

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 27, 2007

TO: Honorable Aaron Pena, Chair, House Committee on Criminal Jurisprudence

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

IN RE: HB2437 by Escobar (Relating to the establishment, operation, and funding of pretrial victim-offender mediation programs.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2437, Committee Report 1st House, Substituted: an impact of \$0 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	\$0
2010	\$0
2011	\$0
2012	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND - GR Account, Pretrial Victim-Offender Mediation Program</i> 1	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND-GR Account, Pretrial Victim-Offender Mediation</i> 1	Probable Revenue Gain/ (Loss) from <i>Local Governments</i>
2008	\$175,000	(\$175,000)	\$148,000
2009	\$408,000	(\$408,000)	\$347,000
2010	\$398,000	(\$398,000)	\$338,000
2011	\$387,000	(\$387,000)	\$330,000
2012	\$377,000	(\$377,000)	\$321,000

Fiscal Analysis

The bill would add Subchapter C to Chapter 56 of the Code of Criminal Procedure (CCP) to authorize a county or a municipality to establish a pretrial victim-offender mediation program for cases involving a first-time offender arrested and charged under Title 7 of the Penal Code (Offenses Against Property). Operational procedures that must be followed are provided in the bill, including requirements of the attorney representing the state and staff and other resources of pretrial services departments, community supervision and corrections departments, juvenile probation departments, and juvenile boards.

The lieutenant governor and the speaker of the house of representatives would be authorized to assign oversight duties of the programs to appropriate legislative committees. A legislative committee or the governor would be authorized to request that the state auditor perform a management, operations, or financial or accounting audit of a pretrial victim-offender mediation program established under the subchapter. A county or municipality that establishes a program would be required to notify the Office of the Attorney General when the program is implemented.

A pretrial victim-offender mediation program established under the added subchapter may collect from the defendant a reasonable program fee not to exceed \$500 and an alcohol or controlled substance testing, counseling, and treatment fee in an amount necessary to cover the costs. Fees must be based on the defendant's ability to pay and be used only for purposes specific to the program.

The bill would amend Subchapter A of Chapter 102, Code of Criminal Procedure, to require in addition to other costs on conviction imposed by the chapter, a \$15 court cost on conviction of a felony or misdemeanor under Title 7, Penal Code. If the county or municipality operates a pretrial victim offender mediation program, that entity would be authorized to retain 40 percent of the funds collected to be used exclusively for the maintenance of the pretrial victim-offender mediation program operated within the county or municipality. If a county or municipality complies with certain requirements, the county or municipality may retain as a collection fee 10 percent of an amount equal to the difference between the amount of funds collected and any amount to which the county or municipality would otherwise be entitled. The comptroller would be required to deposit the funds received from the county or municipality to the credit of the pretrial victim-offender mediation program account in the General Revenue Fund to help fund pretrial victim-offender mediation programs established under Subchapter C, Chapter 56, CCP. The legislature would be required to appropriate money from the account solely to the OAG for distribution to pretrial victim-offender mediation programs that apply for the money. Funds collected would be subject to audit by the comptroller.

Changes in the law would apply only to an offense committed on or after the effective date of the bill. The bill would take effect immediately if it were to received the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

The proposed legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. Legislative policy, implemented as Government Code 403.094, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

It is anticipated that administrative costs resulting from requirements placed on the Comptroller of Public Accounts, Office of the Attorney General, and Office of the State Auditor could be absorbed using existing resources. All other fiscal impact is reflected in the tables above.

Methodology

The Comptroller of Public Accounts based fiscal impact data on historical data from the *Annual Statistical Report for the Texas Judiciary*, multiple years, adjusted for growth, indigency, implementation, and retention by local governments. The court costs for criminal cases were multiplied by the total number of convictions, reduced to reflect historical non-collection rates, and adjusted for an implementation lag. Estimates were based on felony and some misdemeanor convictions for which data were available. In general, misdemeanor property offense data were not sufficiently detailed to be included in the analysis. Estimates shown in the tables reflect an assumption if all counties were to establish a victim-offender mediation program. It is unlikely, however, that all counties would establish a program, in which case, the amount of revenue to the state would be higher than reflected in the tables and the amount of revenue to local governments would be lower because the local governments would retain only 10 percent of the \$15 fee collected rather than 40 percent plus 10 percent of the difference between the amount collected and the 40 percent retained.

It is unknown what amount the legislature might appropriate from the revenue deposited to the Pretrial Victim-Offender Mediation Program account to be distributed through grants to the local programs, nor is it known how many programs would be established nor how much money may be requested from the local governments to help fund the local programs. However, for the purposes of this analysis, it is assumed that an amount equal to revenue gained would be appropriated and expended.

Local Government Impact

The table above reflects estimated revenue gain to local governments in the aggregate related to collecting the \$15 court cost if each eligible local entity were to establish a pretrial victim-offender mediation program. Impact would vary by county or municipality depending on the number of cases for which the \$15 fee would be imposed and whether the local government establishes a pretrial victim-offender mediation program, which would then entitle the entity to retain 40 percent of the fee and a collection fee, as opposed to retaining only a collection fee.

It is assumed that a county or municipality would establish a pretrial victim-offender mediation program only if, notwithstanding the \$500 program fee that could be charged to a defendant, the county or municipality has a sufficient budget and would collect sufficient applicable court fees to absorb the associated costs.

Source Agencies: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 212 Office of Court Administration, Texas Judicial Council, 301 Office of the Governor, 308 State Auditor's Office, 696 Department of Criminal Justice

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