

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION
Revision 1

April 15, 2007

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

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

IN RE: SB749 by Janek (Relating to multidistrict litigation proceedings in cases involving claims for asbestos-related or silica-related injuries.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB749, As Introduced: a negative impact of (\$126,500) 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	(\$60,500)
2009	(\$66,000)
2010	(\$66,000)
2011	(\$66,000)
2012	(\$66,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2008	(\$60,500)
2009	(\$66,000)
2010	(\$66,000)
2011	(\$66,000)
2012	(\$66,000)

Fiscal Analysis

The bill would amend the Civil Practice and Remedies Code to require that multidistrict litigation (MDL) judges presiding over asbestos or silica cases receive the maximum salary allowed presiding judges of administrative judicial regions under Section 74.051(b) of the Government Code, which would be \$33,000 per year. The Texas Judicial Council would be directed to provide eligible judges \$2,750 per month for each month the judge presides over at least one asbestos- or silica-related MDL case.

The bill would take immediate effect if the bill receives two-thirds the vote of members in each house; otherwise, the bill would take effect September 1, 2007. In either event, compensation could not occur until the month beginning after the effective date.

Methodology

The bill would require certain district judges to be paid a higher salary for presiding over multidistrict litigation related to asbestos or silica. According to the Office of Court Administration (OCA), two district judges in the last three years qualify as having presided over asbestos or silica cases and would be eligible for the salary increase of \$33,000 per year, or \$2,750 per month for each month the judge presided over such cases. Assuming that at least two judges would qualify for the salary increase over the next five years, and assuming that each judge retains jurisdiction over at least one asbestos or silica MDL case in that same time period, the appropriation to the Texas Judicial Council would have to be increased by \$66,000 per fiscal year to pay the MDL judges presiding over certain cases as required by the bill. Because the bill would not increase compensation until after the effective date of the bill, amounts for fiscal year 2008 reflect 11 months of compensation, or \$60,500.

Local Government Impact

No fiscal implication to units of local government is anticipated.

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

LBB Staff: JOB, SD, KJG, ZS, TB