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## House Appropriations

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**Location: E1.030**  
**Time: 8:00 AM**  
**Date: February 17, 2009**  
**House Appropriation Committee (HAC)**

**RE: SB 1 – Criminal Justice Issues**

Chairman: Jim Pitts

(8:06) Call to order

**(8:10) Criminal Justice Issues - Adult Populations**

Michele Connolly, Criminal Justice Data Analysis Team Manager, Legislative Budget Board, presents 2.16.09 LBB document "Correctional Population Update on Recent Trends."

Here is a summary of the some of the items covered by LBB:

- Only 704 of 1,500 beds are operational for "substance abuse felony punishment facilities". The timetable to get those beds operational is available.
- In January 2007, the adult incarceration population was projected to grow by more than 14,000 people over a five-year period. After departmental initiatives were implemented, the January-February 2009 projections dropped by 350 adults per month. After other initiatives come online the numbers could drop further.
- The adult incarceration projections for 2010-2014 are negative since the numbers are lower than state operating capacity.

Factors being observed to indicate future prison populations:

court activity;

arrests and reported crime;

community supervision parole;

parole approval votes;

diversion and treatment initiatives.

Garron Guszak, analyst, Legislative Budget Board - From fiscal year 2001 to 2006 prison admissions increased 4%.

(8:16) Brad Livingston, Executive Director, Texas Department of Criminal Justice

Livingston gave credit to the Legislature for enacting several measures over the past few years to stabilize the current correctional population trends. New beds are being phased in for substance abuse felony punishment facilities and will all be in place by September 2009. All the "Intermediate Sanction Facility Beds" have been phased in after RFP. They will need 29 million dollars over the budget to fully fund for 2010-2011. The Department has contracted with county jails for extra bed capacity if needed. The current bill as written does not fund for contracted bed capacity.

Allen Hightower, Executive Director, Correctional Managed Health Care Committee (also present: Chairman Dr. James D. Griffin from Texas Southwestern and committee member Dr. Ben G. Raimer from University of Texas Medical Branch).

Document Provided to HAC: "Correctional Managed Health Care Overview"

Correctional Managed Health Care oversees the delivery of health care in a joint strategic partnership between the Texas Department of Criminal Justice, the University of Texas Medical Branch for the eastern part of Texas and Texas Tech Health Science Center for the western part of Texas to provide the inmate population a medically necessary healthcare provision throughout the state. The Committee itself makes sure that there is a statewide uniform care network that provides TDCJ offenders with timely access to the constitutional level of health care while also controlling costs. Approximately 79% of the population is in the UTMB sector and 21% in the University of Texas Health Science sector.

Hurricane Ike disrupted the service to inmate population. Before Ike there were 108 acute care patients in Galveston and 100 skilled patient beds in Galveston; therefore, 208 patients were disrupted by Ike. Many community hospitals do not want these patients, and community hospitals are not designed for prisoners.

UTMB had to contact TDCJ for classification, transportation and security. At its highest population the state had 144 inmates in free world hospitals and now that number is down to about 70, with half of those at UT Tyler. The number was reduced by more than 60% due to the hurricane.

Hightower spoke about the use of prescription drug pricing to reduce costs.

Telemedicine is done at UTMB. Healthcare is better in Texas due to telemedicine and electronic health care records. It is much cheaper to use telemedicine. Instead of bus rides to Galveston they use telemedicine to save time and money and transportation costs. 6000 people are served using telemedicine outside of Galveston. Electronic medical records are of great value because the record follows the patient everywhere.

Estelle v. Gambe (1976) grants right to access medical care, the right to professional medical judgment, and the right to receive the medical care called for by professional medical judgment.

A representative asked how important it is that the two Galveston hospitals are next to each other. The answer was that it is important to have all the clinics in close proximity to each other.

Cancer care was effected by Ike. Radiation care was moved. A level one trauma care would be of great value to the system.

It would cost 200 million to replace a hospital.

UTMB lost 31 million dollars in last session and 38 million this session. This makes the university system have a deficit because of inmate healthcare. It was caught cash-short during Hurricane Ike. Most hospitals have a cash reserve. It is under funded. The appropriations in the last decade have been a money loser.

