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FISCAL IMPACT REPORT

ORIGINAL DATE 1/29/07

SPONSOR Park LAST UPDATED _____ HB 488

SHORT TITLE Metro & Magistrate Judge Salary Formula SB _____

ANALYST C.Sanchez

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$423.1	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to

This bill duplicate SB 301.

This bill relates to HB2 and HB9, which contain language for annual compensation appropriations.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Court (AOC)

State Personnel Board

Bernalillo County Metropolitan Court

SUMMARY

Synopsis of Bill

House Bill 488 amends Section 34-1-9 NMSA 1978 to increase the salaries of metropolitan court judges to 95% of the salary of a district judge, instead of 90%. This would also increase salaries of magistrate court judges since magistrate court judges are paid at 75% of the salary of a metropolitan court judge.

FISCAL IMPLICATIONS

The bill appropriates recurring funds in the amount of \$423.1 for increasing salaries for metropolitan court and magistrate court judges. This amount will increase every year by whatever amount the Legislature raises judicial salaries.

The fiscal impact for the Bernalillo Metropolitan Court would total \$119,405 of recurring general fund. The fiscal impact for the Magistrate Courts would total \$303,720 of recurring general fund.

The following chart sets forth the proposed increases for metropolitan court and magistrate court judges:

	No.	Current Salary	Effect on Current Salary	
		Curr. Rate	NewRate	Total
Chief Metro Judge	1	\$ 95,066	\$ 100,347	\$ 6,388
Assoc. Metro Judges	18	\$ 93,441	\$ 98,632	\$ 113,017
Total Metro Cost				\$ 119,405
Magistrate Judges				
	No.	Curr. Rate	NewRate	Total
Presiding Magistrate	2	\$ 71,299	\$ 75,260	\$ 9,503
Assoc. Magistrate	63	\$ 70,081	\$ 73,974	\$ 294,217
Total Magistrate Cost				\$ 303,720
Total				\$ 423,125

This would require additional funding in the final compensation package appropriation. This amount would need to be provided to by the Administrative Office of the Courts

SIGNIFICANT ISSUES

- This bill changes the formula used to calculate Metropolitan Court Judge’s salaries. However, it will have an impact on all Magistrate Judge’s salaries because the formula dictates their salary at 75% of a Metropolitan Court Judge’s salary. The largest number of judges statewide is at the magistrate level.
- This formula change would disrupt the current relationship between salaries of state judges at various levels.
- The Administrative Office of the Courts should be able to work with the programmers to automatically process any salary increase. It would require a small change in the salary increase program.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB488 duplicates SB 301.

HB488 relates to HB2 and HB9, which contain language for annual compensation appropriations.

OTHER SUBSTANTIVE ISSUES

The Judicial Compensation Commission, an independent six-member Commission charged with recommending to the Legislative Finance Committee and the Department of Finance and

Administration a compensation and benefits plan for New Mexico judges, was created two years ago.

The Judicial Compensation Commission evaluated judicial salaries, including comparing New Mexico judges' salaries and benefits to surrounding states; issues of retention and recruitment; salaries of attorneys in New Mexico; and reasons judges leave the New Mexico judiciary. The Commission determined that the current 10 percent salary differential between metropolitan court judges and district court judges creates an unfair disadvantage for the metropolitan court as all other judges receive only a 5 percent differential.

On November 9, 2006, the Commission submitted its recommendation to DFA and LFC to increase the salaries of metropolitan court judges to 95% of the salary of a district judge, instead of 90%. This would also increase salaries of magistrate court judges since magistrate court judges are paid at 75% of the salary of a metropolitan court judge.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo will be maintained.

CS/mt