TABLE OF CONTENTS

EXECUTIVE	SUMMARY	i
INTRODUC	TION	1
DISCUSSIO	N & FINDINGS	1
	RESOURCES	
WORKLOA	AD & PRODUCTIVITY	2
	ATION	
	COMPARED TO OTHER STATES AND FEDERAL JUDICIARY	
	COMPARED TO OTHER PUBLIC POSITIONS	
	IFFERENTIAL BETWEEN DISTRICT & SUPERIOR COURTS	
	BENEFITS	
	OF FAITH	
PER DIEM	RATE FOR ACTIVE RETIRED JUDGES	9
RECOMME	NDATIONS	9
EQUALIZA	TION OF SALARIES	9
	OMPENSATION	
	BENEFIT ACCRUAL	
	BENEFIT CAP	
	RATE FOR ACTIVE RETIRED JUDGES	
REPEAL O	F SUNSET PROVISION	13
COST		14
IMPLICATIO	ONS	14
APPENDICI	ES	
Appendix A:	Cost Estimates of Commission's Recommendations	
Appendix B:	Proposed Legislation	
Appendix C:	Bibliography and Testimony Received	
Appendix D:	Copy of NCSC 50 State Judicial Salary Survey	
Appendix E:	Executive branch positions higher than District Court Judges	
Appendix F:	Summary of judicial retirement benefits for New England states	

JUDICIAL COMPENSATION COMMISSION: 1996 EXECUTIVE SUMMARY

The Judicial Compensation Commission, established by Title 4, chapter 35, is required to study and make recommendations regarding all aspects of judicial compensation to ensure that the most highly qualified lawyers in this State, drawn from diverse backgrounds, are willing to serve in the State's Judicial Branch of government and to ensure that these judges do not become demoralized during service because of inadequate compensation. In fulfilling this statutory directive, the Commission studied a wide range of factors appropriate in determining compensation, received public testimony on the issue, and reviewed the changes to the compensation of the Judicial Branch since the early 1980's.

FINDINGS

The Commission presents the following findings regarding the work of Maine's judges and the overall operating environment in which Maine's judges currently function:

Minimal Resources: The Judicial Branch operates with a relatively small number of support staff and under a budget which represents a very small proportion of the overall State budget.

- The budget for the Judicial Branch in fiscal year 1996-97 is \$35,033,506, or 2% of the total state General Fund budget.
- Maine was 46th out of 50 states for total judicial and legal services expenditures in 1992, the latest data available.

High Workload & High Productivity: Although Maine's judges are responsible for handling the cases of a large number of citizens spread over a wide geographic area, they are able to move a high number of cases in a timely fashion.

- For courts of general jurisdiction comparable to Maine's Superior Court, Maine ranks 47th in judges per 100,000 population: 1.3 compared to the average of 3.6 per 100,000 for all states.
- Maine has the fewest number of judges in courts of general jurisdiction (16) of any of the 49 states providing data to the National Center for State Courts.
- When compared to other states, Maine ranked 5th in clearance rates for civil cases and 12th for criminal cases.

Low pay: The judges making up Maine's Judicial Branch of government are significantly underpaid.

- In comparison with judicial salaries elsewhere, Maine's salaries are relatively low. For example, nationally, Maine ranks 41st out of 50 states in direct compensation for Supreme Court Justices and 35th for Superior Court Justices. This statistic is exacerbated when viewed in light of the extremely high productivity rate of Maine's judges.
- Judicial salaries are not in line with salaries provided to other professional positions of comparable responsibility in the public sector in Maine.
- As a matter of internal equity, the Commission finds that the salary differential between District Court Judges and Superior Court Justices is no longer justified.
- Maine's overall pension benefit is substantially lower than that provided in the other New England states.
- A great disservice was done to the members of judiciary during the 1980's when their pension benefit was reduced substantially to compensate for planned increases in their direct compensation that were not fully implemented.
- The per diem rate for service as an active retired judge is not adequate to be attractive as an alternative to full retirement.

