

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: HB2120 by Leach (Relating to the operation and administration of and practice in courts in the judicial branch of state government.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2120, As Introduced: a negative impact of (\$2,690,260) 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	(\$1,528,450)
2021	(\$1,161,810)
2022	(\$1,161,810)
2023	(\$1,161,810)
2024	(\$1,161,810)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund	Change in Number of State Employees from FY 2019
	1	
2020	(\$1,528,450)	5.0
2021	(\$1,161,810)	5.0
2022	(\$1,161,810)	5.0
2023	(\$1,161,810)	5.0
2024	(\$1,161,810)	5.0

Fiscal Analysis

The bill would amend the Government Code to create new judicial districts in: Brazoria County, the 461st Judicial District created September 1, 2019; Guadalupe County, the 456th Judicial District created September 1, 2019; Montgomery County, the 457th Judicial District created

September 1, 2019; and Comal County, the 466th Judicial District created September 1, 2019.

The bill would amend the Government Code to create new statutory courts: Chambers County Court at Law created September 1, 2019; Comal County, County Court at Law #3 created September 1, 2019; and Liberty County, County Court at Law #2 created September 1, 2019.

The bill would amend the Government Code within the Professional Prosecutors Act effective September 1, 2019 to add the state prosecutor of the 24th Judicial District and the county attorney position in Burleson County. The county attorney of Burleson County would be prohibited from the private practice of law.

The bill would amend the Business Organizations Code to require the Office of Court Administration (OCA) to develop and maintain a public information website that would allow a person or OCA to publish citations or other public or legal notices that a person, including a party to a cause of action, is required to publish under statute or rule on the website. The bill requires this website to be easily accessible and searchable by users. The Supreme Court of Texas would be responsible for establishing the procedures for submitting information for publication on the website.

The bill would amend the Government Code to transfer responsibilities for the payment of travel expenses and other incidental costs related to convening a special three-judge district court from OCA to the Judiciary Section, Comptroller's Department.

The bill would amend the Government Code to transfer responsibilities for the identification and creation of a list of each law enacted by the Legislature and signed by the Governor that imposes or changes a court cost or fee collected by a clerk of a court from the Comptroller of Public Accounts to OCA and to require OCA to prepare and publish a list of new and amended court costs and fees biennially.

The bill would amend the Government Code to require OCA to contract with the National Center for State Courts (NCSC) to provide a weighted caseload study that would determine the need for new district courts and county courts at law. The study would be required to be submitted to OCA by NCSC no later than December 1, 2020, and OCA would be required to provide a report on the study to the Governor and Legislature no later than January 1, 2021.

The bill would take effect September 1, 2019.

Methodology

The annual salary provided by the state for a district judge is \$140,000, in addition to benefits (state contributions for group insurance and the Judicial Retirement System) which are estimated to be \$38,505 each fiscal year. The total annual salary and benefits cost for a district judge is estimated to be \$178,505 each fiscal year. The addition of these new district courts would include an increase of 4.0 FTEs each fiscal year. The total cost for the 2020-21 biennium for creation of these district courts is estimated to be \$1,428,044 in General Revenue.

For county courts at law, the annual recurring cost to the state would be \$84,000 from General Revenue. Under current law, the state provides a salary supplement up to 60 percent of the state salary of a district judge (\$84,000) to a county court-at-law judge. The total cost for the 2020-21 biennium for creation of these county courts at law is estimated to be \$504,000 in General Revenue.

The annual salary for a district attorney listed in the Professional Prosecutors Act is \$140,000 from the state plus benefits which are estimated to be \$29,877 each fiscal year, or \$169,877 in total. According to the Comptroller of Public Accounts, the state is currently compensating the district attorney for the 24th Judicial District an annual salary of \$112,000 plus \$24,466 in benefits for a total of \$136,466. Therefore, the state's obligations for listing this position in the Professional Prosecutors Act would be \$33,411 each fiscal year. In addition, the state is currently providing a county attorney supplement for the Burleson county attorney position of \$35,000. Therefore, the state's obligations for listing this position in the Professional Prosecutors Act would be \$162,377 each fiscal year with an increase of 1.0 FTE each fiscal year. This includes a state salary increase of \$134,877 and \$27,500 for office expenses. The total cost for the 2020-21 biennium for listing these two positions in the Professional Prosecutors Act is estimated to be \$391,577 in General Revenue.

These costs are traditionally met through a mix of General Revenue Fund and Judicial Fund No. 573 funding, however for the past several fiscal years Judicial Fund No. 573 revenues have not been sufficient to meet all judicial salary obligations. Due to this, General Revenue funding has been used to meet the remaining obligations. Therefore, this estimate assumes General Revenue funding would be needed to cover the full state obligations to meet the provisions of the bill.

Based on information provided by OCA, this estimate assumes that OCA would be required to contract for the services of a programmer and project manager to develop and maintain the public website for the inventorying of public citations and other legal notices with one-time costs estimated to be \$66,640 in General Revenue in fiscal year 2020.

Based on a comparison of costs for similar studies previously developed by OCA, this estimate assumes that \$300,000 in General Revenue in fiscal year 2020 would be necessary to contract with NCSC for development of a weighted caseload study within timeframes identified in the bill.

According to OCA and the Comptroller of Public Accounts, duties and responsibilities associated with implementing the remaining provisions of the bill could be accomplished by utilizing existing resources.

Local Government Impact

The bill would establish new courts, which would require annual costs for personnel and operating expenses and may require one-time costs, such as furniture, to establish.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: WP, SLE, MW, DA, CMa, GDz, AF, LCO