

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 2, 2017

TO: Honorable Joe Moody, Chair, House Committee on Criminal Jurisprudence

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1465 by Moody (Relating to a prohibition on a judge's imposition of court costs and filing or other fees on indigent defendants and plaintiffs.), **As Introduced**

The bill would have a negative, but indeterminate, fiscal impact to the state due to anticipated decreases in court cost and fee revenue associated with the number of defendants and plaintiffs identified as indigent; however, the number of defendants and plaintiffs identified as indigent that would not be paying court costs and fees cannot be determined.

The bill would amend the Government Code to prohibit courts from imposing court costs, filing fees, and other fees on indigent defendants and plaintiffs with indigency defined as an individual that does not earn more than 125 percent of income standard established by the federal government.

According to the Comptroller of Public Accounts and the Office of Court Administration, the bill would have a negative, but indeterminate, impact to court cost revenue to the state. The Office of Court Administration (OCA) does not collect information regarding the number of indigent litigants that have been assessed court costs and filing or other fees, nor the amount of costs and fees that have been paid by indigent defendants, however OCA anticipates that the bill would likely result in a decrease in revenue to the state from court costs and fees.

According to the Comptroller of Public Accounts, the state is anticipated to collect approximately \$415,144,000 in court costs in fiscal year 2018. Based on information provided by the Office of Court Administration, this collection total reflects approximately 65 percent of all assessed court costs and fees which means that the remaining 35 percent of court costs and fees assessed in trial-level cases would not be collected. If most of these uncollected court costs and fees are owed by indigent persons as defined in the bill and if all persons that pay their costs and fees do not meet the indigency definition in the bill, then there would be no fiscal impact. However, there would be a fiscal impact to the extent that collected court costs and fees include amounts paid by persons who are indigent as defined by the bill.

The table below is for illustrative purposes only. It contains information based on the analysis of the Comptroller and reflects a revenue decrease where five percent of the estimated collected court costs and fees would not be collected due to the bill's indigency provisions from fiscal years 2018 through 2022. The table summarizes the impact for General Revenue, various General Revenue-Dedicated account, Judicial Fund 573, and State Highway Fund 6 into which court costs and fees are deposited. According to the Comptroller, this would result in a court cost revenue decrease of \$41,267,600 in All Funds for the 2018-19 biennium. Given the unknown factors

described above, the cost of this bill is indeterminate.

Fiscal Year	General Revenue	GRD Accounts	Fund 0006	Fund 573	All Funds Total
2018	\$(5,423,000)	\$(11,184,000)	\$(6,800)	\$(4,143,000)	\$(20,756,800)
2019	\$(5,358,000)	\$(11,003,000)	\$(6,800)	\$(4,143,000)	\$(20,510,800)
2020	\$(5,358,000)	\$(11,938,000)	\$(6,800)	\$(4,143,000)	\$(21,445,800)
2021	\$(5,358,000)	\$(11,175,000)	\$(6,800)	\$(4,143,000)	\$(20,682,800)
2022	\$(5,423,000)	\$(13,865,000)	\$(6,800)	\$(4,143,000)	\$(23,437,800)

The bill would take effect September 1, 2017.

Local Government Impact

According to the Texas Association of Counties, Potter County, Guadalupe County and Bandera County all anticipate a significant negative fiscal impact under the provisions of the bill.

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

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