As a third and coequal branch of government, our judiciary has long filled a critical place in the social fabric of Maine by providing ready access to quality justice for everyone. That task has become increasingly demanding in recent years as complex and time-consuming domestic cases, such as family violence and abuse and neglect of children, have taken an ever larger share of Maine's civil caseload while simpler small claims and traffic cases have been reduced by new and innovative means. At the same time, the resources committed to our courts, and particularly the compensation system for our judges has fallen so far behind that the National Center For State Courts reported in 1994, that "the state-funded Maine court system has probably been the most hard hit of any court system in the United States." (p. 12)

RECOMMENDATIONS

The Judicial Compensation Commission offers six specific recommendations which, as a package, are designed to make judicial appointments attractive to attorneys employed in both the private and public sectors. These recommendations will address the immediate need to provide fair and equitable direct compensation for members of the judiciary that accurately reflects the value we as a society place on the Judicial Branch. These recommendations also address the long-term need to provide equitable and attractive pension benefits for our judges and to provide them with attractive opportunities to continue in public service on the bench following retirement. The combination of salary increases, pension improvements and an increase in per diem rates for active retired judges

is also designed to appeal to high caliber private practice attorneys who expectedly take a substantial reduction in compensation to enter the judiciary.

- 1. **EQUALIZATION OF SALARIES**. The Judicial Compensation Commission recommends that salaries for District Court Judges and Administrative Court Judges be increased to a level equal to the salaries for Superior Court Justices.
- 2. **DIRECT COMPENSATION**. The Judicial Compensation Commission recommends that the salaries for members of the judiciary be increased to \$94,000 for the Judges of the Superior Courts and District Courts and to \$100,000 for the Justices of the Supreme Judicial Court with proportional increases for the respective chiefs of each court.
- 3. **PENSION ACCRUAL RATE**. The Judicial Compensation Commission recommends that the pension benefit for judges be improved prospectively by increasing the accrual rate from 2% to 3% for each year of service as a member of the judiciary.
- 4. **PENSION BENEFIT CAP.** The Judicial Compensation Commission recommends increasing the current cap on the pension benefit for judges from 60% to 70% of final average earnings.
- 5. **PER DIEM RATE FOR ACTIVE RETIRED JUDGES**. The Judicial Compensation Commission recommends that the per diem rate provided to Active Retired Judges be increased from \$150 to \$300.
- 6. **REPEAL OF SUNSET PROVISION**. The Judicial Compensation Commission recommends that the existing sunset repeal of the Commission in 1999 be repealed.

COSTS

As a package, these recommendations will have a total annual cost of \$1,030,727 in fiscal year 1997-98.

The level of judicial compensation appropriate for our State's judiciary must be determined within the broader framework of the value we place on having a Judicial Branch of government capable of providing impartial interpretation of our laws and administering justice in a fair and efficient manner. If we consider one of the benefits to our system of government the idea that everyone is entitled to the highest quality judge we as a State can provide, then we must do more to ensure that we are, in fact, attracting and retaining the most highly qualified individuals in the State. Ignoring the need to provide a more attractive compensation package will jeopardize the tradition of excellence we have experienced within the Judicial Branch and may jeopardize the confidence we all have in our judicial system. While the costs of these changes can not be taken lightly, the benefits of implementing these recommendations are vast.

JUDICIAL COMPENSATION COMMISSION, 1996 REPORT

INTRODUCTION

The Judicial Compensation Commission, established by Title 4, chapter 35, is required to study and make recommendations regarding all aspects of judicial compensation to ensure that the most highly qualified lawyers in this State, drawn from diverse backgrounds, are willing to serve in the State's Judicial Branch of government and to ensure that these judges do not become demoralized during service because of inadequate compensation. As suggested by the statute, the Commission considered a wide variety of factors in reviewing the adequacy of the current compensation package, including: the skill and experience required of the job, the degree of responsibility and discretion required, compensation levels for similar judgeships in other states and on the federal bench, compensation for attorneys in the private sector, and overall compensation received by other employees in the public sector. The Commission also reviewed national data on judicial compensation, data on compensation levels for public sector employees in Maine, benefits information, data on the operations of state court systems, and reports of prior commissions reviewing state compensation issues. The Commission also received testimony during a public hearing on June 24, 1996.

