



LEGISLATIVE BUDGET BOARD

Judicial Compensation

**PRESENTED TO JOINT INTERIM COMMITTEE TO STUDY STATE JUDICIAL SALARIES
LEGISLATIVE BUDGET BOARD STAFF**

SEPTEMBER 2018

Statement of Interim Charge

Purpose: Study state judicial salaries, the salaries of the highest appellate courts of the nine most populous states other than Texas, the salaries of judges on the United States Courts of Appeals, and the average starting base salaries of first-year associate attorneys at the five largest law firms in Texas.

This presentation provides an overview of state judicial salaries and funding scenarios requested by the committee.

Judicial Salary Structure

Judicial Compensation

The Texas Government Code defines judge and justice state compensation in relation to the state salary of a district judge from both state and local sources. Texas Government Code, Sections 659.011 and 659.012 establish a minimum state salary for a district judge of \$125,000 or an amount set in the General Appropriations Act (GAA). For the 2018-19 biennium, the GAA establishes the state salary for a district judge at \$140,000 within the Judiciary Section, Comptroller's Department bill pattern.

Statutory links to a District Judge's Salary

Several state and local judicial and prosecutorial positions have state salaries or salary supplements, in the case of county level positions, that are statutorily linked to a district judge's salary. The number of salary and salary supplements statutorily linked to a district judge's salary has increased gradually over time due to enactment of legislation. The most recent change resulted from enactment of Senate Bill 1025 (84R) which changed the constitutional county judge supplement from \$15,000 to 18 percent of a district judge's salary, or \$25,200.

Methods of Finance

Funding for judicial and prosecutor salaries and salary supplements is provided through a mix of General Revenue and Judicial Fund No. 573 (Other Fund). Judicial Fund revenues have remained relatively stable for several years and are anticipated to be fully used to meet existing obligations for the 2020-21 biennium.

Salary Increase Funding Scenarios

Four funding scenarios have been developed at the request of the committee which include:

General Appropriations Act Funding Options

1. A 15 percent increase in a district judge's salary (\$140,000 to \$161,000) recommended by the Judicial Compensation Commission (JCC);
2. A 10 percent increase in a district judge's salary (\$140,000 to \$154,000); and
3. A 5 percent increase in a district judge's salary (\$140,000 to \$147,000);

