

Texas Department of Criminal Justice

Fiscal Years 2022-23 Legislative Appropriations Request



Fiscal Years 2022-2023
Legislative Appropriations Request

September 25, 2020

Texas Department of Criminal Justice

The attached summary document contains the Texas Department of Criminal Justice (TDCJ) Fiscal Year 2021 Operating Budget, as well as the FY 2022-23 biennial Legislative Appropriations Request (LAR), prepared as directed by the policy letter from the Governor, Lieutenant Governor, and Speaker of the House (see page 15 of this document). Considering our responsibilities as fiscal stewards of the state's resources and the continued statewide emphasis on fiscal restraint in response to the Coronavirus (COVID-19) pandemic, we have structured our fiscal year 2021 Operating Budget and requested funding levels for the 2022-23 biennium to include only those operational and policy items of critical importance.

Fiscal Year 2020-21 Budgeted & Estimated Expenditures

TDCJ's FY 2020-21 Operating Budget was based on amounts appropriated by the 86th Legislature. Funding was provided for the projected populations on probation and parole supervision in an effort to sustain current caseload ratios and to maintain the treatment and diversion initiatives (substance abuse treatment programs, residential reentry centers, and intermediate sanction facility beds) at current operational levels. Other key FY 2020-21 initiatives include: targeted salary increases for correctional officers, ranking officers, correctional laundry and food service managers, and parole officers; funding for the installation of comprehensive video surveillance systems on eight maximum-security facilities; and funding for the Corrections Information Technology System Project; funding for the agency's major repair and renovation efforts to maintain our physical plant; funding for the expansion of pretrial diversion programs and the expansion of mental health services in rural areas; funding for reentry services pilot programs in Houston and Dallas; funding for academic and vocational programs for state jail felons; and funding to expand vocational training programs. Also, \$160 million was provided above FY 2018-19 base funding for offender health care in FY 2020-21, additional funding for medical capital equipment, funding for an occupational therapy program for offenders in the developmental disabilities program, and funding to renovate and operate additional sheltered housing beds.

In May 2020, all state agencies were directed to submit a plan outlining a 5% reduction to the current FY 2020-21 biennial budget with specific exceptions related to critical government functions. Most notably, TDCJ's 5% reduction plan excludes appropriations for Correctional Security Operations, Correctional Managed Health Care (CMHC), and behavioral health service programs. TDCJ's plan to state leadership detailed the operational impact of a reduction to current agency operations totaling \$122.9 million. The FY 2020-21 biennial budget reflects the 5% reduction.

This biennial reduction included: savings realized by filling only critical positions; reductions in travel expenditures and administrative operating costs; utilization of one-time FY 2020 funding balances in commissary operations and data center services; substantial reductions to the agency's already limited capital funding; a reduction of funds for video surveillance and the Corrections Information Technology System; reduction of funding for academic and vocational programs; the closure of the Garza East Unit in Beeville and the Jester I Unit in Richmond, and the idling of Bradshaw State Jail in Henderson.

Fiscal and Operational Challenges

Fiscal and operational challenges in FY 2020-21 include correctional staffing levels resulting in increased overtime; uncertain future costs of major operational items such as food, utilities, and maintenance and repair of our aging physical plant; potential reductions in federal State Criminal Alien Assistance Program (SCAAP) funding; and fiscal challenges related to the Coronavirus (COVID-19) pandemic. Additionally, rising medical costs, coupled with an aging offender population will necessitate a supplemental appropriation for Correctional Managed Health Care for the FY 2020-21 biennium. Understanding the operational challenges of these fiscal realities, we will continue to monitor FY 2021 operating requirements and reduce costs where possible.

The COVID-19 pandemic has created unprecedented challenges for the agency, requiring innovative solutions and sweeping change to every aspect of our operations. Through these challenges, new processes, protocols, and procedures have emerged, and looking forward, the lessons learned and practices established will benefit the agency in the future to respond to extraordinary circumstances.

FY 2022-23 Legislative Appropriations Request (LAR)

The budget request for the 2022-23 biennium was developed in a manner consistent with instructions from State leadership, which directs agencies' baseline request for the 2022-23 biennium not to exceed the 2020-21 general revenue-related funding levels adjusted by the 5% reduction. Additionally, the LBB recently updated offender population projections used by the agency in preparing the 2022-23 LAR. Over the next five years, these projections indicate a stable incarcerated offender population and number of supervised parolees, a relatively stable number of felony probationers, and a decrease in supervised misdemeanants.

Consistent with these directions, the 2022-23 LAR baseline request includes funding at 95% for those items subject to the baseline limitation, resulting in a reduction totaling approximately \$306 million. As we begin the 2022-23 budget process, we are once again seeking continued funding for items critical to the stability and success of the criminal justice system in Texas. TDCJ recognizes the difficult funding decisions of the State's leadership at this time and is only requesting a portion of this continued funding totaling \$179 million. This reduced funding request will also include the closure of an additional facility which will be determined in the near future. Continued funding for the remaining 5% identified in the Exceptional Items list is critical to the effectiveness of the criminal justice system and to ensure the safety of our staff and offenders. During the 87th legislative session the agency will, in consultation with the Legislature, review offender population projections to determine if the request for continued funding can be further reduced by reductions in bed capacity.

FY 2022-23 Legislative Appropriations Request (LAR), *continued*

Described in detail on pages 11-13 of this report, this first series of exceptional items will continue the FY 2022-23 funding at current base levels. The impact of not funding these core operations (probation, offender treatment services, institutional security, and parole supervision) will likely increase recidivism; cause significant growth in the prison population; require a substantial staff reduction of nearly 1,400 TDCJ employees; and negatively impact both supervision in the community and security within our institutions.

