

**Department of Legislative Services**  
 Maryland General Assembly  
 2001 Session

**FISCAL NOTE**  
**Revised**

House Bill 716 (Chairman, Appropriations Committee)  
 (Maryland Judicial Conference)

Appropriations

Judicial Proceedings

**Circuit Courts - Funding of Law Clerks**

This bill requires the State to fund the employment of one law clerk for each circuit court judge.

The bill applies only to law clerks hired on or after the bill's July 1, 2002 effective date.

**Fiscal Summary**

**State Effect:** General fund expenditures could increase by \$5.4 million in FY 2003, which reflects the bill's July 1, 2002 effective date, and assumes a September 1, 2002 start date for law clerks. Future year increases reflect annualization, inflation, and employee turnover.

| (\$ in millions) | FY 2002 | FY 2003 | FY 2004 | FY 2005 | FY 2006 |
|------------------|---------|---------|---------|---------|---------|
| Revenues         | \$0     | \$0     | \$0     | \$0     | \$0     |
| GF Expenditure   | 0       | 5.4     | 6.6     | 6.7     | 6.8     |
| Net Effect       | \$0     | (\$5.4) | (\$6.6) | (\$6.7) | (\$6.8) |

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** Local government expenditures for law clerks would decrease by an aggregate total of approximately \$5.4 million in FY 2003, while local expenditures for circuit court and related public safety purposes would increase by an equal amount, for a net neutral fiscal impact.

**Small Business Effect:** Potential meaningful. Small businesses that provide goods and/or services relating to the courts and public safety could benefit from increased local government expenditures for these purposes.

## Analysis

**Bill Summary:** This bill requires each circuit court judge to have one law clerk, to be employed by the State. The budget for the Administrative Office of the Courts (AOC) must include funds to employ one law clerk for each circuit court judge.

The counties and Baltimore City must use the savings resulting from the bill solely to increase local expenditures for circuit court or related public safety purposes, which expenditures may not supplant existing local expenditures for the same purpose. In fiscal 2003 through 2010, each jurisdiction must report to the Department of Budget and Management (DBM) by November 1 on the expenditures to which the savings resulting from the bill have been applied. DBM must report these expenditures to the General Assembly and the Chief Judge of the Court of Appeals.

**Current Law:** Local governments pay for salaries and benefits of law clerks.

**Background:** HB 181 of 1999 would have required the State to fund the first \$15 of circuit court juror per diems as well as the salaries of standing masters and some additional circuit court personnel. Following the failure of that bill, language in the *Joint Chairmen's Report* required the Chief Judge of the Court of Appeals to submit a plan for increasing the State's role in circuit court funding. Accordingly, the Judiciary submitted the "Circuit Courts Action Plan" in November 1999. That document set forth an incremental partial cost assumption plan that would, by fiscal 2004, require the State to contribute an additional \$50 million per year to the circuit courts. One of the recommendations contained in the plan was that the State, in fiscal 2002 through 2004, provide for the salaries and benefits of circuit court law clerks.

Law clerks are typically recent law school graduates who serve one-year terms beginning in late summer.

**State Expenditures:** Based upon information supplied by the AOC, the estimated fiscal 2003 cost of the bill is \$5,427,899. This estimate assumes that each judge hires a new law clerk beginning September 1, 2002. Future year estimates reflect salary increases and employee turnover.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** SB 656 (Chairman, Judicial Proceedings Committee) – Judicial Proceedings.

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

**Fiscal Note History:** First Reader – February 16, 2001  
ncs/jr Revised – House Third Reader – March 26, 2001  
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