

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

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6980**  
**BILL NUMBER: HB 1401**

**DATE PREPARED: Jan 7, 2000**  
**BILL AMENDED:**

**SUBJECT:** Conversion of juvenile referees to magistrates.

**FISCAL ANALYST:** Susan Preble  
**PHONE NUMBER:** 232-9867

**FUNDS AFFECTED: X GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

STATE IMPACT	FY 2000	FY 2001	FY 2002
State Revenues			
State Expenditures		841,313	841,313
Net Increase (Decrease)		(841,313)	(841,313)

LOCAL IMPACT	CY 2000	CY 2001	CY 2002
Local Revenues			
Local Expenditures	(410,105)	(820,211)	(820,211)
Net Increase (Decrease)	410,105	820,211	820,211

**Summary of Legislation:** This bill repeals a provision authorizing the judge of the juvenile court in a county with a population of more than 50,000 to appoint one or more full-time magistrates. It replaces the repealed law with provisions authorizing courts in Allen County, Elkhart County, Johnson County, Lake County, Marion County, Porter County, St. Joseph County, Vanderburgh County, and Vigo County to appoint full-time magistrates. It repeals statutes requiring counties to pay part of the salary of a full-time magistrate. It allows juvenile court magistrates appointed under the repealed provisions to continue as magistrates. It makes a correction in the statute governing the Elkhart circuit court to conform the number of magistrates appointed jointly with the Elkhart superior court to the law governing the Elkhart superior court. (The introduced version of this bill was prepared by the Commission on Courts.)

**Effective Date:** July 1, 2000.

**Explanation of State Expenditures:** This bill will increase state expenditures by \$841,313 in FY 2001 and FY 2002 by requiring the State to assume the county share of juvenile court magistrate salaries and fringe benefits for nine counties. 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. 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 table below illustrates the additional cost to the State if it assumes the county share of the current sixteen juvenile magistrates' salaries and fringe benefits. Fringe benefits are calculated as a percentage of salary, and include life insurance, social security, PERF and disability insurance. The fringe benefit rate for FY 2001 and FY 2002 is 19.56%. Health insurance for the magistrates is already being paid by the State at a flat rate of \$5,240 and is not included in the fringe benefit rates.

County	# of Juvenile Magistrates	Added Salary Cost to the State	Added Fringe Benefit Cost to the State	Total Additional Cost to the State (Salary + Fringe)
Allen	3	\$124,179	\$24,289	\$148,468
Elkhart	1	\$41,393	\$8,096	\$49,489
Johnson	1	\$41,393	\$8,096	\$49,489
Lake	4	\$165,572	\$32,386	\$197,958
Marion	4	\$165,572	\$32,386	\$197,958
Porter	1	\$41,393	\$8,096	\$49,489
St. Joseph	1	\$41,393	\$8,096	\$49,489
Vanderburgh	1	\$41,393	\$8,096	\$49,489
Vigo	1	\$41,393	\$8,096	\$49,489
<b>Total:</b>	<b>17</b>	<b>\$703,681</b>	<b>\$137,632</b>	<b>\$841,313</b>

Assuming the State picks up the county share of the fringe benefits and salary costs for just the sixteen juvenile magistrates in the table above, the additional cost to the state would be \$841,313 in FY 2001 and FY 2002.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** This bill will decrease county expenditures by requiring the State to assume the county share of juvenile court magistrate salaries and fringe benefits for seventeen juvenile magistrates in nine counties. **The decrease in county expenditures in salary and fringe benefit costs for the seventeen magistrates is estimated to be \$410,105 in CY 2000 and \$820,211 in CY 2001 and CY 2002.**

Currently, each county is required to pay \$41,393 of each magistrate's salary, while the State pays the balance. This bill is effective July 1, 2000, which requires that the \$41,393 be divided in half to reflect the last six months of CY 2000. The fringe benefit rates are slightly lower for the counties because the

counties have been paying all fringe benefits except for the 3% PERF share. The local fringe benefit rates are calculated at 16.56% for CY 2000 and 16.56% in CY 2001 and CY 2002 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.

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:** Allen, Elkhart, Johnson, Lake, Marion, Porter, Vanderburgh, and Vigo County trial courts.

**Information Sources:** IC 33-4-7-9; State Budget Agency; Division of State Court Administration.