



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 21, 2005

H.R. 4093

Federal Judgeship and Administrative Efficiency Act of 2005

As ordered reported by the House Committee on the Judiciary on October 27, 2005

SUMMARY

H.R. 4093 would authorize 93 new permanent and temporary federal judgeships and would extend the authority for specific judgeships in various circuit, district, and bankruptcy courts. CBO estimates that the mandatory pay and benefits for those positions would increase direct spending by \$72 million over the next five years and \$157 million over the 2006-2015 period.

In addition, CBO estimates that implementing the bill would cost about \$400 million over the 2006-2010 period, primarily to pay for support of the additional judgeships authorized in the bill and to create a new, Twelfth Judicial Circuit. That estimate does not include the cost of a headquarters facility for the new Twelfth Judicial Circuit. Options for the new headquarters facility include constructing a new building or renovating an existing building. We estimate such costs could range from about \$20 million to over \$80 million over the 2006-2010 period, subject to appropriations of the necessary amounts.

The legislation contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no cost on state, local, or tribal governments.

MAJOR PROVISIONS

H.R. 4093 would:

- Authorize nine permanent and three temporary circuit judgeships;
- Authorize 44 permanent and 12 temporary district judgeships;
- Convert or extend four temporary district judgeships that are expiring;

- Convert the district court in the Virgin Islands to an article III court;
- Authorize 17 permanent and eight temporary bankruptcy judgeships;
- Convert several temporary bankruptcy judgeships to permanent status;
- Modify the jurisdiction of the current Ninth Judicial Circuit to include California, Guam, Hawaii, and Northern Mariana Islands; and
- Create a Twelfth Judicial Circuit to have jurisdiction over the states of Alaska, Arizona, Idaho, Montana, Nevada, Oregon, and Washington.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of the legislation is shown in the following table. The effects of this legislation fall within budget function 750 (administration of justice).

BASIS OF ESTIMATE

For this estimate CBO assumes the legislation will be enacted in December 2005, and that the necessary amounts to implement the bill will be appropriated for each year.

Spending Subject to Appropriation

The 93 judgeships authorized in the legislation would, require administrative support, and office space. Based on information from the Administrative Office of the United States Courts (AOUSC), CBO expects that discretionary expenditures for support costs associated with each judge would amount to \$560,000 a year (in 2006 dollars). In addition, each judge would need equipment and furniture. CBO estimates that the administrative expenses of the additional judgeships in the legislation would cost \$9 million in fiscal year 2006 and nearly \$270 million over the 2006-2010 period.

	By Fiscal Year, in Millions of Dollars				
	2006	2007	2008	2009	2010
CHANGING IN SPENDING SUBJECT TO APPROPRIATION^a					
Judiciary Support Costs					
Estimated Authorization Level	17	70	60	62	63
Estimated Outlays	9	72	61	62	63
U.S. Marshals Service Support					
Estimated Authorization Level	21	22	22	23	24
Estimated Outlays	10	30	22	23	23
Support for New Twelfth Judicial Circuit					
Estimated Authorization Level	13	4	4	4	4
Estimated Outlays	6	10	4	4	4
Total Discretionary Changes					
Estimated Authorization Level	51	96	86	89	91
Estimated Outlays	25	112	87	89	91

CHANGES IN DIRECT SPENDING

Additional Judgeships					
Estimated Budget Authority	4	17	17	17	17
Estimated Outlays	4	17	17	17	17

Note: Components may not sum to totals because of rounding.

a. Excludes costs of either renovating existing office space or constructing new space for the headquarters of the New Twelfth Judicial Circuit.

The additional District judgeships in the bill would also require staffing from the U.S. Marshals Service for court security and prisoner transportation. Based on information from the U.S. Marshals Service, CBO estimates that under the legislation the agency would provide 180 deputy marshals, 45 support staff, and an additional security inspector. CBO estimates the additional personnel would cost \$10 million in fiscal year 2006 and about \$110 million over the 2006-2010 period.

The legislation would redistribute the states under the jurisdiction of the Ninth Judicial Circuit among a modified Ninth Circuit and a new Twelfth Circuit. Based on information from the AOUSC, the discretionary expenditures associated with the new Twelfth Circuit would include severance pay for current staff unable to relocate, relocation expenses for some current staff and equipment, and additional staff and equipment that are necessary for responsibilities of each Judicial Circuit. CBO estimates that such additional staff and support

for the new Twelfth Circuit would cost \$6 million in fiscal year 2006 and \$28 million over the 2006-2010 period.

CBO cannot estimate the cost of new office space for the new Twelfth Judicial Circuit, because the legislation does not specify where the new court would be located. According to the AOUSC, two possible locations would involve renovating and using an existing facility in Seattle, Washington, or constructing a new facility in Phoenix, Arizona. Depending on the location of the headquarters, and subject to appropriation of the necessary amounts, CBO estimates that the costs could range from about \$20 million to over \$80 million over the 2006-2010 period.

Direct Spending

By adding additional judgeships and extending certain judgeships, CBO estimates that enacting H.R. 4093 would increase direct spending by \$4 million in 2006, and \$17 million a year over the 2007-2015 period. Spending would total \$157 million over the 2006-2015 period.

The legislation would authorize 12 new circuit judgeships, 56 new district judgeships, and 25 new Bankruptcy judgeships. Those figures include both permanent and temporary judgeships. Based on information from AOUSC about the cost of benefits for judges, and using the current law salaries of judges, CBO estimates that the mandatory costs of those judgeships would be \$72 million over the 2006-2010 period and \$157 million over the 2006-2015 period. That estimate does not include any cost for a provision that would convert 17 bankruptcy judgeships from temporary to permanent status. The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (Public Law 109-8) created those temporary judgeships with a term through 2015, thus converting them to permanent status would not affect federal costs over the next 10 years.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

This legislation contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

PREVIOUS CBO ESTIMATE

On October 28, 2005, CBO transmitted a cost estimate for the Reconciliation Recommendations of the House Committee on the Judiciary, as approved by the committee on October 27, 2005. Our cost estimates are identical with respect to the provisions that pertain to judgeships, the Twelfth Judicial Circuit, and the support of judges.

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