

Report of the Judicial Compensation Commission

Austin, Texas
November 30, 2012



“A strong and qualified, independent judiciary is vital to a civilized and balanced government, and in order to attract qualified candidates and retain experienced judges, adequate judicial compensation is essential.”

Testimony - Public Comment Committee Meeting
June 21, 2012

Judicial Compensation Commission

William Strawn, Chair

Term Expires: 2/1/15

Mr. Roman Chavez

Term Expires 2/1/15

Thomas Harwell, Member

Term Expires 2/1/15

Cruz G. Hernandez, Member

Term Expires 2/1/13

Harold Jenkins, Member

Term Expires 2/1/17

Patrick Mizell, Member

Term Expires 2/1/13

P. Bane Phillippi, Member

Term Expires 2/1/15

Linda Russell, Member

Term Expires 2/1/13

Michael Slack, Member

Term Expires 2/1/17

205 W. 14th Street, Suite 600

P O Box 12066

Austin, Texas 78711-2066

(512) 463-1625

www.courts.state.tx.us/oca/jcc/jcc.asp

TABLE OF CONTENTS

Executive Summary	1
History and Function of the Commission	3
Current Structure of Judicial Salaries	4
Factors Considered by the Commission	5
Factor 1: Skill and Experience Required of the Particular Judgeship.....	6
Factor 2: Value of Compensable Service Performed by Justices and Judges, as Determined by Reference to Judicial Compensation in Other States and the Federal Government.....	9
Factor 3: Value of Comparable Services Performed in the Private Sector, Including Private Judging, Arbitration and Mediation	11
Factor 4: Compensation of Attorneys in the Private Sector.....	12
Factor 5: Cost of Living and Changes in the Cost of Living.....	12
Factor 6: Compensation from the State Presently Received by Other Public Officials	14
Factor 7: Other Factors Traditionally Considered.....	16
Factor 8: Level of Overall Compensation that is Adequate to Attract the Most Highly Qualified Individuals, from a Diversity of Life and Professional Experiences, to Serve in the Judiciary Without Unreasonable Economic Hardship and with Judicial Independence Unaffected by Financial Concerns.....	16
Conclusion	17
Appendices	
Appendix A: Estimated Cost of Recommendation.....	18
Appendix B: Minutes of Commission Meetings	19
Appendix C: County Supplement Received by District Judges.....	38
Appendix D: County Supplements Received by Intermediate Appellate Courts.....	39
Appendix E: State Bar Survey on Full-Time Private Practitioner Salaries, 2011	40

EXECUTIVE SUMMARY

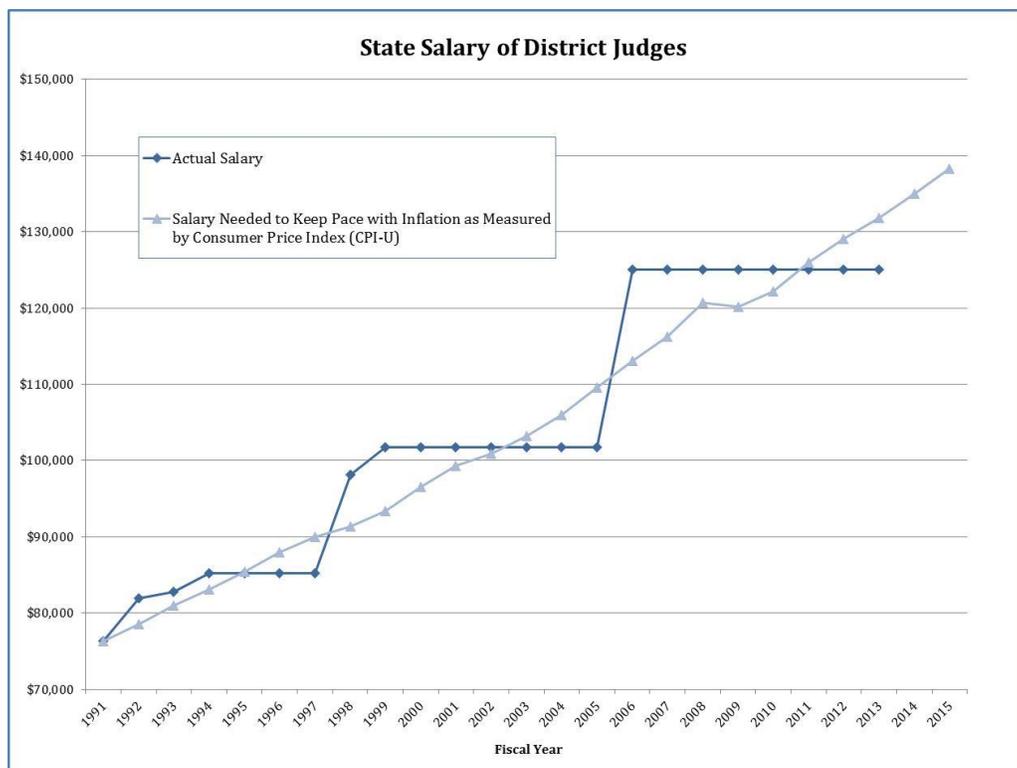
Texas is the second largest state in our nation, in both area and population. The judiciary of a state of the size and stature of Texas must be equipped to handle not only the number of cases filed, but also the complexity and importance of the cases needing adjudication.

Many factors contribute to supporting a judiciary that can competently address the needs of its citizens. One of those factors is judicial compensation. In 2007, the Texas Legislature formed the Judicial Compensation Commission (the “Commission”) specifically to look at that factor and, each biennium, recommend the proper salaries to be paid by the state for all justices and judges of the Supreme Court, the Court of Criminal Appeals, the courts of appeals, and the district courts.

Findings

Section 35.102(b) of the Texas Government Code lists eight factors that the Commission is required to consider in determining a “proper” salary. Based on the information it has gathered and reviewed, the Commission has made the following findings:

- In order to maintain a strong, qualified and independent judiciary, and in order to attract qualified candidates and retain experienced judges, appropriate judicial compensation is essential.
- The last judicial salary increase was effective December 1, 2005.
- Current judicial salaries lag behind the rate of inflation and are now lower than salaries paid in 1990 when factoring inflation.



Recommendation

As a result of its findings, the Commission recommends that salaries of the justices and judges of the Supreme Court, the Court of Criminal Appeals, the 14 courts of appeals, and the district courts be established as shown in the table below for the 2014-2015 biennium:

Recommended Judicial Compensation

Judge	State Salary	Additional Compensation	Total	% Increase Above Current Total Compensation	Adjusted National Ranking
Supreme Court Chief Justice/ Court of Criminal Appeals Presiding Judge	\$184,791	n/a	\$184,791	21.2%	---
Supreme Court Justice/ Court of Criminal Appeals Judge	\$182,291	n/a	\$182,291	21.5%	2
Court of Appeals Chief Justice	\$169,600	up to \$7,500	\$177,100	21.1%	---
Court of Appeals Justice	\$167,100	up to \$7,500	\$174,600	21.5%	3
District Court Judge	\$151,909	up to \$15,000	\$166,909	21.5%	2

Cost

The fiscal impact to the state of the judicial salary increases recommended by the Commission is estimated to be approximately \$15.2 million per year for judicial salaries for fiscal years 2014 and 2015.¹ There will also be an additional fiscal impact of approximately \$6.3 million per year on the Judicial Retirement System (JRS) Plan I and Plan II for the same time period. For more detailed information regarding the cost of implementing the Commissions' recommended salaries, refer to Appendix A.

¹ This estimate assumes that the Legislature would increase only the state portion of the judges' salaries and would leave the system of county supplements in place.

HISTORY AND FUNCTION OF THE COMMISSION

The Judicial Compensation Commission was created by the 80th Legislature effective September 1, 2007.² It is composed of nine members who are appointed by the Governor with the advice and consent of the Senate to serve six-year terms. No more than three members serving on the Commission may be licensed to practice law.

The Commission is responsible for making a report to the Texas Legislature no later than December 1 of each even-numbered year recommending the proper salaries to be paid by the state for all justices and judges of the Supreme Court of Texas, the Court of Criminal Appeals of Texas, the courts of appeals and the district courts. In recommending the proper salaries for the justices and judges, the Commission is required to consider the factors listed in Section 35.102(b) of the Texas Government Code. (*See* page 5).

The Commission held its first meeting of the biennium on February 23, 2012, at the Office of Court Administration. At this meeting, the Commission decided to continue using the committee structure established during the previous biennium. Pat Mizell volunteered to chair the Fact Gathering Committee, and Michael Slack volunteered to chair the Public Comment Committee. A Legislative Committee chaired by William Strawn was also established to ensure that the Legislature is informed of the Commission's report.

The Public Comment Committee took comment on issues related to judicial compensation at a meeting on June 21, 2012, in the Capitol Extension.

The Data Gathering Committee worked with staff of the Office of Court Administration to compile and analyze data concerning the factors that must be considered by the Commission. Mr. Strawn presented a summary of the Data Gathering Committee's findings to the Commission at its meeting on September 14, 2012.

The Commission also met on October 25, 2012, to finalize its recommendations and again on November 16, 2012, to adopt this report.

The minutes of the Commission's meetings for the biennium are attached as Appendix B.

² Acts 2007, 80th Legislature, Regular Session, Ch. 1090, September 1, 2007. Texas Government Code, Chapter 35.

