

Department of Legislative Services
 Maryland General Assembly
 2004 Session

FISCAL AND POLICY NOTE

House Bill 1464
 Judiciary

(Delegate Barkley, *et al.*)

Circuit Court Clerks - Salary

This bill establishes the salary of each clerk of a circuit court as equal to 85% of the salary of a circuit court judge in effect on July 1 of the year of the election of the clerk.

The bill takes effect on October 1, 2004; however, the new salary level for circuit court clerks will take effect on December 1, 2006.

Fiscal Summary

State Effect: Given the bill's December 1, 2006 effective date, general fund expenditures will increase by approximately \$405,300 in FY 2007; this increase reflects all affected salaries and fringe benefits. Future year expenditures reflect annualization. Revenues would not be affected.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	0	405,300	694,900	694,900
Net Effect	\$0	\$0	(\$405,300)	(\$694,900)	(\$694,900)

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

Local Effect: None. Circuit court clerks' salaries are State funded.

Small Business Effect: None.

Analysis

Current Law: Circuit court clerks are elected officials whose salaries are paid by the State. The maximum annual salary for a circuit court clerk is \$85,000, as set by the Board of Public Works on the basis of the relative volume of business and receipts in each clerk's office. Pursuant to the Constitution of Maryland, a circuit court clerk's salary may neither increase nor decrease during the clerk's term of office.

Clerks of the circuit courts are elected at the November general election. They take the oath of office the following December 1 and serve four-year terms. The next elections for circuit court clerks will take place in November 2006.

Background: The Board of Public Works sets the salary that circuit court clerks earn annually based on the relative volume of business and receipts. There are currently four salary levels for circuit court clerks. Five clerks (A level) currently earn \$82,500 per year; three (B level) receive \$80,750; nine (C level) receive \$79,600; and seven (D level) receive \$76,600. The clerks of the circuit court do not receive annual cost-of-living increases.

These salaries will increase by \$2,500 on January 1, 2005. Following this increase, A level clerks will receive \$85,000; B level clerks will receive \$83,250; C level clerks will receive \$82,100; and D level clerks will receive \$79,100. The increases were established by the Board of Public Works on October 30, 2002, pursuant to Chapter 27 of 2002. Chapter 27 increased the permissible top salary for clerks from \$75,000 to \$85,000. The Board of Public Works phased in the increase over three years, with higher levels taking effect on January 1, 2003; January 1, 2004; and January 1, 2005.

Circuit court judges currently receive an annual salary of \$119,600. Eighty-five percent of \$119,600 is \$101,660. Circuit court judges also receive any general State employee salary increases (also referred to as cost-of-living adjustments). A 1.6% cost-of-living adjustment is expected to take effect on July 1, 2004. At that time, the salary of a circuit court judge will rise to \$121,514.

State Expenditures: The Department of Legislative Services assumes a 2% cost-of-living adjustment in each fiscal year. Based on this assumption, circuit court judges' salaries will increase to \$123,944 on July 1, 2005 and \$126,423 on July 1, 2006. On December 1, 2006, circuit court clerks' salaries will increase to 85% of this amount, or \$107,460. They will remain at this amount throughout the clerks' four-year term of office.

As of December 1, 2006, circuit court clerks' salaries will increase as follows:

- five circuit court clerks' salaries (level A) will increase from \$85,000 to \$107,460, an increase of \$22,460 per clerk and a total annual increase of \$112,300;
- three circuit court clerks' salaries (level B) will increase from \$83,250 to \$107,460, an increase of \$24,210 per clerk and a total annual increase of \$72,630;
- nine circuit court clerk' salaries (level C) will increase from \$82,100 to \$107,460, an increase of \$25,360 per clerk and a total annual increase of \$228,240; and
- seven circuit court clerks' salaries (level D) will increase from \$79,100 to \$107,460, an increase of \$28,360 per clerk and a total annual increase of \$198,520.

The total annual increase is \$611,690. Because the increase is effective on December 1, 2006, five months into the fiscal year, the increase for fiscal 2007 is \$356,819. Adding fringe benefits at 13.6%, the total increase is \$405,347.

Additional Information

Prior Introductions: None.

Cross File: SB 823 (Senator Currie) – Budget and Taxation and Judicial Proceedings.

Information Source(s): Judiciary (Administrative Office of the Courts), Board of Public Works, Department of Legislative Services

Fiscal Note History: First Reader - March 22, 2004
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