

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 8, 2025

TO: Honorable Jeff Leach, Chair, House Committee on Judiciary & Civil Jurisprudence

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2322 by Schofield (Relating to the annual base salary from the state of a district judge.), As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB2322, As Introduced: an impact of \$0 through the biennium ending August 31, 2027.

However, there will be an impact of (\$4,602,846) to GR beginning in FY 2028.

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:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2026	\$0
2027	\$0
2028	(\$4,602,846)
2029	(\$4,602,846)
2030	(\$9,185,213)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Probable Savings/(Cost) from Federal Funds 555</i>	<i>Probable Savings/(Cost) from Judicial Fund 573</i>	<i>Probable Savings/(Cost) from Other Special State Funds 998</i>
2026	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0
2028	(\$4,602,846)	(\$161,569)	(\$114,720)	(\$26,050)
2029	(\$4,602,846)	(\$161,569)	(\$114,720)	(\$26,050)
2030	(\$9,185,213)	(\$322,409)	(\$228,922)	(\$26,050)

Fiscal Analysis

The bill would amend the Government Code related to judicial salaries. Under current law, the Legislature sets the state base salary of a district judge in the General Appropriations Act at an amount that is at or above the minimum amount set in statute. Currently, that amount is \$140,000. Under the tiered, tenure-based compensation structure established in Government Code Chapter 659, the salaries of the justices of the courts of appeals and the justices and judges of the Supreme Court and Court of Criminal Appeals are set by statute at 110.0 percent and 120.0 percent of that amount, respectively.

The bill would replace the current salary structure with one in which the base salary for a district judge is calculated by adding their current base salary to the amount equal to their current base salary multiplied by the percentage change during the preceding two fiscal years in the Consumer Price Index for all Urban Consumers (CPI) published by the U.S. Bureau of Labor Statistics or its successor index. The salaries of the intermediate appellate court justices would be 110.0 percent of the new calculated base salary of a district judge. The salaries of the Supreme Court justices or Court of Criminal Appeals judges would be 120.0 percent of the new calculated base salary of a district judge. The chiefs/presiding judge of the appellate courts would still be entitled to the additional \$2,500 they are currently entitled to for their additional services.

The bill would not go into effect until September 1, 2027.

Methodology

Costs reflected in the table above are based on analysis provided by the Comptroller of Public Accounts (CPA) and judicial salaries in Article IV of the General Appropriations Act. The CPI projections are from the Comptroller's Fall 2024 Economic Forecast.

According to CPA, a total of \$8,167,642 in All Funds would be required to implement the provisions of the bill beginning in the 2028-29 biennium. This includes \$158,832 for the Supreme Court and Court of Criminal Appeals, \$671,962 for the 15 Courts of Appeals, \$71,474 for the Business Courts, \$3,834,404 for District Courts, \$489,602 for Associate Judges of the Child Support and Child Protection Courts, \$7,280 for the State Prosecuting Attorney, \$1,211,764 for Prosecutors, and \$1,722,324 for all county court salary supplements.

The federal government reimburses 66% of all eligible expenses for the IV-D (child support) program. The salaries of the associate judges of the Child Support and Child Protection Courts qualify as an eligible expense, so the increase of \$489,602 would be offset by \$323,137 in federal funds.

Benefit costs for ERS, JRS I, and JRS II total \$1,642,728 in All Funds, including \$1,361,188 in General Revenue, \$229,440 in Judicial Fund Account No. 573 (Other Fund), and \$52,100 in Other Special State Funds Account No. 998 for the 2028-29 biennium.

Local Government Impact

The bill may result in an increase in the cost to counties for fiscal year 2028 and subsequent years for the salaries of the regional presiding judges if the current assessments by the administrative judicial regions are insufficient to cover the cost of the increase.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 327 Employees Retirement System

LBB Staff: JMc, KDw, DA, NV, JPO, NTh