

Fiscal Note

BILL # HCR 2024

TITLE: jury trials; administrative proceedings

SPONSOR: Kolodin

STATUS: As Introduced

PREPARED BY: Mitch Wenzel

Description

If approved by the voters at the 2024 General Election, the resolution would provide individuals the right to a jury trial in any administrative proceeding initiated by the state.

Estimated Impact

We estimate that the resolution, if approved, would increase total operating expenditures in the Superior Court and Justice Courts and reduce the workload for the Office of Administrative Hearings (OAH). We are not, however, able to determine that impact in advance. This impact will depend on the number of cases that are added to the court workload and the length and complexity of those cases.

Neither OAH nor the Administrative Office of the Courts (AOC) was able to provide a fiscal impact of the resolution.

Analysis

Under current law, the OAH is responsible for conducting and for resolving administrative hearings between individuals or entities and state agencies in Arizona. Parties may appeal to the Superior Court once an OAH administrative law judge makes a judgement regarding the case.

The resolution would allow parties who are currently in a proceeding initiated by the State involving at least \$20 or a significant liberty is at stake to bypass an administrative hearing and seek a jury trial in the following cases:

1. If the amount in question is less than \$10,000 (move the case to Justice Court)
2. If the amount in question is more than \$10,000 (move the case to Superior Court)
3. If a disciplinary hearing involves a sworn peace officer and the proceeding could potentially result in a suspension of at least 1 month or termination. (move the case to the Superior Court)

If approved by the voters, the resolution could reduce the workload of OAH and increase the number of trials in the Superior Court and Justice Courts.

OAH does not believe many parties to administrative proceedings would utilize this option. As evidence, OAH noted that only 61 cases (5.2%) were appealed to the Superior Court in FY 2023 after the administrative law judge ruling.

AOC was not able to estimate the fiscal impact of the resolution on court costs but reported that the impact could be large and require additional staff and funding if the number of additional cases moved the courts is significant. According to the AOC, a jury trial in Superior Court costs about \$6,000 per day, and in the Justice Court costs \$3,500 per day.

(Continued)



Local Government Impact

We estimate that the entire fiscal impact would be borne by the Superior Courts and Justice Courts. We are unable to determine the impact in advance as it will depend on how many additional cases are moved to the courts.

2/5/24