



**152nd GENERAL ASSEMBLY
FISCAL NOTE**

BILL:	HOUSE SUBSTITUTE NO. 1 FOR HOUSE BILL NO. 191
AS AMENDED BY:	HA 1
SPONSOR:	Representative Dorsey Walker
DESCRIPTION:	AN ACT TO AMEND TITLE 25 OF THE DELAWARE CODE RELATING TO THE LANDLORD TENANT CODE.

Assumptions:

1. This Act becomes effective on July 1, 2024, upon signature by the Governor.
2. This Act allows a tenant to bring an action to the Justice of the Peace Court (JP Court) when it is alleged that a landlord has allowed dangerous conditions and defects to exist in leased premises and that effective mechanisms be established for repairing these conditions and halting their creation.
3. The JP Court anticipates that it will experience an additional volume of hearings and transactions resulting from this Act. The JP Court estimates it will need two Magistrates, four Judicial Case Processors, one Judicial Case Processor Supervisor, and one Administrative Accountant. Two of the Judicial Case Processors will start in the Fiscal Year 2025. The Fiscal Year 2024 costs are estimated at \$222,628, and one-time costs are estimated at \$17,220 and are as follows:
 - a. Year One (Fiscal Year 2024)
 - i. Recurring Costs – \$222,628
 1. \$221,628 in Fiscal Year 2024 Personnel Costs (five months of funding), including OECs at a rate of 32.25%, for 2.0 FTE, JP Court Magistrate; 2.0 FTE, Judicial Case Processor II; 1.0 FTE, Judicial Case Processor Supervisor; and 1.0 FTE, Administrative Accountant.
 2. \$1,000 for office and related supplies and materials needs.
 - ii. One-Time Costs – \$17,220
 1. \$17,220 estimated for computer and technology equipment, office furniture, and other startup costs for the new positions.
 2. Indeterminable amount for programming costs for updates and implementation to the JP Courts civil case processing system.
 - a. Year Two (Fiscal Year 2025)
 - i. Recurring Costs – \$640,628
 1. \$639,362 in Fiscal Year 2025 Personnel Costs, including OECs at a rate of 32.25%, for 12 months of funding for positions provided in year one plus 2.0 FTE, Judicial Case Processor II (nine months of funding).
 2. \$1,000 for office and related supplies and materials needs.
 - ii. One-Time Costs – \$5,740 estimated for computer and technology equipment, office furniture, and other startup costs for the new positions.

4. All Fiscal Year 2024 personnel costs have been estimated for five months of funding, with the annualization of the remaining seven months incorporated into subsequent year estimates as it is assumed the nomination and confirmation process may take several months. Personnel costs for new positions projected to be added in Fiscal Year 2025 have been estimated for nine months of funding, with the annualization of the remaining three months incorporated into subsequent year estimates. Additionally, a 2% inflation cost has been included for projected increases in salary, health insurance, and OECs.
5. The proposed Fiscal Year 2024 Appropriations Act and the proposed Fiscal Year 2024 One-Time Supplemental Appropriations Act include appropriations of \$269,600 and \$17,200, respectively, to support the implementation costs associated with this Act. The expenditure of these funds shall be contingent upon the passage of this legislation.

Cost:

	<u>One-Time</u>	<u>Recurring/Operating</u>
Fiscal Year 2024:	\$17,220	\$222,628
Fiscal Year 2025:	\$5,740	\$640,363
Fiscal Year 2026:		\$686,068

Prepared by Jason R. Smith
Office of the Controller General