

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**March 30, 2021**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB2817** by Turner, Chris (Relating to the requirement that attorneys employed by or contracting with the attorney general document and maintain records of hours spent on state legal actions.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB2817, As Introduced : a negative impact of (\$4,421,837) through the biennium ending August 31, 2023.

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:**

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$2,849,475)
2023	(\$1,572,362)
2024	(\$1,572,362)
2025	(\$1,572,362)
2026	(\$1,572,362)

**All Funds, Five-Year Impact:**

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Probable Savings/(Cost) from Federal Funds 555</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$2,849,475)	(\$5,226,311)	41.0
2023	(\$1,572,362)	(\$2,772,803)	41.0
2024	(\$1,572,362)	(\$2,772,803)	41.0
2025	(\$1,572,362)	(\$2,772,803)	41.0
2026	(\$1,572,362)	(\$2,772,803)	41.0

The bill would require all attorney employed by or under contract with the Office of the Attorney General to document the number of hours the attorney provides legal services for a legal action or proceeding and maintain a record of the hours documented.

The bill would allow for copies of the record maintained by the attorney to be obtained by the attorney general

and the state auditor on request. At the conclusion of legal action for which an attorney provides legal services, the attorney would be required to submit a written statement of the total number of hours the attorney spent providing services for the action. Under Chapter 552 of the Government Code, the statement would be required to be subject to public information requests and could not be withheld under Section 552.103. The only exception to this would be if the attorney general or an employee of the attorney general determines that withholding the information is necessary to protect the attorney general's strategy or position in pending or anticipated litigation. Information that is withheld from public disclosure would be required to be segregated from information that is subject to public disclosure.

### **Fiscal Analysis**

According to the Office of the Attorney General, the addition of 39.5 FTEs for Assistant Attorney General (AAG) I's, 1 FTE for an Assistant Attorney General (AAG) II, and 0.5 FTE for a Legal Assistant I would be needed to accommodate the increased workload created by the bill. The agency also indicates that a new reporting system to track legal hours for the Child Support Division would be needed. The agency indicates that costs for expense items associated with the bill would be split between General Revenue and Federal Funds.

### **Methodology**

The Office of the Attorney General assumes that the bill is to be interpreted literally and thus every AAG employed by the agency and all attorneys that contract with the agency for outside legal counsel must keep and submit records, as specified in the bill. If billing records currently kept by the Office of the Attorney General are sufficient to meet the requirements laid out in the bill, then the fiscal impact of the bill would be limited predominantly to the transaction team of the Financial Litigation and Charitable Trust Division.

The agency also indicates that the Child Support Division would be fiscally impacted by the bill. AAGs in the Child Support Division work on multiple cases within a given workday and would possibly have their workflow slowed from the bill requiring that they record detailed documentation of time spent on each legal activity performed. The agency cost estimates assume that all 302 AAGS within the Child Support Division will lose 1-hour of production per day, which would result in 78,520 lost legal hours per year or the equivalent of 39.5 AAGs. The estimated salaries and wages costs from these additional AAGs would be about \$2,575,307 per year, not including payroll contributions or benefits.

### **Technology**

According to the Office of the Attorney General, it would require one-time costs of \$3,564,670 in fiscal year 2022 and a recurring annual cost of \$64,743 in each fiscal year from 2022 to 2026. One-time costs would include application development, standard computer desktop/laptop, software, printer, and telecom/voice mailbox. Recurring costs would involve charges for data center services and a voice line.

### **Local Government Impact**

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

**Source Agencies:** 302 Office of the Attorney General

**LBB Staff:** JMc, SLE, LCO, HGR