

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 4, 2019

TO: Honorable Jeff Leach, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1619 by Leach (Relating to court reporters and shorthand reporting firms; imposing a fee; creating a criminal offense.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1619, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2021.

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
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/(Loss) from <i>General Revenue Fund</i> 1
2020	(\$40,000)	\$40,000
2021	(\$40,000)	\$40,000
2022	(\$40,000)	\$40,000
2023	(\$40,000)	\$40,000
2024	(\$40,000)	\$40,000

Fiscal Analysis

The bill would amend the Business and Commerce Code, the Civil Practices and Remedies Code, and the Government Code regarding the certification, registration, licensing, and renewal for court reporters and shorthand reporting firms. The bill would create apprentice certification and provisional certification classes to allow a person to provide court reporting services without meeting full certification standards and would require the Judicial Branch Certification Commission (JBCC) to create and maintain a list of other states that have similar court reporter certification requirements for the purpose of certifying court reporters from those states. The bill would allow a shorthand reporting firm to pay a registration or renewal fee equal to the fee for court reporter certification in lieu of the fee required for shorthand reporting firms if the firm is owned more than 50 percent by a certified court reporter and the reporter maintains control of the firm. In addition, the bill would create a new Class A misdemeanor offense which would be punishable by a fine not to exceed \$4,000 in addition to any other court costs or fees that may be assessed.

The bill would take effect on September 1, 2019.

Methodology

According to the Office of Court Administration, additional technology costs of \$40,000 would be required each fiscal year in licensing fees for the software utilized by the JBCC to add two additional license classifications to the current system. Under current law, the JBCC collects a \$200 fee on 315 court reporting businesses, or \$63,000, for a two year registration. Since the bill would prohibit the collection of those fees, this analysis assumes there would be a similar revenue reduction realized in every subsequent two year period. The table above does not reflect the reduction in revenue because the JBCC is statutorily required to generate revenue in amounts sufficient to cover all of its operating costs each fiscal year. Accordingly, this analysis assumes that fees would be adjusted as necessary to cover all revenue losses and additional costs.

Based on the analysis of the Comptroller of Public Accounts, creating a new offense could potentially result in an increase in revenue due to fines, costs, or fees associated with an offense; however, the extent to which creating a new offense would impact revenue cannot be determined.

This analysis assumes the provisions of the bill addressing sanctions for criminal offenses would not result in a significant impact on state correctional agencies. Additional information provided in the Criminal Justice Impact Statement.

Technology

Technology costs of \$40,000 each year would be required for increased licensing fees.

Local Government Impact

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

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

LBB Staff: WP, SLE, MW, DA