



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 61** SLS 18RS 86
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 9, 2018	4:09 PM	Author: MARTINY
Dept./Agy.: Judiciary		Analyst: Colleen Gil
Subject: Judicial Compensation		

JUDGES EG +\$1,749,162 GF EX See Note Page 1 of 1
 Provides for salaries for judges as recommended by the Judicial Compensation Commission. (gov sig)

Present law provides relative to judicial compensation and salaries for the years 2013 through 2017. Proposed law provides that the actual salary of the judges of the supreme court, courts of appeal, and district courts shall be increased 2.5% on July 1st of 2018, 2019, 2020, 2021, and 2022. Proposed law further provides that the state-paid salary of city court and parish court judges shall be increased by 2.5% on July 1st of 2018, 2019, 2020, 2021, and 2022. Effective upon governor's signature. Proposed law provides that the salary increases shall be contingent upon approval prior to each July first by the Louisiana Supreme Court and the Louisiana Judicial Budgetary Control Board. Further provides that any salary increase authorized shall be funded by the judiciary.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$1,749,162	\$1,792,891	\$1,837,713	\$1,883,657	\$1,930,748	\$9,194,171
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						
REVENUES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There will be an increase in expenditures for personnel benefits and a reduction in other expenditures to offset these increased costs due to the requirement the salary increases be funded by the Judiciary. To the extent pay raises are approved and funded within the existing operating budget, funding will have to be reallocated from other activities or programs in order to fund the pay raises. These reductions will be in addition to the 5% SGF reduction contained in HB 698 Reengrossed (FY 19 Judiciary budget).

There are a total of 370 judges (7 Supreme Court Justices, 53 Appellate, 218 District, 17 Juvenile, 7 Commissioners, 68 City/Parish judges) throughout the state that will be impacted by the proposed legislation. Below is a chart that represents the approximate annual increase to the extent the 2.5% is approved annually.

Fiscal Year	Salary Base	Salary Increase	*Retirement Increase	Medicare Increase	Total Increase
FY 19	\$49,435,200	\$1,235,880	\$495,362	\$17,920	\$1,749,162
FY 20	\$50,671,080	\$1,266,777	\$507,746	\$18,368	\$1,792,891
FY 21	\$51,937,857	\$1,298,446	\$520,440	\$18,827	\$1,837,713
FY 22	\$53,236,303	\$1,330,908	\$533,451	\$19,298	\$1,883,657
FY 23	\$54,567,211	\$1,364,180	\$546,787	\$19,781	\$1,930,748

*Note: Retirement increases are based on current employer contribution rates as approved by PRSAC. Future adjustments may vary depending upon the rate adjustment by PRSAC. The current employer contribution rates are 40.1% for retirement and 1.45% for medicare, and are based off of the salary increase.

Local Funds Impact

There will be an indeterminable increase of local fund expenditures due to local sheriff pay raises. Act 350 of 2012 linked district court judge pay raises to sheriff pay raises. If district court judges' pay is increased, then sheriffs pay is increased if the sheriff meets the other requirements of Act 350. However, proposed legislation prohibits any local or state official eligible for compensation pursuant to LA R.S. 13:5521 eligibility for the salary increases authorized in this legislation for that same fiscal year.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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