



OHIO LEGISLATIVE SERVICE COMMISSION

Robert Meeker

Fiscal Note & Local Impact Statement

Bill: H.B. 174 of the 132nd G.A.

Status: As Introduced

Sponsor: Reps. Hughes and Lanese

Local Impact Statement Procedure Required: Yes

Subject: Adds two judges to the Domestic Relations Division of the Franklin County Court of Common Pleas

State & Local Fiscal Highlights

- Beginning January 2019, the creation of two common pleas court judgeships will increase: (1) the amount of GRF funding that the Supreme Court of Ohio disburses in the form of state support for judgeships by an estimated \$314,013 annually, and (2) the amount of Franklin County's judicial compensation-related expenditures by an estimated \$83,978 annually.
- For Franklin County, the cost of additional court personnel or one-time building renovations that will be necessary, if any, is uncertain.

Detailed Fiscal Analysis

The bill adds two judges to current law's five judges of the Domestic Relations Division of the Franklin County Court of Common Pleas with terms beginning in January 2019.

Judicial compensation-related costs

Base salary

The annual salary of a common pleas court judge is statutorily set at \$147,600 for CY 2019, and consists of a local and state share determined as follows:

- The *local share* of \$14,000 per judge is formulated at \$0.18 per capita with a cap at \$14,000. Based on 2010 census data, the population of Franklin County is 1,163,414 which results in an amount for the local share ($1,163,414 \times \$0.18$) of \$209,415 which is well above the statutory cap.
- The *state share* of \$133,600 per judge is equal to the annual salary minus the local share (\$147,600 to \$14,000).

The full base salary cost for two additional common pleas court judges is \$295,200, \$28,000 paid by Franklin County and \$267,200 paid by the Supreme Court of Ohio on behalf of the state.

Retirement

State and local elected officials are exempt from membership in the Public Employees Retirement System (PERS), unless they choose to become members. As most elected officials do accept membership in PERS, this analysis includes PERS payments.

The state and Franklin County contribute at the rate of 14% of their share amounts, respectively. Under that PERS contribution formula, Franklin County will expend an additional \$3,920, or \$1,960 per judge, annually, while the state will expend an additional \$37,408, or \$18,704 per judge, annually.

Payroll-related charges

The state and Franklin County also pay for other payroll-related charges, as detailed below.

The state pays for a total of 3.52% in payroll-related charges as follows: 1.45% of gross salary for Medicare for all employees hired after April 1986, 0.10% for workers' compensation, 0.30% for the Department of Administrative Services' payroll services, 0.27% for Office of Budget and Management services, 0.01% to the Equal Employment Opportunity Commission, 0.69% for Office of Information Technology services, 0.46% to the Ohio Administrative Knowledge System, and 0.24% for group life insurance. These miscellaneous annual contributions will increase state expenses by \$9,405, or \$4,702.50 per judge, annually.

Franklin County pays 1.45% of gross salary for Medicare, 0.9% for workers' compensation, and an estimated \$25,700 for health insurance.¹ The increase of these miscellaneous contributions will cost the county an additional \$52,058 annually, or \$26,029 per judge.

Additional Franklin County expenses

The cost of additional court personnel or one-time building renovations that will be necessary, if any, is uncertain.

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¹ Insurance cost based on CY 2017 rate of \$847 paid biweekly and an annual projected cost increase of 8.0% per year.