By: Van Arsdale H.B. No. 1749

A BILL TO BE ENTITLED

AN ACT

| 2 | relating to an additional filing fee to provide supplemental |
|----|---|
| 3 | compensation to the justices of the Texas Supreme Court and courts |
| 4 | of appeals. |
| 5 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: |
| 6 | SECTION 1. Chapter 51, Government Code, is amended by |
| 7 | adding Subchapter O to read as follows: |
| 8 | SUBCHAPTER O. ADDITIONAL FILING FEE FOR JUDICIAL |
| 9 | COMPENSATION FUND |
| LO | Sec. 51.1001. ADDITIONAL FILING FEE IN DISTRICT COURTS FOR |
| L1 | JUDICIAL COMPENSATION. (a) In addition to other fees authorized or |
| L2 | required by law, the clerk of a district court shall collect a \$5 |
| L3 | fee on the filing of any civil action or proceeding requiring a |
| L4 | filing fee, including an appeal, and on the filing of any |
| L5 | counterclaim, cross-action, intervention, interpleader, or |
| L6 | third-party action requiring a filing fee. |
| L7 | (b) Court fees under this section shall be collected in the |
| L8 | same manner as other fees, fines, or costs in the case. |
| L9 | (c) The clerk shall send the fees collected under this |
| 20 | section to the comptroller not later than the last day of the month |
| 21 | following each calendar quarter. |
| 22 | (d) The comptroller shall deposit the fees received under |
| 23 | this section to the credit of the judicial compensation fund. |
| 24 | Sec. 51.1002. JUDICIAL COMPENSATION FUND. (a) The |

1

- 1 judicial compensation fund is a special fund held by the
- 2 comptroller outside the state treasury and is not subject to
- 3 legislative appropriation. The fund is composed of fees deposited
- 4 under Section 51.1001 and interest and dividends earned on
- 5 investments of money in the fund.
- 6 (b) The comptroller shall manage and invest money in the
- 7 fund, subject to the requirement that the principal amounts
- 8 credited to the fund during a calendar year and all interest and
- 9 dividends earned on those amounts during the calendar year must be
- 10 available for disbursement under Section 51.1003 not later than
- 11 January 31 of the following year.
- 12 Sec. 51.1003. SUPPLEMENTAL COMPENSATION FOR CERTAIN
- 13 JUSTICES; REMAINDER OF JUDICIAL COMPENSATION FUND. (a) Not later
- than January 31 of each year, the comptroller shall:
- 15 (1) determine the balance of the judicial compensation
- 16 <u>fund under Section 51.1002</u>, including interest and dividends earned
- on investments of money in the fund, as of December 31 of the
- 18 preceding year;
- 19 (2) determine, in accordance with Subsections (b) and
- 20 (d), the amounts to be disbursed from the fund; and
- 21 (3) disburse the appropriate amounts to the persons or
- 22 agency entitled to those amounts.
- 23 (b) Subject to Subsection (d), the fund balance determined
- under Subsection (a)(1) shall be disbursed as follows:
- 25 (1) each supreme court justice is entitled to receive
- 26 as supplemental compensation the lesser of:
- 27 (A) a per capita share of the fund balance; or

H.B. No. 1749

| 1 | (B) \$50,000; |
|----|---|
| 2 | (2) if the fund balance exceeds the sum of the amounts |
| 3 | to be disbursed to the supreme court justices under Subdivision (1) |
| 4 | and Subsection (d), if applicable, the justices of the courts of |
| 5 | appeals are each entitled to receive as supplemental compensation |
| 6 | the lesser of: |
| 7 | (A) a per capita share of the difference between: |
| 8 | (i) the fund balance; and |
| 9 | (ii) the sum of the amounts to be disbursed |
| LO | under Subdivision (1) and Subsection (d), if applicable; or |
| L1 | (B) \$25,000; and |
| L2 | (3) if the fund balance exceeds the sum of the amounts |
| L3 | to be disbursed under Subdivisions (1) and (2) and Subsection (d), |
| _4 | if applicable, the Office of Court Administration of the Texas |
| L5 | Judicial System is entitled to the difference between: |
| L6 | (A) the fund balance; and |
| L7 | (B) the sum of the amounts to be disbursed under |
| L8 | Subdivisions (1) and (2) and Subsection (d), if applicable. |
| L9 | (c) The total number of seats on the supreme court shall be |
| 20 | used for purposes of computing a per capita share under Subsection |
| 21 | (b)(1), regardless of whether a seat was vacant at any time during |
| 22 | the calendar year for which the fund balance is computed. The total |
| 23 | number of seats on all courts of appeals on December 31 of the |
| 24 | calendar year for which the fund balance is computed shall be used |
| 25 | for purposes of computing a per capita share under Subsection |
| 26 | (b)(2), regardless of whether a seat was vacant at any time during |
| 7 | that wear or an additional seat was created during that wear |

