



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: SB 256 SLS 26RS 511
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Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

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Provides for a clerk of court in Orleans Parish. (gov sig)

Purpose of Bill: This bill reorganizes the clerk of court offices for Orleans Parish by: (1) eliminating the Criminal Clerk of Court and consolidating the Civil and Criminal Court Clerks into a single office, while establishing specific employee retention and transition guidelines; (2) altering the funding sources for clerk and staff compensation, which includes shifting the state-funded portion of specific payroll costs to the local level and reallocating certain clerk expenditures between the judicial expense fund and the clerk's salary fund; and (3) adjusting the distribution of collected fees to require that 40% be deposited into the Clerk's Salary Fund and 60% be remitted to the Consolidated Judicial Expense Fund (a shift from the current 50/50 split).

Note: The bill references but does not create the "Consolidated Judicial Expense Fund." Our analysis assumes the fund will be established on the bill's effective date and that all judicial expense fund references in the bill refer to this fund.

Table with 7 columns: EXPENDITURES, 2026-27, 2027-28, 2028-29, 2029-30, 2030-31, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds.

Table with 7 columns: REVENUES, 2026-27, 2027-28, 2028-29, 2029-30, 2030-31, 5 -YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds.

EXPENDITURE EXPLANATION

This bill will decrease Statutorily Dedicated Expenditures by approximately \$27,300 and Local Expenditures by \$233,000, annually. The bill also shifts \$1.18M annually in State General Fund Expenditures to the Local level. Local expenditures may experience a net increase, but these increases could be affected by further possible cost reductions, efficiencies and/or consolidation expenditure increases.

Clerks: Eliminating the Criminal Clerk may decrease local expenditures by \$233,061 for the City of New Orleans and decrease statutorily dedicated expenditures by \$27,300 for supplemental pay. The shifting of \$10,000 in state general fund (SGF) payments for the Civil Clerk of Court to the judicial expense fund (JEF) may decrease SGF expenditures and increase local fund expenditures accordingly.

Court Reporters & Minute Clerks: Starting in Fiscal Year 2027-28, SGF paid salaries for minute clerks and court reporters for the Criminal District Court would be shifted entirely to the local Consolidated Judicial Expense Fund. This may decrease SGF expenditures by \$1,173,364 annually while increasing local expenditures by an equal amount.

Staffing: While consolidating the civil and criminal clerk offices could eventually reduce administrative costs by merging redundant departments, the bill does not mandate staff reductions. Furthermore, the bill prohibits discharging any current Criminal Clerk employee without cause prior to January 15, 2027, and authorizes transitional hires. Therefore, long-term administrative payroll reductions depend on unknown future management decisions once the transition is complete.

Consolidation Expenditures: Initial consolidation and merger expenditures may increase in the short term due to costs associated with rebranding (e.g., signs, stationery), integrating complex IT and records management systems, and any necessary physical relocation of personnel. The overall impact of these short-term operational increases and long-term capital expenditures will depend on unknown future management decisions.

REVENUE EXPLANATION

This bill is not expected to impact overall local fund revenue, but the bill may shift the authorized use of local revenue due to changes in the distribution of clerk fees. Changing the fee distribution from an equal split to 40% for the Clerk's Salary Fund and 60% for the JEF will result in a proportional shift in annual revenue toward the JEF.

Senate Dual Referral Rules
[X] 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
[ ] 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
[ ] 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
[ ] 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Signature of Steven Kraemer
Steven Kraemer
Senior Technology Advisory