

OREGON JUDICIAL DEPARTMENT Office of the State Court Administrator

December 6, 2021 (SENT BY EMAIL)

Senator Elizabeth Steiner Hayward, Co-Chair Representative Dan Rayfield, Co-Chair Interim Joint Committee on Ways and Means 900 Court Street NE H-178 State Capitol Salem, OR 97301-4048

Re: Report on Judicial Compensation

Dear Co-Chairpersons:

Nature of Request

The Oregon Judicial Department (OJD) requests that the committee acknowledge receipt of this report proposing an increase in judicial compensation and recommend to the February 2022 legislative session a corresponding increase in General Funds appropriation and statutory change to enact the proposed increase to judicial salaries.

Background

Salaries are set in statute for elected judges who preside in the state's unified court system in the Supreme Court, Court of Appeals, Tax Court and Circuit Courts. Those statutory salaries are increased either by an increase approved by the legislature, or by operation ORS 292.428, which provides that judicial salaries will receive the same cost-of-living adjustment (COLA) increase as awarded to management service employees in the executive branch. Unlike staff salaries, however, judicial salaries are not required to be based on market comparisons and judges do not receive merit or step increases according to a compensation plan. While COLAs are helpful in keeping up with inflation, this mechanism does not adjust salaries to keep current with changing market conditions.

Despite much-appreciated increases in judicial compensation in recent years, judicial salaries in Oregon continue to lag behind salaries in other states, as noted in the biannual salary survey conducted by the National Center for State Courts (NCSC). While Oregon's salary for circuit court judges now ranks 35th nationally in absolute dollars, Oregon's comparatively higher cost of living means Oregon's cost-adjusted salary for circuit court judges is 50th in the country.

Interim Joint Committee on Ways and Means Page 2 December 6, 2021

Not only do judicial salaries lag behind other states, Oregon's salaries for state attorney employees have risen substantially due to market-based adjustments. These increases have resulted in a large and growing gap between high-level state-paid attorney salaries and the judges they may be appearing before.

The following chart shows the difference in salaries in 2023, after the COLAs authorized in the 2021-23 biennium are in effect. It demonstrates the significant and growing gap between judicial salaries and salaries for senior and management attorneys in the Department of Justice (DOJ) and in the Office of Public Defense Services (OPDS).



To reduce the disparity, OJD recommends increasing judicial salaries by 10% on July 1, 2022, and again on January 1, 2023. The first increase would put Oregon's circuit judge salaries at 26th in the country for cost-adjusted salaries (using the most recent NCSC study), and the second increase would pay them slightly more than senior attorneys in the Department of Justice and Office of Public Defense Services, but still significantly less than DOJ and OPDS attorneys in management roles.

Interim Joint Committee on Ways and Means Page 3 December 6, 2021

The cost for the current and subsequent biennium are estimated in the following table.

Biennium	General Fund
2021-23 Bienniu	m \$7.0 million
2023-25 Bienniu	m \$19.8 million

Such an increase, other things being held equal, would put circuit court judge salaries closer to the comparator state-paid attorneys:



Action Requested

The Oregon Judicial Department requests that you acknowledge receipt of this report of a proposed increase in judicial compensation and for the committee to recommend to the February 2022 legislative session a corresponding increase in General Funds appropriation of \$7.0 million and the necessary statutory changes to increase judicial officer salaries.

Interim Joint Committee on Ways and Means Page 4 December 6, 2021

Legislation Affected

General Fund appropriation established under HB 5012 (Oregon Laws 2021, chapter 557, section 1(1)) during the 2021 Regular Legislative Session.

Compensation language in ORS 292.406, 292.411, 292.416, and 292.426.

Sincerely,

losis ancy 1

Nancy Cozine State Court Administrator

NC:jm/21eNC028jm

ec: Chief Justice Martha L. Walters John Borden, Principal Legislative Analyst, LFO April McDonald, Policy and Budget, DAS-CFO David Moon, Director, BFSD, OJD