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FISCAL IMPACT REPORT

SPONSOR Trujillo ORIGINAL DATE 1/31/06
LAST UPDATED _____ HB 377
SHORT TITLE Public Integrity and White Collar Crime Unit SB _____
ANALYST Medina

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$229.6	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

First Judicial District Attorney (1stJDA)

SUMMARY

Synopsis of Bill

House Bill 377 appropriates \$229.6 from the general fund to the First Judicial District Attorney for the purpose of supporting a public integrity and white collar crime unit that investigates and prosecutes crimes involving the abuse and neglect of public funds.

FISCAL IMPLICATIONS

The appropriation of \$229.6 contained in this bill is a recurring expense to general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

The First Judicial District Attorney is budgeted to receive \$85.4 from the Taxation and Revenue Department in FY06 for the two agencies to cooperate on the prosecution of tax fraud and abuse cases. This amount is expected to increase to \$91.9 for salaries and benefits for a senior prosecutor in FY07.

The intent of this bill is to expand the scope of the First Judicial District Attorney's investigation and prosecutorial abilities to include other crimes affecting public funds in government agencies.

ADMINISTRATIVE IMPLICATIONS

According to the First Judicial District Attorney, the appropriation in this bill would support three additional FTE that would enhance the district attorney's ability to prosecute and investigate theft, fraud and corruption cases in state and local government.

OTHER SUBSTANTIVE ISSUES

The LFC recommended an appropriation of \$137.2 in settlement funds to the Attorney General for the investigation of public funds fraud and abuse cases.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Should this bill and the \$137.2 appropriation to the Attorney General not be enacted, the only significant effort to monitor and prosecute public funds fraud and abuse will continue to be a single prosecutor in the First Judicial District Attorney's office, who works in cooperation with the Taxation and Revenue Department and specializes in tax fraud cases.

DXM/nt