

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$771,445		\$1,564,717	
CASH FUNDS	\$39,202		\$80,161	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$810,647		\$1,644,878	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill would increase the salary of the Supreme Court judges. This change would also increase the salaries of the judges of the Court of Appeals, the District Court, the Separate Juvenile Court, the Workers Compensation Court, and the County Court as these salaries are a percent of the salary of the Supreme Court judges. Judges' salaries would increase by 3.00% on July 1, 2021, and by 3.00% on July 1, 2022.

This act becomes operative on July 1, 2021, and it has the emergency clause.

The bill will increase the salaries of the judges as follows:

COURT	No. of Judges	Salary			Percent to Supreme Court Judge's Salary	Percent Increase	
		Current July 1, 2020	AM July 1, 2021	July 1, 2022			
Supreme	7	187,036.01	192,647.09	198,426.51	100.0%	3.00%	3.00%
Appeals	6	177,684	183,015	188,505	95.0%	3.00%	3.00%
District & Juvenile	69	173,008	178,199	183,545	92.5%	3.00%	3.00%
Workers' Compensation	7	173,008	178,199	183,545	92.5%	3.00%	3.00%
County	58	168,332	173,382	178,584	90.0%	3.00%	3.00%
Total	147						

The number of District Court Judges is increased by one beginning on July 1, 2021, and this increase is reflected in the above-table under "No. of Judges".

The impact by fund source is as follows:

	FY22	FY23	Biennium
General Funds	771,445	1,564,717	2,336,162
Cash Funds	39,202	80,161	119,363
Total	810,647	1,644,878	2,455,525

The General Fund impact estimated by the Supreme Court does not include the additional District Court Judge.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 386 REVISED	AM:	AGENCY/POLT. SUB: Nebraska Supreme Court (05)
REVIEWED BY: Joe Wilcox	DATE: 02/24/2021	PHONE: (402) 471-4178
COMMENTS: Do not disagree with the Nebraska Supreme Court estimate of fiscal impact to the Agency from LB 386, given the assumptions made by the Court in their revised fiscal note.		

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE		
LB: 386	AM:	AGENCY/POLT. SUB: Nebraska Workers' Compensation Court (37)
REVIEWED BY: Joe Wilcox	DATE: 01/26/2021	PHONE: (402) 471-4178
COMMENTS: LB 386 Increases the Salary level of the Supreme Court Judges by 3% in each of FY 2021-22 and FY 2022-23. The Workers' Compensation Court Judges' salaries are based on 92.5% of the Supreme Court Judges' salary level. Given the salary increase over the FY 2020-21 base, plus applying a .1515 Payroll Tax loading factor, I calculate the impact to the Workers' Compensation Court to be approximately \$2,634 higher in FY 2021-22 and \$4,766 higher in FY 2022-23 than the impacts shown in the Agency Fiscal Note.		

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2021

LB⁽¹⁾ 386

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Supreme Court

Prepared by: ⁽³⁾ Eric Asboe Date Prepared: ⁽⁴⁾ 2/22/2021 Phone: ⁽⁵⁾ 402-326-9215

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB386 increases General Fund expenditures to provide a 3% increase in judges' salaries each of the next two fiscal years.

<u>Level of Court</u>	<u>FY21-22 Fiscal Impact</u>		<u>FY22-23 Fiscal Impact</u>	
	<u>PSL</u>	<u>Total Impact</u>	<u>PSL</u>	<u>Total Impact</u>
Supreme Court	39,278	42,060	79,733	85,316
Court of Appeals	31,983	34,344	64,926	69,662
District/Separate Juvenile Court	352,937	379,556	716,462	769,854
County Court	<u>292,898</u>	<u>315,485</u>	<u>594,584</u>	<u>639,885</u>
Total	717,096	771,445	1,455,705	1,564,717

Note: Impact does not include additional judgeship established in LB309, 2019.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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2021

LB⁽¹⁾ 386

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Workers' Compensation Court

Prepared by: ⁽³⁾ Jill Gradwohl Schroeder Date Prepared: ⁽⁴⁾ January 25, 2021 Phone: ⁽⁵⁾ (402) 471-3602

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2021-22</u>		<u>FY 2022-23</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	39,202	_____	80,161	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

As provided in Section 48-159, "...each judge of the Nebraska Workers' Compensation Court shall receive an annual salary of ninety-two and one-half percent of the salary set for the Chief Justice and judges of the Supreme Court..."

Therefore, if the Supreme Court judges receive an increase in salary, the Workers' Compensation Court judges also receive an increase. The benefits increase is for FICA and the Medicare Surcharge for the additional salary amount.

LB 386 provides for a 3% increase on July 1, 2021 and a 3% increase on July 1, 2022.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2021-22</u>	<u>2022-23</u>
	<u>21-22</u>	<u>22-23</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Workers' Compensation Court Judge	7	7	36,332	73,753
Benefits.....			2,870	6,408
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....			39,202	80,161