DISCUSSION & FINDINGS

The Commission reviewed data from a variety of sources on the structure, operation and performance of Maine's judicial branch. It is clear that Maine has a long-standing tradition of excellence in its judiciary and that the judiciary has coped well with the increased demands placed on our court system. Despite many adverse circumstances, including minimal resources, high workloads, and low pay, until now Maine's judiciary has maintained a highly productive judicial system of superior quality. We can not continue to

rely on that tradition to attract and retain excellent judges in the face of inadequate compensation and recognition.

FINDING: Minimal Resources. The Judicial Compensation Commission finds that the Judicial Branch operates with a relatively small number of support staff and under a budget which represents a very small proportion of the overall State budget.

- The budget for the Judicial Branch in fiscal year 1996-97 is \$35,033,506, or 2% of the total state General Fund budget.
- Maine was 46th out of 50 states for total judicial and legal services expenditures in 1992 (National Center for State Courts, 1996).

Like all other parts of Maine State Government, the Judicial Branch has been adversely affected by the lack of budgetary resources during the past few years. In practical terms, recent budgetary cutbacks to the Judicial Branch have required the judiciary to maintain its past standards of excellence and high productivity with fewer financial resources. Keeping in mind that the Judicial Branch is an equal branch of government with a vitally important mission, the Judicial Compensation Commission finds that Maine's judiciary functions with a minimal set of human and material resources.

FINDING: Workload & Productivity. Although Maine's judges are responsible for handling the cases of a large number of citizens spread over a wide geographic area, they are able to move a large number of cases in a timely fashion.

- For courts of general jurisdiction comparable to Maine's Superior Court, Maine ranks 47th in judges per 100,000 population: 1.3 compared to the average of 3.6 per 100,000 for all states. (National Center for State Courts, 1995)
- Maine has the fewest number of judges in courts of general jurisdiction (16) of any of the 49 states surveyed. (National Center for State Courts, 1995)
- Despite high caseloads, Maine's judiciary moves cases in a timely manner. When compared to other states, Maine ranked 5th in clearance rates for civil cases and 12th for criminal cases. (National Center for State Courts, 1996)

FINDING: Compensation. The Judges and Justices making up Maine's Judicial Branch of government are significantly underpaid considering the importance of their work to our society and system of government.

The Judicial Compensation Commission has concluded that Maine's judges are significantly underpaid. This conclusion is certainly not without precedent; there have been a number of legislatively mandated studies which have concluded the same thing. The subject of judicial compensation was addressed by the Maine State Compensation Commission in its 1984 and 1988 reports; both reports recommended significant salary increases for members of Maine's judiciary but the recommended increases were not fully implemented. Most recently, in its 1993 report, the Commission to Study the Future of Maine's Courts said:

Compensation for the state court judges, including both salary and benefits, should be increased to levels that are competitive with compensation for positions of comparable experience and judgment in the public and private sectors. (p. 86)

Had the recommendations of the 1988 State Compensation Commission been implemented, the current annual salary for a District Court Judge would be \$96,141 rather than \$79,911. The following graph illustrates this difference relative to this Commission's recommendation of a salary of \$94,000 for District Court Judges.

FINDING: Salaries Compared to Other States and Federal Judiciary. In comparison with judicial salaries elsewhere, Maine's salaries are relatively low. For example, nationally, Maine ranks 41st out of 50 states in direct compensation for Supreme Court Justices and 35th for Superior Court Justices.

The Commission found that increasing judicial salaries to the level of comparable federal positions, however commendable, would result in unjustifiably high salaries given the State's limited resources. Instead, the Commission chose to compare Maine's judicial salaries to current judicial salaries in other states. Overall, Maine ranks 41st out of 50 states in compensation for Supreme Court Justices and 35th in compensation for general trial court judges comparable to Maine's Superior Court Justices (National Center for State Courts, 1996). To focus in on states with similar demographic characteristics and fiscal capacities, a more limited and useful comparison is to those states that have a per capita income which is comparable to Maine's. According to the U.S. Department of Commerce, in 1994 Maine had a per capita personal income of \$19,482. Seven other states had a per capita personal income between \$18,000 and \$20,000. Using these seven states as a means of comparison, the Commission compared judicial salaries for 1996:

		Associate		
	Chief Justice	Judges Highest	Superior	District Court
	Highest Court	Court	Court Judges	Judges
Arizona	103,538	101,130	96,314	NA
Tennessee	101,820	101,820	92,892	NA
North Carolina	98,756	96,000	87,000	76,500
Texas	97,470	94,686	85,217	NA
Maine	90,168	85,858	81,198	77,961
Idaho	80,763	79,183	74,214	NA
North Dakota	78,072	75,936	71,413	NA
South Dakota	74,468	74,468	74,468	NA

Source: National Center for State Courts, 1996.