- A reduction in the incarceration functions would have a profound effect on our ability to securely and safely house, feed, clothe, and provide health care to those offenders incarcerated in TDCJ. This reduction would result in the elimination of nearly 1,004 correctional and other unit-based positions.
- Reductions in the probation and parole functions would reduce the resources that are available to judges, probation officials, and the Board of Pardons and Paroles in managing offenders within the community. Residential programs, supervision caseload ratios and the number of specialized caseloads would be impacted. With fewer resources and options aimed at diverting offenders from prison and without adequate supervision of probationers and parolees, revocation rates would likely increase, which will cause a corresponding increase to the agency's prison population.

TDCJ's LAR also includes funding requests above the baseline budget for exceptional items of policy and/or operational significance. A considerable portion of this request for additional appropriations deals directly with basic operational issues related to critical infrastructure needs and offender health care. Each exceptional item is fundamentally important to the operations of the agency and included in the list below.

- ❑ Continued funding for the agency's major repair and renovation is necessary to maintain our existing physical plant, numbering over 100 correctional facilities statewide, with many of these facilities over 75 years old. The size, scope and complexity of our physical plant requires substantial ongoing repair and renovation. Identified through condition assessments as well as major work requests prepared by operational staff, the 2022-23 request represents only a portion of the agency's infrastructure repair and renovation needs. We are continuously prioritizing these projects based on security and safety requirements. Totalling \$153.8 million, these projects include: roof repairs, security fencing and lighting, electrical renovations, water/wastewater improvements, and other major infrastructure repairs.
- ❑ TDCJ's 23 maximum security facilities (Allred, Beto, Clements, Coffield, Connally, Darrington, Eastham, Ellis, Estelle, Ferguson, Hughes, Jester IV, Lewis, McConnell, Michael, Montford, Polunsky, Robertson, Skyview, Smith, Stiles, Telford, and Wynne) are often difficult to staff due to the nature of these facilities. On average, the percentage of filled correctional officer positions on these facilities is over 17% lower than other facilities, which significantly impacts the increasing number of correctional officer vacancies throughout the agency. In an effort to address these staffing shortages, this item proposes a 10% unit differential pay increase for correctional staff working on these maximum security facilities. Ranking Correctional Officers and Laundry Food Service Managers at these facilities will also receive a 10% unit differential pay increase.

FY 2022-23 Legislative Appropriations Request (LAR), *continued*

- According to university providers, additional funding of \$330.3 million is critical to ensure effective overall quality of care within the system and deliver the level of services required. Of this amount, an estimated \$262.5 million is required to bring the FY 2022-23 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. Mission critical hardware and software systems are well beyond their life cycle and are obsolete. Without these significant upgrades, university providers face serious threats of system failures and security breaches, compromising patient care and safety. Therefore, \$21.5 million will allow for the replacement of the electronic health record system and provide programming and hardware for other critical IT systems. Additionally, the university providers are seeking to replace some aging capital throughout the system, such as x-ray machines, dental chairs, and other equipment, with estimated cost totaling \$2.9 million. Included in this request is \$4.2 million to increase pharmacy staff levels to keep up with service demands and maintain pharmacist and technologist workloads. University providers continue to encounter significant difficulties in recruiting and retaining the professional staff necessary for the provision of offender health care services at TDCJ correctional facilities and are requesting \$39.2 million to provide 5% market level adjustments to address these positions.

- The funding request for the Corrections Information Technology System Project reflects our strategy for the modernization of the current corrections system (legacy systems utilized for offender management, starting from initial conviction to reintegration with the public). The current mainframe systems were initially built 40 years ago and are comprised of more than 12 million lines of COBOL programming code and require maintenance of more than 68 individual systems. With these aging systems, challenges include security risks, diminishing COBOL experience, system incompatibility with modern technologies, extensive maintenance requirements and difficulty in modifying or adding functionality. The funding for the Corrections Information Technology System Project would allow the agency to provide sustainability, security and extensibility 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. Funding for this item was appropriated to the agency during the 86th Legislature, however due to the recent budget reduction process, this funding was a part of the agency's 5% reduction.

We recognize that the state's leadership will be required to make many difficult funding decisions during the upcoming legislative session and appreciate the hard work of the Governor, Lieutenant Governor, and the Legislature and their recognition of the valuable service performed by the employees of this agency. We share a commitment to public safety and sound correctional management and are confident that the critical funding requirements within the criminal justice system will be met.

Bryan Collier
Executive Director

TEXAS DEPARTMENT OF CRIMINAL JUSTICE
FY 2021 - 2023 Agency Budget

	Estimated FY20	Budgeted FY21	95% Base Request FY22	95% Base Request FY23	Total Budget Request FY22	Total Budget Request FY23
A. Goal: PROVIDE PRISON DIVERSIONS	\$ 249,187,802	\$ 247,423,250	\$ 239,786,070	\$ 239,786,073	\$ 247,695,174	\$ 247,695,175
B. Goal: SPECIAL NEEDS OFFENDERS	27,403,837	27,813,661	27,551,062	27,551,062	27,551,062	27,551,062
C. Goal: INCARCERATE FELONS	2,920,066,950	2,844,311,532	2,736,677,088	2,736,721,684	3,095,409,552	3,122,783,451
E. Goal: OPERATE PAROLE SYSTEM	183,826,895	184,680,339	176,990,469	178,793,088	181,868,414	183,896,423
F. Goal: INDIRECT ADMINISTRATION	76,656,299	80,124,766	77,741,214	77,706,206	105,228,575	81,029,565
GRAND TOTAL	\$ 3,457,141,783	\$ 3,384,353,548	\$ 3,258,745,903	\$ 3,260,558,113	\$ 3,657,752,777	\$ 3,662,955,676

NOTE: The FY 2021 Operating Budget and FY 2022-23 LAR for the Texas Board of Pardons and Paroles (Goal D) are not included in the TDCJ amounts shown in this document.

