

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 2, 2013

TO: Honorable Jim Pitts, Chair, House Committee on Appropriations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3432 by Fletcher (Relating to the salary reclassification of certain positions with the Department of Public Safety of the State of Texas and the Office of the Attorney General.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3432, As Introduced: a negative impact of (\$2,223,134) through the biennium ending August 31, 2015.

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
2014	(\$1,093,083)
2015	(\$1,130,051)
2016	(\$1,192,707)
2017	(\$1,267,397)
2018	(\$1,330,557)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Probable Savings/(Cost) from Federal Funds 555	Probable Savings/(Cost) from Interagency Contracts - C/JG 444	Probable Savings/(Cost) from State Highway Fund 6
2014	(\$1,093,083)	(\$453,478)	(\$39,348)	(\$26,077,014)
2015	(\$1,130,051)	(\$486,368)	(\$39,508)	(\$26,077,014)
2016	(\$1,192,707)	(\$512,898)	(\$41,739)	(\$26,077,014)
2017	(\$1,267,397)	(\$546,446)	(\$46,681)	(\$26,077,014)
2018	(\$1,330,557)	(\$586,952)	(\$50,270)	(\$26,077,014)

Fiscal Analysis

The bill would require the Office of the State Auditor to reclassify certain positions within the

Department of Public Safety and the Office of the Attorney General from "Salary Schedule B" to "Salary Schedule C" of the General Appropriations Act. This bill would take effect upon a two-thirds vote of all members of both chambers; otherwise, the bill would take effect September 1, 2013.

Methodology

The bill would increase salaries of certain Office of the Attorney General (OAG) law enforcement officers by reclassifying them one salary grade higher than their current salary grade. The OAG notes that while the agency does not have positions of Sergeant, Lieutenant, Captain, and Major in the current Position Classification Plan of the current General Appropriations Act, it does have Investigator positions with working titles of Sergeant, Lieutenant, Captain, and Major. There are 167 commissioned peace officer positions in the OAG Law Enforcement Division and Medicaid Fraud Control Unit that would be eligible to move to Salary Schedule C under the provisions of the bill. These commissioned peace officer positions are currently compensated under Salary Schedule B. They include classified positions such as Investigators III-VII and have working titles of Sergeant, Lieutenant, Captain, and Major.

The OAG's fiscal impact is based on salary schedules of the current General Appropriations Act (GAA). The fiscal impact to the OAG in fiscal years 2014-18 and thereafter is as follows:

FY 2014 \$1,585,909
FY 2015 \$1,655,927
FY 2016 \$1,747,435
FY 2017 \$1,860,524
FY 2018 \$1,967,779

The total cost over the five-year period is \$8,817,574. The method of finance includes General Revenue (GR), Federal Funds, and Grant Funds.

The bill would also increase salaries of certain DPS law enforcement officers by reclassifying them one salary grade higher than their current salary grade. Costs for DPS officers were calculated by the Legislative Budget Board for each affected position and time in service tier by multiplying the increased salary amount times the number of officers in that position and tier. Then amounts were totaled across all positions and service tiers to get a total salary increase. This was increased by 18.75% for overtime, and increases for Social Security and ERS retirement contributions were added. The estimated fiscal impact to DPS in fiscal years 2014-18 is \$26,077,014 in each fiscal year. The total estimated DPS cost over a five-year period is \$130,385,070. The method of finance is State Highway Fund 06.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office of the Attorney General, 405 Department of Public Safety

LBB Staff: UP, AI, JAW, SD, WM