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S. 4199, JUDGES Act of 2024

As passed by the Senate on August 1, 2024

By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-203	2024-2034		
Direct Spending (Outlays)	0	25	98	3		
Revenues	0	0	0			
Increase or Decrease (-) in the Deficit	0	25	98	3		
Spending Subject to Appropriation (Outlays)	0	70	25 1	l		
Increases net direct spending in	< \$2.5 billion	Statutory pay-as-you-go proced	ures apply?	Yes		
any of the four consecutive 10-year periods beginning in 2035?	< \$2.5 billion	Mandate Effects				
Increases on-budget deficits in any	4 OF Lillian	Contains intergovernmental mar	ndate?	No		
of the four consecutive 10-year periods beginning in 2035?	< \$5 billion	Contains private-sector mandate	∍?	No		

The act would

- Authorize 63 new permanent federal district court judgeships over the 2025-2035 period and 3 temporary judgeships in 2025
- Authorize appropriations for administrative expenses for each court
- · Reorganize the jurisdictional coverage of three district courts
- Require two agencies to report to the Congress

Estimated budgetary effects would mainly stem from

- · Compensating new federal judges
- Spending to cover new courts' operating costs

Detailed estimate begins on the next page.

Legislation Summary

S. 4199 would permanently authorize 63 new district court judgeships and authorize 3 judgeships for five-year appointments. The act would add new judgeships every two years from 2025 through 2035.

The legislation also would authorize appropriations for the administrative costs of the affected district courts. Finally, S. 4199 would reorganize certain judicial districts in California, Texas, and Utah and would require the Administrative Office of the U.S. Courts (AOUSC) and the Government Accountability Office (GAO) to report to the Congress.

Estimated Federal Cost

The estimated budgetary effect of S. 4199 is shown in Table 1. The costs of the legislation fall within budget function 750 (administration of justice).

Table 1. Estimated Budgetary Effects of S. 4199													
	By Fiscal Year, Millions of Dollars												
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2024- 2029	2024- 2034
Increases in Direct Spending													
Estimated Budget Authority	0	1	4	5	7	8	11	12	15	16	19	25	98
Estimated Outlays	0	1	4	5	7	8	11	12	15	16	19	25	98
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Estimated	Increases in Spending Subject to Appropriation												
Authorization Estimated	0	13	14	24	24	33	33	44	44	53	53	108	335
Outlays	0	5	11	14	18	22	26	31	36	41	47	70	251

Basis of Estimate

For this estimate, CBO assumes that the legislation will be enacted by the end of fiscal year 2024 and that the necessary amounts will be provided in each year beginning in 2025. Estimated outlays are based on historical spending patterns for the affected activities.

Direct Spending

The compensation (that is, salary and benefits) of judges in federal district courts is classified as direct spending in the federal budget. In 2024, the average compensation for each judge was \$270,000. Using information from the AOUSC about past and projected pay increases, CBO estimates that the cost to compensate each new judge would be \$275,000 in 2025 and would rise to \$340,000 by 2034. Based on the time required for Congressional confirmations

of judges in recent years and the schedule specified in the legislation, CBO estimates that enacting S. 4199 would increase direct spending by about \$100 million over the 2024-2034 period.

Spending Subject to Appropriation

CBO estimates that implementing S. 4199 would cost \$70 million over the 2024-2029 period and about \$250 million over the 2024-2034 period for administrative expenses and other costs.

Administrative expenses. The act would authorize the appropriation of specific amounts each year through 2035 for administrative expenses, including the costs of staff compensation and overhead for facilities, security, and technology. The legislation further authorizes those amounts to increase each year by the percentage increase in inflation in the previous year. Using the inflation projections that underlie CBO's baseline, we estimate that the act would authorize the appropriation of a total of \$335 million over the 2025-2034 period. However, CBO expects that the courts would not require the full amounts authorized to be appropriated by the legislation.

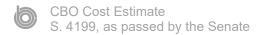
Using information from the AOUSC about district courts' typical administrative costs, CBO estimates that the cost of the first year of operation for a new court would average \$750,000, and that, once fully established, each new court would operate at an annual cost of about \$700,000, on average, over the 2025-2029 period. CBO expects that the costs of operating the new courts would rise over time as more judgeships are authorized and staffed and to accommodate pay increases and inflation. In total, CBO estimates that operating the new courts would cost \$250 million over the 2025-2034 period, assuming appropriation of the necessary amounts.

Other costs. Additionally, S. 4199 would require GAO to report to the Congress on judiciary caseloads and federal agencies' need for detention space. Using information about the cost of similar reports, CBO estimates that the cost of implementing that requirement would be \$1 million over the 2025-2029 period.

Finally, S. 4199 also would reorganize certain districts in California, Texas, and Utah by adding localities to their jurisdictions. The AOUSC would be required to post reports every two years detailing the recommendations and methodology used by the Judicial Conference of the United States for judicial nominations. Using information from that agency, CBO estimates that the costs of implementing those provisions would not be significant.

Pay-As-You-Go Considerations

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 1.



Increase in Long-Term Net Direct Spending and Deficits

CBO estimates that enacting S. 4199 would not increase net direct spending by more than \$2.5 billion in any of the four consecutive 10-year periods beginning in 2035.

CBO estimates that enacting S. 4199 would not increase on-budget deficits by more than \$5 billion in any of the four consecutive 10-year periods beginning in 2035.

Mandates

The act contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

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