Texas Department of Criminal Justice

GOALS						
Strategies	Estimated FY20	Budgeted FY21	95% Base Request FY22	95% Base Request FY23	Total Budget Request FY22	Total Budget Request FY23
Program Descriptions						
A. PROVIDE PRISON DIVERSIONS						
A.1.1. Basic Supervision	68,728,162	68,184,311	65,125,925	65,125,924	68,456,237	68,456,236
A.1.2. Diversion Programs	125,284,508	125,284,508	122,400,302	122,400,303	125,284,508	125,284,508
A.1.3. Community Corrections	43,180,454	43,180,455	41,485,868	41,485,870	43,180,454	43,180,455
A.1.4. Treatment Alternatives to Incarceration	11,994,678	10,773,976	10,773,975	10,773,976	10,773,975	10,773,976
B. SPECIAL NEEDS OFFENDERS						
B.1.1. Special Needs Programs & Services	27,403,837	27,813,661	27,551,062	27,551,062	27,551,062	27,551,062
C. INCARCERATE FELONS						
C.1.1. Correctional Security Operations	1,262,510,771	1,222,495,064	1,183,011,850	1,183,011,851	1,271,801,104	1,271,801,104
Correctional Security	1,246,033,388	1,206,075,337	1,166,563,295	1,166,563,296	1,255,352,549	1,255,352,549
Workers Compensation & Unemployment	16,477,383	16,419,727	16,448,555	16,448,555	16,448,555	16,448,555
C.1.2. Correctional Support Operations	99,383,656	82,129,364	79,761,753	79,761,753	83,885,694	83,885,694
Correctional Unit Support	75,862,874	59,012,882	57,314,543	57,314,543	60,259,714	60,259,714
Classification & Records	23,520,782	23,116,482	22,447,210	22,447,210	23,625,980	23,625,980
C.1.3. Correctional Training	5,934,738	5,538,465	5,527,992	5,527,991	5,837,791	5,837,791
C.1.4. Offender Services	10,658,053	10,662,891	10,476,314	10,476,314	10,722,187	10,722,188
Counsel Substitute/Access to Courts	4,933,416	4,854,307	4,726,415	4,726,414	4,948,243	4,948,244
Release Payments for Adult Offenders	5,118,618	5,212,432	5,165,525	5,165,525	5,165,525	5,165,525
Interstate Compact	606,019	596,152	584,374	584,375	608,419	608,419
C.1.5. Institutional Goods	169,486,558	169,999,150	166,742,613	166,742,613	169,815,813	169,815,813
Food Services for Offenders	117,972,339	118,381,175	116,668,236	116,668,236	118,176,757	118,176,757
Unit Necessities & Laundry	51,514,219	51,617,975	50,074,377	50,074,377	51,639,056	51,639,056
C.1.6. Institutional Services	202,572,167	207,915,401	202,767,379	202,767,379	206,260,212	206,260,214
Agriculture Operations	56,982,888	50,931,049	49,579,589	49,579,590	50,168,929	50,168,930
Commissary Operations	106,074,706	122,934,623	117,991,336	117,991,335	118,802,990	118,802,990
Freight Transportation & Warehouse Operations	39,514,573	34,049,729	35,196,454	35,196,454	37,288,293	37,288,294
C.1.7. Institutional Operations & Maintenance	201,437,447	195,558,844	194,863,376	194,863,375	196,623,886	196,623,886
Institutional Operations & Maintenance	82,670,897	78,996,595	77,198,977	77,198,975	78,959,487	78,959,486
Utilities	118,766,550	116,562,249	117,664,399	117,664,400	117,664,399	117,664,400

Texas Department of Criminal Justice

GOALS						
Strategies	Estimated FY20	Budgeted FY21	95% Base Request FY22	95% Base Request FY23	Total Budget Request FY22	Total Budget Request FY23
Program Descriptions						
C. INCARCERATE FELONS <i>continued</i>						
C.1.8. Unit & Psychiatric Care	320,701,293	314,701,293	304,367,574	304,367,574	362,284,003	376,141,652
C.1.9. Hospital & Clinical Care	251,343,853	251,343,852	238,776,660	238,776,660	336,260,930	346,338,500
C.1.10. Managed Health Care Pharmacy	72,440,252	72,440,252	68,991,687	68,991,686	89,664,070	94,118,453
C.1.11. Health Services	5,252,667	5,143,917	5,057,217	5,057,215	5,252,129	5,252,128
C.1.12. Contract Prisons/Private State Jails	100,992,234	86,938,356	88,420,399	90,048,249	89,975,489	91,623,035
C.2.1. Texas Correctional Industries	74,675,860	74,489,888	73,883,709	73,883,711	74,812,873	74,812,874
C.2.2. Academic/Vocational Training	2,019,044	1,919,044	1,969,044	1,969,044	1,969,044	1,969,044
C.2.3. Treatment Services	29,415,373	28,917,354	28,158,381	28,046,190	28,893,187	28,780,996
Chaplaincy	5,747,819	5,610,059	5,465,718	5,465,718	5,751,168	5,751,169
Classification Case Managers	9,052,671	8,671,227	8,539,516	8,539,516	8,965,539	8,965,538
Sex Offender Treatment Program	3,216,202	3,216,198	3,216,200	3,216,200	3,216,200	3,216,200
Parole Special Needs	1,629,583	1,629,583	1,629,583	1,629,583	1,629,583	1,629,583
Reentry Transitional Coordinators	9,769,098	9,790,287	9,307,364	9,195,173	9,330,697	9,218,506
C.2.4. Substance Abuse Felony Punishment	50,055,330	51,059,720	51,059,719	49,720,535	51,059,719	49,720,535
C.2.5. In Prison Substance Abuse Treatment & Coordination	33,005,058	33,210,420	32,841,421	32,709,544	32,841,421	32,709,544
C.3.1. Major Repair of Facilities	28,182,596	29,848,257	-	-	77,450,000	76,370,000
E. OPERATE PAROLE SYSTEM						
E.1.1. Parole Release Processing	6,687,732	6,525,385	6,333,337	6,333,338	6,617,411	6,617,411
E.2.1. Parole Supervision	118,899,250	118,930,680	115,353,017	115,353,017	117,525,244	117,540,584
E.2.2. Residential Reentry Centers	36,471,528	37,030,836	34,257,680	35,622,098	35,985,682	37,516,682
E.2.3. Intermediate Sanction Facilities	21,768,385	22,193,438	21,046,435	21,484,635	21,740,077	22,221,746