H.B. No. 1749

- 1 (d) A justice of the supreme court or a court of appeals is
 2 entitled to the amount determined under Subsection (b)(1) or (2),
 3 as applicable, only if the justice served on the applicable court
 4 for the entire calendar year for which the fund balance is computed.
 5 If the justice did not serve for the entire calendar year, the
 6 justice is entitled to receive as supplemental compensation an
 7 amount determined by the following formula:
- 8 $PSC = (FSC/12) \times MS$
- 9 where:
- "PSC" is the prorated amount of supplemental compensation to
 which a justice who did not serve for the entire calendar year is
 entitled;
- "FSC" is the amount to which a justice who did not serve for
 the entire calendar year would be entitled under Subsection (b)(1)
 or (2), as applicable, if the justice served for the entire calendar
 year; and
- "MS" is the number of months during the calendar year for
 which the fund balance is computed that were served by the justice
 who did not serve for the entire calendar year, rounded to the
 nearest whole number of months.
- 21 (e) In disbursing supplemental compensation to a justice of 22 the supreme court or court of appeals, the comptroller shall 23 withhold money from the supplemental compensation in accordance 24 with applicable federal law, including federal law relating to 25 withholding for purposes of the federal income tax.
- 26 <u>(f) The Office of Court Administration of the Texas Judicial</u>
 27 <u>System may use amounts disbursed to the office under this section</u>

- only for court-related purposes.
- 2 (g) The supplemental compensation disbursed to a justice of
- 3 the supreme court or court of appeals under this section is:
- 4 (1) in addition to the justice's salary set by the
- 5 legislature and any other supplements to which the justice is
- 6 entitled; and
- 7 (2) not included in the justice's state salary for
- 8 purposes of computing benefits under Chapter 834 for the Judicial
- 9 Retirement System of Texas Plan One or Chapter 839 for the Judicial
- 10 Retirement System of Texas Plan Two.
- Sec. 51.1004. RULES. The comptroller shall adopt rules and
- 12 procedures for administering the judicial compensation fund under
- 13 Section 51.1002, including rules and procedures for:
- 14 (1) disbursing supplemental compensation from the
- fund to the justices of the supreme court and courts of appeals; and
- (2) withholding money from the supplemental
- compensation as required by Section 51.1003(e).
- 18 SECTION 2. Subchapter D, Chapter 101, Government Code, is
- 19 amended by adding Section 101.063 to read as follows:
- Sec. 101.063. DISTRICT COURT FEES: ADDITIONAL FEE FOR
- 21 JUDICIAL COMPENSATION FUND. The clerk of a district court shall
- 22 <u>collect on the filing of any civil action or proceeding requiring a</u>
- 23 filing fee, including an appeal, and on the filing of any
- 24 counterclaim, cross-action, intervention, interpleader, or
- 25 third-party action requiring a filing fee, an additional filing fee
- of \$5 under Section 51.1001 to fund the judicial compensation fund.
- 27 SECTION 3. Section 51.1001, Government Code, as added by

H.B. No. 1749

- 1 this Act, applies only to a suit filed on or after the effective
- 2 date of this Act. A suit filed before the effective date of this Act
- 3 is governed by the law in effect on the date the suit was filed, and
- 4 the former law is continued in effect for that purpose.
- 5 SECTION 4. This Act takes effect September 1, 2005.