

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: SB 446**Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office***Only Impacts on Original or Engrossed  
Versions are Considered Official***Prepared by: John Terpening  
Reviewed by: Daron Hill, Steve Bender  
Date: 4-6-2015**Measure Description:**

Provides for annual adjustment of judges' salaries based on Consumer Price Index.

**Government Unit(s) Affected:**

Judicial Department, Legislative Assembly

**Summary of Expenditure Impact:** See Analysis**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

The measure would allow for the Chief Justice of the Supreme Court to adjust the salaries of judges based on the percentage increase from the previous calendar year of the Consumer Price Index (CPI) for the Portland-Salem area as published by the Bureau of Labor and Industries. The adjusted salaries would become effective July 1 of the year in which the adjustment is made. The first change to judges' salaries would be made July 1, 2016.

The fiscal impact is indeterminate because the first potential salary adjustment would be made on July 1, 2016 based on the CPI for 2015, which has yet to be determined. In order to estimate the potential impact, Oregon Judicial Department (OJD) used the 10-year average of CPI increases for the Portland-Salem area from 2004 to 2014. This 10-year average growth is 2.36%.

The following table shows the potential increase to judges' salaries based on the 10-year average:

	<b>Current</b>	<b>2015-17 (July 1, 2016)</b>	<b>2017-19 (July 1, 2017)</b>	<b>2017-2019 (July 1, 2018)</b>
Circuit Court	\$124,468	\$127,406	\$130,414	\$133,493
Tax Court	\$128,164	\$131,190	\$134,287	\$137,457
Court of Appeals	\$132,820	\$135,956	\$139,165	\$142,451
Court of Appeals – Chief Justice	\$135,688	\$138,891	\$142,170	\$145,527
Supreme Court	\$135,688	\$138,391	\$142,170	\$145,527
Supreme Court – Chief Justice	\$138,556	\$141,827	\$145,175	\$148,603

Using this 10-year average estimate, and assuming no change to the current number of judges, the potential increase to OJD in the 2015-17 biennium would be \$748,831 General Fund and \$3,066,454 General Fund in 2017-19.