1996 Judicial Salaries in States with Per Capita Income From \$18,000 to \$20,000

While the workload measured by budgeted resources, judges per capita and clearance rates rank near the top of all fifty states, the salaries paid to Maine's judiciary fall somewhere in the middle of those states with comparable per capita incomes. The Commission found that a fair and realistic goal for increasing the direct salaries for Maine's judiciary is to establish salaries that would place Maine at or near the top of these selected states.

FINDING: Salaries Compared to Other Public Positions. The Commission finds that Maine's judicial salaries are not in line with salaries of other professional positions of comparable or lesser responsibility in the public sector in Maine.

Another relevant comparison is how judicial salaries compare to other key professional positions in the public sector in Maine. The following salaries paid to individual public sector employees provide an appropriate frame of reference:

Chancellor, University of Maine System (UMS)	\$135,000
Dean of the School of Law, UMS	\$105,837
Professor of Law, UMS	\$100,267
Physician III, AMHI & BMHI (10)	\$122,117

The disparity in incomes is especially pronounced when one takes into account the opportunity for earning outside income. Unlike other professional positions in the public sector such as physicians and law professors, a sitting judge is required to forego other income opportunities while serving as a judge. As the State Compensation Commission noted in its 1984 report:

In considering the question of compensation for the judiciary, it is essential to remember that appointments to the courts are unlike election to public office, appointment to senior positions in state government, or selection of an employee or partner in a private firm. We expect judges to devote full energy and attention to the cause of justice, to eliminate personal, professional or economic interests that could conflict with the exercise of independent and dispassionate judgment in criminal and civil matters. (p. 8)

FINDING: Salary Differential Between District & Superior Courts. As a matter of internal equity, the Commission finds that the salary differential between District Court Judges and Superior Court Justices is no longer justified.

When the District Courts were created in 1962, the jurisdiction of the District Court was limited to the jurisdiction of the prior municipal courts and trial justices, civil actions seeking damages up to \$1,200, and domestic relations cases. Now, nearly 35 years later, the jurisdiction is much broader. The upper limit on damages in District Court is now \$30,000 and the District Court has exclusive jurisdiction of mental health commitment hearings, mental retardation certification hearings, habitual truancy actions and small claims. The District Court also has jurisdiction concurrent with the Superior Court on a wide variety of issues.

The Commission to Study the Future of Maine's Courts studied this issue extensively in 1991 and 1992 and recommended the equalization of salaries for the judges of the two systems. It concluded:

Current Superior and District Court judicial salaries should be equalized to reinforce the position that there is no difference in the quality and the importance of the work of all Maine trial judges. Parity should be achieved by increasing District Court levels to those of the Superior Court, as soon as possible, but at least within the next five years. Pay equalization must not compromise funding for future increases in the salaries of current Superior Court judges. (p. 67)

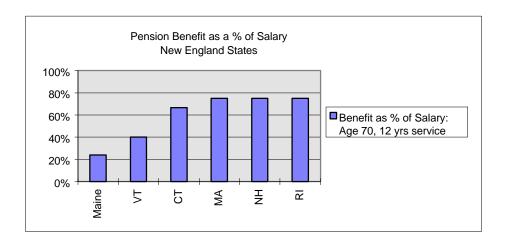
The Judicial Compensation Commission believes that the arguments are even stronger today for equalization of salaries than they were five years ago. The practice of judicial cross assignment has become much more prevalent in the past few years, further evidence that the skills, experience and judgment required for the two are the same. In addition, in the years since the Futures Commission's recommendations, the emphasis on prompt resolution of issues such as family violence, child abuse and child support have increased the significance of the District Court's work even further. For example, the State's child support enforcement laws have led to an increase in the number of paternity suits, some of which are very complex. The outcome of these proceedings not only affect the parties but also affect the State's AFDC payments. These changes demonstrate the

need to equalize the salaries. The Commission believes that increasing the District Court judges' salaries will ensure internal equity in the judicial compensation system and will enhance administrative flexibility.