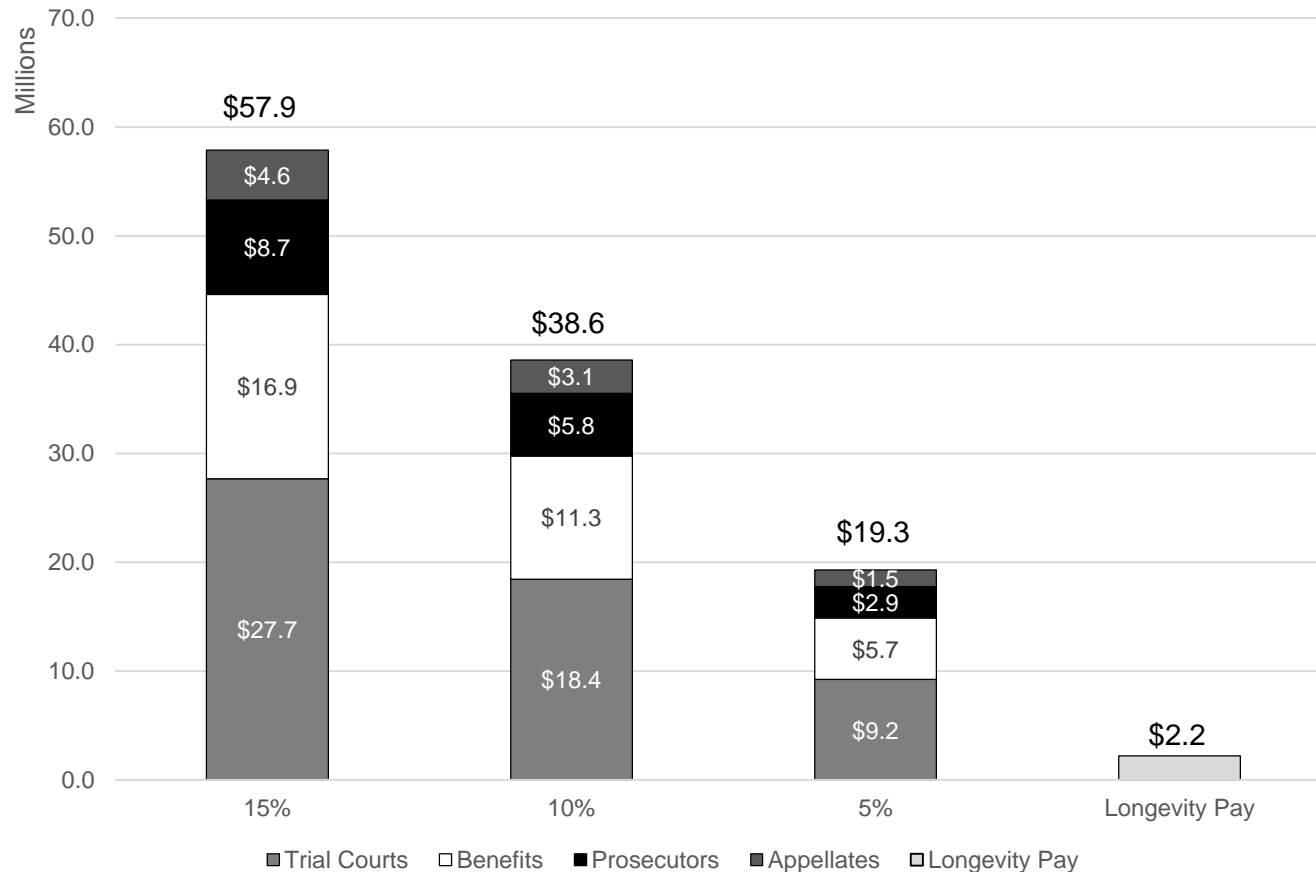
Statutory Change Option

1. Reduce the number of years of service required to begin receiving judicial longevity pay from sixteen to four and change the amount provided each month from 3.1 percent of a judge's base state salary to 0.2 percent of their monthly state salary multiplied by number of years of judicial service as recommended by the JCC;

Notes:

1. Funding for any legislative action that would increase judicial salaries would either require additional General Revenue or a statutory change to increase revenues to Judicial Fund No. 573, or both.
2. Estimates assume no change in the number of state courts for the 2020-21 biennium, use judicial and prosecutor position totals as identified in the GAA for the 2018-19 biennium, and use judge years of service records as of August 31, 2018 provided by the Employees Retirement System.

2020-21 Judicial Salary & Longevity Pay Increase Cost Estimate



- Note:
1. Longevity Pay amounts reflect biennial costs associated with changing judicial longevity monthly pay from 3.1 percent of a judge's base state salary to 0.2 percent of their monthly state salary multiplied by number of years of judicial service as recommended by the JCC.
 2. Current Longevity Pay structure is reflected in the percentage cost estimates. If the recommended Longevity Pay changes are adopted with a salary increase, the cost estimates will increase.

