

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

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 16, 2007**

**TO:** Honorable Will Hartnett, Chair, House Committee on Judiciary

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB818** by Paxton (Relating to the creation of an additional judicial district in Collin County.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB818, Committee Report 1st House, Substituted: a negative impact of (\$84,978) through the biennium ending August 31, 2009.

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
2008	\$0
2009	(\$84,978)
2010	(\$101,973)
2011	(\$101,973)
2012	(\$101,973)

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

Fiscal Year	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND 1</i>	Probable Revenue Gain/ (Loss) from <i>JUDICIAL FUND 573</i>	Change in Number of State Employees from FY 2007
2008	\$0	\$0	0.0
2009	(\$84,978)	(\$46,875)	1.0
2010	(\$101,973)	(\$56,250)	1.0
2011	(\$101,973)	(\$56,250)	1.0
2012	(\$101,973)	(\$56,250)	1.0

**Fiscal Analysis**

The bill would amend Chapter 24, Government Code, to create a new judicial district in Collin County, the 429th Judicial District. The 429th Judicial District would be created October 1, 2008. The bill would take effect October 1, 2008.

## **Methodology**

The annual salary provided by the state for a district judge is \$125,000, in addition to benefits (state contributions for group insurance and to the Judicial Retirement System) which are estimated to be \$33,223 annually. The total annual salary and benefits cost for a district judge is estimated to be \$158,223. Because the court would be created on October 1, 2008, the fiscal impact for the first year of court operations is prorated to reflect 10 rather than a full 12 months of operations. The county would pay all other costs.

## **Local Government Impact**

According to the Collin County Auditor, the annual cost for the new judicial district would total \$654,418, and would include: \$607,055 for salaries and benefits for court staff and \$47,363 for operating and maintenance costs. One-time start-up costs for capital expenses would total \$122,222.

Collin County's fiscal year begins October 1. For fiscal 2009, it is assumed that the proposed 429th Judicial District would be in start-up mode and would not generate the same amount of revenue that each of the other district courts generate for the county; therefore, no additional revenue would be available to offset the cost of the additional judicial district. In the future, it is assumed that improved caseload management brought about by the creation of the new judicial districts could result in higher revenues; however, the amount of the increased revenues cannot be estimated.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** JOB, MN, ZS, JP