

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

February 26, 2007

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

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

IN RE: HB1343 by Oliveira (Relating to the creation of an additional judicial district in Cameron County.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1343, As Introduced: a negative impact of (\$195,448) 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	(\$93,475)
2009	(\$101,973)
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	(\$93,475)	(\$51,563)	1.0
2009	(\$101,973)	(\$56,250)	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 Cameron County, the 445th Judicial District. The district would be created September 1, 2007 and the bill would take effect September 1, 2007.

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 September 1, 2007, the fiscal impact for the first year of court operations is prorated to reflect 11 rather than a full 12 months of operations. The county would pay all other costs.

Local Government Impact

According to information provided by the Cameron County Auditor's Office, an additional judicial district court would cost Cameron County \$393,395 annually in operating expenses. According to the Cameron County Auditor, the county would not incur start-up costs because it would not need to build new facilities to accommodate the new district court. Office space currently exists in the Sheriff's Department, and county maintenance staff would retrofit the facility within current budget authority. Surplus computers and office equipment would be used for the new district court. By locating the new district court at the Sheriff's Department near the jail facility, the county could save on transportation costs. However, the savings from reduced transportation costs and other incidental expenses would be minimal.

Cameron County's fiscal year begins October 1. For fiscal 2008, it is assumed that the proposed 445th Judicial District would be in start-up mode and would generate about the same amount of revenue that each of the other district courts generate for Cameron County; hence, there would be no additional revenue to offset the cost of the additional judicial district. In the future, however, it is assumed that improved caseload management brought about by the creation of a new judicial district could result in higher revenues. However, the amount of increased revenues cannot be determined.

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

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