

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 4, 2015

TO: Honorable John T. Smithee, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2768 by Smithee (Relating to the operation and administration of and practice in courts in the judicial branch of state government and the composition of certain juvenile boards.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2768, As Introduced: a negative impact of (\$1,771,914) through the biennium ending August 31, 2017.
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General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$811,155)
2017	(\$960,759)
2018	(\$1,076,321)
2019	(\$1,104,321)
2020	(\$1,104,321)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2015
2016	(\$811,155)	4.0
2017	(\$960,759)	4.6
2018	(\$1,076,321)	5.0
2019	(\$1,104,321)	5.0
2020	(\$1,104,321)	5.0

Fiscal Analysis

The bill would amend the Government Code to create new judicial districts in: Coryell County, the 440th district Judicial District created January 1, 2017; Ector County, the 446th Judicial District created September 1, 2015; Harris County, the 507th Judicial District created September 1, 2015, and Collin County, the 469th and 470th Judicial Districts both created September 1, 2015.

The bill would amend the Government Code to create two new County Courts at Law in Cameron

County. County Court at Law No. 4 would be created January 1, 2016. County Court at Law No. 5 would be created January 1, 2018.

The bill would amend the Government Code to establish that the district attorney for the 132nd Judicial District would be subject to the Professional Prosecutors Act.

The section of the bill governing criminal magistrates appointed by the Galveston County Commissioners Court would take effect immediately upon receiving a two-thirds majority vote in both houses; otherwise it would take effect September 1, 2015 with the remaining sections of the bill.

Methodology

The annual salary provided by the state for a district judge is \$140,000, in addition to benefits (state contributions for group insurance and the Judicial Retirement System) which are estimated to be \$38,190 in fiscal year 2016 and \$38,686 in fiscal year 2017, with differences between the two years due to estimated increases in insurance costs. The total annual salary and benefits cost for a district judge is estimated to be \$178,190 in fiscal year 2016 and \$178,686 in fiscal year 2017 and subsequent years. These costs are traditionally met through a mix of General Revenue Fund and Judicial Fund No. 573 funding, however for the past several fiscal years Judicial Fund No. 573 revenues have not been sufficient to meet all state judicial salary obligations. Due to this, General Revenue funding has been used to meet the remaining obligations. Therefore, this estimate assumes General Revenue funding would be needed to cover the full state obligations for any additional new courts created by the 84th Legislature. In addition, the cost for creation of the 440th District Court in Coryell County is prorated for eight months in fiscal year 2017 because this court would be created on January 1, 2017.

For county courts at law, the annual recurring cost to the state would be \$84,000 from General Revenue. Under current law, the state provides a county court-at-law judge a salary supplement up to 60 percent of the state salary of a district judge (\$84,000). Traditionally, funding for this supplement is provided through Judicial Fund No. 573, however due to the aforementioned Judicial Fund No. 573 revenues, it is estimated that General Revenue would be needed to meet these supplement obligations. In addition, the cost for creation of County Court at Law No. 4 is prorated for eight months in its initial year because this courts would be created on January 1, 2016 and the cost for creation of County Court at Law No. 5 in Cameron County is prorated for eight months in its initial year because this court would be created on January 1, 2018.

The annual salary for a district attorney listed in the Professional Prosecutors Act is \$140,000 from the state plus benefits which are estimated to be \$38,190 in fiscal year 2016 and \$38,686 in fiscal year 2017. According to the Comptroller of Public Accounts, the state is currently compensating the district attorney for the 132nd Judicial District an annual salary of \$112,000 plus \$23,796 in benefits for a total of \$135,796. Therefore, the state's obligations for listing this position in the Professional Prosecutors Act would be \$42,394 in fiscal year 2016 and \$42,890 for fiscal year 2017 and subsequent years.

Local Government Impact

The bill would establish new district courts, which would require annual costs for personnel and operating expenses and in some cases would also require one-time costs to establish.

According to the Texas Association of Counties, Scurry County reported a minor positive fiscal impact as the state would take over paying the district attorney's salary supplement. Coryell County anticipates no fiscal impact. The Galveston County Auditor reported that each additional magistrate would cost about \$30,000 to \$40,000 depending on whether the position is part time or full time. There would be additional costs to set up offices, hire support staff, and provide equipment or furniture.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 696 Department of Criminal Justice

LBB Staff: UP, FR, MW, GDz, JN, AG, KVe, TB