

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5169-01
Bill No.: HB 1793
Subject: Judges; Courts
Type: Original
Date: January 25, 2016

Bill Summary: This proposal divides the Thirty-Eighth Judicial Circuit and creates a new Forty-Sixth Judicial Circuit.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(\$179,740 to \$782,312)	(\$126,229 to \$531,373)	(\$126,229 to \$531,373)
Total Estimated Net Effect on General Revenue	(\$179,740 to \$782,312)	(\$126,229 to \$531,373)	(\$126,229 to \$531,373)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	2 to 5 FTE	2 to 5 FTE	2 to 5 FTE
Total Estimated Net Effect on FTE	2 to 5 FTE	2 to 5 FTE	2 to 5 FTE

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the State Courts Administrator (OSCA)** assume the proposed legislation divides the thirty-eighth judicial circuit and creates a new forty-sixth judicial circuit. Beginning January 1, 2017, the proposed legislation would divide the 38th judicial circuit consisting of Christian and Taney counties into two judicial circuits who shall sit in divisions numbered one and two. The circuit judge who sat as the only circuit judge in the 38th judicial circuit shall hold office for the remainder of the term to which he or she was elected or appointed and until his or her successor is elected and qualified. The circuit judge in division two shall be elected in 2016. Taney County would be in a new 46th judicial circuit.

For a presiding circuit judge, the cost is as follows:

Circuit Court Judge:	Salary - \$148,263, Fringe - \$110,119
Court Reporter:	Salary - \$ 57,178, Fringe - \$ 29,733
Secretary:	<u>Salary - \$ 38,928, Fringe - \$ 20,923</u>
Totals	Salary - \$244,369, Fringe - \$160,775

In addition, the legislation would create a new single county circuit which would require a chief juvenile officer, paid by the state per statute 211.393. It is assumed juvenile staff will be divided between Christian and Taney counties.

Juvenile Officer:	Salary - \$48,100, Fringe - \$25,013
Juvenile Secretary	Salary - \$34,944, Fringe - \$18,172

In addition, there would be cost for computer equipment and associated costs for the five new FTE totaling \$16,625.

Also, the separation of county Judiciary Information System information into two databases (if required), would cost from \$100,000 to \$500,000 in contractual services. The total annual cost for this legislation would be \$382,312 to \$782,312 in FY 2017 and \$531,373 for FY 18 and FY 19 with 5 FTE each year.

Officials at the **Missouri State Employees' Retirement System (MOSERS)** assume the proposed legislation would, if enacted, transfer Taney County from the 38th judicial circuit to a newly established 46th judicial circuit, effective January 1, 2017, and specify that the 38th judicial circuit would be comprised solely of Christian County, resulting in both being single county circuits of the first classification. (Presently, the 38th judicial circuit is comprised of

ASSUMPTION (continued)

Taney and Christian Counties and is identified as a multi-county circuit.) The proposal also would provide that in a single county circuit that changed from a multi-county circuit on or after August 28, 2016, any juvenile court employee, who receives all salary from the state, would be a state employee. These juvenile employees would be eligible to receive state provided benefits including retirement benefits from MOSERS, while employed in that circuit and not be subject to restrictions set forth in Section 211.393.2, RSMo, that otherwise would prevent juvenile court employees employed in a single county circuit from receiving state provided benefits.

In 1998, legislation was enacted (subsequently codified under section 211.393, RSMo) that created a single county/multi-county structure which defined how juvenile court employees would be treated for purposes of salaries, retirement, health insurance and other fringe benefits. Under that legislation, a single county circuit is defined as a judicial circuit composed of a single county of the first classification and a multi-county circuit is defined as all other judicial circuits not included in the definition of a single county circuit. As a result, juvenile court employees in multi-county circuits are considered state employees and are covered by MOSERS for retirement purposes.

The schedule below illustrates the number, position, annual pay and years of service of juvenile court employees currently working in the 38th judicial (multi-county) circuit who are state employees covered by MOSERS.

