

# Judicial Impact Fiscal Note

<b>Bill Number:</b> 1102 HB	<b>Title:</b> Judge pro tempore compen.	<b>Agency:</b> 055-Administrative Office of the Courts
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## Part I: Estimates

No Fiscal Impact

### Estimated Cash Receipts to:

NONE

### Estimated Expenditures from:

STATE	FY 2024	FY 2025	2023-25	2025-27	2027-29
State FTE Staff Years					
<b>Account</b>					
General Fund-State 001-1	17,700	17,700	35,400	35,400	35,400
State Subtotal \$	17,700	17,700	35,400	35,400	35,400
COUNTY	FY 2024	FY 2025	2023-25	2025-27	2027-29
County FTE Staff Years					
<b>Account</b>					
Local - Counties	14,700	14,700	29,400	29,400	29,400
Counties Subtotal \$	14,700	14,700	29,400	29,400	29,400
CITY	FY 2024	FY 2025	2023-25	2025-27	2027-29
City FTE Staff Years					
<b>Account</b>					
Local - Cities					
Cities Subtotal \$					

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

### Estimated Capital Budget Impact:

NONE

*The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note for Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.

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177,836.00

Request # 010-2

Form FN (Rev 1/00)

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Bill # 1102 HB

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

This bill amends RCW 2.08.180 to set retired superior court judges' compensation at the same level as a practicing attorney.

### II. B - Cash Receipts Impact

### II. C - Expenditures

INDETERMINATE

The fiscal impact is indeterminate to both the courts and Administrative Office of the Courts (AOC). The AOC pays 50 percent of the salaries and 100 percent of any employer taxes due on those wages for superior court judges, including for judges providing pro tempore services. AOC does not know how many judges pro tempore are currently practicing attorneys versus retired judges. And, there is no ability to forecast how often a retired judge would serve in a pro tempore capacity versus an attorney in the future.

However, we can estimate a maximum annual impact if the annual compensation paid retired judges serving in pro tempore capacity were to increase by the entire rate change. It is not clear all retired judges would accept a higher daily rate because it may impact their retirement benefits.

#### PERCENTAGE INCREASE IN RETIRED JUDGE DAILY RATE

The difference in the daily rate would be:

\* Current Attorney Rate FY 2022 = \$406.34 per day plus benefits

\* Current Retired Judge Rate FY 2022 = \$243.80 per day plus benefits

\* Increase to Retired Judge Rate = \$162.54 per day plus benefits or a 66.67 percent increase

#### ESTIMATED ANNUAL INCREASE IN RETIRED JUDGE DAILY RATE

The FY 2022 salaries to retired judges serving in a pro tempore capacity was \$22,100 with approximately \$4,400 paid in taxes. If that is increased by 66.67 percent, the impact to AOC is:

AOC Impact = \$17,667 per year

Court Impact = \$14,734 per year

There would also be an indeterminate impact on the AOC for reporting retired judge pro tempore service to the Department of Retirement Systems (DRS). Retired judges under an early retirement program would have their retirement benefits reduced under this proposal if they accept pay at the higher compensation rate. Judges pro tempore are considered employees and not independent contractors by the Internal Revenue Service. Because of this designation, AOC would have to report retired judges serving in a pro tempore capacity to DRS.

### Part III: Expenditure Detail

#### III. A - Expenditure By Object or Purpose (State)

<i>State</i>	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
Salaries and Wages					
Employee Benefits					
Professional Service Contracts					
Goods and Other Services					
Travel					
Capital Outlays					
Inter Agency/Fund Transfers					
Grants, Benefits & Client Services	17,700	17,700	35,400	35,400	35,400
Debt Service					
Interagency Reimbursements					
Intra-Agency Reimbursements					
<b>Total \$</b>	17,700	17,700	35,400	35,400	35,400

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

#### III. B - Expenditure By Object or Purpose (County)

<i>County</i>	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
Salaries and Benefits	14,700	14,700	29,400	29,400	29,400
Capital					
Other					
<b>Total \$</b>	14,700	14,700	29,400	29,400	29,400

#### III. C - Expenditure By Object or Purpose (City)

<i>City</i>	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
Salaries and Benefits					
Capital					
Other					
<b>Total \$</b>					

In addition to the estimates above, there are additional indeterminate costs and/or savings. Please see discussion.

#### III. C - Expenditure By Object or Purpose (City)

Non-zero but indeterminate cost and/or savings. Please see discussion.

#### III. D - FTE Detail

NONE

#### III. E - Expenditures By Program (optional)

NONE

### Part IV: Capital Budget Impact

#### IV. A - Capital Budget Expenditures

177,836.00

Form FN (Rev 1/00)

NONE

**IV. B1 - Expenditures by Object Or Purpose (State)**

NONE

**IV. B2 - Expenditures by Object Or Purpose (County)**

NONE

**IV. B3 - Expenditures by Object Or Purpose (City)**

NONE

**IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE