

**Office of Court Administration  
Fiscal Note**

**Bill Number** HB474

**Agency Analyst** Jennifer Henry

**Date Prepared:** 1/10/2017

**Bill Summary/Fiscal Analysis**

This bill would create a new Fifteenth Court of Appeals District, composed of the counties of Cameron, Hidalgo, and Willacy. The Court of Appeals for the Fifteenth District would consist of a Chief Justice and two Justices. The Chief Justice of the Thirteenth Court of Appeals would be transferred to the Fifteenth Court of Appeals. Two Justices from the Thirteenth Court of Appeals would be transferred to the Fifteenth Court of Appeals based on their residency. From among the Justices of the Thirteenth Court of Appeals who remain, the Governor shall designate the Chief Justice. The bill directs that the budget for the Thirteenth Court of Appeals be split equally with the Fifteenth Court of Appeals.

**Fiscal Impact**

The bill would result in additional full time equivalent positions and operating expenses. It is assumed that there will be a shifting of positions between the Corpus Christi office and Edinburg office. The net result of the position transfers and vacancies created would require the hiring of a new Clerk and Central Staff Attorney for the Fifteenth; and to backfill the Accountant and Network Specialist for the Thirteenth that transferred to the Fifteenth. The Justices from the Thirteenth Court of Appeals would be transferred to the Fifteenth Court of Appeals and the Chief Justice of the Thirteenth Court of Appeals would become the Chief Justice of the Fifteenth Court of Appeals. The Thirteenth Court of Appeals would have a savings in the areas of freight and travel which would be offset by the increase in salary for the newly appointed Chief Justice position for the Thirteenth Court of Appeals. The total fiscal impact to the state would be \$433,271 in Fiscal Year 2018 and \$421,878 in Fiscal Year 2019.

**Methodology**

Current salaries of Thirteenth Court of Appeals staff and projected shifting of positions between the courts were used in determining additional costs for the Thirteenth and Fifteenth Court of Appeals. The additional funds, if appropriated, will need to be distributed based on estimates calculated by the Clerk of the Thirteenth Court of Appeals and the Office of Court Administration.

**Technology**

The four additional full time equivalent positions would each require a PC, Office software, printer and cell phones. This equipment is currently on a 4-year replacement cycle. The software has a 15% escalation factor included each year.

	2018	2019	2020	2021	2022
Technology Impact	\$ 11,600	\$ -	\$ -	\$ -	\$ 11,600

**Summary of Fiscal Implications**

	2018	2019	2020	2021	2022
Probable Gain to GENERAL REVENUE FUND	\$ -	\$ -	\$ -	\$ -	\$ -
Probable Loss to GENERAL REVENUE FUND	\$ -	\$ -	\$ -	\$ -	\$ -

Probable Savings to GENERAL REVENUE FUND	\$ -	\$ -	\$ -	\$ -	\$ -
Probable Cost to GENERAL REVENUE FUND	\$ (433,271)	\$ (421,878)	\$ (422,116)	\$ (422,390)	\$ (434,304)
	2018	2019	2020	2021	2022
FTEs	4.0	4.0	4.0	4.0	4.0

**Cost to the State**

**Personnel Services:**

Position Titles	FTEs required	Salary Group	2018	2019	2020	2021	2022
Central Staff Attorney-15th	1.0	B28	\$ 98,568	\$ 98,568	\$ 98,568	\$ 98,568	\$ 98,568
Accountant-13th	1.0	B17	\$ 54,852	\$ 54,852	\$ 54,852	\$ 54,852	\$ 54,852
Clerk-15th	1.0	B28	\$ 98,568	\$ 98,568	\$ 98,568	\$ 98,568	\$ 98,568
Network Specialist-13th	1.0	B18	\$ 52,536	\$ 52,536	\$ 52,536	\$ 52,536	\$ 52,536
<b>Total (also reflected below)</b>	<b>4.0</b>		<b>\$ 304,524</b>	<b>\$ 304,524</b>	<b>\$ 304,524</b>	<b>\$ 304,524</b>	<b>\$ 304,524</b>

**Other Expenses:**

	2018	2019	2020	2021	2022
Total salaries and wages (from Personnel Services Schedule)	\$ 304,524	\$ 304,524	\$ 304,524	\$ 304,524	\$ 304,524
Other Personnel Costs (PRC)	\$ 1,523	\$ 1,523	\$ 1,523	\$ 1,523	\$ 1,523
Professional services	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -
Other operating expense	\$ 5,630	\$ 5,837	\$ 6,075	\$ 6,349	\$ 6,664
Equipment	\$ 11,600	\$ -	\$ -	\$ -	\$ 11,600
Other costs: (specify)	\$ -	\$ -	\$ -	\$ -	\$ -
1% Health Benefits Contribution	\$ 3,045	\$ 3,045	\$ 3,045	\$ 3,045	\$ 3,045
Employee retirement, OASI & group insurance cost (35.12% of salary cost)	\$ 106,949	\$ 106,949	\$ 106,949	\$ 106,949	\$ 106,949
<b>Total</b>	<b>\$ 433,271</b>	<b>\$ 421,878</b>	<b>\$ 422,116</b>	<b>\$ 422,390</b>	<b>\$ 434,304</b>

**Method of Financing**

	2018	2019	2020	2021	2022
GENERAL REVENUE FUND	\$ 433,271	\$ 421,878	\$ 422,116	\$ 422,390	\$ 434,304
FEDERAL FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER: (specify)	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 433,271</b>	<b>\$ 421,878</b>	<b>\$ 422,116</b>	<b>\$ 422,390</b>	<b>\$ 434,304</b>

**Local Government Impact**

No significant fiscal impact to local governments is anticipated. The Thirteenth Court of Appeals currently operates in two locations, Corpus Christi and Edinburg (as established by statute). Under the bill, the reconfigured 13th Court of Appeals would remain in Corpus Christi, while the new 15th Court of Appeals would be housed in Edinburg. Hidalgo County is currently responsible for furnishing and equipping suitable rooms in the City of Edinburg for the Court and the Justices without expense to the State.