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BILL ANALYSIS



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House Bill 5457 (Substitute S-1 as reported)
Sponsor: Representative William Bryant, Jr.
House Committee: Appropriations
Senate Committee: Judiciary

CONTENT

The bill would amend the Revised Judicature Act to revise the method of setting the salaries of judges of the Michigan Court of Appeals, circuit court, district courts, and probate courts. Under the bill, judges' salaries could not be increased unless the Legislature, by statute, expressly set a higher salary. The bill also would delete sections of the budget bills for fiscal years 1994-95 and 1995-96 that provide for spending on judicial salaries. Currently, each Court of Appeals judge earns an annual salary of 96% of the salary of a Justice of the Michigan Supreme Court; a circuit court judge may earn up to 92% of the salary of a Supreme Court Justice; and a district court judge or full-time probate court judge may earn up to 88% of the salary of a Supreme Court Justice. The bill, instead, would establish specific salaries for judges and specific rates for the State to reimburse counties and district control units for the local portion of a judge's salary.

Under the bill, Court of Appeals judges would continue to receive 96% of the salary of a Supreme Court Justice through December 31, 1996. Beginning January 1, 1997, each judge of the Court of Appeals would have to receive an annual salary of \$114,007.

The bill would require that each circuit judge, through December 31, 1996, receive an annual salary payable by the State in an amount equal to 55% of the salary of a Supreme Court Justice. For calendar year 1995, the portion of a circuit judge's annual salary payable by the State would be \$63,412. For 1996 and beyond, the portion of the annual salary of a circuit judge payable by the State would be \$65,314. Currently, counties may pay circuit judges an additional salary, and the State must reimburse a county "in an amount provided by law" unless the additional salary causes the judge's total annual salary to exceed 92% of the salary of a Supreme Court Justice. The bill would require, instead, that the State reimburse a county \$38,397 of the additional salary for 1995, and \$39,549 of the additional salary for calendar year 1996, unless the additional salary caused the judge's total annual salary to exceed 92% of the salary of a Supreme Court Justice. For 1996 and beyond, the State would have to reimburse a county 90% of a circuit judge's additional salary, unless the additional salary caused the judge's total annual salary to exceed \$109,257.

Currently, the minimum annual salary for a probate judge is 90% of the annual salary payable by the State to a circuit judge. Of the minimum annual salary, the county must pay \$6,000. A probate judge also may receive an additional salary determined by the county board of commissioners. Under the bill, the State would have to reimburse to a county \$39,953 of the additional salary for 1995, and \$41,152 of the additional salary for 1996, unless the additional salary caused the probate judge's total annual salary to exceed 88% of a Justice's salary. For 1995, the portion of a probate judge's annual salary payable by the State would be \$51,071. For 1996 and beyond, the portion of the annual salary payable by the State would be \$52,783. For 1996 and beyond, the State

would have to reimburse a county \$41,152 of the additional salary, unless the additional salary caused the judge's total annual salary to exceed \$104,507.

A district judge receives an annual salary payable by the State equal to 90% of the annual salary payable by the State to a circuit judge. For 1995, the portion of the annual salary of a district judge payable by the State would be \$57,071. For 1996 and beyond, the portion of the annual salary of a district judge payable by the State would be \$58,783. In addition, a district judge may receive, from a district control unit, an additional salary as determined by the governing legislative body of the district control unit. The State must reimburse a district control unit a portion of the additional salary "in an amount provided by law", unless the additional salary causes the judge's total annual salary to exceed 88% of the salary of a Supreme Court Justice. The bill, instead, would require the State to reimburse a district control unit \$39,953 of the additional salary for 1995, and \$41,152 of the additional salary for 1996. For 1996 and beyond, the State would have to reimburse to a district control unit paying an additional salary to a district judge \$41,152 of that additional salary, unless the additional salary caused the judge's total annual salary to exceed \$104,507.

MCL 600.304 et al.

Legislative Analyst: P. Affholter

FISCAL IMPACT

House Bills 5457 (S-1) and 5460 would have no fiscal impact on the State in FY 1995-96, since the tie-bar to percentages of Supreme Court Justices' salaries would be repealed effective January 1, 1997. The impact after that date is indeterminate, as it would be up to the Legislature to grant an increase in salary. If an increase were not granted, there would be savings to the State, since an increase in the salaries of Court of Appeals and trial court judges would no longer be tied to increases in Supreme Court Justices' salaries. The estimated savings to the State for 1997, assuming a 3% increase to Supreme Court Justices, is approximately \$1.83 million.

Date Completed: 12-13-95

Fiscal Analyst: M. Bain

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.