

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 26, 2015

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2037 by Geren (Relating to compensation and leave for certain peace officers.), As Passed 2nd House

Estimated Two-year Net Impact to General Revenue Related Funds for HB2037, As Passed 2nd House: a negative impact of (\$3,999,242) through the biennium ending August 31, 2017.

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
2016	(\$1,964,461)
2017	(\$2,034,781)
2018	(\$2,095,438)
2019	(\$2,122,169)
2020	(\$2,192,322)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Savings/(Cost) from <i>Federal Funds</i> 555	Probable Savings/(Cost) from <i>Interagency Contracts - CJG</i> 444
2016	(\$1,964,461)	(\$948,741)	(\$91,835)
2017	(\$2,034,781)	(\$973,618)	(\$97,376)
2018	(\$2,095,438)	(\$993,637)	(\$98,276)
2019	(\$2,122,169)	(\$1,013,987)	(\$98,596)
2020	(\$2,192,322)	(\$1,062,995)	(\$99,903)

Fiscal Analysis

The bill would amend the Government Code directing the Office of the Attorney General (OAG) to compensate commissioned peace officers employed by the agency according to Schedule C prescribed by the General Appropriations Act.

Under the bill provisions, the OAG indicated the fiscal impact related to compensating commissioned peace officers according to Schedule C would be \$3,005,037 in fiscal year 2016, \$3,150,775 in fiscal year 2017, \$3,187,351 in fiscal year 2018, \$3,234,752 in fiscal year 2018, and \$3,355,220 in fiscal year 2020.

The State Auditor's Office indicated the costs associated with implementation of the bill could be absorbed with existing resources. The bill would take effect September 1, 2015.

Methodology

Currently, the OAG employs 167 commissioned peace officers in the Law Enforcement Division (96) and the Medicaid Fraud Control Unit (71) that are compensated under Schedule B of the General Appropriations Act and are classified as Investigators III-VII, Managers III-IV, and Directors I-II. Under the bill provisions, the commissioned peace officers employed by the OAG would be classified as Sergeants, Lieutenants, Captains, and Majors under Schedule C.

According to the OAG, the classification to Sergeants, Lieutenants, Captains, and Majors would be based on years of service and demonstrated ability. However, generally speaking Investigators III-V would be classified as Sergeants, Investigators VI-VII as Lieutenants, Managers III-IV as Captains, and Directors I-II as Majors. It is assumed the salaries will be based on 12 months of service at constant levels of employment.

Local Government Impact

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

Source Agencies:

LBB Staff: UP, KJo, TBo