

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 11, 2007

TO: Honorable Jeff Wentworth, Chair, Senate Committee on Jurisprudence

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

IN RE: SB1951 by Wentworth (Relating to the creation of district courts in certain counties.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1951, As Introduced: a negative impact of (\$1,067,814) 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	(\$499,086)
2009	(\$568,728)
2010	(\$568,728)
2011	(\$568,728)
2012	(\$568,728)

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	(\$499,086)	(\$225,000)	5.0
2009	(\$568,728)	(\$225,000)	6.0
2010	(\$568,728)	(\$225,000)	6.0
2011	(\$568,728)	(\$225,000)	6.0
2012	(\$568,728)	(\$225,000)	6.0

Fiscal Analysis

The bill would amend Chapter 24, Government Code, to create two new judicial districts in Montgomery County, the 418th and 435th Judicial Districts. The bill would also amend Chapter 24, Government Code, to create two new judicial districts in Cameron County, the 444th and 445th Judicial Districts. The four districts 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. The state would also pay an annual salary supplement of \$5,000 to the local administrative district judge for Montgomery County because the county would be served by more than five judicial districts if the bill is enacted.

The bill would also require the state to pay salaries and expenses for a court reporter and court coordinator for the 435th Judicial District. According to Montgomery County officials, the 435th Judicial District should be able to operate the first year with a court reporter only, with the state incurring the expense of \$86,194 for salary and benefits. Beginning in fiscal 2009 and in subsequent fiscal years, in addition to the state expense for the court reporter position, the 435th Judicial District would require a court coordinator at an annual salary and benefits of \$69,642. Montgomery County officials estimate that beginning in fiscal 2009, expenses for the 435th Judicial District would total \$155,836. Because the bill does not specify which state fund(s) would be used to pay for court personnel for the 435th Judicial District, these expenses are shown as costs to the General Revenue Fund.

Local Government Impact

Montgomery County is currently served by the 9th, 221st, 284th, 359th and 410th judicial districts. Cameron County is currently served by the 103rd, 107th, 138th, 197th, 357th and 404th judicial districts. According to information provided by Montgomery County, the 416th Judicial District would cost the county \$606,135 in salaries and benefits for court personnel (\$403,207 in salaries and \$202,928 in benefits). There would be an estimated one-time expenditure of \$205,143 in fiscal 2008, which would include \$125,000 for court build out, \$62,693 for furniture and equipment, \$12,000 for courtroom technology and \$5,450 for training new employees.

Montgomery County reports that no additional courtroom cost would be required to start the 435th Judicial District. There would be no need for a bailiff because the prisoners are brought to the court with two armed guards. It is uncertain whether a jury shepherd would be required.

According to information provided by Cameron County, the new 444th Judicial District would cost the county \$318,372 annually in operating expenses, including salaries and benefits for court personnel. The county currently has a family court under existing district courts. Since a family court already exists, no start-up costs would be incurred through the establishment of a new district court for family matters. The family court master's salary of \$127,500 would be redirected to payroll for the new district court staff since the district judge's salary is paid by the state, and the above cost reflects this adjustment.

The 445th Judicial District would cost the county \$393,395 annually in operating expenses, including salaries and benefits for court personnel. 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.

Montgomery and Cameron counties' fiscal year begins on October 1. For fiscal 2008, it is assumed that the proposed 418th, 435th, 444th and 445th judicial districts would be in a start-up mode and would generate 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 new judicial districts could result in higher revenues; however, the amount of increased revenues cannot be estimated.

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

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