Judicial Salaries – High Courts

<u>State Compensation Effective 9/1/2018</u>			<u>15% Increase</u>			<u>10% Increase</u>			<u>5% Increase</u>		
State	Local	Maximum Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary
District Court Judge (471)											
<i>Government Code, Chapter 659.012(1)</i>											
\$140,000	Up to \$18,000	\$158,000	\$161,000	Up to \$22,200	\$183,200	\$154,000	Up to \$20,800	\$174,800	\$147,000	Up to \$19,400	\$166,400
Supreme Court, Chief Justice (1) Criminal Appeals, Presiding Judge (1)											
<i>Government Code, Chapter 659.012(4)</i>											
\$170,500	No Local Supplement	\$170,500	\$195,700	No Local Supplement	\$195,700	\$187,300	No Local Supplement	\$187,300	\$178,900	No Local Supplement	\$178,900
Supreme Court, Justice (8) Criminal Appeals, Judge (8)											
<i>Government Code, Chapter 659.012(3)</i>											
\$168,000	No Local Supplement	\$168,000	\$193,200	No Local Supplement	\$193,200	\$184,800	No Local Supplement	\$184,800	\$176,400	No Local Supplement	\$176,400

Judicial Salaries – 14 Courts of Appeals

<u>State Compensation Effective 9/1/2018</u>			<u>15% Increase</u>			<u>10% Increase</u>			<u>5% Increase</u>		
State	Local	Maximum Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary
14 Courts of Appeals, Chief Justice (14)											
<i>Government Code, Chapter 659.012(4)</i>											
\$156,500	\$9,000	\$165,500	\$179,600	Up to \$11,100	\$190,700	\$171,900	Up to \$10,400	\$182,300	\$164,200	Up to \$9,700	\$173,900
14 Courts of Appeals, Justice (66)											
<i>Government Code, Chapter 659.012(2)</i>											
\$154,000	\$9,000	\$163,000	\$177,100	Up to \$11,100	\$188,200	\$169,400	Up to \$10,400	\$179,800	\$161,700	Up to \$9,700	\$171,400

Judicial Salaries – Trial Courts

<u>State Compensation Effective 9/1/2018</u>			<u>15% Increase</u>			<u>10% Increase</u>			<u>5% Increase</u>		
State	Local	Maximum Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary
Statutory County Judges, Salary Supplement (245) <i>Government Code, Chapter 25.0015</i>											
\$84,000	At least \$55,000	At least \$139,000	\$96,600	At least \$63,400	At least \$160,000	\$92,400	At least \$60,600	At least \$153,280	\$88,200	At least \$58,800	At least \$147,000
Constitutional County Judges, Salary Supplement (215) <i>Government Code, Chapter 26.006(a)</i>											
\$25,200	Varies	Varies	\$28,980	Varies	Varies	\$27,720	Varies	Varies	\$26,460	Varies	Varies
Multicounty Court at Law (1) (Fisher & Nolan Counties) <i>Government Code, Chapter 25.2607(d)</i>											
\$140,000	No Local Compensation	\$140,000	\$161,000	Not Applicable	\$161,000	\$154,000	Not Applicable	\$154,000	\$147,000	Not Applicable	\$147,000

Judicial Salaries - Prosecutors

<u>State Compensation Effective 9/1/2018</u>			<u>15% Increase</u>			<u>10% Increase</u>			<u>5% Increase</u>		
State	Local	Maximum Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary
State Prosecuting Attorney (1)											
<i>Government Code, Chapter 46.003</i>											
\$143,500 (\$152,843)	No Local Compensation	\$143,500	\$161,000	Not Applicable	\$161,000	\$154,000	Not Applicable	\$154,000	\$147,000	Not Applicable	\$147,000
Professional Prosecutors (157)											
<i>Government Code, Chapter 46.003</i>											
\$140,000	Varies	At least \$140,000	\$161,000	Varies	At least \$161,000	\$154,000	Varies	At least \$154,000	\$147,000	Varies	At least \$147,000
District Attorneys (3) (Permitted to Practice Law)											
<i>Government Code, Chapter 41.013</i>											
\$112,000	No Local Compensation	\$112,000	\$128,800	Not Applicable	\$128,800	\$123,200	Not Applicable	\$123,200	\$117,600	Not Applicable	\$117,600

