

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 8, 2015

TO: Honorable John T. Smithee, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3365** by Hughes (Relating to the compensation and benefits of presiding judges of administrative judicial regions.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3365, Committee Report 1st House, Substituted: a negative impact of (\$1,035,104) through the biennium ending August 31, 2017.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$517,552)
2017	(\$517,552)
2018	(\$517,552)
2019	(\$517,552)
2020	(\$517,552)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1
2016	(\$517,552)
2017	(\$517,552)
2018	(\$517,552)
2019	(\$517,552)
2020	(\$517,552)

Fiscal Analysis

The bill would amend the Government Code to increase the salary of a regional presiding judge that is an active judge from the current maximum of \$33,000 to an amount that is 28 percent of the salary paid to a district judge, or \$39,200. The bill would delete the provision requiring regional presiding judge salary to be set by the Texas Judicial Council.

The bill would also increase the salary amounts for regional presiding judges that are retired

judges and convert the specific salary amounts listed in the salary schedule to a percentage of the salary paid to a district judge. The bill would add five additional tiers to the schedule to increase the compensation of regional presiding judges that have regions with more than 109 courts and judges. The salaries in the additional tiers would range from 44 percent of a district judge salary, or \$61,600, to 60 percent of a district judge salary, or \$84,000, depending on the number of courts and judges in the presiding judge's region.

The bill would also transfer the responsibility of paying for the regional presiding judges' salaries from the counties to the state. The bill specifies that payment by the state will not affect their retirement annuities from the Judicial Retirement System if they are retired judges and that regional presiding judges that are former judges, as opposed to retired judges, can earn credit in the Judicial Retirement System for the years of service as a regional presiding judge.

Methodology

There are nine administrative judicial regions overseen by a regional presiding judge. Based on information provided by the Office of Court Administration, the salaries of the three regional presiding judges who are active judges would increase from \$33,000 to \$39,200 for a total cost of \$117,600 to the state. The salaries of the regional presiding judges who are retired judges would increase from the current range of \$35,000 to \$50,000 to a new range of \$39,200 to \$84,000 each fiscal year for a total cost of \$369,600 to the state. Total salary obligations to the state would be \$487,200 with benefits costs of \$21,297 from active judges that are presiding judges and \$9,055 for retired judges that are presiding judges.

The bill would take effect September 1, 2015.

Local Government Impact

The Office of Court Administration estimates that the transfer of responsibility for the funding of the regional presiding judges' salaries from the counties to the State will result in a positive fiscal impact of \$374,000 per year to the counties. However, since the salaries are currently paid by the counties on a pro rata basis based on population, no significant fiscal impact is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304
Comptroller of Public Accounts, 327 Employees Retirement System

LBB Staff: UP, FR, MW, GDz