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HOUSE FISCAL AGENCY

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SB76 AS INTRODUCED

Sponsor: Sen. Jr., Bill Bullard

Committee: CIVIL LAW AND THE
JUDICIARY

Analyst(s): Aben, Tim

Completed: 12/6/01

State Fiscal Impact

Cost: Increase
Revenues: None

Local Fiscal Impact

Cost: Indeterminate/Increase
Revenues: None

This bill would create one new circuit court judgeships in Oakland County.

Costs are incurred at both State and Local levels whenever a judgeship is eliminated or created.

Pursuant to law, salaries for judges are paid partially by the State of Michigan (State salary) and partially by the local funding unit for which the State then reimburses 100% of the local unit's share (standardization payments). Additionally, the State is responsible for payment of the employer's share of FICA (OASDI and Medicare), and contributions for retirement. One other State cost is related only to District Court Judgeships is a one-time purchase of court recording equipment of \$6,000.

Circuit Court and District Courts of the 1st and 2nd class are paid by the county and District Courts of the 3rd class are paid by the local governing unit or city where it is located.

Significant local costs are associated with the creation or elimination of a judgeship, and are typically greater than State costs, both one-time and on-going. Because local personnel costs are a significant portion of trial court operational costs, variation in salary rates statewide result in substantial difference in annual support costs from location to location.

Projected State costs associated with circuit and district court judges' salaries for FY 2003 are as follows:

	CIRCUIT	DISTRICT
State Salary.....	\$97,335	\$ 95,651
Standardization.....	45,724	45,724
FICA	7,512	7,488
Retirement	10,014	9,896
TOTAL SALARY AND BENEFITS	\$160,585	\$158,759

These are annual costs that do not include one-time costs for new District Court Judges (\$6,000 for court recorder equipment).

The annual costs assume a 3% increase in the next SOCC recommendation for calendar year 2003.

Total State cost for adding the one circuit court judge in Oakland county is estimated at 161,000.