Texas Department of Criminal Justice

GOALS						
Strategies	Estimated FY20	Budgeted FY21	95% Base Request FY22	95% Base Request FY23	Total Budget Request FY22	Total Budget Request FY23
Program Descriptions						
F. ADMINISTRATION						
F.1.1. Central Administration	27,017,674	26,715,685	25,974,446	25,974,449	27,288,114	27,288,115
Administration & Support	22,878,581	22,583,693	21,992,114	21,992,114	23,086,103	23,086,102
Correctional Institutions Administration	287,785	285,309	275,916	275,916	290,449	290,449
Parole Administration	223,738	214,958	211,091	211,091	224,720	224,720
Reentry & Integration Administration	219,430	218,371	210,352	210,353	221,613	221,614
Rehabilitation Programs Administration	290,015	282,757	275,816	275,816	290,331	290,331
Community Justice Assistance Division	3,118,125	3,130,597	3,009,157	3,009,159	3,174,898	3,174,899
F.1.2. Victim Services	2,001,133	2,271,439	1,457,337	1,422,325	1,527,369	1,492,358
F.1.3. Information Resources	28,618,162	32,826,677	32,414,606	32,414,607	57,619,347	33,455,347
F.1.4. Board Oversight Programs	19,019,330	18,310,965	17,894,825	17,894,825	18,793,745	18,793,745
Internal Audit	1,575,699	1,530,098	1,502,164	1,502,165	1,569,866	1,569,867
Inspector General	13,255,913	12,670,357	12,374,797	12,374,798	13,012,408	13,012,408
PREA Ombudsman	592,765	577,859	563,073	563,071	592,275	592,275
State Counsel for Offenders	3,594,953	3,532,651	3,454,791	3,454,791	3,619,196	3,619,195
GRAND TOTAL	\$ 3,457,141,783	\$ 3,384,353,548	\$ 3,258,745,903	\$ 3,260,558,113	\$ 3,657,752,777	\$ 3,662,955,676

TEXAS DEPARTMENT OF CRIMINAL JUSTICE

Method of Finance

	Estimated FY20	Budgeted FY21	95% Base Request FY22	95% Base Request FY23	Total Budget Request FY22	Total Budget Request FY23
GENERAL REVENUE:						
General Revenue Fund	\$ 3,174,640,924	\$ 3,146,600,719	\$ 3,045,041,210	\$ 3,061,471,685	\$ 3,442,307,266	\$ 3,462,128,430
Education and Recreation Program Receipts	114,242,976	122,934,623	117,991,336	117,991,335	118,802,990	118,802,990
Texas Correctional Industries Receipts	5,168,773	4,880,913	4,325,679	4,325,679	5,248,913	5,248,913
GENERAL REVENUE DEDICATED:						
Private Sector Prison Industry Expansion Acct. 5060	16,701	118,589	67,645	67,645	73,575	73,574
Texas Capital Trust Fund Account 543	4,030,853	-	-	-	-	-
FEDERAL FUNDS:						
Federal Funds	1,689,794	2,754,722	1,940,740	357,487	1,940,740	357,487
Federal Funds for Incarcerated Aliens	28,754,656	8,644,147	8,644,147	8,644,147	8,644,147	8,644,147
OTHER FUNDS:						
Interagency Contracts - Criminal Justice Grants	839,759	792,878	35,012	-	35,012	-
Economic Stabilization Fund	40,151,743	29,848,257	-	-	-	-
Appropriated Receipts	28,979,528	13,796,658	26,888,093	13,888,093	26,888,093	13,888,093
Interagency Contracts	5,289,600	645,565	475,565	475,565	475,565	475,565
Interagency Contracts - Texas Correctional Industries	53,336,476	53,336,477	53,336,476	53,336,477	53,336,476	53,336,477
GRAND TOTAL	\$ 3,457,141,783	\$ 3,384,353,548	\$ 3,258,745,903	\$ 3,260,558,113	\$ 3,657,752,777	\$ 3,662,955,676

Texas Department of Criminal Justice
EXCEPTIONAL ITEMS REQUEST SUMMARY

(Detail on pages 11-14)

ESTIMATED COST			
FY22	FY23	Biennial	
Requested Funding <i>in millions</i>			<i>FTEs</i>

Current operational and programmatic items critical to the criminal justice system. These items are included in current agency operations but excluded from the 95% base.

