

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6412
BILL NUMBER: HB 1149

DATE PREPARED: Feb 18, 1999
BILL AMENDED: Feb 16, 1999

SUBJECT: Court officers.

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FUNDS AFFECTED: **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 1999	FY 2000	FY 2001
State Revenues			
State Expenditures		3,272,814	3,272,814
Net Increase (Decrease)		(3,272,814)	(3,272,814)

LOCAL IMPACT	CY 1999	CY 2000	CY 2001
Local Revenues			
Local Expenditures	24,124	48,248	48,248
Net Increase (Decrease)	(24,124)	(48,248)	(48,248)

Summary of Legislation: (Amended) This bill adds: (1) three full-time magistrates in Allen County; (2) one full-time magistrate in Clark County; (3) one judge in Elkhart County; (4) one full-time magistrate in Floyd County; (5) three full-time magistrates, one full-time magistrate for the juvenile division, and three judges in Lake County; (6) one full-time magistrate in LaPorte County; (7) one full-time magistrate in Lawrence County; (8) one full-time magistrate in Madison County; (9) four judges and six full-time magistrates in Marion County; (10) three full-time magistrates in St. Joseph County; and (11) one full-time magistrate in Sullivan County; (12) three full-time magistrates in Vanderburgh County.

It converts the county courts in Dearborn County and Noble County to superior courts. It expands the jurisdiction of the magistrate appointed by the presiding judge of the Marion superior court who is currently empowered to preside over certain drug related proceedings to include jurisdiction over any criminal

proceedings. It accelerates the creation of four courts in the Marion superior court from January 1, 2001, to July 1, 1999, provides for the initial selection of the judges by appointment and indicates that the initial election for the appointed judges is November 5, 2002. It also repeals a provision applicable to the Tippecanoe county court and relocates the provision within the same chapter of the Indiana Code. (The introduced version of this bill was prepared by the Commission on Courts.)

Effective Date: July 1, 1999.

Explanation of State Expenditures: (Revised) The total annual cost of this bill is estimated to be \$3,272,814. This figure reflects the estimated cost to fund an additional twenty-four (24) magistrates, one (1) juvenile magistrate and eight (8) courts statewide [\$2,201,640 + \$42,246 + \$1,028,928].

The per magistrate cost of \$91,735 includes: \$72,000 for annual salary, \$14,083 for fringe benefits [this includes the contribution for the Public Employees' Retirement Fund (PERF), of which magistrates are members], \$4,852 for health/dental/vision insurance and \$800 for costs incurred by the Indiana Judicial Conference for training, publications, and conferences. The annual cost for twenty-four (24) magistrates is \$2,201, 640 [\$91,735 x 24].

Juvenile court magistrates are court officers who are under the appointment of the judge of the juvenile court in counties with a population of 50,000 or more. Currently, there are sixteen juvenile magistrates in eight counties. Per IC 33-4-7-9, magistrates are entitled to an annual salary equal to 80% of the \$90,000 salary of a judge. While juvenile magistrates are paid the same as general court magistrates, current law requires the county to pay \$41,393 while the State pays the balance of the salary.

The state cost per juvenile magistrate is \$42,246 and includes: \$30,607 for the state's share of the \$72,000 annual salary, \$5,987 for fringe benefits (including the 3% employee share of PERF paid by the state), \$4,852 for health insurance (the State currently pays the health insurance costs for juvenile magistrates), and \$800 for costs incurred by the Indiana Judicial Conference for training, publications, and conferences.

The per judge cost of \$128,616 includes: \$90,000 for annual salary, \$8,964 for fringe benefits, \$4,852 for health/dental/vision insurance, \$24,000 for the annual State General Fund contribution to the Judges Retirement Fund (trial court judges are not members of PERF); and \$800 for additional training, mailing, and travel reimbursement expenses incurred by the Indiana Judicial Center. The annual cost for eight (8) additional judges is \$1,028,928 [\$128,616 x 8].

The requests to convert the Dearborn and Noble County courts to superior courts have no measurable fiscal impact.

Explanation of State Revenues: (Revised) Adding twenty-five (25) magistrates and eight (8) judges may result in an increase of the number of cases processed in courts of record and speed up the collection of court costs, a percentage of which are deposited into the state General Fund.

When court costs are collected by a court of record, 70% goes to the State General Fund, 27% goes to the county general fund, and 3% goes to the local municipal fund (but only if the city or town maintains a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record).

Explanation of Local Expenditures: (Revised) This bill will increase county expenditures by adding a juvenile court magistrate in Lake County. The increase in county expenditures in salary and fringe benefit

costs for the additional magistrate is estimated to be \$24,124 in CY 1999 and \$48,248 in CY 2000 and CY 2001.

The county cost per juvenile magistrate is \$48,248 and includes: \$41,393 for the county's share of the \$72,000 annual salary, and \$6,855 for fringe benefits.

This bill is effective July 1, 1999, which requires that the \$48,248 be divided in half to reflect the last six months of CY 1999. The fringe benefit rates are slightly lower for the counties because the counties have been paying all fringe benefits except for the 3% employee share of the PERF contribution. The local fringe benefit rates are calculated at 16.56% for CY 1999, CY 2000 and CY 2001 for the county portion of the salaries. The fringe benefit rate for local government is lower than the rate for the State and this explains the difference in full year impacts for state expenditure increase and local expenditure decrease.

County expenditures may increase due to administrative costs associated with the hiring of support staff and the provision of office space for the additional twenty-four (24) magistrates and eight (8) judges.

The requests to convert the Dearborn and Noble County courts to superior courts have no measurable fiscal impact.

Explanation of Local Revenues: (Revised) Adding twenty-five (25) magistrates and eight (8) judges may result in an increase of the number of cases processed and speed up the collection of court costs, a percentage of which are deposited into the county general fund and local municipal fund.

State Agencies Affected: Indiana Judicial Conference.

Local Agencies Affected: (Revised) Trial courts of Allen, Clark, Dearborn, Elkhart, Floyd, Lake, LaPorte, Lawrence, Madison, Marion, Noble, St. Joseph, Sullivan and Vanderburgh Counties.

Information Sources: Division of State Court Administration; IC 33-4-7-9.1; State Budget Agency; Indiana Judicial Conference; 1997 Indiana Judicial Report.