### **(9:09) Criminal Justice Issues - Juvenile Populations**

Michelle Connelly, Criminal Justice Data Analysis Team Manager with Legislative Budget Board and Garron Guszak, Analyst, Legislative Budget Board Legislative Recommendations

There is a need for early intervention and prevention resources. Resources and treatment are needed for youth with mental illness. Increased funding for juvenile probation departments with greater discretion and flexibility in how state funds are utilized is necessary.

(9:28) Karl Spock, Senior Manager Sunrise Advisory Commission Leah Campbell, Policy Analyst, Sunset Advisory Commission Document provided: "Sunset Advisory Commission Recommendations on the Texas Youth Commission."

Texas' Juvenile Justice Agencies, Services, and Funding need major restructuring to ensure continuum of treatment and sanctions for youthful offenders. Merging TYC and TJPC will save money at \$600,000 per year. The Sunset Commission recommended a five year program for improvements to the criminal justice system for youths. Campbell, of the Sunset Commission, recommended a pilot program to keep youth out of the system. Funding would track with the youth through the system. Sunset requests appropriations for the pilot program.

Merging the two agencies is the vision of the Sunset Commission. Community involvement is the key, as well.

(9:38) Vicki Spriggs, Executive Director, Texas Youth Commission Document Provided: "Legislative Briefing Material by the Texas Youth Commission."

Of system-wide funding, 66% is county dollars and 33% is state funding. Federal dollars are to be in discussion soon.

Funding was asked for an automated system for tracking probation data entry and communication between probation, law enforcement, and schools to make information seamless. The day to day information should follow the child. County Probation systems are working well. Sunset recommends sending more money to counties for more pilot programs.

(9:51) Recess was called till 1:30 pm.

The House Committee on Appropriations reconvened at 1:40 p.m. and a call to order was called by Chairman Jim Pitts.

(1:40) Roll Call

(1:42) Cherie Townsend, Executive Director, Texas Youth Commission Townsend states that there have been many major changes to the agency. The agency is on the right track and focused on public safety and recidivism.

Some of the budget drivers this session for the Texas Youth Commission are most importantly the very serious offenders that required confinement. Because the serious offenders are 60% behind in

school, more education funding is needed. Another driver in the budget is mental health intervention and substance abuse treatment.

The agency has been doing some major downsizing in decreasing staffing members.

Transportation Issues Thomas Galvan, Senior Analyst, Budget Board Jennifer Jones, Senior Manager, Sunset Advisory Commission Deirdre Delisi, Chair, Texas Transportation Commission Amadeo Saenz, Executive Director, Texas Department of Transportation

(2:12) Deirdre Delisi, Chair, Texas Transportation Commission, made a brief introduction on being proactive in instituting Sunset recommendations where there was no need for legislation and on working with budget writers to bring transparency to the process.

(2:14) Amadeo Saenz, Executive Director, Texas Department of Transportation, made a presentation on the changes that are undergoing at the Department of Transportation. Saenz enjoyed working with the Sunset staff. An independent audit was conducted as required by state law and the topics covered were:

- transportation funding
- management & support functions
- customer services
- field operations
- contracting and project deliver

The audit findings were presented to the Sunset staff. At July 2008 Sunset public hearing, the committee members urged TxDOT to implement non-statutory recommendations, and Chairwoman Delisi agreed and directed TxDOT to proceed forward with the changes. The implemented recommendations include: project tracking function, increased staffing for consultant contracting, improved tracking complaint system, and a redesigned website.

(2:16) Executive Director Saenz started a discussion about the legislative appropriations request with mention of approximately \$1 billion in projects that were not completed since the planning department and forecasting/financing department were not on the same page and this caused an error of \$1 billion. Saenz agreed that there was not good communication and that this error has been corrected by placing both departments under the chief financial officer.

(2:29) Representative McClendon has follow-up questions about the projects that were not completed with the error of \$1.1 billion.

(2:30) Representative Dukes brings up the issue again by questioning Saenz about the projects that were not completed. Rep. Dukes bring up the issue about small engineering funds that lost their contracts by the cancellation of projects. Director Saenz justified how the planning group and the financial group had two different agendas and how the design was nearly complete and projects would continue when funds would be available. Rep. Dukes disagreed with Saenz about those projects were not restarted and the engineering firms had contacted her. Director Saenz said that the projects were restarted when the commission approved the Proposition 14 bonds. Rep. Dukes disagreed and said that the engineering firms would be called forward to testify.