CURRENT STRUCTURE OF JUDICIAL SALARIES

The state salary of justices and judges of the Supreme Court, the Court of Criminal Appeals, the courts of appeals and the district courts are set by the Texas Legislature in the General Appropriations Act. Section 659.012 of the Texas Government Code provides the salary minimums that must be paid by the State and provides salary differentials that must be maintained between the three levels of the judiciary paid by the state—the highest appellate courts, the intermediate appellate courts and the district courts. In addition, Sections 31.001 and 32.001 of the Texas Government Code authorize counties to supplement the salaries of the courts of appeals justices and the district court judges that have jurisdiction in their counties.

Judicial Compensation Levels Since 2005			
Judge	State Salary	Additional Compensation ¹	Total
Supreme Court Chief Justice/ Court of Criminal Appeals Presiding Judge	\$152,500	n/a	\$152,500
Supreme Court Justice/ Court of Criminal Appeals Judge	\$150,000	n/a	\$150,000
Court of Appeals Chief Justice	\$140,000	up to \$7,500	\$147,500
Court of Appeals Justice	\$137,500	up to \$7,500	\$145,000
District Court Judge	\$125,000	up to \$15,000	\$140,000

Currently, the annual state salary of a district judge is \$125,000. The total annual salary including county supplements for a district judge is limited to \$140,000—\$5,000 less than the combined salary from state and county sources provided for a justice of a court of appeals. In counties with more than five district courts, local administrative district judges are entitled to an additional \$5,000 from the state.

Of the 456 district court judges in the state, only 8 do not receive a county salary supplement. The majority, 370 judges (81 percent), receive a supplement that is at or close to (within \$2,000) the maximum allowed by law. A table listing the county supplements received by district judges is provided in Appendix C.

A justice of a court of appeals is entitled to 110 percent of the state salary of a district judge, which currently amounts to \$137,500. The total annual salary including supplements for a court of appeals justice, other than a chief justice, is limited to \$5,000 less than the salary of an associate justice on the Supreme Court, for current maximum of \$145,000. Chief justices of the courts of appeals are entitled to an additional \$2,500 from the state.

All of the justices of the 14 courts of appeals in Texas receive county supplements, and justices on all but two courts of appeals (employing a total of seven justices) receive the

maximum allowed by law. A table listing the county supplements received by the justices of the courts of appeals is provided in Appendix D.

A justice or judge on the highest appellate courts—the Supreme Court and the Court of Criminal Appeals—is entitled to an annual salary from the state that is equal to 120 percent of the annual state salary of a district court judge, for a current salary of \$150,000. The chief justice of the Supreme Court and the presiding judge of the Court of Criminal Appeals are entitled to an additional \$2,500 from the state. None of the justices or judges sitting on the highest courts of Texas receive any county supplements.

Judges who have completed at least 16 years of service also receive longevity pay in an amount equal to 3.1 percent of the judge’s current monthly state salary (approximately \$322 per month, or \$3,864 per year). Longevity pay is not dependent on whether a judge serves on a district, intermediate appellate, or high court.

Presiding judges of the administrative judicial regions, and district judges who preside over silica or asbestos multi-district litigation are entitled to additional compensation as well.

FACTORS REQUIRED TO BE CONSIDERED BY THE COMMISSION

In determining what a “proper” salary would be, the Commission is required to consider the following eight factors:

- 1) the skill and experience required of the particular judgeship at issue;
- 2) the value of compensable service performed by justices and judges, as determined by reference to judicial compensation in other states and the federal government;
- 3) the value of comparable service performed in the private sector, including private judging, arbitration, and mediation;
- 4) the compensation of attorneys in the private sector;
- 5) the cost of living and changes in the cost of living;
- 6) the compensation from the state presently received by other public officials in the state, including:
 - A) state constitutional officeholders;
 - B) deans, presidents, and chancellors of the public university systems; and
 - C) city attorneys in major metropolitan areas for which that information is readily available;
- 7) other factors that are normally or traditionally taken into consideration in the determination of judicial compensation; and
- 8) most importantly, the level of overall compensation adequate to attract the most highly qualified individuals in the state, from a diversity of life and professional experiences, to serve in the judiciary without unreasonable economic hardship and with judicial independence unaffected by financial concerns.³

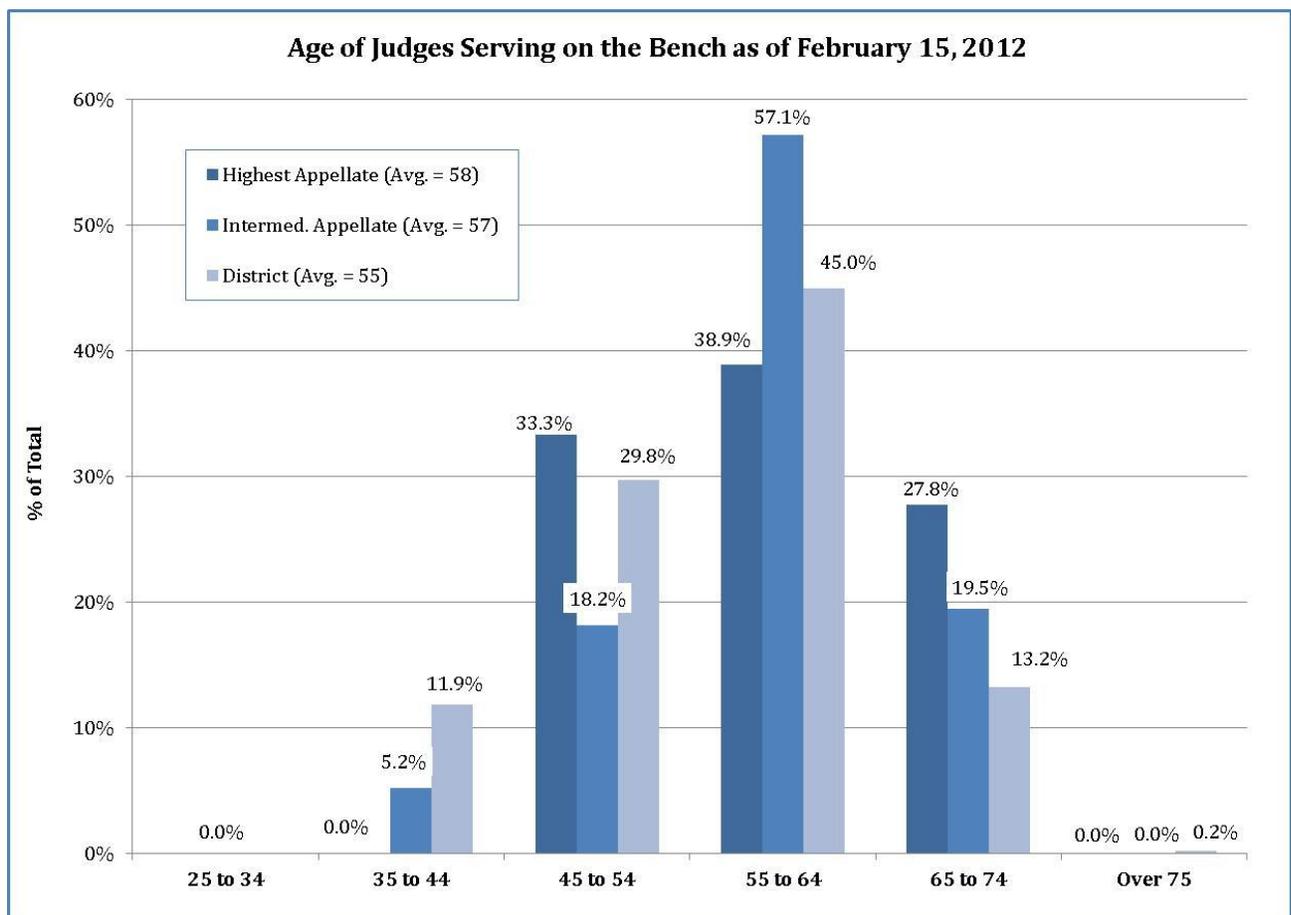
The following is a summary of the Commission’s analysis of the data collected for purposes of determining the proper salary for the State’s justices and judges of the Supreme Court, the Court of Criminal Appeals, the courts of appeals, and the district courts.

³ Government Code, Section 35.102(b).