Classification	Annual Salary	MOSERS-Covered Service
Juvenile Officer II	\$36,204	0 years, 1 months
Juvenile Officer II	\$36,888	17 years, 5 months
Juvenile Officer II	\$37,548	18 years, 3 months
Juvenile Officer II	\$36,888	10 years, 9 months
Juvenile Officer III	\$41,172	Vacant
Juvenile Officer III	\$41,940	21 years, 8 months
Juvenile Officer IV	\$44,304	6 years, 7 months
Secretary II	\$27,660	15 years, 7 months
Court Program Specialist	\$32,052	21 years, 8 months

In response to similar legislation this year, (SB 585), officials at **Christian County** assume a cost of \$95,000 for an additional judge for Christian County.

Officials at Taney County did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

Oversight assumes OSCA has standards on the number of cases to be met before hiring additional FTE for any circuit. This cost is OSCA's responsibility and any additional FTE request would need to be issued through the state appropriation process. Therefore, the cost for the additional Judge for Christian County would have no fiscal impact to the state at this time.

Oversight assumes from this proposal that FY 2017 would contain cost for one half of the year since the start date would not be until January 1, 2017, and cost would be for a full year in fiscal years 2018 and 2019. Oversight has reflected these costs in the chart.

Oversight further assumes, from HB 12 in the 2016 budget from OSCA, a new decision item was requested for cost of new judgeships. HB 374 and 434, passed in 2013, allowed for one additional associate circuit judge for every four judicial positions needed on the Judicial Weighted Workload (JudWWL). The JudWWL for the past three consecutive years indicated the 38th Judicial Circuit meets this statutory provision. Therefore, a new Associate Circuit Judge position was Truly Agreed and Finally Passed in the 2016 budget. A new decision item for the 2017 budget is in the budget request for OSCA this year to authorize a new circuit judge in the 38th Judicial Circuit per section 478.740, RSMo. This would provide funding for a circuit judge and Court Reporter for the 38th Judicial Circuit. It would also eliminate the funding for an Associate Circuit Judge for the 38th Judicial Circuit.

Oversight assumes there has been some confusion as to whether the three positions of Circuit Judge, Court Reporter and Secretary for the 46th Judicial Circuit are already accounted for in the current (FY 2016) Judiciary appropriation. Until Oversight receives further clarification and confirmation from OSCA on these positions, Oversight will show a range in the fiscal note of costs from the Juvenile Officer, Juvenile Secretary and the lower end of the contractual services for the databases to all 5 FTE positions for the 46th Judicial Circuit plus the higher end of the Judiciary Information System changes as a direct fiscal impact for this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (6 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Costs - OSCA</u>			
Personal Service	(\$41,522 to \$163,707)	(\$83,044 to \$327,413)	(\$83,044 to \$327,413)
Fringe	(\$21,593 to \$101,980)	(\$43,185 to \$203,960)	(\$43,185 to \$203,960)
Equipment and Expense plus computer programming	(\$116,625 to \$516,625)	\$0	\$0
<u>Total Cost - OSCA</u>	(\$179,740 to \$782,312)	(\$126,229 to \$531,373)	(\$126,229 to \$531,373)
FTE Change - OSCA	2 to 5 FTE	2 to 5 FTE	2 to 5 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$179,740 to \$782,312)	(\$126,229 to \$531,373)	(\$126,229 to \$531,373)
Estimated Net FTE Change for General Revenue	2 to 5 FTE	2 to 5 FTE	2 to 5 FTE
<u>FISCAL IMPACT - Local Government</u>	FY 2017 (6 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, the Thirty-Eighth Judicial Circuit consists of Christian and Taney counties. The act provides that the Thirty-Eighth Judicial Circuit shall consist of only Christian County and creates a new Forty-Sixth Judicial Circuit consisting of Taney County. Currently, the Thirty-Eighth Judicial Circuit has one circuit judge, and the act provides that the circuit shall have two with the new second judge being elected in 2016. The Forty-Sixth Judicial Circuit shall have one circuit judge also elected in 2016.

FISCAL DESCRIPTION (continued)

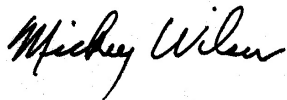
Juvenile officers employed in a multi-county circuit which switches to a first class single county circuit on or after August 28, 2016, are state employees and shall receive state-provided benefits.

This proposal contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the State Courts Administrator
Missouri State Employee Retirement
Christian County



Mickey Wilson, CPA
Director
January 25, 2016

Ross Strobe
Assistant Director
January 25, 2016