# LEGISLATIVE BUDGET BOARD Austin, Texas

## FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

## April 15, 2013

**TO:** Honorable Tryon D. Lewis, Chair, House Committee on Judiciary & Civil Jurisprudence

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1710** by Raymond (Relating to a cost-of-living increase in compensation for district judges and longevity pay for certain judges and justices.), **As Introduced** 

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1710, As Introduced: a negative impact of (\$1,090,000) through the biennium ending August 31, 2015.

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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2014	(\$545,000)
2015	(\$545,000)
2016	(\$545,000)
2017	(\$545,000)
2018	(\$545,000)

#### All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>General Revenue Fund</i> 1
2014	(\$545,000)
2015	(\$545,000)
2016	(\$545,000)
2017	(\$545,000) (\$545,000)
2018	(\$545,000)

### **Fiscal Analysis**

The bill would amend Chapter 32 to authorize a county to pay a district judge an annual cost-ofliving increase not to exceed 10 percent of the judge's combined salary from state and county sources if the state has not increased the state salary paid to the judge during the preceding threeyear period. The cost-of-living increase would not be included as part of the judges salary for purposes of the salary limitation provided by Section 659.012. The bill would authorize a county to stop paying the judge the cost-of-living increase if the state increases the salary paid to the judge after the county begins paying the cost-of-living increase.

The bill would amend Chapter 659 to make a judge or justice eligible for longevity pay the month following the month in which the judge or justice completes 10 years of service. Under current statute, the requirement is 16 years of service.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

### Methodology

The decrease in the years of service requirement from 16 years to 10 years for longevity pay would increase the number of judges currently eligible for longevity pay to 199 from 89, with a cost of approximately \$545,000 to the state annually. Longevity pay for judges is equal to 3.1 percent of the judge's or justice's current monthly state salary.

### Local Government Impact

There could be costs to a county that chose to pay a cost-of-living increase to applicable district judges and justices; however, the amounts would vary depending on the number of eligible judges and justices and the amount of the increases. It is assumed that a county would only chose to pay increased amounts if sufficient resources are available or it would not result in a negative fiscal impact; therefore, no significant fiscal impact is anticipated.

Source Agencies:	212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts
LBB Staff: UP, CL, ZS	, TP, TB