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FISCAL IMPACT REPORT

SPONSOR: Godbey DATE TYPED: 01/28/03 HB 52

SHORT TITLE: Judicial Salary Increases SB _____

ANALYST: Hayes

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$5,585.3			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB143

SOURCES OF INFORMATION

Responses Received From
 Bernalillo County Metropolitan Court (BCMC)
 Administrative Office of the Courts (AOC)
 LFC files

SUMMARY

Synopsis of Bill

House Bill 52 appropriates \$5,585,330 from the general fund to the Administrative Office of the Courts (AOC) for the purpose of providing salary increases to Supreme Court justices and judges of all state courts. The annual salary of the New Mexico Supreme Court justices would be raised to \$129,595. The salaries of all other state judges, including special commissioners and hearing officers, would then be proportionally increased pursuant to the ratios established in Section 34-1-9 NMSA 1978.

The effective date of the salary increase is the first full pay period following July 1, 2003.

Significant Issues

1. In the *Judiciary Unified Budget*, the judiciary requested that “the Legislature treat salary increases for judicial branch employees the same as all other state employees.” However,

the proposed salary increase for justices and judges exceeds parity with the proposed compensation increase for other state employees. HB52 would raise the Supreme Court justice salaries from \$96,283 to \$129,595, a 34.5 percent increase.

2. If this legislation is adopted, clarification is needed regarding salary increases for hearing officers and contractors. First, this legislation would not apply to contractors, such as domestic violence hearing officers on contract. Secondly, most child support hearing officers are funded by federal grants through the Human Services Department (HSD). Positions funded through HSD at the courts are not applicable for this general fund salary increase. In the past, there has been confusion regarding such raises and the courts have given federally-funded employees general fund raises, leaving the courts with a deficit at the end of the fiscal year and/or needing to request a supplemental appropriation to cover these costs.

FISCAL IMPLICATIONS

The appropriation of \$5,585,330 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall revert to the general fund.

RELATIONSHIP

Senate Bill 143 requests 14 new judgeships statewide, whose compensation will be affected by this legislation if adopted.

OTHER SUBSTANTIVE ISSUES

In all branches of government, compensation increases are typically appropriated directly to the state agency, department, court or commission. It is suggested that if the provisions of HB52 are adopted that each court receive its own compensation appropriation, not the Administrative Office of the Courts.

POSSIBLE QUESTIONS

1. Data provided to the LFC by the judiciary indicates that caseload has been relatively flat since FY97. How is the requested salary increase in this bill commensurate with workload?
2. How does this salary range compare with other southwest states?
3. If SB143 is adopted and 14 new judgeships are created, what will be the cost to the state?