

SUBJECT: Allocating a portion of certain mixed beverage taxes to drug court account

COMMITTEE: Appropriations — committee substitute recommended

VOTE: 19 ayes — Zerwas, Longoria, C. Bell, G. Bonnen, Buckley, Capriglione, Cortez, M. González, Hefner, Howard, Jarvis Johnson, Miller, Minjarez, Rose, Sheffield, Sherman, J. Turner, VanDeaver, Walle

3 nays — Schaefer, Toth, Wilson

5 absent — S. Davis, Muñoz, Smith, Stucky, Wu

WITNESSES: For — Paul White, 159th District Court and Texas Association of Specialty Courts; Julie Turnbull, Texas Association of Specialty Courts and Dallas District Attorneys Office; (*Registered, but did not testify:* Cheri Siegelin, Texas Correctional Employees-Huntsville; Marc Levin, Texas Public Policy Foundation)

Against — None

On — (*Registered, but did not testify:* Ender Reed, Harris County Commissioners Court)

BACKGROUND: Government Code sec. 123.001 governs drug court programs, which focus on specific issues and try to treat underlying issues of criminal defendants. Under Code of Criminal Procedure art. 102.0178, fees assessed on certain intoxication and drug convictions are deposited in the drug court account in the general revenue fund. Money in the account can be appropriated only to the Office of the Governor's Criminal Justice Division for distribution to drug court programs. Government Code sec. 123.004 also authorizes drug courts to collect fees from participants.

DIGEST: CSHB 1243 would require the comptroller to deposit 1 percent of the taxes received for the mixed beverage gross receipts tax and the mixed beverage sales tax to the credit of the drug court account in general revenue.

The bill would take effect September 1, 2019.

**SUPPORTERS
SAY:**

CSHB 1243 would provide a consistent source of funding for Texas drug courts to ensure they continue their successful and cost-savings efforts to treat and rehabilitate offenders involved with substance abuse. These efforts can include diverting people from the criminal justice system before a trial or coupling probation and treatment.

While drug courts are funded through a variety of sources, more state funding is needed to support the programs and to ensure access to the courts statewide. The Office of the Governor's Criminal Justice Division distributed about \$4.5 million to drug courts in fiscal 2018, and historically funding requests have greatly exceeded available revenue. Local resources can vary, and small and rural counties especially can have trouble recovering court costs or program fees for the courts. The drug court account generated about \$2.1 million in 2018, covering only a small portion of the need and requiring the Criminal Justice Division to use other criminal justice funds to provide for the courts.

The state should provide more funding for the state's approximately 75 drug courts because of their successful record of reducing recidivism. These courts have proven more effective than incarceration in having participants remain arrest free and in putting them back in the workforce. While the bill would have a cost to general revenue, this would be offset by significant savings in criminal justice and health care costs and by reduced victimization.

To ensure that funding is reliable and meets the state's needs, it is necessary to allocate a source of funding for the drug court account. It would be appropriate to accomplish this by transferring a portion of certain alcohol taxes. These courts deal with substance abuse issues, and in a 2018 survey Texas judges identified alcohol as the top type of addiction prevalent in their courts.

OPPONENTS

The state should not allocate funds currently going to general revenue for

SAY: specific purposes because it would reduce budgeting flexibility. If the Legislature wants to increase funding for drug courts, it should do so through the appropriations process, during which it can evaluate and balance spending requests and can spend general revenue as well as other funds.

NOTES: According to the Legislative Budget Board, the bill would result in a negative impact of \$24 million in general revenue related funds through fiscal 2020-21.