

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

House Bill 758 (Prince George's County Delegation)

Appropriations

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Prince George's County - Circuit Court - State Funding  
PG 310-98

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This bill transfers responsibility for the funding of all functions of the Circuit Court for Prince George's County from the county to the State.

The bill is effective October 1, 1999.

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Fiscal Summary

**State Effect:** General fund expenditures would increase by \$7.2 million in FY 2000, which reflects the October 1, 1999 effective date. Out-years reflect annualization and 2.5% inflation. Potential increase in general fund revenues of approximately \$525,000 in FY 2000 (not reflected on chart).

(in dollars)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
GF Revenues	--	--	--	--	--
GF Expenditures	\$7.2	\$9.8	\$10.1	\$10.3	\$10.6
Net Effect	(\$7.2)	(\$9.8)	(\$10.1)	(\$10.3)	(\$10.6)

Note: ( ) - decrease; GF - general funds; FF - federal funds; SF - special funds

**Local Effect:** Prince George's County expenditures would decrease in proportion to the increase in State general fund expenditures. Potential decrease in revenues to the extent of any increase in State general fund revenues.

**Small Business Effect:** None.

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## **Fiscal Analysis**

**State Revenues:** The bill does not specify whether the State would be entitled to the revenue generated by Prince George's County Circuit Court (from fines, filing fees, etc.) after assuming funding responsibilities for the court. Currently, circuit court revenues are generally retained by the county. Prince George's County Circuit Court revenues are estimated at \$682,400 for fiscal 1999. Assuming that these revenues increase by 2.5% annually, general fund revenues would increase by \$524,595 in fiscal 2000 (\$699,460 on an annualized basis) if it is determined that the State is entitled to receive those funds.

**State Expenditures:** The State already pays the salaries and fringe benefits for all circuit court judges and clerks of court. The bill would require the State to pay all other salaries and fringe benefits associated with court operations, all operating expenses of the court, and the costs of juror compensation.

The Prince George's County general fund circuit court appropriation for fiscal 1998 is \$8,472,700. This amount includes salaries and fringe benefits (\$6,783,500) as well as operating expenses (\$1,689,200). It does not include grant funds, an issue not addressed by the bill. The county advises that the fiscal 1998 appropriation for juror compensation is \$635,300.

Assuming an increase of 2.5% in these costs, by fiscal 2000 the full cost of operating this court is estimated at \$9,569,093. Accordingly, it is estimated that State general fund expenditures would increase by \$7,176,820 in fiscal 2000. Future year amounts would reflect annualization and 2.5% inflation.

The bill does not specify whether the county's circuit court employees would remain in the Prince George's County pension system, be placed into the State employees' pension system, or be given an option. Therefore, the estimates contained in this fiscal note assume that the State would make pension contributions that are equal to those currently made by Prince George's County.

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**Information Source(s):** Prince George’s County, Judiciary (Administrative Office of the Courts), Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 1998

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Analysis by: Claire E. Rooney

Direct Inquiries to:

Reviewed by: John Rixey

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710