

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

House Bill 1440 (The Speaker)
 (By Request – Judicial Compensation Commission)
 Appropriations

Judicial Salaries - Cost of Living Adjustments

This bill prohibits judges from receiving a general salary increase awarded to State employees in years that judicial salaries are increased pursuant to a recommendation by the Judicial Compensation Commission.

Fiscal Summary

State Effect: General fund expenditures could decrease by \$682,000 in FY 2007. FY 2008 and 2009 estimates reflect increased judicial salaries and assume 2% annual cost-of-living adjustments. No effect on FY 2006 expenditures. Revenues would not be affected.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	(682,000)	(711,700)	(742,100)	-
Net Effect	\$0	\$682,000	\$711,700	\$742,100	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Whenever a general salary increase (cost-of-living adjustment) is awarded to State employees, each judge must receive the same percentage increase in

salary as the lowest step of the highest salary grade for employees in the Standard Pay Plan.

Pursuant to the House and Senate joint resolutions increasing judicial salaries, judges will not receive a cost-of-living adjustment for fiscal 2006.

Background: The Judicial Compensation Commission made recommendations to increase judicial salaries for fiscal 2006 through 2009. Judicial salaries were increased pursuant to HJ 1 and SJ 3 of 2005. **Exhibit 1** shows the judicial salary increases pursuant to the joint resolutions.

Exhibit 1
Judicial Salary Increases

<u>Position</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY2008</u>	<u>FY 2009</u>
Court of Appeals				
Chief Judge	\$155,852	\$163,352	\$172,352	\$181,352
Associate Judge	136,852	144,352	153,352	162,352
Court of Special Appeals				
Chief Judge	131,302	137,552	145,052	152,552
Associate Judge	128,302	134,552	142,052	149,552
Circuit Courts				
Judge	123,352	128,352	134,352	140,352
District Court				
Chief Judge	128,302	134,552	142,052	149,552
Associate Judge	114,502	118,502	122,752	127,252

State Expenditures: Expenditures in fiscal 2006 would not be affected because judicial salaries for that year already include general salary increases.

The Governor's proposed 2006 budget includes a 2% general salary increase for State employees. Assuming that amount stays constant, general fund expenditures for judicial cost-of-living adjustments in fiscal 2007 would decrease by \$681,965.

Future years reflect 2% cost-of-living adjustments on the judicial salaries specified in the joint resolution.

Additional Information

Prior Introductions: None.

Cross File: SB 911 (The President) (By Request – Judicial Compensation Commission0 – Budget and Taxation.

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

Fiscal Note History: First Reader - March 16, 2005
mp/jr

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