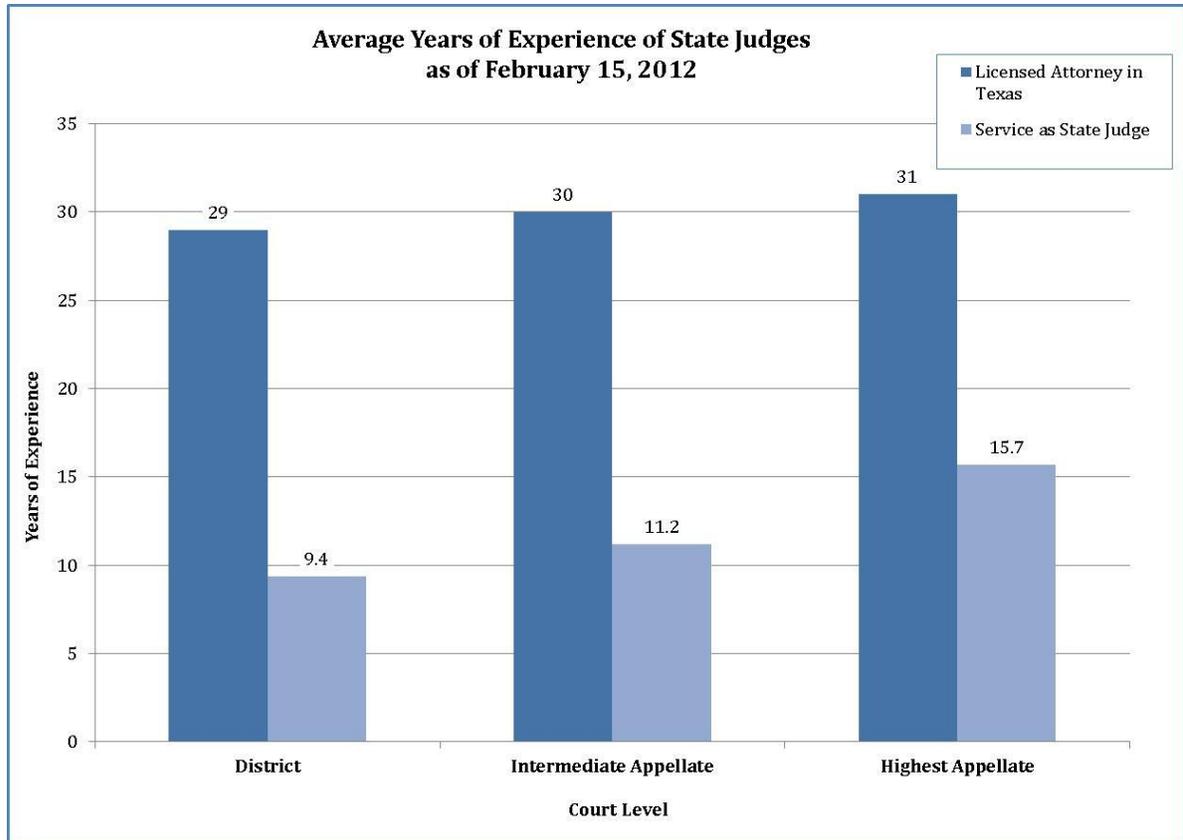
Factor 1: Skill and Experience Required of the Particular Judgeship at Issue

District court judges must be at least 25 years old and have been a practicing lawyer or judge, or both combined, for at least four years. Appellate court justices and judges must be at least ten years older—35 years or older—and have practiced law or been the judge of a court of record and practiced law for at least 10 years.

Data reviewed by the Commission show that the Texas state judiciary is very experienced. According to demographic statistics maintained by the Office of Court Administration, more than 61 percent (332 of 542 judges) of the judges serving on the bench in February 2012 were 55 years of age or older, and the average age at each court level was 55 years or more.

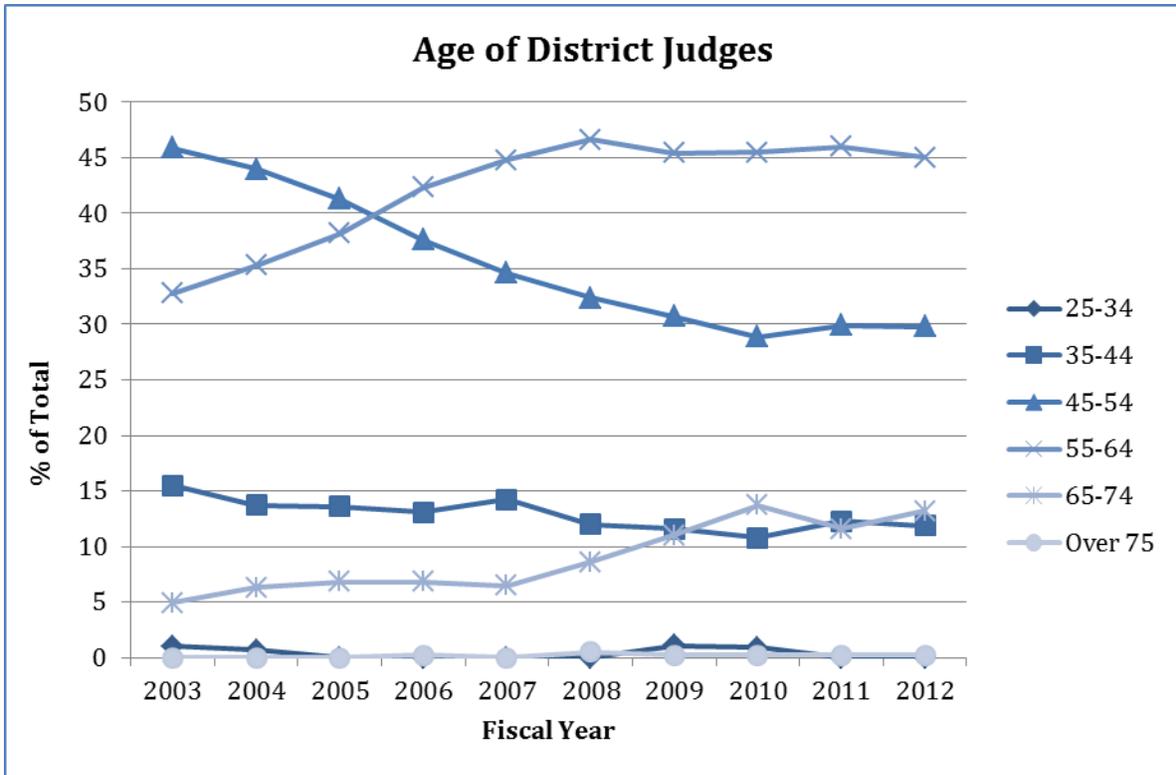


As of February 2012, active district judges had served an average of 9.4 years on the bench and an average of 29 years as attorneys (including the years of judicial service). Justices of the intermediate appellate courts had served an average of more than 11 years on the bench and an average of 30 years as attorneys. Justices and judges of the highest appellate courts had served an average of nearly 16 years on the bench and an average of 31 years as attorneys.

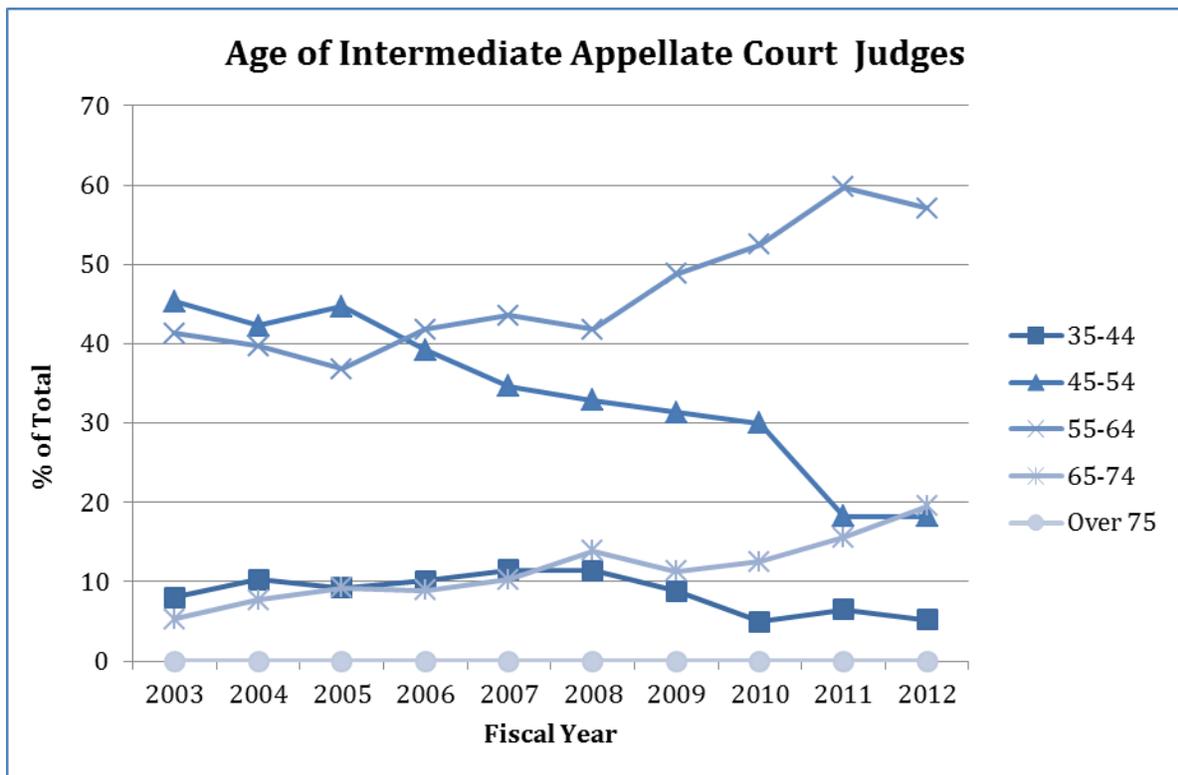


This information reveals that the Judiciary is able to attract individuals to the bench who have significant experience. While this experience may be viewed positively, it may also indicate that compensation is a barrier to younger but still experienced attorneys. Instead, those younger attorneys may be required to pursue private practice, where compensation levels are often significantly higher, before entering public service.