1) Continued Funding of 5% Items <i>Items prioritized within agency functions.</i>	89.6	89.8	179.4	1,362
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Policy and/or operational items requiring additional state resources:

2) Repair and Renovation of Facilities	77.4	76.4	153.8	
3) Maximum Security Correctional Unit Differential Pay	56.9	56.9	113.8	
4) Offender Health Care	151.0	179.3	330.3	
5) Corrections Information Technology System Project	24.2	-	24.2	

GRAND TOTAL, ALL EXCEPTIONAL ITEMS	\$ 399.1	\$ 402.4	\$ 801.5	1,362
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Texas Department of Criminal Justice

EXCEPTIONAL ITEMS

ESTIMATED COST			
FY22	FY23	Biennial	
Requested Funding			<i>FTEs</i>
<small>in millions</small>			

Current operational and programmatic items critical to the criminal justice system. These items are included in current agency operations but excluded from the 95% base.

1) Continued Funding of 5% Items, TDCJ **\$ 89.6 | \$ 89.8 | \$ 179.4 | 1,362**

Consistent with the directions provided by the Governor, Lieutenant Governor and Speaker, the FY 2022-23 LAR baseline request includes funding at 95% for those items subject to the baseline limitation, resulting in a reduction totaling approximately \$306 million. Continued funding for a significant portion of the remaining 5% identified in the Exceptional Items list below is critical to the effectiveness of the criminal justice system. The impact of a funding reduction to these critical operations (institutional goods and services, parole supervision, correctional unit support, offender services, and administrative operations) would likely increase recidivism and cause growth in the prison population; require a substantial staff reduction of 1,362 TDCJ employees; negatively impact supervision in the community; and would greatly affect the agency's capacity to maintain the level of operational support and functions required to manage our offender population.

(i.) CORRECTIONAL SECURITY OPERATIONS **\$ 32.2 | \$ 32.2 | \$ 64.4 | 861**

Item Description / Impact if not Funded:

Confining offenders sentenced to prison and/or state jail is critical to our core mission and is central in maintaining public safety. If not funded, the amount listed above would represent the elimination of approximately 861 correctional positions, resulting in reduced staffing levels that could place public safety and the security of our institutions at risk. This would provide funding for only 91% of our 25,161 correctional officer positions, assuming overtime is zero. With a focus on recruitment and retention efforts, continued funding for correctional staffing at current operational levels is needed in order to maintain an appropriate level of security and provide a safe environment for employees and offenders.

(ii.) INSTITUTIONAL GOODS AND SERVICES **\$ 9.3 | \$ 9.3 | \$ 18.5 | 198**

Item Description / Impact if not Funded:

These functions provide essential unit-based goods and services associated with operating more than 100 units statewide, to include food and laundry service operations, facilities maintenance, agricultural operations, self-funded commissary operations, capital funding for our aging vehicle fleet, and the system wide transportation and warehousing functions. Also included in this item is funding for Texas Correctional Industries, which produces items used to operate the units such as: offender clothing, bath towels, soaps, detergents, officer uniforms, as well as other operational necessity items. Additionally, offender labor is utilized in the manufacturing of items such as license plates, road signs, and office furniture for other entities (state agencies, school districts and local units of government). If not funded, the amounts listed above would result in the elimination of approximately 198 positions, which will adversely impact the agency's ability meet its statutory obligation to provide fundamental services for institutional and state jail offenders.

(iii.) CORRECTIONAL MANAGED HEALTH CARE **\$ 25.2 | \$ 25.2 | \$ 50.3**

Item Description / Impact if not Funded:

According to CMHC, continued funding of the \$50.3 million is critical to ensure effective overall quality of care within the system. This funding, as well as additional funding in another exceptional item, maintains operations and delivers the level of services at 2020-21 levels. Correctional Managed Health Care services include: medical, dental, nursing, pharmacy, hospital and mental health through two state entities: the University of Texas Medical Branch and the Texas Tech University Health Sciences Center. The agency continues to experience an aging population with an increased need for health care. A reduction to offender health care will slow the delivery of care; negatively impacting access to care and affecting overall quality and continuity of care.

Texas Department of Criminal Justice
EXCEPTIONAL ITEMS

ESTIMATED COST			
FY22	FY23	Biennial	
Requested Funding			FTEs
<i>in millions</i>			

Continued Funding of 5% Items, continued

(iv.) PROBATION	\$	7.9	\$	7.9	\$	15.8	
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Item Description / Impact if not Funded:

State funding for probation supervision is distributed through formula and discretionary allocations to all 123 community corrections and supervision departments (CSCDs) to maintain the operations of probation supervision and provide treatment diversions and other alternatives to incarceration that are crucial to maintaining a balanced criminal justice system. A decrease in probation funding would result in the elimination of over 70 Community Supervision Officers. Reduced probation funding from Diversion Programs would also result in serving over 8,200 fewer offenders on specialized caseloads, Battering Intervention and Prevention (BIPP) programs, and pretrial and residential services. Additionally, the reduction in Community Corrections program funding will result in approximately 2,500 fewer probationers served on specialized caseloads (sex offenders and high/medium risk) and increase the average regular caseload size to over 120:1. Without adequate community supervision or the resources for diversionary alternatives to incarceration, revocation rates would likely increase and cause a corresponding increase to the agency's prison population.

(v.) PAROLE SUPERVISION	\$	2.5	\$	2.5	\$	5.0	70
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Item Description / Impact if not Funded:

Parole Supervision has a vital role in the agency's fundamental public safety mission by providing for the supervision of all offenders released on parole and mandatory supervision. If not funded, the amount listed above would result in the elimination of approximately 70 Parole Officers and key operational support staff. This would cause an increase in the regular direct supervision caseload ratio of 75 to 80 as the additional cases would be assumed by remaining officers. Without adequate supervision of paroled offenders, revocation rates would likely increase, which will cause a corresponding increase to the agency's prison population.

