

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 1346 (Delegate Montague, *et al.*)
Judiciary

Courts - Family Division - Establishment

This bill requires the Chief Judge of the Court of Appeals to establish a family division in Anne Arundel, Baltimore, Montgomery, and Prince George’s counties and Baltimore City, and in any circuit court having more than seven circuit court judges.

This bill is effective January 1, 1999.

Fiscal Summary

State Effect: General fund expenditures would increase by \$1.4 million in FY 1999, which accounts for the bill’s January 1, 1999 effective date. Out-year expenditures reflect annualization and inflation. Minimal decrease in general fund revenue.

(\$ in millions)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GF Revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
GF Expenditures	1.4	2.1	2.2	2.2	2.3
Net Effect	\$1.4	\$2.1	\$2.2	\$2.2	\$2.3

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

Local Effect: Local expenditures to the circuit courts are prohibited from being reduced. Accordingly, while the bill provides that the State assume the costs of support staff now being funded by the local jurisdictions, overall expenditures by the circuit courts would not be significantly affected. Montgomery County revenues could increase by an indeterminate amount.

Small Business Effect: None. This bill would not directly affect small businesses.

Fiscal Analysis

Bill Summary: To implement the family division, this bill: (1) provides for the number of judges that must be assigned to the family division in Anne Arundel, Baltimore, Montgomery, and Prince George's counties and Baltimore City; (2) cross-designates the District Court judges in Montgomery County who hear juvenile cases to the family division of the Montgomery County Circuit Court; (3) provides for assignment of family court judges and administrative judges; (4) enumerates the cases that must be heard by the family division; (5) requires the State to fund a courtroom Clerk, Law Clerk, Secretary, and Court Reporter for all family division judges beginning January 1, 1999 and completed no later than fiscal 2002; (6) requires the State to fund essential family support services in all jurisdictions; and (7) requires a family support services coordinator in all jurisdictions.

State Revenues: General fund revenues would decline to the extent that District Court cases transferred to the family division in Montgomery County would have produced general fund revenues. Any such decrease is expected to be minimal.

State Expenditures: General fund expenditures could increase by an estimated \$1.4 million in fiscal 1999, which reflects the bill's various effective dates. This estimate reflects the cost of support staff, automation needs for Prince George's and Montgomery counties only, equipment, and central staff for the Administrative Office of the Courts. The information and assumptions used in calculating the estimate are stated below:

- State assumption of all support staff costs begins in fiscal 1999.
- No inflation in judicial salaries, as these salaries are set by the Judicial Compensation Commission.
- The current number of judgeships in the circuit courts from the affected jurisdictions is sufficient to carry out the bill's provisions. (Any potential immediate or future need for additional circuit court general trial judges or family division judges resulting from the provisions of this bill cannot be reliably ascertained at this time.)
- The reassignment of circuit court judges to the family division by jurisdiction would occur as follows: Anne Arundel - 5; Baltimore City - 12; Baltimore County - 7; Montgomery County - 8; and Prince George's County - 12. This is based on the current proportion of domestic, juvenile, and family law caseloads in those courts.
- Since the Administrative Office of the Courts believes that the bill is unclear as to assigning the costs associated with the transfer of juvenile and domestic

relations masters into family divisions, those costs are not addressed as a part of State expenditures.

- Three District Court judges who hear Montgomery County juvenile offenses would be paid at the circuit court judge rate.
- Family support services as required by the bill will continue to be provided by the Department of Human Resources, local departments of social services, and the Department of Health and Mental Hygiene at little or no additional cost.
- Operating and capital costs not specified in the bill are paid by the local jurisdictions.
- One Fiscal Assistant and one Judicial Auditor will be required in the Administrative Office of the Courts to implement the family division.

Future year personnel expenditures reflect (1) full salaries with 3.5% annual increases for support staff and 3% employee turnover; and (2) 2% annual increases in ongoing operating expenses.

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY2002</u>		
	<u>FY 2003</u>					
Support Staff	972,256	2,002,847	2,062,933	2,124,821	2,188,565	
Automation	300,000		0	0	0	
Equipment	99,000		21,000	21,000	12,000	0
Central Staff	<u>68,821</u>	<u>79,119</u>	<u>83,631</u>	<u>88,407</u>	<u>95,523</u>	
Total	\$1,440,077	\$2,102,966	\$2,167,564	\$2,225,228	\$2,284,088	

In addition, there could be savings due to shorter placement in foster care. Currently, children may be in foster care for a significant length of time while one judge makes a determination as to whether to terminate parental rights, then a second judge makes a decision about adoption. While any such savings cannot be reliably estimated at this time, they are assumed to be significant, as foster care costs at least \$550 per month per child.

Local Revenues: Montgomery County revenues would increase to extent that District Court cases transferred to the family division in Montgomery County produce revenue. Any such increase is expected to be minimal.

Local jurisdictions with family courts would be reimbursed for support staff costs. However, the local governments must maintain the same level of support for the circuit courts.

Local Expenditures: Local governments are required to provide facilities for the circuit courts. The cost estimates of the effect of this bill on the affected counties vary by jurisdiction.

Anne Arundel County advises that this bill would result in an annual savings of \$578,000, due to the State assumption of costs of circuit court support personnel. However, this amount includes the costs of three juvenile masters which may or may not be intended for State assumption under the bill.

Prince George's County reports that the bill would result in the availability of additional funds to the circuit court. For fiscal 1999, due to the January 1 effective date, that amount is estimated to be \$516,368. Such additional funds for future years are estimated at \$1.1 million. The county also believes that the bill would result in the additional expenditures for one new Bailiff beginning in fiscal 1999, and costing approximately \$18,000 annually.

Baltimore City reports that the costs resulting from the bill cannot be reliably estimated. Baltimore County and Montgomery County failed to respond to requests for an estimate.

It should be noted that Montgomery County would need to provide three additional circuit courtrooms to accommodate the cross-designated District Court judges. This is estimated to cost \$1.2 million. However, existing juvenile court judges would continue to use District Court space until alternative space is provided by the county.

As the bill contains a maintenance effort clause which prevents counties from reducing the amount of money budgeted for the circuit courts to recognize State reimbursements for expenditures, there would be no reduction in local expenditures.

Information Source(s): Judiciary (Administrative Office of the Courts), Anne Arundel County, Prince George's County, Baltimore City, Department of Fiscal Services

Fiscal Note History: First Reader - March 11, 1997
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