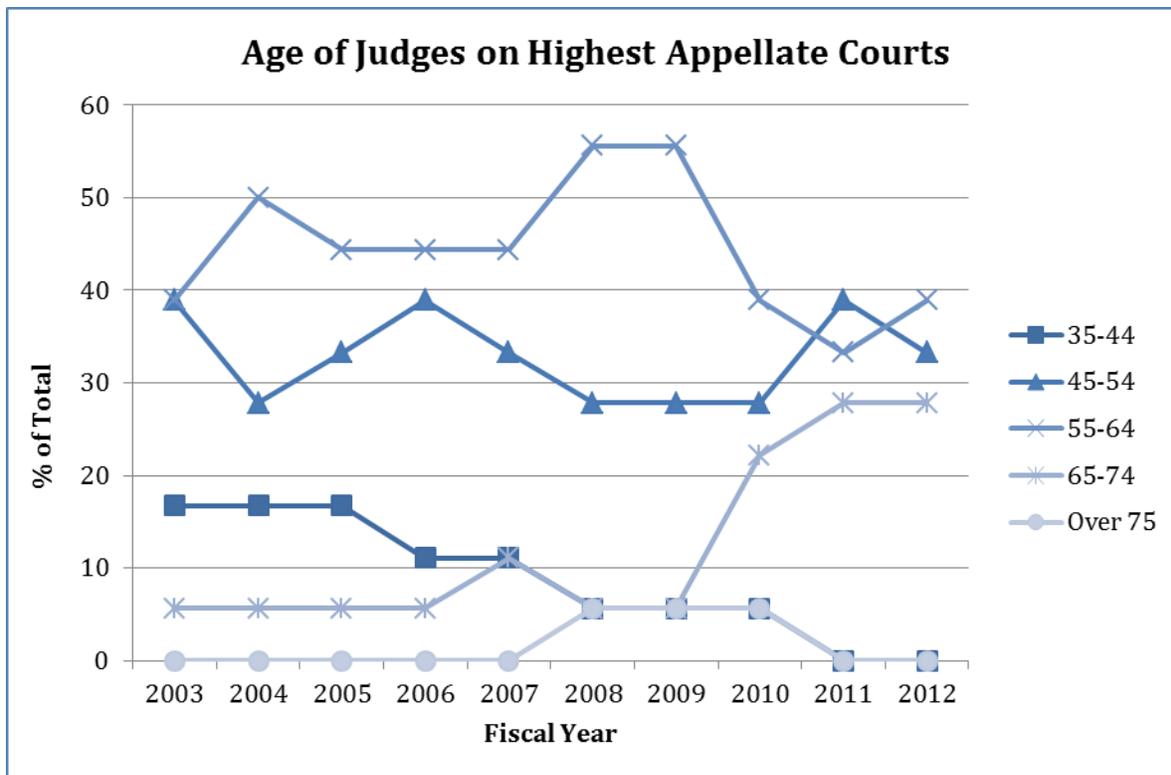
Demographic profile data on the ages and service on the bench for Texas judges shows that while the years of service on the bench has stayed consistent over the past decade at most court levels, the age of those serving as judges has increased. At the district court level, 46% of the judges serving on the bench in 2003 were between the ages of 45-54 and just under 33% of the judges serving were between the ages of 55-64. That demographic has switched in 2012 where the majority of judges now are between the ages of 55-64. The three younger age ranges are decreasing while the three older age ranges are increasing.



The intermediate appellate court demographic shift is even more dramatic. While 45% of justices were between the ages of 45-54 in 2003, approximately 77% of the justices are now over the age of 55.



The demographic shift has occurred at the highest appellate courts as well. In 2003, 39% of the justices were between the ages of 45-54, while only one-third of the justices are now in that age range today. While only 47% of the justices were over 55 in 2003, 67% of the justices are now in that age range.



With the reality that a large percentage of judges and justices may be retiring in the near future, it is more important than ever to ensure that compensation is set at a level adequate to recruit the future generation of judges and justices to the bench.

Factor 2: Value of Compensable Service Performed by Justices and Judges, as Determined by Reference to Judicial Compensation in Other States and the Federal Government

Other States - A wealth of data exists about the judicial salaries in other states. These data have been collected by the National Center for State Courts (“NCSC”) for each year since 1974. The NCSC provides data on the actual and “normalized” salaries of judges. The purpose of normalizing data is to allow for an apples-to-apples comparison of salaries between states by adjusting salaries in each state by a cost-of-living factor to determine the purchasing power of that salary in a given state. The Center uses the most widely accepted United States source of cost-of-living indices, the indices produced by the Council for Community and Economic Research (C2ER, formerly known as the ACCRA organization).⁴

For its comparison of compensation in other states, the Commission focused on salaries in the nine other most populous states.

⁴ National Center for State Courts, *Survey of Judicial Salaries*, Vol. 37, No. 1, pg. 2, January 1, 2012.

On the basis of actual salary, judges in Texas' highest courts rank 25th in the nation. When salaries are adjusted by a cost-of-living factor, Texas judges rank 12th.

Salaries of Judges of Highest Courts in the Ten Most Populous States as of January 1, 2012 ⁵							
State	2010 Population		Unadjusted		Adjusted		
	Pop.	National Rank	Salary	National Rank	Adj. Factor	Salary	National Rank
Illinois	12,830,632	5	\$209,344	2	95.07	\$220,200	1
Pennsylvania	12,702,379	6	\$195,309	3	101.85	\$191,761	3
Michigan	9,883,640	8	\$164,610	15	92.89	\$177,210	7
Georgia	9,687,653	9	\$167,210	13	94.59	\$176,773	8
California	37,253,956	1	\$218,237	1	130.03	\$167,836	11
Texas	25,145,561	2	\$150,000	25	90.92	\$164,980	12
Florida	18,801,310	4	\$157,976	20	97.68	\$161,728	14
Ohio	11,536,504	7	\$141,600	33	93.93	\$150,751	21
New York ⁶	19,378,102	3	\$192,500	4	130.03	\$148,043	25
North Carolina	9,535,483	10	\$137,249	36	96.78	\$141,815	30

Assuming a maximum possible salary (with county supplements) of \$145,000, justices of the intermediate appellate courts in Texas rank 19th in terms of actual salaries, but 8th when adjusted for cost-of-living. However, if county supplements are not considered, Texas ranks 24th nationally in terms of the actual salaries paid (and 15th when adjusted).

Salaries of Justices of Intermediate Appellate Courts in the Ten Most Populous States as of January 1, 2012 ⁶							
State	2010 Population		Unadjusted		Adjusted		
	Pop.	National Rank	Salary	National Rank	Adj. Factor	Salary	National Rank
Illinois	12,830,632	5	\$197,032	2	95.07	\$207,249	1
Pennsylvania	12,702,379	6	\$184,282	4	101.85	\$180,935	3
Michigan	9,883,640	8	\$151,441	13	92.89	\$163,033	7
Georgia	9,687,653	9	\$166,186	9	94.59	\$175,691	5
California	37,253,956	1	\$204,599	1	130.03	\$157,348	10
Texas	25,145,561	2	\$145,000	19	90.92	\$159,481	8
Florida	18,801,310	4	\$150,077	14	97.68	\$153,641	13
Ohio	11,536,504	7	\$132,000	30	93.93	\$140,530	23
New York ⁷	19,378,102	3	\$187,900	3	130.03	\$144,505	19
North Carolina	9,535,483	10	\$131,531	31	96.78	\$135,907	28

⁵ National Center for State Courts, *Survey of Judicial Salaries*, Vol. 37, No. 1, pg. 2, January 1, 2012.

⁶ Reflects salary approved for 2014 by the New York Special Commission on Judicial Compensation.

Assuming a maximum possible salary (with county supplements) of \$140,000, Texas district court judges rank 19th nationally in terms of actual salaries and 8th when cost-of-living adjustments are factored in. However, if county supplements are not considered, Texas ranks 36th in actual salaries paid to general jurisdiction trial court judges (and 20th when adjusted).

Salaries of District Judges in the Ten Most Populous States as of January 1, 2012 ⁷							
State	2010 Population		Unadjusted		Adjusted		
	Pop.	National Rank	Salary	National Rank	Adj. Factor	Salary	National Rank
Illinois	12,830,632	5	\$180,802	1	95.07	\$207,249	1
Pennsylvania	12,702,379	6	\$169,541	7	101.85	\$166,461	4
Georgia	9,687,653	9	\$149,873	12	94.59	\$158,445	7
Texas	25,145,561	2	\$140,000	19	90.92	\$153,982	8
Michigan	9,883,640	8	\$139,919	20	92.89	\$150,629	10
Florida	18,801,310	4	\$142,178	17	97.68	\$145,555	11
California	37,253,956	1	\$178,789	2	130.03	\$137,498	20
New York ⁸	19,378,102	3	\$174,000	5	130.03	\$133,815	23
Ohio	11,536,504	7	\$121,350	41	93.93	\$129,192	29
North Carolina	9,535,483	10	\$124,382	38	96.78	\$128,520	31

Federal Judges⁹ - In the past, the Commission has chosen not to tie its recommendation to the salaries of federal judges. No other state does so, and federal salaries are not normalized; that is, a federal judge in California earns the same salary as a federal judge in Illinois, even though there is a large difference in the cost of living between those states. For these reasons, the Commission did not consider federal judges' salaries in making its recommendation.

Factor 3: Value of Comparable Services Performed in the Private Sector, Including Private Judging, Arbitration and Mediation

In the past, the Commission was unable to gather definitive information about the rates of compensation that can be obtained in the private sector by serving as a private judge, arbitrator or mediator. As a result, the Commission did not examine data for this factor.

⁷ National Center for State Courts, *Survey of Judicial Salaries*, Vol. 37, No. 1, pg. 2, January 1, 2012.

⁸ Reflects salary approved for 2014 by the New York Special Commission on Judicial Compensation.

⁹ Federal district court judges are currently paid \$174,000; circuit court of appeals justices are paid \$184,500 and associate justices on the United States Supreme Court are paid \$213,900. The Chief Justice of the Supreme Court is paid an additional \$10,000.

Factor 4: Compensation of Attorneys in the Private Sector

The Commission reviewed data collected by the State Bar of Texas on the salaries of full-time, private practitioners in 2011. The median and average salaries are summarized in the chart below. (Refer to Appendix E for further detail.)