(2:35) Director Saenz said that he would provide a list of projects that were delayed in 2008 and now under construction. Rep. Dukes would like to speak about this further and reiterated that many small businesses were put out of business. Rep. Dukes reiterated she would like to see details about what those projects are and who got put back on the job and who did not. Rep. Dukes again reiterates that she wants clarity on this and no misunderstanding. The chairman asked for this information by Monday at 10 a.m.

(2:40) Director Saenz continued with budgetary items and a summary of agency appropriation requests.

(2:50) Director Saenz discussed the "twenty thirty committee" recommendations.

(2:55) Director Saenz discussed the federal stimulus package that was passed last week and signed by the President today. Texas receives \$2.25 billion out of \$27.5 billion for all states. Out of the \$2.25 billion, \$1.5 billion will be selected by the Transportation Commission and \$675 million will be selected by state MPOs and another \$67.5 million will be set aside for transportation enhancement projects. First 50% of the funding must be obligated within the first 120 days after the passage of the bill and the second 50% must be obligated within 12 months of the passage of the bill. Most of the money will be obligated in 2009 and will be paid out over a few years.

(2:58) Representative McClendon asked about leveraging \$1.5 billion selected by the Transportation Commission, and was this amount mainly used for toll projects. Rep. McClendon was getting frustrated by not being heard correctly and reiterated her question to Saenz: will this money be used to leverage "toll projects?" Saenz replied that the stimulus money will be used for projects ready to go. Rep. McClendon wanted to know if those funds will be available for the delayed projects. Saenz reiterated that those delayed projects have funding. Rep. McClendon wanted to know how the \$1.5 billion is going to be fairly allocated across the state.

(3:05) Vice-Chairman Rep. Raymond asked how the \$1.5 billion would be allocated and Director Saenz said that there were several criteria used and the process has been on-going. Rep. Raymond asked about what was happening in Webb County and then Chairman Pitts asked Saenz to provide a list of projects for each of the members on the committee.

(3:08) Representative Dukes asked about the delayed projects again. Director Saenz was asked to not talk while Rep. Dukes asked the question again. Rep. Dukes asked for a list of the projects and said that some were not restarted. Director Saenz said that the mobility projects were already approved and enhancement projects are still pending.

(3:13) Representative Dukes said she did not want to get frustrated again by asking her question again. Director Saenz said that the \$1.5 billion would be selected by the Commission and the \$675 million by MPOs. Rep. Dukes let Director Saenz know that they need to talk about the projects that are "ready to go" and have not been implemented yet due to the \$1.1 billion error that was previously spoken about.

(3:20) Chairman Pitts asked about the funding and MPO process for Ellis County.

(3:25) Vice-Chairman Rep. Raymond gives a solemn account about the fact that chairman, former state representative and friend Ric Williamson passed away before the session and would be very missed. Rep. Raymond and Ric knew each other for over 20 years and Rep. Raymond wanted to reiterate that Ric was a wonderful guy, and it won't be the same taking up transportation issues this session and not having him here.

(3:30) Representative Villarreal asked about the stimulus package funding and how it is going to be allocated. Director Saenz reiterated that funding is not dedicated for toll road projects. Saenz reiterated that the MPO is responsible for identifying which projects would be funded. Rep. Villarreal

asked how the Department will determine application for funding. Saenz replied once again by stating the criteria that would be used: safety, reducing congestion, and leveraging (pooling resources).

(3:35) Rep. Villarreal had a philosophical question since there are those groups that will use tolling authorities to reduce congestion and then there are those groups that will build cities by building infrastructures. The dilemma for Rep. Villarreal is to use visionary municipal planning to drive what gets built and not toll authorities.

(3:50) Representative Button asked about how the federal funding would be distributed. Director Saenz replied that the funding is based on 10- 12 criteria and gives an example by using the "121 project." Rep. Button asked Chairwoman Delisi about the stimulus funding and if it would be used for infrastructure. Delisi stated that some money would be used for maintenance and in the overall scheme of things the money would not address the transportation needs and the money would be used for jobs for the next 20-30 years.

(3:55) Representative Miller asked about the difference between "design- bid-build" vs. "design-build." According to Director Saenz, only toll projects can use the "design-build" model and one of the Sunset Commission's recommendations is to allow for "design-build" procurement method to be used for non-toll projects. Also, according to Saenz most of the projects under the stimulus project will be "design-bid-build."

(4:00) The meeting was adjourned.

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