# **Department of Legislative Services**

Maryland General Assembly 2014 Session

### FISCAL AND POLICY NOTE

House Bill 1206 Judiciary (Delegate Carter, et al.)

Judicial Proceedings

#### **Baltimore City - Orphans' Court Judges - Salary and Pension**

This bill increases the salaries of the orphans' court associate judges for Baltimore City from \$62,500 to \$74,000 and, for the Chief Judge, from \$72,500 to \$84,500. The bill increases, from \$31,250 to \$37,250, the maximum annual pension payment for retired associate judges. For retired chief judges, the maximum annual pension payment increases from \$36,250 to \$42,250. The bill also increases the amount a judge earns toward a pension for each year or partial year of service on the court. For associate judges, the rate increases from \$3,125 to \$3,725; for chief judges, the rate increases from \$3,625 to \$4,225. The salary increases take effect at the beginning of the next term of office.

## **Fiscal Summary**

State Effect: None. The bill does not affect State finances.

**Local Effect:** Baltimore City expenditures increase by a minimum of \$22,000 in FY 2015 and by a minimum of \$41,000 annually thereafter. Revenues are not affected.

Small Business Effect: None.

#### Analysis

**Current Law:** Each associate judge of the orphans' court for Baltimore City receives annual compensation of \$62,500; the Chief Judge receives \$72,500.

Judges of the orphans' court for Baltimore City who served on the court on or after January 1, 1984, receive annual pension payments upon reaching age 60. For associate

judges, pensions are calculated at a rate of \$3,125 for each year or partial year of service on the court, up to a maximum of \$31,250. For chief judges, pensions are calculated at the rate of \$3,625 for each year or partial year of service on the court, up to a maximum of \$36,250.

**Background:** Under the Maryland Constitution, each county elects, for a term of four years, three judges to the orphans' court of their respective jurisdictions, with the exception of Montgomery and Harford counties, where a circuit court judge sits as the orphans' court. The orphans' courts are the State's probate courts. The courts supervise the handling of estates and also have certain jurisdiction over the guardianship of minors and their property. The salaries of orphans' court judges are paid by county governments and Baltimore City (except for Harford and Montgomery counties because the State pays the salaries of circuit court judges).

**Local Expenditures:** Baltimore City expenditures increase by a minimum of \$22,000 in fiscal 2015 and by a minimum of \$41,000 annually thereafter. This estimate assumes the additional salary increases take effect January 1, 2015, and does not include fringe benefits. The estimate also includes increased pension costs for one retired judge, effective October 1, 2014. Baltimore City advises that only one former orphans' court judge is currently retired and there is only one other former orphans' court judge who may incur pension costs within the next few years. As former orphans' court judges become eligible for the pension in future years, expenditures increase by \$6,000 annually for each additional judge.

## **Additional Information**

Prior Introductions: None.

Cross File: SB 967 (Senator Jones-Rodwell) - Rules.

**Information Source(s):** Baltimore City, Department of Legislative Services

**Fiscal Note History:** First Reader - February 17, 2014 ncs/kdm

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