Compensation of Full-Time, Private Practitioners in 2011		
	Median Salary	Average Salary
Overall	\$113,120	\$153,434
Lawyers with 11 to 15 years of experience	\$115,983	\$146,973
Lawyers with 16 to 20 years of experience	\$130,859	\$164,434

Additionally, a survey conducted by the *Texas Lawyer* and published in its October 29, 2012, edition (Vol. 28, No. 22) showed that the average salary in 2012 for first year associates in 17 of the 25 largest firms in Texas was \$154,705 and that 14 of the 17 firms paid their first year associates \$160,000.

To become a judge, many attorneys may not only have to take a decrease in salary but may also have to relinquish many opportunities for income and investment due to the code of ethics that is unique to the judicial branch of government.

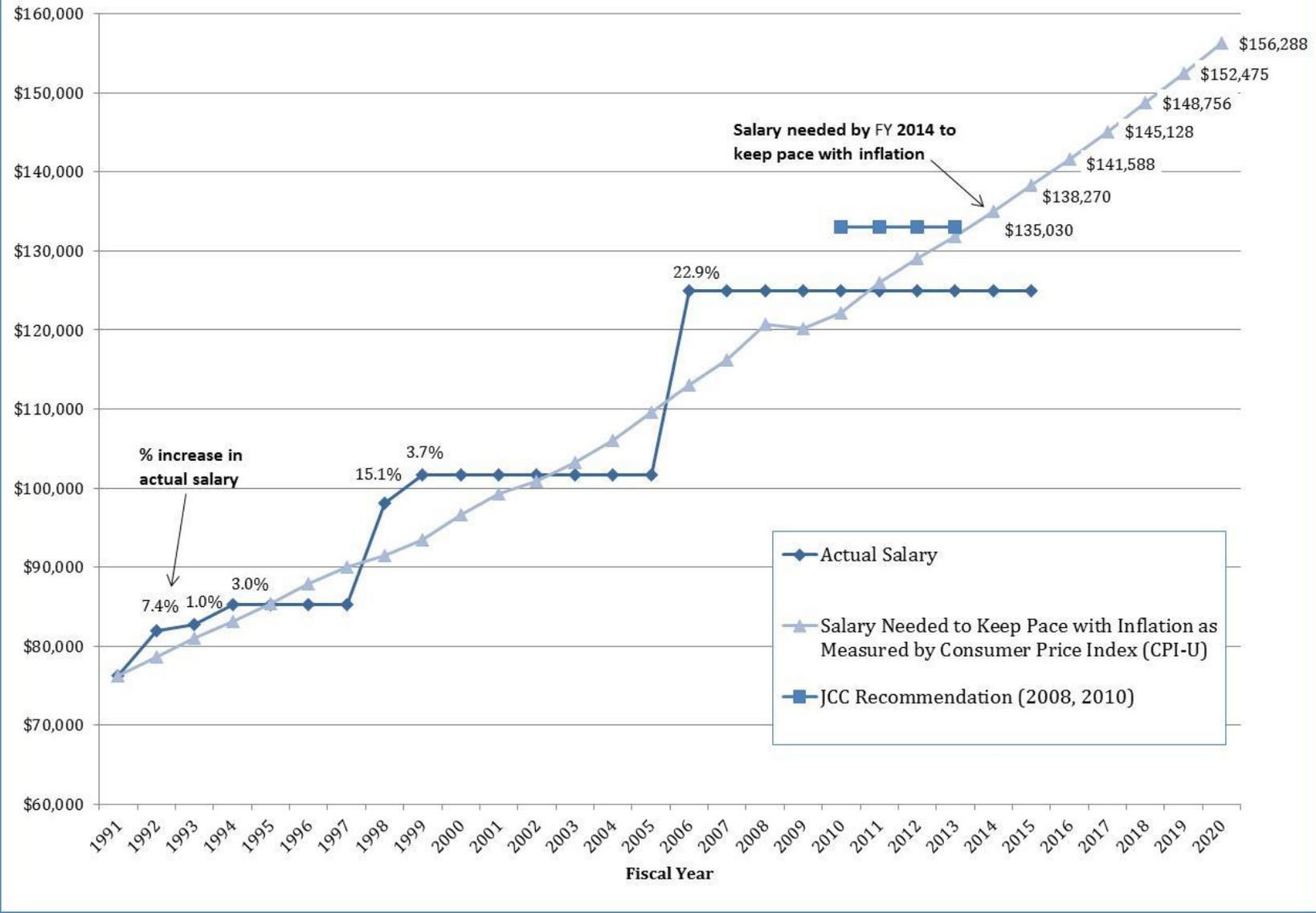
While every public servant knows that they are unlikely to earn as much as they would in the private sector, the current level of and process for establishing judicial compensation are disincentives for high quality, experienced attorneys to enter the judiciary. They are also incentives for current judges to leave the judiciary, as evidenced by the testimony from numerous judges who have had to leave or are planning to leave for financial reasons.

Factor 5: Cost of Living and Changes in the Cost of Living

Reported by the U.S. Bureau of Labor Statistics, the Consumer Price Index for all Urban Workers (CPI-U) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services, such as transportation, food and medical care.

The following chart illustrates the relationship between judicial salaries and the CPI-U from 1991 to present. From 1998 to 2005, judicial salaries stayed static while inflation (measured by the CPI-U) climbed by 20 percent. From December 2005 (when the last salary adjustment was implemented) to September 2012, inflation rose another 17.6 percent. The chart also shows that since fiscal year 2011, judicial salaries have lagged behind the rate of inflation; salary levels are now lower than 1990 levels when factoring in inflation. Had the Commission's 2010 recommendations been implemented, salaries would have kept up with inflation.

State Salary of District Judges



Note: This chart assumes that the salaries of judges in 1991 were proper and adequate, which may or may not have been the case.

The Commission also finds this chart to be a compelling display of:

- the inconsistent and unpredictable changes made to judicial salaries over the years,
- the eroding power of inflation on judicial salaries, and
- the substantial increases that had to be made to “catch up” salaries with the cost of living due to the inconsistent and infrequent adjustments made to judicial salaries.

This unpredictable pattern of adjustments can cause an otherwise adequate salary to become inadequate and financially worrisome. In addition, while the occasionally significant increases made to judicial salaries may seem to “catch up” salaries levels to the cost of living, the judges actually lose potential income from interest they could have earned on increased salary levels during that period.

The Commission understands and appreciates the need of the Legislature to control the budget by evaluating each biennium the effect of proposed increases, and so the Commission is making a specific recommendation only for the upcoming biennium. The Commission believes, however, that **anticipating regular adjustments is one of the most important policy goals to be achieved for Texas judicial salaries.** The current system for compensating judges is unpredictable and creates lengthy periods during which judges’ compensation is eroded by inflation. Regular, systematic increases would make judicial compensation more predictable and would offset the effects of inflation.

Factor 6: Compensation from the State Presently Received by Other Public Officials

The Commission is required by statute to consider the compensation from the state presently received by other public officials in the state, including state constitutional officeholders; deans, presidents, and chancellors of the public university systems; and city attorneys in major metropolitan areas for which that information is readily available.

In the past, the Commission has not found data on the salaries of deans, presidents, and chancellors of the public university systems, nor the salaries of executive directors of large state agencies, to be useful in their analysis; as a result, that information was not reviewed for the 2012 report. The Commission also reviewed the salaries of city attorneys in the 20 most populous cities and did not find the information particularly useful due to the wide variability in the salaries paid to those attorneys.

The Commission also reviewed the salaries of elected state constitutional office holders; however, the duties of the various office holders are so distinct from each

other and from the duties of judges that the Commission did not find this information particularly useful in its analysis.¹⁰

The most compelling data, however, came from a survey of salaries received by county court at law judges in Texas. The results of the survey revealed that:

- A county court at law judge in El Paso and Tom Green counties earn more than the Chief Justice of the Supreme Court and the Presiding Judge of the Court of Criminal Appeals.
- A county court at law judge in Hidalgo makes more than a justice on the Supreme Court or judge on the Court of Criminal Appeals (when an the \$8,000 car allowance is included in the analysis).
- County court at law judges in a few counties make as much as or more than a chief justice on the intermediate appellate courts.

Salaries of County Court at Law Judges Compared to Salaries of Texas State Judges as of February 2012		
Judge	Salary	Notes
Tom Green CCL Judge	\$157,954	Includes \$9,000 drug court supplement
El Paso CCL Judge	\$157,420	
Chief Justice of Supreme Court/ Presiding Judge of Court of Criminal Appeals	\$152,500	
Supreme Court Justice/ Judge of Court of Criminal Appeals	\$150,000	
Potter CCL Judge	\$149,532	
Kendall CCL Judge	\$147,465	
Cherokee CCL Judge	\$146,904	
Wise CCL Judge	\$145,000	
Harris, Parker CCL Judges	\$144,204 to \$144,344	
Hidalgo CCL Judge	\$142,915	Plus \$8,000 car allowance
Angelina, Aransas CCL Judges	\$142,001 to \$142,664	
Brazos, Montgomery, Travis, Starr CCL Judges	\$140,127 to \$140,965	

¹⁰ The Attorney General, Comptroller of Public Accounts and Governor earn \$150,000 per year. The Agriculture Commissioner, Commissioner of the General Land Office and Railroad Commissioners earn \$137,500 per year.