(vi.) CORRECTIONAL UNIT SUPPORT	\$	4.1	\$	4.1	\$	8.2	143
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Item Description / Impact if not Funded:

These functions provide unit-based and regional support operations, to include unit offender records, offender mail, classification, and courtroom operations. These staff handle the ongoing diagnostic and intake process, all transactions relating to unit assignments, custody assignments, disciplinary actions, time earning calculations, and job/program assignment. If not funded, the amount listed above would represent a reduction of approximately 143 positions. Reductions in these critical support functions would negatively impact our ability to manage the day to day unit functions such as: maintaining offender records, processing and distributing offender mail, and ensuring accurate offender classification throughout the system.

(vii.) OFFENDER SERVICES	\$	1.0	\$	1.0	\$	2.0	28
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Item Description / Impact if not Funded:

Offender services include programs such as Access to Courts, Chaplaincy, Reentry Transitional Coordinators, and other treatment programs such as the Serious and Violent Offender Reentry Initiative (SVORI) program. These programs ensure that offenders have access to the courts and unit law libraries, ensure that offenders are properly classified, provide various targeted treatment services, and provide offenders with tools necessary for reentry into society. Also, this item includes the Counsel Substitute program, which provides representation to offenders charged with disciplinary violations on the units, release payments for prison offenders, and interstate compact services. If not funded, a reduction of 28 employees would hamper the agency's statutory obligation to provide appropriate levels of representation to offenders within the system, negatively impact the unit's ability to properly classify offenders related to security, housing and job assignments, and provide chaplaincy and reentry services.

Texas Department of Criminal Justice
EXCEPTIONAL ITEMS

ESTIMATED COST			
FY22	FY23	Biennial	
Requested Funding			FTEs
<i>in millions</i>			

Continued Funding of 5% Items, continued

(viii.) PRIVATELY OPERATED FACILITIES	\$	4.0	\$	4.2	\$	8.2
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Item Description / Impact if not Funded:

TDCJ currently utilizes vendors to provide services at a number of privately operated correctional facilities to include: seven correctional centers, two state jails, and one Driving While Intoxicated (DWI) facility. This reduction would result in the elimination of approximately 125 beds at contract prisons and privately operated state jails, thereby reducing the agency's correctional capacity. Intermediate sanction facilities (ISFs) are utilized to house offenders who have violated the conditions of their supervision. These facilities are utilized as an alternative to revocation. This funding decrease would equate to a reduction of 59 ISF beds, or approximately 354 placements annually. The reduction of ISF beds as an option for the Board of Pardons and Paroles and local judges could result in additional revocations, thus adversely affecting the agency's prison population. Residential Reentry Center placements are made for offenders scheduled to be released on parole or mandatory supervision and have no viable residential plan at the time of release. This funding decrease would result in 416 fewer annual residential reentry center placements (equivalent to 104 residential reentry center beds), directly impacting the agency's prison population due to delays in placements. This funding is required to maintain current operating levels.

(ix.) ADMINISTRATIVE SUPPORT OPERATIONS	\$	3.5	\$	3.5	\$	7.0	62
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Item Description / Impact if not Funded:

These functions provide for Office of Inspector General (OIG), State Counsel for Offenders, Prison Rape Elimination Act (PREA) Ombudsman, monitoring of offender health care delivery, victim services, information technology, and management oversight and internal controls within the agency. Substantial funding reductions in FY2003 and FY2011 resulted in the elimination of almost 600 positions within these programs which, with few exceptions, have not been restored. Another budget reduction would result in the elimination of 62 more positions and would significantly reduce management's effectiveness in providing: OIG investigative resources, legal services to indigent offenders, and the agency's oversight and support in ensuring compliance with basic statutory mandates.

Policy and/or operational items requiring additional state resources:

2) Repair and Renovation of Facilities	\$	77.4	\$	76.4	\$	153.8
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Continued funding for the agency's major repair and renovation is necessary to maintain our existing physical plant, numbering over 100 correctional facilities statewide, with many of these facilities over 75 years old. The size, scope and complexity of our physical plant requires substantial ongoing repair and renovation. Identified through condition assessments as well as major work requests prepared by operational staff, the 2022-23 request represents only a portion of the agency's infrastructure repair and renovation needs. We are continuously prioritizing these projects based on security and safety requirements. Totalling \$153.8 million, these projects include: roof repairs, security fencing and lighting, electrical renovations, water/wastewater improvements, and other major infrastructure repairs.

Texas Department of Criminal Justice
EXCEPTIONAL ITEMS

ESTIMATED COST			
FY22	FY23	Biennial	
Requested Funding			<i>FTEs</i>
<i>in millions</i>			

Policy and/or operational items requiring additional state resources, continued

3) Maximum Security Correctional Unit Differential Pay	\$ 56.9	\$ 56.9		\$ 113.8
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TDCJ's 23 maximum security facilities (Allred, Beto, Clements, Coffield, Connally, Darrington, Eastham, Ellis, Estelle, Ferguson, Hughes, Jester IV, Lewis, McConnell, Michael, Montford, Polunsky, Robertson, Skyview, Smith, Stiles, Telford, and Wynne) are often difficult to staff due to the nature of these facilities. On average, the percentage of filled correctional officer positions on these facilities is over 17% lower than other facilities, which significantly impacts the increasing number of correctional officer vacancies throughout the agency. In an effort to address these staffing shortages, this item proposes a 10% unit differential pay increase for correctional staff working on these maximum security facilities. Ranking Correctional Officers and Laundry Food Service Managers at these facilities will also receive a 10% unit differential pay increase.

