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FISCAL IMPACT REPORT

SPONSOR Snyder DATE TYPED 01/25/2005 HB _____

SHORT TITLE Create Judicial Compensation Commission SB 287

ANALYST Moser

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	See Narrative				

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 263

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts
Department of Finance and Administration

SUMMARY

Synopsis of Bill

Senate Bill 287 proposes the establishment of an independent Judicial Compensation Commission to evaluate judicial salaries and make recommendations to the Legislature and the Department of Finance and Administration on appropriate salaries for state court justices and judges. This was recommended by the Corrections Oversight, Courts and Justice Committee.

Currently, judicial compensation requests are made directly by the Judiciary. Based on the structure in the proposed legislation, the commission will operate as described below:

The commission will be chaired by the dean of the University of New Mexico School of Law. Other members of the commission would be the president of the state bar of New Mexico or a designee, one member appointed by the governor, one member appointed by the president pro tempore of the Senate, one member appointed by the speaker of the House of Representatives and one member appointed by the chief justice of the Supreme Court. Appointed members shall serve staggered terms. The commission will meet at least once a year. The commission will be staffed by the Administrative Office of the Courts. The commission will submit a report to the

Legislative Finance Committee and the Department of Finance each year containing findings and conclusions and making recommendations as to the appropriate salary to be paid to state-funded justices and judges.

Significant Issues

At least twenty states have judicial compensation commissions authorized by statute or constitution. The American Bar Association encourages states to adopt independent judicial compensation commissions similar to the one proposed in this bill. See <http://www.abanet.org/leadership/2003/journal/105a.pdf>

PERFORMANCE IMPLICATIONS

A Judicial Compensation Commission will act impartially in recommending adequate compensation for New Mexico justices and judges, which will result in attracting and retaining the best qualified individuals to serve on the bench, and enhancing the institutional and decisional independence of the courts.

FISCAL IMPLICATIONS

The department of finance and administration feels that the Administrative Office of the Courts (AOC) may seek increases in per diem and mileage funds for Commission meetings. This could be as much as \$1,500.00 per meeting depending on where in the state the Commission members were traveling from. This of course would be multiplied by the number of meetings held per year.

DFA also indicates that SB287 allows the Commission to employ experts to provide analysis and data upon which to base its recommendation. The bill does not provide for contractual services to fund experts, nor is there any mention that AOC would be willing to absorb these costs. Experts are very costly and would likely end up as a future request to increase contractual services.

If two meetings per year were held and expert analysis fees were incurred, the cost of the Commission could potentially reach \$10,000.00 per year, with a five year fiscal impact of \$50,000.00 (2007-2011).

The AOC states that The AOC will absorb into its budget any fiscal costs associated with the operation of the Commission

ADMINISTRATIVE IMPLICATIONS

Per the bill, the Commission would be administratively attached to the Administrative Office of the Courts (AOC). Staff and meeting space would be provided by AOC.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If the bill is not enacted there would be no change to the current process of the judiciary making recommendations regarding compensation.

EM/lg