chair, House Committee on Juvenile Justice & Family Issues

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB1727** by Schwertner (Relating to the continuation and functions of the Texas Juvenile Justice Department, the functions of the office of independent ombudsman for the Texas Juvenile Justice Department, and the powers and duties of the office of inspector general of the Texas Juvenile Justice Department.), **Committee Report 2nd House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1727, Committee Report 2nd House, Substituted : a negative impact of (\$5,233,280) through the biennium ending August 31, 2025.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five- Year Impact:**

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	(\$2,616,640)
2025	(\$2,616,640)
2026	(\$2,616,640)
2027	(\$2,616,640)
2028	(\$2,616,640)

**All Funds, Five-Year Impact:**

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>
2024	(\$2,616,640)
2025	(\$2,616,640)
2026	(\$2,616,640)
2027	(\$2,616,640)
2028	(\$2,616,640)

**Fiscal Analysis**

The bill would amend various Codes as they relate to the functions of the Texas Juvenile Justice Department (TJJD) and the Office of the Independent Ombudsman (OIO). Based on information provided by the Sunset Commission and TJJD, this analysis assumes that most of the duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources. However, the provisions of the bill related to risk-based assessments and inspections, the reduction in the number of board members, requirements related to university partnerships, reduction of certain juveniles' minimum length of

stay, and certain types of leave would have an indeterminate fiscal impact. According to the Office of Court Administration, the Texas Department of Criminal Justice, and the Texas Commission on Law Enforcement, any fiscal impact associated with the bill could be absorbed within existing resources.

The bill would amend the Family Code to remove the annual inspection requirement of certain facilities. The bill would also amend the Human Resources Code to require TJJJ and the OIO to establish risk-based assessment tools and risk-based inspections of certain facilities under TJJJ and the OIO's purview. Based on information provided by the Sunset Commission and TJJJ, the fiscal impact cannot be determined because any increases or decreases in inspection costs or savings cannot be estimated until the establishment of risk assessments and risk-based inspection protocol.

The bill would amend the Human Resources Code to reduce the size of TJJJ's board, alter composition requirements, update conflict-of-interest and recusal requirements and training for board members, clarify oversight duties and the delegation of certain duties to the executive director. The bill would also require the board to adopt certain rules related to juvenile probation departments, administrative investigations, and placement procedures. According to the Sunset Commission, there may be cost savings resulting from decreased reimbursements to board members for incurred expenses.

The bill would abolish one advisory committee, allow the board to appoint advisory committees in rule, and create the Youth Career and Technical Education committee. The bill would also alter the composition of the advisory council on juvenile services to include the commissioner of the Department of Family and Protective Services (DFPS) or their designee and require the adoption of certain rules related to council operations. DFPS indicates that no significant fiscal impact is anticipated.

The bill would require TJJJ to update and submit the regionalization plan in consultation with stakeholders as outlined in the provisions of the bill. The bill would also require TJJJ to partner with institutions of higher education to review resources for justice involved youth and identify resource and service gaps in each probation region. Based on information provided by the Sunset Commission and TJJJ, the fiscal impact of the university partnerships would be determined by which university TJJJ partners with and what resource and service gaps are identified.

The bill would require TJJJ to publish certain information related to complaints against certified officers and juvenile commitments on the agency website. The bill would also consolidate reports related to the rehabilitation and re-entry of youth committed to TJJJ. The bill would also amend the Human Resources Code as it relates to qualifications and provisional certification of Juvenile Probation Officers. The bill would update statute to reflect the current scope of the OIO's duties as it relates to oversight of facilities housing post adjudicated youth and permits the OIO access to certain records. The bill would also permit the use of retrofitted facilities constructed for adult offenders with TJJJ approval.

The bill would classify officers appointed by the Office of the Inspector General (OIG) as peace officers and would amend various codes to include peace officers appointed by the OIG, outline certain duties, reporting requirements, and jurisdiction of the OIG. The bill would also direct TJJJ to compensate these staff according to Schedule C Classification Salary Schedule prescribed by the General Appropriations Act. According to TJJJ, the cost to comply with the provisions of the bill related to Schedule C Classification Salary Schedule would be \$2,616,640 in General Revenue per fiscal year.

The bill would amend the Government Code as it relates to injury leave for peace officers and compensatory paid time off for OIG peace officers and certain other TJJJ employees. Based on information provided by the Sunset Commission, there may be costs resulting from reduced staff availability; however the fiscal impact cannot be determined.

The bill would amend the Family Code as it relates to certain identifiable juvenile justice information. The bill would also allow TJJJ to reduce the minimum length of stay for certain youth committed to TJJJ. Based on information provided by the Sunset Commission, there may be cost savings resulting from reduced length of stay for youth; however any fiscal impact would be dependent on how much TJJJ reduces the minimum length of stay and cannot be determined.

While it is assumed that any impact on adult state correctional populations or on the demand for adult state

correctional resources would not be significant, the impact on juvenile state correctional populations or on the demand for juvenile state correctional resources cannot be determined due to the lack of data necessary to identify the prevalence of conduct that would qualify for an increased penalty under the bill.

The bill would extend the continuation of TJJD and the OIO until September 1, 2029.

This bill would take effect September 1, 2023.

### **Methodology**

According to TJJD, additional funding is needed to provide for increased salaries for current positions at OIG that would be reclassified to the Schedule C classification salary schedule. Based on information provided by the agency, this analysis assumes an additional \$2,616,640 in General Revenue is needed each fiscal year to reclassify 55 positions from Schedule B Classification Salary Schedule and 25 positions from Schedule A Classification Salary Schedule to Schedule C Classification Salary Schedule.

### **Local Government Impact**

Local juvenile probation boards and departments may experience a fiscal impact due to additional reporting requirements and increased collaboration with TJJD on newly required initiatives, but the extent of that impact cannot be determined. It is assumed that any fiscal impact to units of local government associated with enforcement, prosecution, supervision, or confinement would not be significant. No significant fiscal impact to other units of local government is anticipated.

**Source Agencies:** 116 Sunset Advisory Commission, 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 407 Commission on Law Enforcement, 530 Family and Protective Services, Department of, 644 Juvenile Justice Department, 696 Department of Criminal Justice

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