FINDING: Pension Benefits. Maine's overall pension benefit is substantially lower than that provided in the other New England states.

Maine must consider the entire compensation package, including not only direct compensation but the judicial pension plan and the availability of per diem employment opportunities in retirement, as a means of attracting experienced private sector attorneys to the bench.

Under the pension benefit provided under the Maine Judicial Retirement System, Maine's accrual rate is the lowest in New England, other than the accrual rate for Vermont judges who serve less than 12 years. A Maine judge retiring at age 70 with 12 years of service would receive 24% of salary, in Vermont it would be 40%, in Connecticut it would be 66 2/3% and in New Hampshire, Massachusetts and Rhode Island, it would be 75% of salary. Maine and Vermont are the only New England states that use an accrual system—a more typical approach for judicial pensions is to provide a benefit of 75% or 66 2/3% of salary upon meeting eligibility criteria such as age 65 and 10 or 15 years of service.



FINDING: Breach of Faith. A great disservice was done to the members of the judiciary during the 1980's when their pension benefit was reduced substantially to compensate for increases in their direct compensation that were planned but not fully implemented

The Commission feels strongly that, with respect to the reduction in pension benefits, the members of the judiciary have not been treated fairly. Prior to 1984, a Maine judge retiring at the age of 70 with 7 years of service (or 65 with 12 years or age 60 with 20 years) was entitled to a pension of 75% of salary. In 1984, the State Compensation Commission recommended a major change to the judicial pension plan to coincide with its recommendation that judicial salaries parallel federal judicial salaries. The benefit was changed from a non-contributory 75% of salary, to a benefit based on an accrual rate of 2% per year of service with a contribution from the judge of 6.5% of pay. The plan also included a maximum benefit of 60% of pay because, the Commission noted, "that ceiling is warranted by the proposed salary levels." (p. 12). It also noted:

It is apparent that the relatively generous provisions of the retirement system for those judges who qualify under the plan was developed as partial compensation for the relatively low salaries paid judges during their active service. Continuing those provisions under a more realistic salary system would be neither desirable nor necessary. A reformed retirement benefit system should also eliminate the discriminatory aspects of the present system, whose eligibility requirements can discourage younger lawyers from serving as judges. (p. 8)

The change to the retirement benefit was made for service after 1984 and the judicial salaries were increased as recommended. The 1988 Commission recognized that a continuing link with federal salaries was not feasible and rather, recommended a 3-year schedule of salary increases followed by annual cost of living increases based on changes in the CPI. Instead of adopting these proposals, the Legislature gave less than half the salary increase recommended and capped the cost of living increases at 4% per year. Despite the prior commitment to grant such increases, the Legislature amended the law since that time to prohibit granting cost of living increases to judges entirely in fiscal years 89-90, 92-93, 93-94, and 94-95.

FINDING: Per Diem Rate for Active Retired Judges. The per diem rate for service as an active retired judge is not adequate to serve as an attractive alternative to full retirement.

An additional mechanism to attract and retain the most highly qualified attorneys to the bench is to provide more adequate compensation for service as an active retired judge. The Commission believes that the prospect of supplementing retirement income while continuing some degree of judicial service as an active retired judge may serve to attract some individuals to the bench who might not otherwise be interested.

RECOMMENDATIONS

The Judicial Compensation Commission believes that adopting the following recommendations will assure the citizens of Maine that the State will be able to attract the most highly qualified candidates to serve on the bench. The recommended improvements to the compensation package are intended to attract highly qualified candidates from diverse legal backgrounds. These recommended changes will also serve to encourage those members of the bench to continue in their commitment to maintaining the tradition of judicial quality to which we are accustomed.