Galveston, Tarrant CCL Judges	\$140,000	
Court of Appeals Chief Justice	\$140,000	up to \$147,000 with supplement
Bexar, Bowie, Dallas, Erath, Guadalupe, Jefferson, Johnson, Kerr, Liberty, Lubbock, McLennan, Midland, Nueces, Rockwall, Williamson CCL Judges	\$139,000	
Calhoun, Collin, Nacogdoches, Randall CCL Judges	\$138,693 to \$138,927	
Brazoria CCL Judge	\$137,500	
Court of Appeals Justice	\$137,500	up to \$145,000 with supplement

Factor 7: Other Factors Traditionally Considered

Except for a brief discussion on judicial turnover, the Commission did not consider any other factors that are not already discussed above. To provide the Legislature with information to facilitate legislation that ensures that the compensation of state judges is adequate and appropriate, the 79th Texas Legislature charged the Office of Court Administration (OCA) with collecting information related to state judicial turnover. Section 72.030 of the Texas Government Code requires OCA to obtain data on the rate at which state judges resign from office or do not seek re-election, as well as the reason for these actions. The results for the latest report are available on OCA's website at <http://www.courts.state.tx.us/pubs/jud-turnover-reports.asp>.

Twenty-five of the 47 judges (53.2 percent) who voluntarily left the state judiciary from September 1, 2009 through August 31, 2011, responded to OCA's judicial turnover survey. Respondents were asked to indicate which factor(s) influenced their decision to leave the state judiciary. The most common factors that strongly influenced respondents' decision to leave were retirement (56 percent), salary (48 percent) and the judicial election process (48 percent). Although the majority of respondents named retirement as the most significant factor, their comments often referred to *financial issues* as well as the *ability to earn more by retiring* than by continuing to serve as an active judge.

Factor 8: Level of Overall Compensation that is Adequate to Attract the Most Highly Qualified Individuals, from a Diversity of Life and Professional Experiences, to Serve in the Judiciary Without Unreasonable Economic Hardship and with Judicial Independence Unaffected by Financial Concerns

The Commission viewed the analysis required by the first seven factors to be relevant to the analysis of the last factor. Based on those analyses, **the Commission concluded that an adjustment in compensation is necessary and appropriate in order to seek to attract the most highly qualified individuals, from a**

diversity of life and professional experiences, to serve in the judiciary without unreasonable economic hardship and with judicial independence unaffected by financial concerns.

Salaries of lawyers vary widely and can reach ranges that are many times that paid for judicial service. Given this reality, it must be recognized that many highly-qualified lawyers in Texas will see service as a judge as a substantial economic sacrifice. All of the public comments obtained by the Commission, in fact, advanced the view that judicial compensation was still insufficient and needed to be increased.

Conclusion

Based on its evaluation of the factors the Commission is required to consider, including the effect of inflation on judicial salaries, the Commission concluded that it is necessary and appropriate to adjust judicial salaries and recommends that salaries be established as shown below for the 2014-2015 biennium:

Recommended Judicial Compensation*

Judge	State Salary	Additional Compensation	Total	% Increase Above Current Total Compensation	Adjusted National Ranking
Supreme Court Chief Justice/ Court of Criminal Appeals Presiding Judge	\$184,791	n/a	\$184,791	21.2%	---
Supreme Court Justice/ Court of Criminal Appeals Judge	\$182,291	n/a	\$182,291	21.5%	2
Court of Appeals Chief Justice	\$169,600	up to \$7,500	\$177,100	21.1%	---
Court of Appeals Justice	\$167,100	up to \$7,500	\$174,600	21.5%	3
District Court Judge	\$151,909	up to \$15,000	\$166,909	21.5%	2

* Cost of recommended salaries is provided in Appendix A

The Commission also stresses that future gradual, biennial adjustments based on cost of living increases due to inflation are an important part of maintaining and attracting top talent to the bench.

Appendix A: Estimated Cost of Recommendation

The following table provides more detailed information regarding potential fiscal impacts related to judicial salaries and budget items that are linked to judicial salaries, such as prosecutors' salaries.¹¹

Estimated Annual Fiscal Impact of Recommended Salaries

State Judge Salary Increases	\$15,219,742
<i>Highest Courts</i>	\$581,238
<i>Courts of Appeals</i>	\$2,368,000
<i>District Courts</i>	\$12,270,504
Retirement ¹²	\$6,266,000
<i>JRS 1</i> ¹³	\$5,300,000
<i>JRS 2</i> ¹⁴	\$966,000
District Attorneys	\$4,154,750
County Attorney Supplements	\$921,618
Statutory County Court Judge Salary Supplements ¹⁵	\$4,100,932

¹¹ See Government Code Sections 25.0015, 41.013, 45.175, 45.280, 46.002, 46.003 and 46.0031.

¹² The fiscal impact information related to the retirement system was provided by the Employees Retirement System of Texas (ERS). The impact to ERS resulting from increases to the annuities of elected officials and prosecutors who receive a salary from the state is *de minimus* and is not included in the estimated fiscal impact.

¹³ The recommended salary increases will have a fiscal impact of approximately \$5.3 million to fund projected benefit payments for Judicial Retirement System (JRS) Plan 1.

¹⁴ Under current law, the state is required to contribute 6.5% of the salary of active JRS Plan II judges to JRS Plan II. If judicial salaries are increased as proposed, the increased state contribution will result in an additional fiscal impact of approximately \$966,000 per year.

¹⁵ Funded by filing fees and court costs under Government Code Section 51.702.

Appendix B: Minutes of Commission Meetings



Texas Judicial Compensation Commission

205 WEST 14TH STREET, SUITE 600 • TOM C. CLARK BUILDING • (512) 463-1625 • FAX (512) 463-1648
P. O. BOX 12066 • AUSTIN, TEXAS 78711-2066

CHAIR:
BILL STRAWN

Minutes
Judicial Compensation Commission Meeting
February 23, 2012
10:00 a.m.
Office of Court Administration
6th Floor Conference Room, 205 West 14th St.
Austin, Texas

I. Call to Order and Roll Call

William Strawn, Chair of the Judicial Compensation Commission, called the meeting to order at 10:00 a.m. at the Office of Court Administration in Austin, Texas. Maria Elena Ramon, General Counsel for the Office of Court Administration, called roll. Five members were present, which provided the necessary quorum for the meeting.

The following members of the Commission were present: William Strawn, Romulo Chavez, Linda Russell, and Michael Slack. Patrick Mizell attended by telephone conference. Tommy Harwell, Cruz Hernandez, Harold Jenkins and Bane Phillippi were not present.

Office of Court Administration staff present were Carl Reynolds, Administrative Director; Maria Elena Ramon, General Counsel; Judy Speer-Gamino, Assistant General Counsel; Angela Garcia, Judicial Information Manager; and Amanda Stites, Judicial Information Specialist.

Also present were Robert N. Baldwin, Jennifer Cafferty (by telephone), Tricia Stinson, Hasan Mack, and Hank Mitchell.

II. Welcome and Introductions

Mr. Strawn welcomed the members of the Commission, OCA staff, and others present. He invited each member of the Commission and OCA staff to

introduce themselves and to provide a brief description of their background and experience with the Commission.

III. Introduction of Robert N. Baldwin By Carl Reynolds

Mr. Reynolds introduced the Commission's guest speaker, Robert N. Baldwin, Executive Vice President and General Counsel for the National Center for State Courts.

IV. Presentation By Robert N. Baldwin

Mr. Baldwin provided a statistical summary report which utilizes data collected from states regarding judicial salaries. States are divided into three categories based upon how judicial salaries are set. The three categories are states without judicial compensation commissions, states with compensation commissions whose recommendations are mandatory and those with commissions whose recommendations are advisory. Mr. Baldwin discussed the advantages and disadvantages to each type. The report provided five and ten year comparisons for salaries of Supreme Court Associate Judges and general jurisdiction judges for each state. Mr. Baldwin provided an overview of national trends in the setting of judicial salaries. He stressed that the primary issue is the quality of justice available to our citizens and the independence of the judicial system. He noted that difficult economic conditions highlight the need for the judicial branch to show that sound money management practices are in effect and that the judicial branch is being well run and well managed. He emphasized the need for effective working relationships and credibility with the legislature. Mr. Baldwin discussed with the members of the Commission some ideas for enhancing awareness of the Commission's work and ensuring adequate consideration of the Commission's recommendations.

V. Review of Commission Mission and Previous Recommendations

Mr. Strawn reviewed the mission of the Commission, the provisions contained in Chapter 35 of the Government Code and the recommendations made by the Commission in its last report.

VI. Approval of Minutes from Meeting on October 8, 2010.

It was moved and seconded that the minutes from the meeting on October 8, 2010 be approved. A vote was taken and all were in favor of approval of the minutes.

VII. Discussion and Recommendations for Further Study

Mr. Strawn noted that he wanted a different approach to this biennium's report. He stated that previous reports have been factual and data driven and suggested that in completing this year's report the Commission also focus on

new methods of presenting and discussing the report's findings and conclusions.

The members discussed suggestions for how to improve the report and how to ensure that the Legislature is aware of the Commission's recommendations. It was suggested that the Commission be included in the opening sessions of the appropriate legislative committees where the various agencies provide background information regarding their agency's mission and purpose to committee members. It was also suggested that the Commission request to be heard during the appropriations hearings in which the judiciary's budget is discussed.

VIII. Committee Assignments

The following committee assignments were made:

Data and Presentation Committee:

Mr. Patrick Mizell, Chair
Mr. William Strawn
Mr. Michael Slack
Ms. Linda Russell

Public Comments Committee:

Mr. Michael Slack, Chair
Mr. Roman Chavez

Legislative Resource Committee:

Mr. William Strawn, Chair
Mr. Michael Slack
Mr. Pat Mizell

IX. Future Meetings

It was determined that future meeting dates for the committees and for the Commission will be arranged through OCA staff. It was noted that if a future Commission meeting is held in the courtroom of the Texas Supreme Court, it might be possible to do a webcast. OCA staff will check on this and report to the Commission members.

