

**Department of Legislative Services**  
Maryland General Assembly

**FISCAL NOTE**

Senate Joint Resolution 2 (The President) (Judicial Compensation Commission)  
Budget and Taxation and Judicial Proceedings

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**Judicial Compensation Commission Report**

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This joint resolution increases judicial salaries by \$11,275 for each judge. Salaries recommended by the Judicial Compensation Commission take effect automatically on July 1, 1998, unless the recommendation is reduced by both houses of the General Assembly by March 10, 1998.

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**Fiscal Summary**

**State Effect:** General fund expenditures will increase by approximately \$4,629,619 annually beginning in FY 1999. The Governor's FY 1999 proposed budget includes \$876,949 for a cost-of-living adjustment for judges, meaning that general fund expenditures would increase by \$3,752,670 over what is included in the budget. Revenues would not be affected.

**Local Effect:** Expenditures in 10 counties will increase by a minimal amount. Revenues are not affected. **This joint resolution places a mandate on units of local government.** This is because salaries of certain local officials are based on the salaries of judges.

**Small Business Effect:** None.

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**Fiscal Analysis**

**State Expenditures:** By law the salary recommendations of the Judicial Compensation Commission take effect on July 1, 1998, unless reduced by the General Assembly. If this resolution passes the General Assembly, or does not pass both houses by March 10, general fund expenditures will increase by \$4,629,619 per the Judicial Compensation Commission recommendation.

This joint resolution provides salary increases of \$11,275 annually for all judges which would increase general fund expenditures by \$4,493,701 annually beginning in fiscal 1999.

This estimate includes salary increases of \$2,954,050 and fringe benefit increases of \$1,539,651. **Exhibit 1** shows the percent changes represented by these salary increases for the various judgeships.

### **Exhibit 1**

*(All increases @ \$11,275)*

The number of judgeships represents those currently authorized for FY 1999

<u>Judgeship</u>	<u># of Judges</u>	<u>Current Salary</u>	<u>Proposed Salary</u>	<u>% Change</u>	<u>Total Increase</u>
Court of Appeals					
Chief	1	\$124,500	\$135,775	9.1%	\$ 11,275
Associate	6	107,300	118,575	10.5%	67,650
Court of Special Appeals					
Chief	1	103,000	114,275	10.9%	11,275
Associate	12	100,300	111,575	11.2%	135,300
Circuit Courts					
Judge	140	96,500	107,775	11.7%	1,578,500
District Court					
Chief	1	100,300	111,575	11.2%	11,275
Associate	101	89,200	100,475	12.6%	<u>1,138,775</u>
<b>Subtotal: Salary increase</b>					2,954,050
Fringe benefits (52.12% of salary)					<u>1,539,651</u>
<b>TOTAL</b>					<b>\$4,493,701</b>

By law, the State Prosecutor receives a salary not less than a circuit court judge. As a result of increasing the salary of circuit court judges, general fund expenditures would increase by an additional \$11,275 in salary and \$1,081 in fringe benefits annually, for a total of \$12,356.

By law, the 10 members of the Workers' Compensation Commission receive a salary at least equal to the salary of a District Court judge, with the chairman of the commission required to receive a salary at least \$1,500 more than that amount. Accordingly, general fund

expenditures would also increase by \$112,750 in salaries to the commission and \$10,812 in fringe benefits annually, for a total of \$123,562.

The Governor's proposed budget for fiscal 1999 does not include the full amount of the commission's recommendation. However, the budget does include \$876,949 for the statutory cost-of-living adjustment for judges. Accordingly, the difference in fiscal 1999 general fund expenditures between the full recommendation of the commission (\$4,629,619) and the budgeted COLA for judges (\$876,949) is \$3,752,670.

**Local Expenditures:** Salaries of State's Attorneys in nine counties are tied to the salaries of District Court judges. Those counties and the relationships to the District Court judge's salaries are as follows:

<b>Percent of District</b>	
<u>County</u>	<u>Court Judge Salary</u>
Allegany*	80%
Calvert	90%
Cecil	95%
Dorchester	75%
Howard	100%
St. Mary's	90%
Washington	80%
Wicomico	90%
Worcester	90%

*\* There is also a statutory requirement that two deputy State's Attorneys in Allegany County receive salaries at 80% of the State's Attorney's salary.*

The salary of the State's Attorney in Baltimore County is required to be equal to the salary of a circuit court judge and would increase by \$11,275 annually. Any increase in fringe benefits would depend on the cost of fringe benefits provided to the State's Attorney by a county. This increase will have a negligible impact on the counties' property tax rates.

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**Information Source(s):** Judicial Compensation Commission, Judiciary (Administrative Office of the Courts), Department of Budget and Management, Department of Legislative Services

**Fiscal Note History:** First Reader - January 29, 1998

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