Judicial Salaries - Prosecutors

State Compensation Effective 9/1/2018			<u>15% Increase</u>			<u>10% Increase</u>			<u>5% Increase</u>		
State	Local	Maximum Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary	State	Local	Total Potential Salary
Felony Prosecutors (2) (Jackson and Fayette Counties)											
<i>Government Code, Chapter 44.220 and 45.175</i>											
\$112,000	Not Applicable	At least \$112,000	\$128,800	Not Applicable	\$128,800	\$123,200	Not Applicable	\$123,200	\$117,600	Not Applicable	\$117,600
County Attorney Supplement (168)											
<i>Government Code, Chapter 46.005</i>											
\$23,333 to \$70,000	County Discretion	County Discretion	\$26,833 to \$80,500	County Discretion	County Discretion	\$25,666 to \$77,000	County Discretion	County Discretion	\$24,500 to \$73,500	County Discretion	County Discretion

Benefits: Retirement & Social Security

2020-21 Biennial Cost Estimate

	15%	10%	5%
JRS I¹	\$1,045,317	\$696,878	\$348,439
JRS II²	\$7,091,724	\$4,727,816	\$2,363,908
ERS³	\$8,801,852	\$5,867,901	\$2,933,951
Social Security	\$15,132	\$10,088	\$5,044
Biennial Total	\$16,954,025	\$11,302,683	\$5,651,342

1. Judicial Retirement System I (JRS I) is a closed, pay-as-you-go retirement plan for state judges and justices who held office before September 1985. Benefits are paid by direct General Revenue Fund appropriations.
2. Judicial Retirement System II (JRS II) is for judges and justices who took office after August 31, 1985. The state contributes 15.663 percent of salary for the 2018-19 biennium. These amounts also represent the cost of a higher Actuarially Sound Contribution (ASC) rate due to increased liabilities.
3. The Employees Retirement System (ERS) is for state employees and elected officials and includes District Attorneys. The state contributes 9.5 percent and agencies contribute 0.5 percent of salary for the 2018-19 biennium. These amounts also represent the cost of a higher ASC due to increased liabilities.

Longevity Pay Scenario

Current Law (Government Code, §659.0445)

Judges that have completed 16 years of service are entitled to monthly longevity pay equal to 3.1 percent of their current monthly state salary. For a district judge, this equals \$362 each month or \$4,340 annually.

Judicial Compensation Commission Recommendation

Reduce the number of years required to begin receiving judicial longevity pay from sixteen years of service to four years of service and to provide the judge or justice 0.2 percent of their current monthly state salary for the number of years of judicial service.

District Judge Years of Service (\$140,000)	Current Law Annual Longevity Pay	JCC Recommendation Annual Longevity Pay	Difference
5	\$-	\$1,400	\$1,400
10	\$-	\$2,800	\$2,800
16	\$4,340	\$4,480	\$140
20	\$4,340	\$5,600	\$1,260
25	\$4,340	\$7,000	\$2,660
30	\$4,340	\$8,400	\$4,060

Longevity Pay

JCC Recommendation with Judicial Salary Increase Scenarios

The chart below shows the annual longevity received by a district judge using the process recommended by the JCC if the statutory change were to be enacted under current law state salary and for each of the judicial salary increase scenarios requested by the committee.

District Judge Years of Service	Current Law State Salary (\$140,000)	5% Salary Increase (\$147,000)	10% Salary Increase (\$154,000)	15% Salary Increase (\$161,000)
5	\$1,400	\$1,470	\$1,540	\$1,610
10	\$2,800	\$2,940	\$3,080	\$3,220
15	\$4,200	\$4,410	\$4,620	\$4,830
20	\$5,600	\$5,880	\$6,160	\$6,440
25	\$7,000	\$7,350	\$7,700	\$8,050
30	\$8,400	\$8,820	\$9,240	\$9,660

Estimated Fiscal Impact for the 2020-21 biennium for each longevity pay scenario

Current Law State Salary (\$140,000)	5% Salary Increase (\$147,000)	10% Salary Increase (\$154,000)	15% Salary Increase (\$161,000)
\$2,183,510	\$2,374,135	\$2,556,361	\$2,738,586



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