X. Adjournment

The meeting was adjourned at 11:44 a.m.



Texas Judicial Compensation Commission

205 WEST 14TH STREET, SUITE 600 • TOM C. CLARK BUILDING • (512) 463-1625 • FAX (512) 463-1648
P. O. BOX 12066 • AUSTIN, TEXAS 78711-2066

CHAIR:
BILL STRAWN

Minutes
Data Committee Meeting
May 30, 2012
10:00 a.m.
Meeting Held by Teleconference
205 W. 14th Street, Suite 600
Austin, Texas 78711

Members in attendance: Pat Mizell, Data Committee Chair
Bill Strawn
Linda Russell

OCA Staff in attendance: David Slayton, Administrative Director
Angela Garcia
Amanda Stites
Judy Speer-Gamino

The meeting was called to order at 10:00 a.m. by Pat Mizell, Chair of the Data Committee. Roll was called and a quorum was present.

Mr. Mizell began the meeting by noting that the task of the committee is to gather the necessary data and to decide how best to present the data. He stated that the one chart he found most important is the one that shows the increase relative to inflation—the one titled “District Judge Salaries Versus Alternatively-Triggered with 1991 as a Base.”

Angela Garcia advised that it is the same chart as one which has been used in the past. The difference in the updated chart is that inflation is now outpacing judicial salaries.

Bill Strawn noted that the Consumer Price Index (CPI) exceeded judicial salaries in 2011. He also suggested that the employment cost index (the measure of labor cost to business and government) be removed from the chart. Ms. Garcia agreed that it would make it simpler.

Mr. Mizell suggested that it would look starker if you started the timeframe for the chart at the last time there was a raise (December, 2005). Ms. Garcia said that although it looks more dramatic, it doesn't provide accurate information if done that way. She suggests that we need to show the history. Ms. Garcia will check on why 1991 was used as a starting point and will review the prior report of the Commission.

Mr. Strawn said the chart shows the need for regularity of raises in addition to showing that they are losing ground against inflation.

David Slayton suggested that even if the legislature were to increase salaries in the next session, they would not take effect until fiscal year 2014. Because of this, he suggested that we should project what the CPI will look like through calendar year 2014. Ms. Garcia said that we can do a projected average to illustrate this point. Mr. Mizell agreed that this is a good idea. Ms. Garcia also advised that since this chart only shows the first quarter of 2012, the gap is likely to go up significantly over the remainder of this year.

Mr. Strawn suggested that we create two versions. The first would project the CPI through 2014 with no increase and the second would project it through 2014 with the Commission's recommendations reflected.

Mr. Strawn stated that he felt that the two most compelling points are the chart and the comparison of Texas to other states in ranking.

Ms. Garcia noted that since New York has now given their judges raises scheduled to become effective in the years of 2012, 2013 and 2014, the ranking for Texas will be affected as each of those raises occur. Mr. Mizell suggested that it might be worthwhile to reflect the New York raises.

Mr. Strawn commented that people can get buried in the data and that we need to organize the major points we want to make—the CPI comparison and the state comparison—and give those priority in our presentation.

Mr. Mizell suggested that the charts ranking salaries in the 10 most populous states be reformatted to show rank by salary rather than by the state's population. All attendees agreed that it would make the charts more clear.

Ms. Garcia suggested that county court at law salaries also be reviewed. She advised that the number of instances of these salaries being greater than the salaries for higher level courts is growing. She noted that the current salary of the judge of the county court at law for Tom Green County is \$158,000 and that the salaries in El Paso County, Harris County, Hidalgo County, and Potter County also reflect how this is a growing issue.

Mr. Strawn stated that the need for regularity of raises and the need to get qualified candidates have been discussed in past Commission meetings. Ms. Garcia noted that this

is best reflected in the chart that compares salaries to the CPI. Ms. Garcia also suggested that we could pull out some comments from the judicial turnover survey and utilize those. Mr. Strawn suggested that including a couple of quotes on the chart would be a good idea.

Ms. Garcia asked Mr. Strawn if he would like her to prepare this information for his presentation to the Texas Judicial Council on July 8, 2012. He said yes and that he would send his presentation materials to Ms. Garcia by Monday.

The committee discussed where we are on assembling the report and Mr. Strawn noted that the format exists already and it is simple to drop in the updated information.

Mr. Strawn asked that Ms. Garcia send out the preliminary data to the members of the Commission. He noted that the Public Comment Committee will be meeting in June and that the next meeting of the Commission will be set after that. Ms. Garcia suggested that it would be best not to put too much into the preliminary data until we know what we want to include in the report.

Mr. Strawn stated that the Commission will be more assertive in its presentation to the legislature in order to enhance the impact of the information and recommendations.

Mr. Slayton noted that he had been advised about the Commission's desire to have more opportunities to present publicly and that OCA will assist in any way possible. He stated that one way OCA may be able to assist would be to allow the Commission to present as part of OCA's Legislative Appropriations Request.

Mr. Strawn suggested that if the Commission had more participation from the legislature it would be very valuable. He also mentioned the possibility of amending the statute to include members of the legislature on the Commission.

Ms. Garcia mentioned that another statutory change might be to eliminate some of the current data requirements that the Commission is required to review but are not helpful. Mr. Strawn asked Ms. Garcia to produce a list of the current data requirements that she recommends be eliminated.



Texas Judicial Compensation Commission

205 WEST 14TH STREET, SUITE 600 • TOM C. CLARK BUILDING • (512) 463-1625 • FAX (512) 463-1648

CHAIR:
BILL STRAWN

P. O. BOX 12066 • AUSTIN, TEXAS 78711-2066

Minutes
Public Comment Committee Meeting
June 21, 2012
10:00 a.m.
Texas Capitol Extension
Rm. E1.012
Austin, Texas

Committee Members in attendance:

Michael Slack, Chair
Roman Chavez
Harold Jenkins

Other Judicial Compensation Commission Members in attendance:

Tommy Harwell
Cruz Hernandez
Bane Phillippi

OCA Staff: David Slayton, Administrative Director
Angela García, Judicial Information Manager
María Elena Ramón, General Counsel
Glenna Bowman, Chief Financial Officer

I. Welcome and Introduction

Mr. Slack called the meeting to order at 10:00 a.m. and asked that the Commission members and Mr. Slayton introduce themselves and describe their profession and affiliation with the Commission.

II. Remarks by Chair

Mr. Slack explained the role of the Public Comment Committee. He also explained that the Judicial Compensation Commission is an advisory body and that its findings and recommendations are not binding upon the Legislature. He also expressed that the members of the Commission are keenly interested in seeing progress in advancing the recommendations of the Commission.

III. Public Comment

Justice Catherine Stone, Chief Justice of the 4th Court of Appeals, representing the Council of Chief Justices, stated that appellate judges, like any other working individual, would like to enjoy the benefits of an increase in pay that would at least keep up with the cost of living. She said she doesn't believe that any appellate justice wants an increase in pay at the expense of other items that are of significance, but stated that they do need an increase in pay and a protection of retirement and health benefits for those who work within the judicial system. She reminded the Committee that the judges of Texas have endured the reality of no pay raises since 2005 and in recent years have experienced increased costs and decreased benefits for both retirement and health insurance. She noted that if no pay raise is authorized in this upcoming legislative session, then by the end of the biennium it will be almost ten years since the last raise for judges. She said that we need to strive for excellence in candidates and that we need excellent judges. She also discussed the learning curve when a judge is replaced and the cost associated with the down time. She mentioned that in the 18 years she has served she has only received three raises. She said she could not have remained on the bench without her husband's income to supplement their family income and that she is very familiar with the often-cited reason for judges who leave the bench because of inadequate funding and college education needs for their children. She said she agreed wholeheartedly with what State Comptroller Carol Keeton Strayhorn said in 2004, "Serving as a Justice on a state appellate court should be the pinnacle of a distinguished legal career, not a financial penalty."

Mr. Slack asked Justice Stone whether the prior reports were complete and thorough and whether the Commission failed to address any important issues in the prior reports which it should include this time. Justice Stone responded that the only thing she would suggest to add to the report would be to try to find a measurement tool which would allow the Commission to provide data concerning the cost of judges leaving courts. Mr. Slack agreed that this was a very good point and noted that perhaps the data committee can assist in gathering that information.

Mr. Slack asked Justice Stone whether there were any recommendations in the prior reports with which she disagreed. Justice Stone responded that she could not think of anything.

Judge Mike Snipes, Criminal District Court Number 7 of Dallas County, said that Presiding Judge Ovard had requested he attend because he has decided not to seek reelection for the reasons that Justice Stone mentioned. He stated that one of the differences between him and other judges is that he is the presiding judge for a veterans' court that he founded in May of 2010 and that when he leaves his institutional knowledge will be lost. The veterans' court has the mission of rehabilitating soldiers, seamen, airmen, and marines that have come back from Iraq or Afghanistan. He stated that he is a retired Army Reserve Colonel and West Point graduate and that he served in Iraq. He is a former federal prosecutor with 35 years of public service. He is passionate about his job but feels he doesn't have a choice but to leave for the reasons that Justice Stone mentioned.

Mr. Slack asked if the Commission were to adopt base line salary recommendations as they did in the previous report, which would have resulted in a five percent increase for a district court judge, would that be enough of a difference. Judge Snipes responded that he didn't think it was enough, but that it was better than nothing. Mr. Slack expressed concern about losing judicial experience and how difficult it is to measure the loss in dollars.