4) Offender Health Care	\$ 151.0	\$ 179.3		\$ 330.3
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According to university providers, additional funding of \$330.3 million is critical to ensure effective overall quality of care within the system and deliver the level of services required. Of this amount, an estimated \$262.5 million is required to bring the FY 2022-23 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. Mission critical hardware and software systems are well beyond their life cycle and are obsolete. Without these significant upgrades, university providers face serious threats of system failures and security breaches, compromising patient care and safety. Therefore, \$21.5 million will allow for the replacement of the electronic health record system and provide programming and hardware for other critical IT systems. Additionally, the university providers are seeking to replace some aging capital throughout the system, such as x-ray machines, dental chairs, and other equipment, with estimated cost totaling \$2.9 million. Included in this request is \$4.2 million to increase pharmacy staff levels to keep up with service demands and maintain pharmacist and technologist workloads. University providers continue to encounter significant difficulties in recruiting and retaining the professional staff necessary for the provision of offender health care services at TDCJ correctional facilities and are requesting \$39.2 million to provide 5% market level adjustments to address these positions.

5) Corrections Information Technology System Project	\$ 24.2	\$ -		\$ 24.2
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The funding request for the Corrections Information Technology System Project reflects our strategy for the modernization of the current corrections system (legacy systems utilized for offender management, starting from initial conviction to reintegration with the public). The current mainframe systems were initially built 40 years ago and are comprised of more than 12 million lines of COBOL programming code and require maintenance of more than 68 individual systems. With these aging systems, challenges include security risks, diminishing COBOL experience, system incompatibility with modern technologies, extensive maintenance requirements and difficulty in modifying or adding functionality. The funding for the Corrections Information Technology System Project would allow the agency to provide sustainability, security and extensibility 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. Funding for this item was appropriated to the agency during the 86th Legislature, however due to the recent budget reduction process, this funding was a part of the agency's 5% reduction.

GRAND TOTAL, ALL EXCEPTIONAL ITEMS	\$ 399.1	\$ 402.4		\$ 801.5	1,362
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**Policy Letter from the Legislative Budget Board and Governor's Office of Budget and Policy regarding the
2022-23 General Revenue Baseline**



August 18, 2020

To: State Agency Boards and Commission Chairs
State Agency Heads and Executive Directors
Appellate Court Justices and Judges
Chancellors, Presidents, and Directors of Institutions and Agencies of Higher Education

Today, we are releasing the detailed instructions for the submission of Legislative Appropriations Requests (LAR) for the 2022-2023 biennium. These instructions are posted on the websites of the Legislative Budget Board (LBB) and the Office of the Governor. You may begin the process of entering data into the Automated Budget and Evaluation System of Texas (ABEST). Please contact your assigned LBB analyst if you have further questions.

As the Comptroller of Public Accounts recently stated, the current economic outlook "carries an unprecedented amount of uncertainty." While we have immense faith that the Texas economy will recover and continue leading the nation, this uncertainty further demonstrates that the state must maintain its commitment to fiscal restraint.

We appreciate the efforts your entities have made in the current fiscal biennium to minimize spending that did not impact services or necessitate reductions in force when possible. All state entities will be required to submit an LAR with a base funding amount equal to your adjusted 2020-2021 base. Some agencies that were exempted from the 5 percent reduction in the 2020-2021 appropriations years will be provided adjusted baseline numbers for purposes of the 2022-2023 LAR. Any request above that base level, including a restoration of reductions, should be included as an exceptional item.

2022-2023 Biennium Legislative Appropriations Requests
August 18, 2020
Page 2

Exceptions to the baseline request limitation include amounts necessary to:

- maintain funding for the Foundation School Program under current law;
- satisfy debt service requirements for bond authorizations;
- maintain funding at fiscal year 2021 budgeted levels plus amounts necessary to cover the impact of payroll growth for state pension systems and employee group benefits (not including payroll contributions made by state agencies and institutions of higher education for retirement and group health insurance), though group benefit modifications may be considered;
- maintain current benefits and eligibility in Medicaid programs, the Children's Health Insurance Program, foster care programs, the adoption subsidies programs, and the permanency care assistance program (baseline requests for these programs should include amounts sufficient for projected caseload growth);
- maintain funding for programs serving individuals with intellectual or developmental disabilities;
- maintain funding for Child Protective Services; and
- maintain funding for the Department of Public Safety.

We will continue to work with Comptroller Hegar to closely monitor the economy and state revenues. To prepare for the possibility of reduced state revenues in the upcoming session, each entity shall provide additional information about existing programs, listing the top priorities for the entity, and how a reduction in the specific program would impair an entity from fulfilling its core mission.

Thank you for your dedicated service to Texas. While the future carries significant uncertainty, we know that by working together we can ensure the State will continue to provide core government functions and a high level of customer service. We look forward to working with you in preparation for the 87th Legislative Session.

Sincerely,

Handwritten signatures of Greg Abbott, Dan Patrick, and Dennis Bonnen.

Greg Abbott
Governor

Dan Patrick
Lieutenant Governor

Dennis Bonnen
Speaker of the House

Texas Department of Criminal Justice
FY 2022-23 Summary of Program Ranking by Priority

