



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5460 (Substitute H-2 as reported without amendment)

Sponsor: Representative William Bryant, Jr.

House Committee: Appropriations

Senate Committee: Judiciary

CONTENT

The bill would amend Public Act 369 of 1919, which regulates the Detroit Recorder's Court, to revise the method of setting the salaries of judges of the Detroit Recorder's Court. Under the bill, judges' salaries could not be increased unless the Legislature, by statute, expressly set a higher salary.

Currently, each judge of the Detroit Recorder's Court may earn up to 92% of the salary of a Supreme Court Justice. The bill, instead, would establish specific salaries for judges, and specific rates for the State to reimburse the City of Detroit for the local portion of a judge's salary.

Public Act 369 requires that each judge of "the municipal court of record" (i.e., the Detroit Recorder's Court) receive an annual salary from the county in the same amount paid by the State to circuit judges, and that the State reimburse to the county an amount equal to the annual salary paid by the county to a judge. As an additional salary, the City of Detroit must pay to each judge of the Detroit Recorder's Court an amount equal to the difference between 92% of the annual salary of a Justice of the Supreme Court and the annual salary paid by the county. The State must reimburse the city, for each judge of the Detroit Recorder's Court, an amount equal to the additional salary paid by the city.

Under the bill, the provision for additional payment by the City of Detroit and reimbursement by the State would apply through December 31, 1996. For each calendar year, beginning with 1997, the city would have to pay to each judge \$43,943. If the city paid that amount to each judge, the State would have to reimburse the city, for each judge of the Recorder's Court, \$43,943.

Beginning January 1, 1997, the salary of a Recorder's Court judge could not be increased by the State, the city, or the county, unless the Legislature, by statute, expressly set a higher salary. Any judge that accepted a local supplement that exceeded established salary levels could not receive the 3% pay increase for calendar year 1996 authorized by the Act.

MCL 725.13 (H.B. 5460)

Legislative Analyst: P. Affholter

FISCAL IMPACT

House Bills 5457 (S-1 and 5460 (H-2) would have no fiscal impact on the State in FY 1995-96, since the tie-bar to percentages of Supreme Court Justices' salaries would be repealed effective January 1, 1997. The impact after that date is indeterminate, as it would be up to the Legislature to grant an increase in salary. If an increase were not granted, there would be savings to the State, since an increase in the salaries of Court of Appeals and trial court judges would no longer be tied to increases in Supreme Court Justices' salaries. The estimated savings to the State for 1997, assuming a 3% increase to Supreme Court Justices, is approximately \$1.83 million.

Date Completed: 12-13-95

Fiscal Analyst: M. Bain

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.