

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION**

**May 14, 2003**

**TO:** Honorable Rodney Ellis, Chair, Senate Committee on Government Organization

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB599** by Chisum (Relating to the continuation and functions of the State Bar of Texas and to the practice of law in the state.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB599, As Engrossed: an impact of \$0 through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

**All Funds, Five-Year Impact:**

Fiscal Year	Probable Revenue Gain from <i>JUDICIAL FUND</i> 573	Probable Revenue Gain from <i>New General Revenue Dedicated Account</i> <i>for Indigent Defense</i>
2004	\$2,275,000	\$2,275,000
2005	\$2,275,000	\$2,275,000
2006	\$2,275,000	\$2,275,000
2007	\$2,275,000	\$2,275,000
2008	\$2,275,000	\$2,275,000

**Fiscal Analysis**

The bill would amend Government Code, Chapter 81, to implement certain recommendations of the Sunset Advisory Commission and continue the State Bar of Texas in existence until 2015. The State Bar operates as a public corporation funded primarily by membership dues and professional development program fees and is not subject to state appropriations. Additionally, under the provisions of the bill the State Bar would collect a new \$65 fee paid annually by members of the State Bar for the purpose of providing criminal defense and civil legal services to indigents. The new collections would be forwarded to the Comptroller which would credit 50 percent of the remitted fees to the judicial fund for programs approved by the Supreme Court that provide basic civil legal services to the indigent. The Comptroller would credit the remaining 50 percent of remitted fees to an account established by the Comptroller in the general revenue fund to provide legal representation and other defense services to indigent defendants.

Currently the General Revenue-Dedicated Fair Defense Account No. 5073 is established to provide criminal defense representation to indigent defendants. The account is administered by the Task Force on Indigent Defense established under Government Code, Chapter 71, and grants are distributed to local governments for improved criminal defense representation for indigents. This estimate assumes that a new General Revenue-Dedicated Account would be established for similar purposes under the bill.

Because the bill would create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either within or outside of the Treasury, or create a dedicated revenue source, the fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

The bill would take effect September 1, 2003.

### **Methodology**

The State Bar reports a membership totaling 70,000. With each member paying a new fee of \$65 annually, the basic civil legal services account of Judicial Fund No. 573 would accrue revenue of \$2,275,000 annually. [70,000 members x \$65 fee = \$4,550,000; 50% of \$4,550,000 = \$2,275,000.] Likewise, the account established by the Comptroller in the General Revenue Fund for providing criminal defense representation to indigent defendants would accrue revenue of \$2,275,000 annually.

### **Local Government Impact**

This estimate assumes that additional revenue under the bill would result in savings to local governments for the costs of providing legal representation to indigent defendants. This estimate assumes new revenue would be distributed to local governments, in the amount of \$2,275,000 statewide, for providing legal representation to indigent criminal defendants.

**Source Agencies:** 116 Sunset Advisory Commission, 201 Supreme Court of Texas, 301 Office of the Governor, 344 Commission on Human Rights

**LBB Staff:** JK, GO, JO, JRO, VDS, TB