

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

**FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION**

**April 1, 2025**

**TO:** Honorable Sam Harless, Chair, House Committee on Corrections

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

**IN RE: HB1461** by Frank (Relating to the confinement or detention of certain individuals in a county jail or other facility operated by or for the county and to the compensation to the county for the costs of that confinement or detention.), **As Introduced**

The fiscal implications of the bill cannot be determined due to the unknown number of individuals who would be committed to the Health and Human Services Commission or detained by the Texas Juvenile Justice Department and the related costs to compensate counties. However, the bill could have a significant negative fiscal impact to the state.

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

The bill would require the Health and Human Services Commission (HHSC) to take custody of a defendant awaiting transfer to a mental health facility operated by or under contract with HHSC within 45 days following the date the order is issued. The bill would require the Texas Juvenile Justice Department (TJJD) to accept custody of a child within 45 days of a judge signing a disposition order committing the child to TJJD. The bill would require the Texas Department of Criminal Justice (TDCJ) to take custody of a releasee or person who is confined only on a charge that the releasee or person has committed an administrative violation of release within 45 days of the completion of processing the transfer. If the individual is not confined or detained by the applicable state agency during that time, the bill would require HHSC, TJJD, and TDCJ to compensate counties in an amount equal to the amount the applicable state agency would have incurred to confine or detain the individual. The bill would require compensation to counties for costs of confinement or detention on or after January 1, 2026.

The fiscal implications of the bill cannot be determined due to the unknown number of individuals who would be committed to the Health and Human Services Commission or detained by the Texas Juvenile Justice Department and the related costs to compensate counties. However, it is assumed that the bill would have a negative fiscal impact to those state agencies that place an individual on a waitlist for commitment or detention services for longer than 45 days. For illustrative purposes, the possible costs to state agencies based on fiscal year 2024 or other point-in-time data are provided below.

According to information provided by HHSC, the number of individuals on the waitlist for court-ordered inpatient competency restoration services is 1,719 individuals, and the average wait time for individuals to receive services was 297 days in fiscal year 2024. According to HHSC, the average cost for HHSC to provide inpatient services is \$1,139 per patient per day, including facility, administrative, and employee benefits paid for by the Employee Retirement System. This analysis assumes the cost to HHSC to compensate counties after 45 days of county-level confinement could total \$387.7 million in General Revenue in fiscal year 2026 and \$493.4 million in General Revenue in each fiscal year beginning in fiscal year 2027. Actual compensation could vary depending on the number of individuals on the waitlist for court-ordered services after 45 days, facility capacity, comparability to HHSC-contracted provider rates and capacity, and actual costs per day in fiscal years 2026 through 2030.

According to HHSC, there may be additional staff needed to establish agreements with counties and establish a

process for verification and regular payments. This analysis assumes that HHSC could absorb staffing costs related establishing county agreements and payments.

According to information provided by TJJD, the average number of youth on the waitlist for TJJD custody in fiscal year 2024 was 109 individuals, with an average wait time of 61.7 days for TJJD custody after a judge ordered the youth's commitment to TJJD. This analysis assumes that approximately 27 percent of youth awaiting transfer to TJJD at any given time have been held beyond 45 days after disposition and subject to TJJD compensation. According to the Legislative Budget Board's Criminal and Juvenile Justice Uniform Cost Report, the state uniform cost per day to detain a youth in a state residential facility in fiscal year 2024 was \$770.53 per day. This analysis assumes the cost to TJJD to compensate counties after 45 days of county-level detention could total \$8.3 million in General Revenue per fiscal year. Actual compensation could vary depending on the number of youth on the waitlist after 45 days, facility capacity, and actual costs per day in fiscal years 2026 through 2030.

It is assumed that TDCJ could absorb the costs related to implementing the bill within current resources.

### **Local Government Impact**

The fiscal impact to local governments cannot be determined as the amount of compensation received by counties cannot be estimated. Local county jails and juvenile probation departments (JPD) may see a positive fiscal impact as a result of reimbursement from HHSC, TJJD, or TDCJ if the rate received is higher than the local county jail or JPD's cost per day, but the extent of that impact cannot be determined.

**Source Agencies:** 529 Health and Human Services Commission, 644 Juvenile Justice Department, 696 Department of Criminal Justice

**LBB Staff:** JMc, MGol, ER, SB, NV, AF