

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 1, 2021

TO: Honorable Joan Huffman, Chair, Senate Committee on Jurisprudence

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1529 by Huffman (Relating to the creation of the Texas Court of Appeals to hear certain cases; authorizing fees.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1529, As Introduced : a negative impact of (\$3,243,366) 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	\$0
2023	(\$3,243,366)
2024	(\$4,375,643)
2025	(\$4,323,915)
2026	(\$4,653,582)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund</i>	<i>Change in Number of State Employees from FY 2021</i>
	1	
2022	\$0	0.0
2023	(\$3,243,366)	33.0
2024	(\$4,375,643)	33.0
2025	(\$4,323,915)	33.0
2026	(\$4,653,582)	33.0

Fiscal Analysis

The bill would amend the Government Code and the Code of Criminal Procedure to create the Texas Court of Appeals, a statewide court of appeals to hear certain cases. The bill would grant the Court exclusive appellate jurisdiction over all cases or any matters arising out of or related to a civil case brought by or against the state or a state agency, board, or commission or by or against an officer of the state or a state agency, board, or commission. The bill would seat the Court in Austin, set its composition at six justices to be elected by qualified voters, and direct the Supreme Court to adopt certain rules for the court's administration, including court costs and fees for the court.

The bill would provide that the initial Court vacancies will be filled by election in 2022, with court creation set for January 1, 2023. Upon court creation, the bill would transfer all cases pending in the courts of appeals of general jurisdiction of which the Court of Appeals has exclusive jurisdiction.

The bill would take effect January 1, 2022.

Methodology

Costs reflected in the table above are based on the analysis provided by the Office of Court Administration (OCA) and include methodologies used by previous Legislatures to determine similar funding needs for same sized courts.

For the purpose of this analysis, it is assumed that the following staff positions would be necessary for the operation of the court: six legal assistants, 13 attorneys, a clerk of court, six deputy court clerks, and one accountant. Salary costs for these positions would total \$1,255,130 in fiscal year 2023 and \$1,882,695 each subsequent fiscal year.

In addition to these FTEs, the Court would include six elected justices. Pursuant to Government Code Section 659.012, personnel costs for the justices are based on the current salary for a court of appeals justice with over 8 years of judicial service (\$184,800). Justices elected to the Court with less than 4 years of service would earn \$154,000 through their fourth year of service. Justices with between 4-8 years of service would earn salaries of \$169,400. This analysis also includes an additional \$2,500 in the base salary of the chief justice of the court of appeals. Salary costs for these positions would total \$740,867 in fiscal year 2023 and \$1,111,300 each subsequent fiscal year.

This analysis prorates fiscal year 2023 costs for 8 months and includes one-time expenses for the purchase of furniture, cell phones, and information technology equipment. OCA provides technology services to the judicial branch and this analysis assumes the agency would provide the Court with laptops, monitors, printers and software. Operating and payroll related benefit costs would total \$1,309,912 in fiscal year 2023; \$1,444,191 in fiscal year 2024; \$1,392,463 in fiscal year 2025; and \$1,722,130 in fiscal year 2026.

Based on the information provided by the Secretary of State, it is assumed that all duties and responsibilities associated with implementing the provisions of the bill could be accomplished using existing resources.

Local Government Impact

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

Source Agencies: 212 Office of Court Admin, 307 Secretary of State

LBB Staff: JMc, SLE, MW, BH