

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 19, 2011

TO: Honorable Chris Harris, Chair, Senate Committee on Jurisprudence

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

IN RE: HB2949 by Cook (Relating to the administration of the collection improvement program.),
As Engrossed

Estimated Two-year Net Impact to General Revenue Related Funds for HB2949, As Engrossed: a positive impact of \$9,009,798 through the biennium ending August 31, 2013.

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
2012	\$4,430,087
2013	\$4,579,711
2014	\$4,716,711
2015	\$4,857,711
2016	\$5,002,711

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain from <i>General Revenue Fund</i> 1	Probable (Cost) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2011
2012	\$5,102,000	(\$671,913)	8.0
2013	\$5,231,000	(\$651,289)	8.0
2014	\$5,368,000	(\$651,289)	8.0
2015	\$5,509,000	(\$651,289)	8.0
2016	\$5,654,000	(\$651,289)	8.0

Fiscal Analysis

The bill would amend the Code of Criminal Procedure Article 103.0033 by transferring audit responsibilities for the court Collection Improvement Program (CIP) from the Comptroller of Public Accounts (CPA) to the Office of Court Administration (OCA).

The bill would be effective September 1, 2011.

Methodology

The bill would transfer the auditing of the court Collection Improvement Program (CIP) function from the Comptroller of Public Accounts (CPA) to the Office of Court Administration (OCA). When the mandatory CIP was created by legislation in 2005, the CPA received appropriations for eight full-time equivalents (FTEs) to fulfill the related auditing functions. It is assumed that eight FTEs, Auditor IV positions, would be needed at OCA at a cost of \$54,498 per FTE per fiscal year, with a total salary cost of \$435,984 to General Revenue per year. Additional expenses include travel, at a cost of \$80,000 per year; other operating expenses, at a cost of \$13,840-\$14,640 per year; and equipment costs for computers at a cost \$19,824 in fiscal year 2012 with a four-year replacement schedule. In addition, benefits would cost \$121,465 per fiscal year. The estimated cost of performing the auditing function is approximately \$671,913 in fiscal year 2012 and \$651,289 in subsequent fiscal years.

The CPA reports that re-directing the existing staff currently performing audits of court collections to audits of taxpayers would result in additional General Revenue to the state of: \$5,102,000 in fiscal year 2012; \$5,231,000 in fiscal year 2013; \$5,368,000 in fiscal year 2014; \$5,509,000 in fiscal year 2015; and \$5,654,000 in fiscal year 2016. In addition, since existing CPA staff will be redirected to taxpayer audits, for purposes of this analysis, it is assumed that the OCA would require the additional funding and FTEs (as described above) to assume the auditing function currently performed by CPA staff.

Technology

The Office of Court Administration (OCA) anticipates that the additional FTEs would require laptop computers and Microsoft Office software.

Local Government Impact

The Office of Court (OCA) does not anticipate a significant fiscal impact to local governments.

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

LBB Staff: JOB, JT, ZS, JJO, LCO, ESi, TB, KKR, TP