RECOMMENDATION ON EQUALIZATION OF SALARIES. The Judicial Compensation Commission recommends that salaries for District Court Judges and Administrative Court Judges be increased to a level equal to the salaries for Superior Court Justices.

Although the jurisdiction of the District Courts and the Superior Courts differ in some respects, the salary differential between the judges in the two courts is no longer justifiable. As explained on pages 6 and 7 of this report, the types of cases heard in the two courts are of equal importance to the State and its citizens and the same degree of experience, training and judgment is required of the judges.

RECOMMENDATION ON DIRECT COMPENSATION. The Judicial Compensation Commission recommends that the direct compensation for members of the judiciary be increased.

The Judicial Compensation Commission recommends the following salary increases:

- Chief Justice, Supreme Court from \$92,430 to \$115,000;
- Associate Justice, Supreme Court from \$88,004 to \$100,000:
- Chief Justice, Superior Court from \$87,380 to \$98,000;
- Associate Justices, Superior Court from \$83,226 to \$94,000;
- Chief Judge, District and Administrative Courts from \$83,889 to \$98,000;
- Deputy Chief Judge, District from \$81,881 to \$96,000; and
- Associate Judges, District and Administrative Courts from \$79,911 to \$94,000.

While these increases may seem substantial, they are modest in light of the minimal increases the judiciary has received over the past few years. The Chief Justice of the Supreme Judicial Court, who is also the chief administrator of the Judicial Branch, is singled out for a greater increase to accurately reflect the full range of responsibilities of that position. The Commission notes that these increases will not by themselves solve the somewhat adverse working conditions currently faced by members of Maine's judiciary; nor will these increased salaries be sufficient to compete with the private sector if salaries are the only consideration. However, the Commission strongly believes that these recommended salary increases, which are intrinsically linked to our recommendations on pension benefits and the per diem rate for active retired judges, provide a comprehensive package of compensation and recognition that is designed to attract and retain highly qualified lawyers to serve on the bench and to appropriately reflect the weight of the responsibility on those who serve.

These salary increases are prudent and more than warranted when the significance of the judiciary's responsibilities is considered. The Commission believes that it is crucially important to acknowledge the judiciary's role and responsibilities and the highly productive manner in which they currently function by providing appropriate and justifiable salaries.

RECOMMENDATION ON PENSION BENEFIT ACCRUAL. The Commission recommends that the pension benefit for judges be improved prospectively by increasing the accrual rate from 2% to 3% for each year of service as a judge.

As mentioned earlier, the Commission believes the State should make a greater effort to offer a compensation package that will result in a greater diversity of experience on the bench. The Commission believes it is essential to have an attractive pension in order to be able to induce qualified attorneys to leave private practice for the bench. While the current structure provides an adequate pension for a judge serving 30 years, it is particularly lacking for those who will only serve 10 to 20 years. If Maine wants to be able to attract attorneys with a substantial amount of experience to the bench, improvements in the accrual rate must be made.

RECOMMENDATION ON PENSION BENEFIT CAP. The Commission recommends that the pension benefit for judges be improved by increasing the cap on the benefit from 60% to 70% of final average earnings.

Increasing the accrual rate without also increasing the maximum benefit available under the Judicial Retirement System will essentially penalize long-term service.

Accordingly, the cap should be increased to 70% of final average earnings.

The increase in the accrual rate and benefit cap will also help remedy the disservice done to many sitting judges by the reduction in the pension plan made in 1984. Fairness dictates that these changes be made retroactive given the ongoing nature of the harm. Our recommendation, however, does not include retroactive application because of the impracticality of making such a proposal.

To allow the improvements to apply retroactively would create an unfunded liability for the Judicial Retirement System. Not only is this undesirable from a policy perspective, it is inconsistent with the recent constitutional amendment prohibiting the creation of additional unfunded liabilities under the Maine State Retirement System. In a letter dated April 25, 1996, Maine's Attorney General issued an opinion that this provision also prohibits the creation of unfunded liabilities under the Maine Judicial Retirement System. Consequently, the Commission recommends that the increase in the accrual rate and the increased cap on benefits should apply only to service as a judge performed after the effective date of the change and should not apply to creditable service based on employment prior to the effective date of the change. The Commission believes that making these improvements prospective only will be the most prudent way to address the inequities created by past "reforms" and provide a pension benefit that is attractive to a diverse pool of future potential judges.

