

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

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

**April 27, 2003**

**TO:** Honorable Kenny Marchant, Chair, House Committee on State Affairs

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

**IN RE: HB2028** by Pena (Relating to protecting public employees who refuse to perform an illegal act; providing a civil penalty.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2028, As Introduced: a negative impact of (\$129,767) 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.

The bill amends Subtitle A, Title 6 to the Government Code by adding Chapter 619 relating to protecting public employees who refuse to perform an illegal act; providing a civil penalty. The act takes effect September 1, 2003.

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

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$67,121)
2005	(\$62,646)
2006	(\$62,646)
2007	(\$62,646)
2008	(\$62,646)

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

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE FUND</i> 1	Change in Number of State Employees from FY 2003
2004	(\$67,121)	1.0
2005	(\$62,646)	1.0
2006	(\$62,646)	1.0
2007	(\$62,646)	1.0
2008	(\$62,646)	1.0

**Fiscal Analysis**

The bill provides that a state or local governmental entity may not suspend or terminate the employment of, or take other adverse personnel action against, a public employee who refuses to perform an illegal act. The bill provides that a public employee whose employment is suspended or terminated in violation of Chapter 619 of the Government Code may sue for injunctive relief, actual damages, court costs, and reasonable attorney's fees and is entitled to reinstatement, lost wages, and reinstatement of benefits. The Office of the Attorney General stated that since the bill would waive

the state's (and local government entity) sovereign immunity from suit and from liability there would be a fiscal impact to the state as a result of the passage of the bill.

### **Methodology**

The Office of the Attorney General anticipates a caseload increase due to the proposed waiver of sovereign immunity requiring one Assistant Attorney General III (B13) beginning in fiscal year 2004. Based on annual salary & wages (\$42,216); fringe benefits (\$12,015); and operating, travel, and other costs (\$12,890), the fiscal year 2004 impact would be \$67,121. For fiscal years 2005 through 2008, the annual fiscal impact would be \$62,646 (salary & wages of \$42,216; fringe benefits of \$12,015; and operating, travel, and other costs of \$8,415).

### **Technology**

The Office of the Attorney General identified a one-time technology impact of \$1,075 in fiscal year 2004 for a network station.

### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated. Many local governments already have policies in place. The cities of Carrollton, Fort Worth, Houston, Rio Grande City and Weatherford and Bexar, Harris, Panola, and Smith counties reported little to no costs associated with implementing the bill.

**Source Agencies:** 302 Office of the Attorney General, 344 Commission on Human Rights, 356 Texas Ethics Commission

**LBB Staff:** JK, RR, BL, KG