Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Am. Sub. H.B. 261 of the 130th G.A. **Date**: March 26, 2014

Status: As Passed by the Senate **Sponsor**: Reps. Butler and Stinziano

Local Impact Statement Procedure Required: No

Contents: Court of Claims operations, disqualification of judges procedures, reimbursement and per diem compensation of acting and assigned municipal court and county court judges

State Fiscal Highlights

- The bill will result in an expenditure savings related to retired judges' per diems for the Court of Claims totaling approximately $12,780 annually.
- The bill may result in an annual expenditure increase of up to $200,000 to the GRF in the form of per diem reimbursements for "acting" and "assigned" judges by the Supreme Court upon application by a county treasurer.

Local Fiscal Highlights

- Counties may experience an annual gain totaling up to $200,000 annually statewide in state reimbursement revenue related to applications of per diem reimbursement for "acting" and "assigned" judges.

Detailed Fiscal Analysis

The bill: (1) makes several changes to the operations of the Court of Claims, including the abolishment of the office of commissioner of the Court of Claims, (2) eliminates and replaces the procedure for filing an affidavit of disqualification for a judge of a municipal or county court, and (3) modifies existing law regarding the per diem compensation of an "assigned judge" or "acting judge" of a municipal or county court.

Commissioner of the Court of Claims

The bill abolishes the office of commissioner of the Court of Claims and makes procedural changes to reflect the elimination of the panel of commissioners. The elimination of the Court of Claims panel of commissioners codifies administrative changes that took place at the end of calendar year 2012. Over the past several years, the number of appeals handled by the panel of commissioners has declined. The Court has six commissioners who are appointed by the Supreme Court of Ohio for six-year terms. However, last year, work of these six commissioners was roughly equal to approximately three full-time employees due to these declining caseloads. At the end of 2012, the panel of commissioners resigned. Instead of appointing new commissioners, their caseloads were transferred to three existing magistrates on staff. Since July 2013, these magistrates have been carrying out these new duties at no additional cost to the Court of Claims. This transfer of duties is estimated to have saved the Court of Claims approximately $90,000 annually, based on the previous year's expenditures.

Court of Claims per diems

The bill changes the basis of the per diem compensation of a retired judge who serves on the Court of Claims from the annual compensation of a court of appeals judge to the annual compensation of a court of common pleas judge. Currently, the Court of Claims pays the per diem based on an hourly rate. The current hourly rate for a retired judge of a court of appeals is $66. The rate for a retired judge of a court of common pleas is $60 per hour. Based on budget projections and past caseload trends, the Court of Claims is expected to save $12,780 annually as a result of reducing the current per diem rate by $6 per hour.

Other changes to the Court of Claims

The bill also makes several other administrative changes to the operations of the Court of Claims, including transferring the powers of a judge of the Court of Claims to the court and specifying certain powers of a Court of Claims magistrate. None of these changes are expected to impact the revenues or expenditures of the Court.

Disqualifications for judges

The bill eliminates the current procedure for filing an affidavit of disqualification for a judge of a municipal or county court and instead includes the disqualification of a judge of a municipal or county court, and a judge of the Court of Claims within the procedure for filing an affidavit of disqualification for a probate judge, judge of a court of appeals, and a judge of the court of common pleas. This change will have no direct fiscal effect on political subdivisions.

Assignment and appointment of "assigned" and "acting" judges

The bill modifies existing law regarding a vacancy in the office of a judge of a municipal or county court or the incapacitation or unavailability of the judge due to certain circumstances by allowing for the assignment or appointment of an "assigned judge" or "acting judge" depending on the number of judges on the court and the circumstances of the vacancy. These changes largely simplify and clarify the process regarding a vacancy in the office.

The bill also modifies existing law regarding the per diem compensation of an "assigned judge" or "acting judge" and modifies existing law regarding the reimbursement of an "assigned judge" or "acting judge" by allowing for reimbursement by the Supreme Court of a portion of the costs of the local funding authority. In prior years, the Supreme Court provided for reimbursement of a portion of these costs, generally totaling around $200,000. Reimbursement was halted for a period of time. If these provisions are enacted, reimbursements will resume. The bill specifies the information a county treasurer must include in the reimbursement requests submitted to the Administrative Director of the Supreme Court. Based on prior experience, these reimbursements are expected to cost the Supreme Court up to $200,000 annually, with the necessary money being drawn from the Court's GRF line item 005321, Operating Expenses.

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