

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 27, 2019

TO: Honorable Donna Campbell, Chair, Senate Committee on Veteran Affairs & Border Security

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

IN RE: SB1180 by Menéndez (Relating to certain procedures applicable to veterans who participate in veterans treatment court programs and to a court cost imposed on conviction to benefit those programs; changing a fee.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1180, As Introduced: 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 Revenue Gain from New General Revenue Account - Veterans Treatment Court Account |
|--------------------|--|
| 2020 | \$3,669,508 |
| 2021 | \$3,669,508 |
| 2022 | \$3,669,508 |
| 2023 | \$3,669,508 |
| 2024 | \$3,669,508 |

Fiscal Analysis

The bill would amend the Code of Criminal Procedure and the Government Code relating to

certain procedures applicable to veterans who participate in veterans treatment court programs and to a court cost imposed on conviction to benefit those programs.

The provisions of the bill would take effect September 1, 2019. However, due to Government Code Sec. 51.607, the court cost change would not take effect until January 1, 2020.

Methodology

This bill would impose a \$2 court cost on felony or misdemeanor convictions and allow counties with established veterans treatment court programs to retain 60 percent of the collected \$2 court cost. The remainder would be remitted to the state. The bill would also reduce the program fee for a veterans treatment court program, which is revenue collected by local governments and is not state revenue, from an amount not to exceed \$1,000 to an amount not to exceed \$500.

This bill would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

According to analysis provided by the Office of Court Administration, in Fiscal Year 2018, there were 155,130 felony convictions; 249,274 Class A/B misdemeanor convictions; 4,256,096 Class C misdemeanor convictions; and 185,103 Class C pedestrian and parking convictions. Applying a \$2 court cost for those convictions and a 40% collection rate for the felonies and Class A/B misdemeanors and 65% collection rate on the Class C misdemeanors provides a total revenue collection amount of \$6,097,082.

In addition, counties with a veterans treatment court program would be entitled to retain 60% of the court costs collected. There are 26 counties with veterans treatment court programs in which there were 106,243 felony convictions, 171,109 Class A/B misdemeanor convictions, and 2,941,596 Class C misdemeanor convictions in those counties. Applying the same formula to these convictions would result in the following revenue: Felonies: $106,243 \times \$2 \times 40\% = \$84,994$; A/B Misdemeanors: $171,209 \times \$2 \times 40\% = \$136,887$; and C Misdemeanors: $2,941,596 \times \$2 \times 65\% = \$3,824,075$ for a total of \$4,045,956. These counties would be entitled to retain 60% of these amounts, or \$2,427,574. The remaining \$1,618,382 would be sent to the state.

Revenue collected from other counties without a veterans treatment court program would send 100% of the collected revenue to the state ($\$6,097,082 - \$4,045,956$) or \$2,051,126 provided no new veterans treatment court programs are established by the counties.

Therefore, the state would see an increase in revenue of \$2,051,126 from the counties without a veterans treatment court program and \$1,618,382 from counties without such a program for a total of \$3,669,508.

Local Government Impact

According to Nueces County, no fiscal impact to the county is anticipated. Certain counties with a veterans treatment court program would see an increase in revenue of \$2,427,574. However, the amounts would vary based upon the volume of convictions in the particular jurisdictions. Counties may see some decreased revenue from the program fee reduction.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 300 Trusteed Programs Within the Office of the Governor, 304 Comptroller of Public Accounts, 403 Veterans Commission

LBB Staff: WP, SLE, NV, LLo, AF