



Discussion re Transcript Rates

*Presented to the Minnesota Judicial
Council
March 15, 2012
by
Minnesota Official Court Reporters
Teamsters Local 320*

Executive Summary

Minnesota Official Court Reporters are requesting that:

- **the per-page cost of original transcripts be raised by 25 cents.**

**Why do court reporters
receive a page rate for
transcripts?**

Court reporters are paid a per-page transcript rate in lieu of receiving overtime pay.

Court reporters essentially have two jobs. During the workday, we capture the record, prepare transcripts for our appointing authorities when requested, and carry out any other tasks our appointing authorities assign.

We earn a transcript page rate for the preparation of transcripts for parties, when requested, on our personal time. This is an efficient, effective way of producing transcripts and is in lieu of the State having to pay reporters overtime for working on transcripts.

This adds up to a large cost savings to the State.

Other State of Minnesota employees who work overtime

are paid time and a half for their overtime hours. Their overtime pay counts toward their High Five when calculating their retirement pensions.

Court reporters' transcript income (i.e., mandatory overtime) does NOT count towards their High Five. Furthermore, we pay self-employment tax on transcript income. And the personal time we spend preparing transcripts is mandatory and unpredictable.

Every year we are expected to subsidize the Board of Public Defense by working on transcripts on personal time and then waiting, oftentimes up to six months or more, to be paid. To our knowledge, this is not expected of any other state workers.

Current Rates

Page rates have not changed since
2004
even though the Consumer Price Index
has risen
20%
since that time

Source: http://bls.gov/data/inflation_calculator.htm

Prior Page Rate Increases

This is only the second time the statewide official court reporters have requested a page-rate increase since the Judicial Council has regulated transcript rates on a statewide basis; the last increase having been in 2004.

Prior to the formation of Judicial Council, the Conference of Chief Judges regulated page rates, and prior to that, the judges of each district set pages rates within their district. We believe the last page rate increase prior to 2004 occurred in 1996. So this is the third request in 16 years.

Expenses related to transcript production have risen an average of 20% since 2004, consistent with the Consumer Price Index.

Expenses Related to Transcript Production

- Steno machines: approximately \$5,000.
- Annual steno machine maintenance: \$350-\$450 / year
- Transcription software: approximately \$5,000
- Transcription software support maintenance: approximately \$550 / year
- Personal Computers: approximately \$1,000 to \$3,000, replaced every few (2-4) years
- Printers
- Paper, toner cartridges, transcript covers, postage

There are a lot of expenses associated with being a court reporter, especially for those recently starting their careers – and remain frozen at the bottom of the pay scale.

By the end of our current union contract, our wages will have been frozen for six years.

Representative Sample of One Court Reporter's Transcript Income and Expenses

2004 through 2010 (before taxes, using accrual method of accounting)

YEAR	GROSS INCOME	EXPENSES	NET INCOME	HOURS WORKED	EARNINGS PER HOUR
2004	\$ 6,680.40	\$ 5,178.58	\$ 1,501.82	440	\$ 15.18 gross \$ 3.41 net
2005	\$11,638.15	\$ 5,664.16	\$ 5,973.99	437	\$ 26.63 gross \$ 13.67 net
2006	\$ 6,233.50	\$ 4,268.49	\$ 1,965.01	271	\$ 23.00 gross \$ 7.25 net
2007 ⁽¹⁾⁽²⁾	\$13,360.45	\$13,921.49	-\$ 561.04	550	\$ 24.29 gross -\$ 1.02 net
2008 ⁽¹⁾	\$13,487.75	\$ 5,430.15	\$ 8,057.60	370	\$ 36.45 gross \$ 21.77 net
2009	\$ 5,237.50	\$ 5,149.70	\$ 87.80	375	\$ 13.97 gross \$ 0.23 net
2010	\$ 5,057.75	\$ 3,772.29	\$ 1,285.46	219	\$ 23.09 gross \$ 5.87 net

(1) A portion of 2007-2008 Gross Income reflects a daily copy rate for reporting of a 5-week civil trial.

(2) A portion of 2007 Expenses reflects crash of computer and reporting systems.

- Provided by Court Reporter Shirley Streiber, Hennepin County District Court
- These figures include the \$1,100 after-tax yearly equipment allowance given to reporters.
- Please see handout for further cost breakdown.

Court reporters incur many expenses, whether we receive transcript requests or not.

We receive an equipment allowance, but that money is taxed and doesn't cover all of the expenses we have. After taxes, our annual \$2,000 equipment allowance comes to approximately \$1,100 per reporter per year.

What About Electronic Reporting and CourtSmart?

Don't those methods of capturing
the record lessen the court
reporter's expenses?

No.

All court reporters incur the same expenses related to producing transcripts regardless of the method used to capture the record.

It takes reporters who capture the record by digital audio recording (without the benefit of computer-aided transcription software) a longer time to produce a transcript.

Even by going to a paperless court in the future,

our overhead costs won't go away. Along with all of the equipment costs, we will still be required to buy paper, printers, and toner because it's important for us to print out hard copies for proofreading purposes, and many attorneys and judges still request a paper copy in addition to an electronic copy.

But physical equipment and supplies aren't the only factors to consider.

Preparing a transcript includes . . .

- Transcription
- Research
- Proofreading
- Editing
- Hiring of a proofreader to proofread a second time or the reporter him/herself proofreading a second time – possibly even proofreading a third time if the testimony is technical in nature
- Printing
- Collating
- Binding
- Mailing/Delivery
- And, unfortunately, sometimes collections

Complete accuracy of the record is absolutely imperative and cannot be compromised.

Current Transcript Rates

	Current (per page)
Civil	\$4.75 for original 25 cents for copy
SPP/SDP	\$4.75 for original 25 cents for copy
IFP	\$3.55 for original 25 cents for copy
Criminal	\$3.25 for original 25 cents for copy

We are asking for much less

of a page-rate increase than the 20% increase in the CPI. If we were asking for a 20% increase, that would equate to the following rates:

	20% Increase
Civil	\$5.70 for original page 30 cents for copy page
SPP/SDP	\$5.70 for original page 30 cents for copy page
IFP	\$4.26 for original page 30 cents for copy page
Criminal	\$3.90 for original page 30 cents for copy page

Rather, this is our request:

The Proposed Transcript Rates

reflect an increase of 25 cents per page for the original.

We are not asking for an increase in the copy rate.

	Proposed (per page)
Civil	\$5.00 for original 25 cents for copy
SPP/SDP	\$5.00 for original 25 cents for copy
IFP	\$3.80 for original 25 cents for copy
Criminal	\$3.50 for original 25 cents for copy

In Summary:

This proposal is the result of considerable discussion between the court reporters of the statewide steward committee and Minnesota's official court reporters.

We respectfully request that you grant this fair and reasonable request.

Thank you.