

Department of Planning and Budget 2008 Fiscal Impact Statement

1. **Bill Number:** HB93

House of Origin Introduced ___ Substitute ___ Engrossed
 Second House ___ In Committee ___ Substitute ___ Enrolled

2. **Patron:** Moran

3. **Committee:** House Court of Justice

4. **Title:** **Permits county or city offices to supplement compensation of public defenders**

5. **Summary:** Permits counties or cities that have public defender offices to supplement, payable from their own funds, the compensation of the public defender or his deputies or employees in excess of the compensation fixed by the executive director of the Virginia Indigent Defense Commission.

6. **Fiscal Impact Estimates:** Preliminary

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2009	\$63,860	1	GF
2010	\$59,350	1	GF
2011	\$62,355	1	GF
2012	\$63,914	1	GF
2013	\$64,792	1	GF
2014	\$66,412	1	GF

7. **Budget Amendment Necessary:** Yes, Item 47

8. **Fiscal Implications:** The fiscal impact to the Virginia Indigent Defense Commission (VIDC) is dependent on several factors, including (a) the number of localities that choose to provide supplements, (b) the manner in which the funding is provided (direct grant to the VIDC or managed by the locality), (c) whether localities were able to place conditions upon the receipt of the funds, and (d) the recruiting and training costs to smaller, non-supplemented public defender offices for anticipated losses of more experienced attorneys and staff to larger, supplemented public defender offices.

(a) and (b). The number of localities providing supplemental funding and the method by which such funding is provided and managed will affect the total fiscal impact to the VIDC. In larger offices with more employees, the distribution of local supplemental funds will be more time consuming. This is compounded when the jurisdiction of a Public Defender office covers more than one locality.

If funding is provided as a direct grant to the VIDC as opposed to being managed by the individual localities, there will be additional budget, payroll, accounts receivable and financial reporting implications including:

- Funds received from localities would be classified as nongeneral fund monies and would be segregated from general fund expenditures and budget appropriations necessitating increased accounts receivable, budget and payroll transactions.
 - The VIDC contracts with the Payroll Services Bureau for its services. The supplements for compensation would produce an increase in the number of payroll transactions and transaction coding requirements.
 - There would be additional reporting requirements by localities on the distribution and use of the funding provided.
 - Assistance would also be required to coordinate budget submissions between the Public Defender and the local government for each locality providing supplemental funding.
- (c) Conditions or requirements for receipt of supplemental funding could result in additional responsibilities being added to the public defender offices. Depending on the conditions or responsibilities, additional personnel, office space or equipment could be required.

(d) The supplementation of compensation for personnel in one jurisdiction without a similar supplement in a neighboring jurisdiction could lead to the loss of experienced personnel in the non-supplemented office. This would (i) result in the need for the non-supplemented office to expend additional funds to recruit and train new employees, and (ii) in the case of an attorney position, reduce the number of cases for which the office could ethically represent clients. When the public defender office is unable to ethically represent defendants, private court appointed counsel is appointed by the court. Private court-appointed counsel are paid from the Criminal Fund.

It is anticipated this bill would create the need for one administrative position, with a salary of \$38,780, plus benefits, startup cost and continuous operating costs to oversee this effort. In years 2010 and forward, the annual expenditure amount shown in item 6a. is increased by 2.5 percent.

9. Specific Agency or Political Subdivisions Affected: Virginia Indigent Defense Commission (VIDC)

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 1/18/2008 dpb

Document: G:\FIS 2008\HB93.Doc Reginald Thompson

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