There is a potential problem with these proposals to improve the pension benefit for judges. Regulations under the Internal Revenue Code that are scheduled to go into effect in 1999 would prohibit public sector pension plans from providing more generous benefits to highly-compensated employees than are provided to other employees. This "non-discrimination rule" required by ERISA currently applies to all pension plans offered in the private sector but it has not yet been extended to the public sector. The Internal Revenue Service recognizes that there are certain unique features of governmental employers that may preclude application of the non-discrimination rule in the same fashion as in the private sector. The exact manner in which these rules would be applied, if indeed they are implemented, is still an open question. The application of the non-discrimination rule to the public sector has been delayed a number of times over the past twenty years, most recently until 1999. In addition, legislation has been introduced in Congress to make permanent the current exemption of public pension plans from the non-discrimination rules. The Judicial Compensation Commission is not comfortable speculating on the future of this issue.

RECOMMENDATION ON PER DIEM RATE FOR ACTIVE RETIRED JUDGES. The

Judicial Compensation Commission recommends that the per diem rate provided to Active Retired Judges be increased from \$150 to \$300.

An increase in the per diem rate for active retired judges is a critical part of this Commission's plan. The State benefits from the use of highly experienced, retired judges at a per diem rate that is less than the salary cost of active judges. It is not only economical but also provides a measure of flexibility in scheduling cases. However, over time, the current \$150 per diem has become unrealistically low.

An increase in the per diem to \$300 will continue to be a bargain for the State when compared against salaries for active judges and, at the same time, will provide incentive for retired judges to remain in active retired status.

In addition, we believe that this increase in the per diem, together with the recommended increases in the pension plan benefits and direct compensation will be attractive to highly qualified attorneys in private practice who would be welcome additions to the judiciary.

RECOMMENDATION ON REPEAL OF SUNSET PROVISION. The Judicial

Compensation Commission recommends that the existing sunset repeal of the Commission in 1999 be repealed.

The statutory provisions that created a Judicial Compensation Commission and govern its work also include a sunset provision that will result in the repeal of those provisions in 1999. The Commission believes that an ongoing review of judicial compensation is the most appropriate and effective means of ensuring the continued fairness of judicial salaries. The Commission notes that past efforts to establish statutory formulas for judicial salary increases were not successful. The importance of the judiciary as a separate but co-equal branch of government compels the continuation of a Judicial Compensation Commission to review the topic of judicial compensation on a regular basis independent from reviews of executive branch positions.

COST

The Commission has calculated that it will cost an additional \$1,030,727 in General Fund dollars in annual costs to implement these recommendations. The Commission strongly believes that this additional investment in Maine's judiciary is clearly warranted and long overdue. As a separate and co-equal branch of government, the Judicial Branch has primary responsibility for ensuring justice by protecting constitutional rights, processing criminal cases, and resolving civil disputes. The Judicial branch has met this responsibility with a budget that represents a small fraction of total State expenditures, much of which has been generated by the Courts directly. The judiciary has repeatedly shouldered its share of budget cuts, some of which have resulted in the earlier cited failures to provide promised judicial salary increases. The Commission feels that costs of implementing the recommendations are justified by the importance of the work of the judiciary to the citizens of Maine. The details of the Commission's cost calculations are included as Appendix A.

IMPLICATIONS

The level of judicial compensation appropriate for our State's judiciary must be determined within the broader framework of the value we place on having a Judicial Branch of government capable of providing impartial interpretation of our laws and administering justice in a fair and efficient manner. We expect quality justice from our courts and expect it regardless of which courthouse we enter. If we consider one of the benefits to our system of government the idea that everyone is entitled to the highest quality judge we as a State can provide, then we must do more to ensure that we are, in fact, attracting and retaining the most highly qualified individuals in the State. Ignoring the need to provide a more attractive compensation package will jeopardize the tradition of excellence we have experienced within the Judicial Branch and may jeopardize the confidence we all have in our judicial system. While the costs of these changes can not be taken lightly, the benefits of implementing these recommendations are vast.