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Revised Fiscal Note

(replaces fiscal note dated March 5, 2021)

Drafting Number: LLS 21-0790 Date: April 12, 2021
Prime Sponsors: Rep. Tipper; Carver Bill Status: Senate Judiciary
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Bill Topic: JUDICIAL DIVISION RETIREES TEMP JUDICIAL DUTIES COMPENSATION

- Summary of Fiscal Impact:
State Revenue [] TABOR Refund []
State Expenditure [x] Local Government []
State Transfer [] Statutory Public Entity [x]

The bill changes the amount of time that a retired member of the Judicial Department may perform assigned judicial duties without pay and the amount of a benefit increase such a judge will receive. It will increase state expenditures on an ongoing basis beginning in FY 2021-22.

Appropriation Summary: For FY 2021-22, the bill requires and includes an appropriation of \$723,564 to the Judicial Department.

Fiscal Note Status: The revised fiscal note reflects the reengrossed bill.

Table 1
State Fiscal Impacts Under HB 21-1136

Table with 3 columns: Category, Budget Year FY 2021-22, and Out Year FY 2022-23. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and TABOR Refund.

Summary of Legislation

The bill adds additional contract periods of 10, 20, and 30 days per year to the amount of time a retired judge may work after retirement. Judges who work for 10, 20, or 30 days per year will receive a benefit increase equal to 3.3 percent, 6.7 percent and 10 percent, respectively, of the current monthly salary of judges serving in the same position held by the retiree at the time of retirement. The bill also removes the requirement that a judge enter into such an agreement before retirement, or within five years after retirement. Retired judges who received a "does not meet performance standard" or "do not retain" recommendation in their last judicial performance evaluation are not eligible for this contract, nor are retired judges who received certain disciplinary actions.

State Expenditures

The bill will increase General Fund expenditures in the Judicial Department by \$774,604 and 0.9 FTE in FY 2021-22 and \$738,094 and 1.0 FTE in FY 2022-23. Costs are shown in Table 2 and detailed below.

**Table 2
 Expenditures Under HB 21-1136**

Cost Components	FY 2021-22	FY 2022-23
Judicial Department		
Personal Services	\$70,388	\$76,788
Operating Expenses	\$1,350	\$1,350
Capital Outlay Costs	\$6,200	-
PERA Reimbursement	\$554,400	\$554,400
Computers	\$45,625	\$9,125
Travel Reimbursement	\$45,601	\$45,601
Centrally Appropriated Costs ¹	\$51,040	\$50,830
Total	\$774,604	\$738,094
Total FTE	0.9 FTE	1.0 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Judicial Department. The Senior Judge Program requires 1.0 FTE Courts Program Analyst to administer the program expansion, schedule requests from each judicial district, and manage contracts. First-year costs have been prorated for the General Fund pay date shift.

- **PERA reimbursement.** Assuming that the bill will drive a 37 percent increase in Senior Judge Program participation, this equates to an additional 960 days of benefit reimbursements to PERA at the District Court Judge per day rate of \$577.50.
- **Computers and travel reimbursement.** Additional costs include computers and headsets for an estimated 25 judges initially and 5 per year thereafter, at \$1,825 per set. Travel reimbursement costs are based on actual average costs from the prior fiscal year.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$51,040 in FY 2021-22 and \$50,830 in FY 2022-23.

Statutory Public Entity

The Judicial Division Trust Fund in PERA will receive reimbursements from the Judicial Department to cover retirement benefit increase incentives to judges in the Senior Judge Program. Any workload increase to administer the changes under the bill is expected to be minimal.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

Effective Date

For FY 2021-22, the bill requires and includes a General Fund appropriation of \$723,564 to the Judicial Department and 0.9 FTE

State and Local Government Contacts

Judicial

Personnel and Administration

Public Employees' Retirement Association