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Legislative update for TDCJ employees from the executive director

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Budget

The General Appropriations Bill (HB 1 by Otto) was approved by the House of Representatives in early April, and subsequently approved by the Senate just a few weeks later. However, as is always the case, the House and Senate versions of the appropriations bill include numerous differences that must be resolved by a conference committee consisting of members from both bodies. Finalizing the state's budget for the next two fiscal years is one of the most important tasks facing the Legislature during the remainder of the session, and most likely will not be completed until late May.

In regards to appropriations to TDCJ, while there are differences between the House and Senate, the two versions of the appropriations bill are similar in many important respects. For example, with one exception involving offender health care, the budgets approved by both the House and Senate maintain our base funding from the previ-

ous biennium, meaning the agency's existing operations, programs and functions would remain fully funded.

Both the House and Senate have approved a pay raise for correctional officer positions (correctional officers through wardens, laundry managers and food service managers) and parole officers, although the amount of the pay raise varies between the two bills: 10 percent in the House compared to the Senate's 2.5 percent in FY 2016 with an additional 2.5 percent in FY 2017.

In the House, salary increases for other employees have been discussed in the context of offsetting the increased retirement contributions necessary to ensure the actuarial soundness of the employee pension program. Note that this issue is discussed in more detail later, in the Employee Pensions section of this update.

Both the House and Senate budgets provide funding for repair and rehabilitation of exist-

ing facilities, continued deployment of comprehensive video surveillance systems, and replacing vehicles and obsolete computers, as well as expanding various treatment and diversion programs, to include substance abuse treatment, mental health, reentry services and probation funding. While the dollar amounts appropriated for these various activities sometimes differ, both the House and Senate have indicated they are willing to make significant investments in these areas.

Other than differences regarding pay increases, the most significant issue for the conference committee to resolve as it applies to TDCJ is the amount appropriated for offender health care. Both the House and Senate propose additional funding, but vary in the amounts and the specific purposes for which they are appropriated.

Of course, the information currently available is preliminary and subject to change. Final decisions regarding appropriations for

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fiscal years 2016-17 will be made no earlier than May 2015. We will continue to keep employees informed through the agency's website and the *Connections* newsletter.

Employee Pensions

Representatives of the Employee Retirement System have told the Legislature that further action is needed to ensure the long-term stability of the employee pension program, and that any delay in addressing this issue makes potential solutions more difficult and costly. Both the House and Senate have appropriated funding to the ERS with the intent of ensuring the long-term fiscal soundness of the state employee retirement program.

Constitutional limitations on the amount the Legislature can contribute to the employee

pension program require either additional funding or, alternatively, a reduction in benefits to achieve actuarial soundness. Legislation currently working its way through the legislative process would, in addition to the additional contribution by the state, increase the employee contribution to the retirement funds by 2.5 percent. Absent any other action, passage of this bill would reduce the amount state employees receive in their pay check after deductions are withheld. To prevent this reduction from occurring, an equivalent 2.5 percent pay raise for state employees is being considered.

The 2.5 percent employee retirement contribution and pay raise proposal, in combination with the proposed increase in state contributions, is one option to ensure the long-term fiscal health of the employee re-

tirement system. Other options may be considered during the remainder of the legislative session. We will use the agency website and the *Connections* newsletter to keep employees informed of any developments impacting their retirement benefits and required contributions.

Other Legislation

As always, there are a number of bills being considered by legislative committees which could impact state agencies, state employees or the state's criminal justice policies. Shortly after the legislative session concludes we will prepare a brief summary of other bills enacted by the Legislature and make it available on the agency website. ●