

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 1, 2007

TO: Honorable Bill Callegari, Chair, House Committee on Government Reform

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

IN RE: HB3299 by Callegari (Relating to the amount, collection and refund of certain local fines and fees.), **Committee Report 1st House, Substituted**

The Comptroller of Public Accounts estimates the provisions of the bill could result in an indeterminate amount of revenue for the state.

The bill would amend Chapter 403 of the Government Code to require the indexing of all statutory civil and criminal court fees to reflect increases in service costs. Under the bill, the Comptroller would be required to develop an annual uniform fee escalator for statutory civil and criminal court fees after considering workload, capacity, technology, and labor increases. Absent the identification of an annual uniform fee escalator, the bill would require the Comptroller, no later than July 1 of each year, to calculate a fee increase factor by adding the percentage increase in the state's population to the increase in consumer price index for the most recent available calendar year. The Comptroller would be required to annually publish a list of adjusted fees as formulated by multiplying the fees by the fee increase factor. The list would have to be posted on the Comptroller's Internet website no later than July 31 of each year. The revised fees would take effect each September 1.

The bill would allow county treasurers to impose a commissioners court approved collection fee for certain debt and to request debtor location information from state agencies.

The bill would amend the Local Government Code to provide procedures and remedies for a county officer to seek a directive from the Comptroller regarding questions of the legality of state fines or fees. A county officer would not be liable, under certain conditions, for claims of overcharging or improper collection of fines and fees. The bill would establish the procedures and requirements for the refunding of improperly collected fees and allow the assessment of a collection fee for delinquent fees more than 30 days in arrears.

The bill would require the payment by the applicable local government entity of disputed fees and a written protest by persons wishing to file suit on the legality of a fee or fine. The bill would establish procedures for the disposition of protest payments.

The bill would take effect September 1, 2007. SECTION 1, relating to the indexing of fees, would take effect January 1, 2008.

The fiscal impact to the Comptroller's office for indexing court fees and for publishing the list and posting the list on the Comptroller's website would not have a significant fiscal impact. The resulting fiscal impact on the state as a result of the annual fee escalator or increase factor would depend on each of the variables used to calculate either; therefore, the increase in fees cannot be determined. It is anticipated that there would be no significant fiscal impact to the state regarding other provisions of the bill.

The Comptroller of Public Accounts reports that as the bill's fee escalator formula is worded, an adjustment of fees by the fee increase factor could result in extremely large fee amounts due to the use of the "increase in the consumer price index" per se, instead of the "percentage change in the consumer price index."

Local Government Impact

Court fee indexing could result in some revenue gains to local courts, depending on the fee increase factor/ratio developed each year by the comptroller.

There would be no significant fiscal impact for counties to request written directives from the comptroller about collection of questioned state fines or fees. It is assumed that a commissioners court would approve refunding of money collected or received through mistake of fact or law only if sufficient funds were available. There would be some costs to administer protests or refund claims; these costs are not expected to be significant.

Costs to counties to obtain information relating to the location of a delinquent debtor from state agency databases would depend on the fee charged, if any, to access the information.

Source Agencies: 304 Comptroller of Public Accounts

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