

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 196 (The Speaker)
Appropriations

Judicial Compensation Commission

This emergency bill alters the meeting schedule for the Judicial Compensation Commission by requiring them to meet on September 1, 2009 and every four years thereafter. In addition, the bill establishes that, for the 2009 session only, the failure of the General Assembly to pass the joint resolution of the Judicial Compensation Commission by the fiftieth day of session may not deem effective the salary increases within the resolution.

Fiscal Summary

State Effect: None. The changes are procedural in nature and do not directly affect governmental finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Judicial Compensation Commission, established in 1980, is charged with studying and making recommendations regarding all aspects of judicial compensation to ensure that highly qualified persons will be attracted to the bench and will continue to serve without undue economic hardship.

The commission consists of seven members, all appointed to six-year terms by the Governor. Five of the members are appointed from lists of nominees as follows: two from a list of at least five nominees submitted by the President of the Senate; two from a

list of at least five nominees submitted by the Speaker of the House of Delegates; and one from a list of at least three nominees submitted by the Maryland State Bar Association. The Governor also appoints two members at large.

The 2005 Budget Reconciliation and Financing Act (BRFA) limited the frequency of commission review of judicial compensation and issuance of recommendations by establishing a schedule of once every four years, instead of the prior requirements that the commission review judicial compensation every two years and make recommendations at least every four years.

A joint resolution incorporating the commission's salary recommendations must be introduced in each house of the General Assembly by the fifteenth day of the session following the commission's proposals. The General Assembly may amend the joint resolution to decrease, but not increase, any of the salary recommendations, and it may not reduce the salary of a judge below current levels. Failure by both houses of the General Assembly to adopt or amend a joint resolution within 50 calendar days after its introduction results in adoption of the salary recommendations. If the General Assembly rejects any of the commission's recommendations, the salaries of the judges affected remain unchanged, unless modified under other provisions of law.

Background: In the fall of 2008, the commission finalized its recommendations to increase the salaries of all Maryland judges by \$39,858 over a four-year period, as shown in **Exhibit 1**. The commission's resolutions were introduced in the 2009 session as Senate Joint Resolution 4 and House Joint Resolution 2. Under current law, the commission is scheduled to meet again in 2012.

The Department of Legislative Services advises that the total projected State cost to implement the commission's recommendations over the next four fiscal years is \$17.8 million. This amount includes \$12 million for salary increases, assuming no new judgeships are granted over the four-year period. This reflects increases for the Public Defender, State Prosecutor, and members of the Workers' Compensation Commission as well, whose salaries are tied to the judicial salary structure. The annual salary of a member of the Workers' Compensation Commission must be at least equal to the salary for a judge of the District Court, with the chairman's salary at least \$1,500 more than the salary of the other members. The salary of the State Prosecutor cannot be less than that of a circuit court judge. The Public Defender must receive the same salary as a circuit court judge. Incremental costs to the State for Social Security (\$173,500) and pensions (\$5.7 million) are also factored into the total projected cost.

Exhibit 1
Recommendations of the Judicial Compensation Commission

<u>Judges' Salary Proposal</u>	<u>Current Salary</u>	<u>Proposed 7/1/2009</u>	<u>Proposed 7/1/2010</u>	<u>Proposed 7/1/2011</u>	<u>Proposed 7/1/2012</u>
Court of Appeals					
Chief Judge	\$181,352	\$190,463	\$200,121	\$210,358	\$221,210
Judge	162,352	171,463	181,121	191,358	202,210
Court of Special Appeals					
Chief Judge	\$152,552	\$161,663	\$171,321	\$181,558	\$192,410
Associate Judge	149,552	158,663	168,321	178,558	\$189,410
Circuit Court	\$140,352	\$149,463	\$159,121	\$169,358	\$180,210
District Court					
Chief Judge	\$149,552	\$158,663	\$168,321	\$178,558	\$189,410
Associate Judge	127,252	136,363	146,021	156,258	167,110

Source: Report of the Judicial Compensation Commission

Additional Information

Prior Introductions: None.

Cross File: SB 307 (The President) - Budget and Taxation.

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

Fiscal Note History: First Reader - February 1, 2009
ncs/kdm

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