

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 729 - SB 667

March 11, 2019

SUMMARY OF ORIGINAL BILL: Sets the minimum full-day licensed court reporter compensation at \$350 and the minimum half-day licensed court reporter compensation at \$175.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – \$406,900

SUMMARY OF AMENDMENT (005599): Deletes and replaces all language after the enacting clause such that the substantive changes are to set the compensation rate for court reporters with at least 10 years of experience and to authorize court reporters to charge \$4 per page for transcripts.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – \$683,500

Assumptions for the bill as amended:

- Pursuant to Tenn. Code Ann. § 40-14-311, court reports are compensated in accordance with schedules set by the Administrative Office of the Courts (AOC).
- The current compensation rate for a full-day appearance of a court reporter is \$250 and \$100 for a half-day appearance.
- The proposed legislation will increase compensation for licensed court reporters and court reporters with at least 10 years of full-time state employment by \$100 (\$350 - \$250) for a full-day appearance and by \$75 (\$175 - \$100) for a half-day appearance.
- AOC maintains data of court reporter usage.
- Based on information provided by AOC, over the last three years, the average number of full-day court reporter appearances is 5,100 and the average number of half-day court reports is 1,420.
- Based on information provided by AOC, 66 percent of court reporters compensated each year over the last three years were licensed court reporters and 24 percent were non-salaried court reporters with at least 10 years of experience.

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- This analysis assumes these averages will remain constant into perpetuity.
- The recurring increase in state expenditures relative to court reporter fees is estimated to be \$554,850 $\{[(\$100 \times 5,100) + (\$75 \times 1,420)] \times (66\% + 24\%)\}$.
- The current fee charged for transcripts is \$3.50 per page.
- Based on information provided by AOC, over the last three years, the average cost for transcripts was \$900,783 per year, for approximately 257,367 transcript pages ($\$900,783 / \3.50).
- This analysis assumes these averages will remain constant into perpetuity.
- The recurring increase in state expenditures relative to transcript fees is estimated to be \$128,685 $[(257,367 \times \$4) - \$900,783]$.
- The recurring increase in state expenditures resulting from the proposed legislation is estimated to be \$683,535 $(\$554,850 + \$128,685)$

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

/amj