

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4847-01  
Bill No.: HB 2191  
Subject: Courts; Salaries  
Type: Original  
Date: March 9, 2020

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Bill Summary: This proposal modifies provisions relating to the compensation of court reporters.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
General Revenue*	(\$851,966)	(\$1,774,637)	(\$1,916,047)
<b>Total Estimated Net Effect on General Revenue*</b>	<b>(\$851,966)</b>	<b>(\$1,774,637)</b>	<b>(\$1,916,047)</b>

\* The fiscal impact could vary substantially depending upon the actual start dates of the court reporters (which we do not have). Oversight has made the assumption that the 147 court reporters are distributed evenly on the experience spectrum of 0 years to 25 years of service.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials at the **Office of the State Courts Administrator (OSCA)** assume \$485.060 of the proposal states that "each court reporter shall receive an annual salary based upon his or her cumulative years of service..." OSCA assumes the court reporters would receive an increase each time they meet a new level of service and calculated the fiscal impact as if each court reporter would reach the highest level of salary throughout their career (21 years or more) and would be increased to the highest annual salary level indicated. Based on 147 court reporters at current salary levels, with an annual increase of \$18,250.30 per court reporter, the fiscal impact is an unknown cost of up to \$2,682,794 annually.

**Oversight** notes that the \$18,250.30 from OSCA's response is the difference of the rate at the highest year of service (21+ years) less the base salary. OSCA used \$60,071.70 as a base salary. Oversight will assume court reporters will realize their increase in salary based on the schedule of the years of service below starting January 1, 2021:

- 06-10 years of service - \$63,322
- 11-15 years of service - \$68,322
- 16-20 years of service - \$73,322
- 21+ years of service - \$78,322

**Oversight** notes officials from OSCA provided a listing of the current court reporters, but would not provide a start date (to calculate years of service) for each. Therefore, Oversight will have to make the assumption that the 147 court reporters are distributed evenly on the experience spectrum of 0 years to 25 years of service. Oversight will assume "Beginning on January 1, 2021" means that court reporters will be eligible for pay raises as they attain the requisite years of service (therefore, in addition to the raises awarded on January 1, 2021, raises could be earned each year thereafter as long as the court reporter hit the new thresholds). Oversight will also make the assumption that all raises will be given as of January 1<sup>st</sup>, regardless of when in the year the court reporter hit the new step year thresholds (6, 11, 16, and/or 21 years). Therefore, Oversight will reflect 6 months of impact in FY 2021 (January 1 - June 30). In FY 2022, Oversight will reflect the other six months of the January 1, 2021 raises, and six months of the January 1, 2022 raises.

**Oversight** will also assume fringe benefits of roughly 33% for retirement, social security, long-term disability, basic life insurance, unemployment compensation, and workers' compensation.

ASSUMPTION (continued)

**Oversight notes the actual fiscal impact could vary greatly depending upon actual years of service (which we do not have) for the court reporters.**

Officials at the **Office of Administration** assume no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
<b>GENERAL REVENUE</b>			
<u>Costs</u> - OSCA - salary adjustments for court reporters as of January 1 <sup>st</sup>			
Personal Service	(\$640,143)	(\$1,333,411)	(\$1,439,662)
Fringe Benefits	(\$211,823)	(\$441,226)	(\$476,384)
<u>Total Costs</u> - OSCA	<u>(\$851,966)</u>	<u>(\$1,774,637)</u>	<u>(\$1,916,046)</u>
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b><u>(\$851,966)</u></b>	<b><u>(\$1,774,637)</u></b>	<b><u>(\$1,916,047)</u></b>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2021 (10 Mo.)	FY 2022	FY 2023
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill specifies that, starting January 1, 2021, each court reporter for a circuit judge will receive an annual salary based upon his or her cumulative years of service as a court reporter with a circuit court of this state, based upon a schedule provided in the bill.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

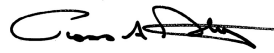
L.R. No. 4847-01  
Bill No. HB 2191  
Page 5 of 5  
March 9, 2020

SOURCES OF INFORMATION

Office of the State Courts Administrator  
Office of Administration



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March 9, 2020



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