Strategy	Priority Ranking	2020-21 Base	2022-23 Request	Biennial Difference	
				\$	%
C.1.1. Correctional Security Operations	1	\$ 2,485.0	\$ 2,543.6	\$ 58.6	2%
C.1.3. Correctional Training	2	\$ 11.5	\$ 11.7	\$ 0.2	2%
C.1.5. Institutional Goods	3	\$ 339.5	\$ 339.6	\$ 0.1	0%
C.1.6. Institutional Services	4	\$ 410.5	\$ 412.5	\$ 2.0	0%
C.1.7. Institutional Operations and Maintenance	5	\$ 397.0	\$ 393.2	\$ (3.7)	-1%
C.2.1. Texas Correctional Industries	6	\$ 149.2	\$ 149.6	\$ 0.5	0%
C.3.1. Major Repair of Facilities	7	\$ 58.0	\$ 153.8	\$ 95.8	165%
C.1.8. Unit and Psychiatric Care	8	\$ 635.4	\$ 738.4	\$ 103.0	16%
C.1.9. Hospital and Clinical Care	9	\$ 502.7	\$ 682.6	\$ 179.9	36%
C.1.10. Managed Health Care - Pharmacy	10	\$ 144.9	\$ 183.8	\$ 38.9	27%
A.1.1. Basic Supervision	11	\$ 136.9	\$ 136.9	\$ -	0%
A.1.2. Diversion Programs	12	\$ 250.6	\$ 250.6	\$ -	0%
A.1.3. Community Corrections	13	\$ 86.4	\$ 86.4	\$ -	0%
A.1.4. Treatment Alternatives to Incarceration	14	\$ 22.8	\$ 21.5	\$ (1.2)	-5%
E.1.1. Parole Release Processing	15	\$ 13.2	\$ 13.2	\$ 0.0	0%
E.2.1. Parole Supervision	16	\$ 237.8	\$ 235.1	\$ (2.8)	-1%
C.1.2. Correctional Unit Support	17	\$ 181.5	\$ 167.8	\$ (13.7)	-8%
C.1.4. Offender Services	18	\$ 21.3	\$ 21.4	\$ 0.1	1%

Texas Department of Criminal Justice
FY 2022-23 Summary of Program Ranking by Priority

Strategy	Priority Ranking	2020-21 Base	2022-23 Request	Biennial Difference	
				\$	%
F.1.3. Information Resources	19	\$ 61.4	\$ 91.1	\$ 29.6	48%
C.2.2. Academic & Vocational Training	20	\$ 3.9	\$ 3.9	\$ -	0%
C.2.3. Treatment Services	21	\$ 58.3	\$ 57.7	\$ (0.7)	-1%
B.1.1. Special Needs Programs & Services	22	\$ 55.2	\$ 55.1	\$ (0.1)	0%
C.2.4. Substance Abuse Felony Punishment	23	\$ 101.1	\$ 100.8	\$ (0.3)	0%
C.2.5. In-Prison Substance Abuse Treatment & Coordination	24	\$ 66.2	\$ 65.6	\$ (0.7)	-1%
C.1.12. Contract Prisons/Private State Jails	25	\$ 187.9	\$ 181.6	\$ (6.3)	-3%
F.1.2. Victim Services	26	\$ 4.3	\$ 3.0	\$ (1.3)	-29%
E.2.2. Residential Reentry Centers	27	\$ 73.5	\$ 73.5	\$ -	0%
E.2.3. Intermediate Sanction Facilities	28	\$ 44.0	\$ 44.0	\$ -	0%
C.1.11. Health Services	29	\$ 10.4	\$ 10.5	\$ 0.1	1%
F.1.4. Board Oversight Programs	30	\$ 37.3	\$ 37.6	\$ 0.3	1%
F.1.1. Central Administration	31	\$ 53.7	\$ 54.6	\$ 0.8	2%
TOTAL		\$ 6,841.5	\$ 7,320.7	\$ 479.2	7%

Texas Department of Criminal Justice

Report on CSCD Strategic Plans, Pursuant to Government Code 509.004 (c)

Texas Government Code, Section 509.007, requires a Community Supervision and Corrections Department (CSCD) to submit its Strategic Plan to the Texas Department of Criminal Justice (TDCJ) by March 1st of each even-numbered year. Each plan must include a statement of goals and priorities, a commitment by the department and the judges to achieve a targeted level of alternative sanctions, a description of methods for measuring the success of programs, and a summary of the programs and services the department provides or intends to provide. Additionally, the plan must include an outline of the CSCD's projected programmatic and budgetary needs.

Texas Government Code, Section 492.017 and Section 509.004, also requires TDCJ to prepare a report that contains a summary of the programs and services provided by departments, as described in each strategic plan. A copy of the report must be submitted to the Texas Board of Criminal Justice along with TDCJ's Legislative Appropriations Request (LAR).

For FY 2020-2021, CSCDs will expend approximately \$495 in state funding (62.2%), which includes \$136.9 million in Basic Supervision, \$250.6 million in Diversion Programs, \$86.4 million in Community Corrections Programs, and \$21.5 million in Treatment Alternatives to Incarceration Program (TAIP). Additionally, program participant fees, probation supervision fees and other revenues (federal, other state grants, etc.) will total approximately \$300.6 million (37.8%) for FY 2020-21. These funds, totaling \$796.0 million for the FY 2020-2021 biennium, allow for the operations of 1,091 probation programs and services throughout the state's 123 CSCDs.

For FY 2022-2023, based on Strategic Plan submissions, CSCDs requested a total of \$681.9 million in state funding.

Texas Department of Criminal Justice
Report on CSCD Strategic Plans, Pursuant to Government Code 509.004 (c)

Funding Source	FY20-21 Appropriated	Submitted by CSCDs for FY22-23
State Appropriations		
A.1.1. Basic Supervision	\$ 136,912,473	\$ 314,952,514
A.1.2. Diversion Programs	\$ 250,569,016	\$ 243,117,280
A.1.3. Community Corrections	\$ 86,360,909	\$ 95,765,509
A.1.4. Treatment Alternatives to Incarceration (TAIP)	\$ 21,547,951	\$ 28,019,098
State Appropriations Total	\$ 495,390,349	\$ 681,854,401
Other Funding Sources		
Program Participant Fees	\$ 40,177,113	\$ 50,391,302
Probation Supervision Fees	\$ 243,314,081	\$ 207,936,987
Other Revenue Sources (federal, other state grants, etc.)	\$ 17,131,219	\$ 43,870,757
Other Funding Sources Total	\$ 300,622,413	\$ 302,199,046
GRAND TOTAL	\$ 796,012,762	\$ 984,053,447