

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 14, 2003

TO: Honorable Helen Giddings, Chair, House Committee on Business & Industry

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1465 by Hartnett (Relating to an administrative hearing for unclaimed property decisions.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1465, As Introduced: a negative impact of (\$4,399,632) through the biennium ending August 31, 2005.

The bill would amend statute relating to administrative hearings for unclaimed property decisions and allow a person aggrieved by an unfavorable decision or the lack of a decision within a specific timeframe to be entitled to an administrative hearing under Chapter 2001 of the Government Code. The bill would take effect September 1, 2003.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$2,269,386)
2005	(\$2,130,246)
2006	(\$2,274,173)
2007	(\$2,347,640)
2008	(\$2,424,973)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from GENERAL REVENUE FUND 1
2004	(\$2,269,386)
2005	(\$2,130,246)
2006	(\$2,274,173)
2007	(\$2,347,640)
2008	(\$2,424,973)

Fiscal Year	Change in Number of State Employees from FY 2003
2004	36.0
2005	36.0
2006	39.0
2007	41.0
2008	43.0

Fiscal Analysis

The bill would create an administrative appeal process within the Comptroller of Public Accounts for individuals who have been aggrieved by an unfavorable decision or the lack of a decision concerning unclaimed property.

Methodology

For fiscal year 2004 the agency has indicated that an additional 36 FTEs will be needed to handle the additional workload due to the increase in hearings. Salaries associated with these additional FTEs will cost approximately \$2,101,806. In addition, one-time costs associated with set-up of these additional FTEs, such as office equipment, will total \$139,140. Technology costs associated with these additional FTEs, such as computer leases, will be \$28,440. For fiscal year 2005, salaries associated with the increase in FTEs will total \$2,1001,806 and technology associated with those additional FTEs is estimated to be \$28,440.

For fiscal year 2006, the agency has indicated that three additional FTEs will be needed to handle the projected increase in denied claims as a result of an estimated increase in claims filed by the public. Salaries associated with the total additional 39 FTEs will be approximately \$2,243,363 and technology costs will be approximately \$30,810.

For fiscal years 2007 and 2008 the agency has indicated that an additional two FTEs per fiscal year will be needed to handle the projected increase in denied claims as a result of an estimated increase in claims filed by the public. Salaries associated with the total additional 41 FTEs in 2007 will be approximately \$2,315,250 and technology costs will be approximately \$32,390. In 2008 salaries associated with the additional 43 FTEs will be approximately \$2,391,003 and technology costs will be approximately \$33,970.

Technology

The technology costs for the bill would be for leasing computers associated with additional agency staff. As indicated in the methodology section above, the technology costs will be \$26,860 in fiscal year 2004, \$28,440 in fiscal year 2005, \$30,810 in fiscal year 2006, \$32,390 in fiscal year 2007, and \$33,970 in fiscal year 2008.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 360 State Office of Administrative Hearings
LBB Staff: JK, WP, JRO, MS, JM