Judge Ben Woodward, 119th District Court, emphasized that you want experience and qualified people on the court. He said the judiciary is subject to different ethics laws and cannons than the legislative and executive branch. There has to be confidence that judges have ruled on the basis of the law and not outside influence. As a result, the cannons of ethics prohibit judges from having businesses that interfere with being a judge. Thus judges lose clients and business opportunities when they leave private practice. Judge Woodward discussed how this affected him when he took the bench. He concluded by stating that judges make a financial sacrifice when they become judges and that the prior report issued by the Commission shows that at least forty percent of the people that went on the bench did so and gave up some other income sources when they did.

Justice Elizabeth Lang-Miers, 5th Court of Appeals and chair of the Judicial Section of the State Bar of Texas, stated that the judges recognize that these are difficult financial times but that it is difficult to recruit and retain good judges when over eight years have passed without a raise. She said she was in private practice for about 28 years and has served as a Court of Appeals Justice for a little over eight years. She said the Commission's reports are very thorough and exhaustive and agreed that it would be helpful, to the extent that it can be quantified, to capture the effect on the public of having the members of the judiciary leave the bench and then training new people and having them come up to speed. She emphasized that access to the courts is a significant Constitutional right and that the judiciary should be adequately funded and the judges receive a reasonable salary.

Mr. Slack noted that hard economic times are reflected on the docket and that this is the time we need our best judges in place. Mr. Harwell asked about the effect of a judge resigning or deciding to leave the bench and the transition. Justice Lang Miers responded

that it is a major challenge and sometimes cases have to wait for a new judge but in others a visiting judge can be used.

Judge David Evans, 48th District Court, stated there is a real cost to communities, citizens, and business when there are judges who lack ability, talent, motivation, or experience. He said the real cost is in the pocketbooks of the litigants, in the capital that is tied up in the business community that can't be used, and in the uncertainty that exists in their lives. He said it is impossible to plan around litigation when it is a company ending case, a divorce, or anything of that nature. He said when cases transition in that environment, depending on their complexity, litigation is often delayed for an exponential factor times the period of vacancy. He said to attract and retain talented and experienced and motivated judges, you need a fair base pay with predictable methods of increase that do not require significant legislative action. He also said an earlier longevity pay provision would also be helpful. Judge Evans spoke about his background and the fact that he is a 4th generation judge. He said he wanted to return to public service and did so at 55, but that the compensation and lack of longevity have him wondering whether he should return to private practice.

Judge Eric Shepperd, Travis County Court at Law No. 2, said there are a number of programs that many judges work on and could be lost if they don't stay on the bench for an extend length of time. He agreed that when there are hard economic times divorces and crime rates go up. There is also an increase in debt cases and forcible entry and detainer cases. He and Judge Phillips were able to work with volunteer legal services in Travis County to get representation for people in those cases, a program that took about two years to do. It is uncertain whether it will continue if he or Judge Phillips were to leave the bench. He said he does not have children but has aging parents and worries about being able to take care of them.

Judge Craig Smith, president of the Texas Association of District Judges, thanked the committee on behalf of the 449 state district judges in Texas. He said a stable, high quality, experienced judiciary is what everyone wants. He said past reports have not gotten very far because of politics and fiscal matters but that problems have gotten worse and the costs have even gotten larger. He said all of the judges support a pay raise and that they will work hard to help support anything that the Commission recommends and wishes to present.

Judge Stacy Trotter, a former judge, said that his presiding judge had asked him to come speak since he is one of the judges who left the bench as a result of the compensation issue. He talked about how he came to the bench and the difficult decision he made when he left his lucrative law practice. He also stated that he left the bench in January 2011 for financial reasons and the fact that there was no raise in sight. Judge Trotter explained that he thought he could supplement his income from savings but it was not adequate. He said it's a sacrifice but he admires the judiciary and those that are involved in public service. He said would like to go back, but his familial obligations are paramount to any obligation he owes to the public and that it's a shame that he's a casualty of the system. He said we have a great judiciary but they are grossly underpaid.

He also said retirement factored into his decision to resign. Under the current system, it would require 12 years of service for him to vest in the retirement system. He said some have indicated that they would not want to leave a place with a 401K pension that only takes 3 years to vest at 100%.

Judge Nathan White, representing retired, senior and former judges of the State of Texas, served as the first judge of the 366th Judicial District Court in Collin County for 17 years and has served as a senior judge for the last 6 years. He said these judges fill in the gaps when an active judge is unavailable. He also said that though they are not directly affected by the compensation for active judges, he supports his younger brothers and sisters in the judiciary in their need for compensation and for the committee's desire to make that available. He said they are indirectly affected because they receive compensation when they serve as an assigned judge and wanted to make the committee aware of this group of judges that has knowledge and experience and is called upon every day to serve when judges are unavailable.

Carl Reynolds, former administrative director of the Office of Court Administration, said he had reviewed the Commission's 2010 report and encouraged the committee to incorporate the material from that report into the upcoming report because it is very useful. Carl remarked that he was fortunate to have worked with the judiciary, which is comprised of outstanding judges. He also encouraged them to look at the issue of dissolving the linkage between the retirement package for elected officials and judicial salaries. Mr. Slack clarified that for every dollar of judicial increase, there's a multiplier because of the statutory linkage to the salaries and benefits of other officials. Mr. Reynolds also emphasized that it would be helpful to find a source of funding and try to make more sense out of the court costs and fees system. He reminded the committee of the New York court case that mentions that the judiciary has to depend on the good will of the legislative branch.

Mr. Slack agreed that the issue of funding would be raised and that they should be prepared and he welcomed any ideas. Mr. Slack and Mr. Reynolds also discussed some of the effects of the economy on court systems in other states and indicated that they are a great concern and should also be kept in mind.

Martha Dickie, representing the State Bar of Texas, said she was speaking from the perspective of the 90,000 lawyers in the state, a slightly different perspective. She said that if you examine history and current events, what we should be proudest of in this country is the third branch of government. She noted that what sets this country apart is its judiciary and the due process that we afford people. She stressed that that the issue of judicial compensation is very important. She also said that judges who are willing to engage in public service are not being afforded the respect they deserve. She said it is imperative that we have qualified people on the bench and they should receive adequate raises.

Carol Sims, the executive director of the Texas Civil Justice League, said her organization was founded in 1986 and was the first state legal reform organization in the

country. She said that most of what she had to say had already been covered but that she wanted to touch on the connection to the legislative retirement system. She said when the system was set up in the 1970's presumably the legislature thought that the judges would be accorded regular appropriate pay raises, but that hasn't been the case. Raises have come few and far between - approximately 8 to 10 years. She said judicial increases lead to negative press and the public perception is that the legislature is acting to increase their own retirement benefits. She suggested the committee take a strong look at the connection to legislative retirement and also consider proposing a system that does not require a new piece of legislation every session for the judges to get an appropriate review of their compensation package. Mr. Slack asked if she might be able to help find sponsors for legislation, and she said she would.

Junie Ledbetter, a member of the Board of Directors of the Texas Association of Defense Counsel, stated that almost everything that she had outlined for her presentation had already been discussed. She agreed that the link between judges' salaries and legislative retirement benefits is a tricky issue and likely to offend some people, but she said they have long supported the separation of the two systems and still maintain that position. She said her organization was willing to assist as needed and thanked the judges for all they do. Mr. Slack asked if they might be able to help find bill sponsors if needed, and she said they would.

Trevor Taylor, past president of the Capital Area Trial Lawyers and member of the Board of Directors of the Texas Trial Lawyers Association, said that he wanted to reiterate what others had said – that justice delayed is really justice denied. He said that on the plaintiff's docket, people who are injured can't get their lives back together if the docket is slow. On the other side of docket, business owners can't go back to work or are pulled away from business while cases are pending in the system. He stated that during tough economic times is precisely when you need sensitive, competent, qualified judges to be hearing cases because there is a rise in divorce and foreclosure cases. He said it's at this point that we need to turn our attention to retaining judges and recruiting them. He said the report the Commission has published shows that of those who responded to the judicial turnover survey, 43 percent indicated that that an increase in salaries might have changed their minds. He discussed other factors such as the effect of inflation and consumer price index and indicated his organization supports the work of the Commission. Mr. Slack asked if they might help find sponsors if needed, and he said yes.

Randy Howry, representing the Texas chapter of the American Board of Trial Advocates, said that his organization supports the work of the Commission and understands that in order for the judicial process to work, you must have competent and well-qualified individuals. He said that many lawyers consider running for office but are deterred by the compensation. He also said he was saddened to hear of so many stories of great judges with excellent programs leaving the bench.

IV. End of Public Testimony

Mr. Bane Phillippi introduced himself and asked to be excused for coming in late. He thanked everyone for their service. He also stated that he was an Iraq war veteran and thanked Judge Snipes for what he was doing with the veterans' court. He said Judge Snipes' situation was an example of what is happening because of judicial compensation.

Mr. Harold Jenkins, said that as a small business owner non-attorney non-judge, he really appreciates the personal testimony he heard because it adds to the information he reads in the report and what the Commission is trying to do. He thanked the judges for their commitment and sacrifice. He then introduced Chief Justice Carolyn Wright from the 5th Court of Appeals in Dallas County.

Mr. Slack thanked Judge Wright for her support as well as the other judges in the audience. He also thanked everyone for their comments.

V. Adjournment

At approximately noon, Mr. Jenkins moved and Mr. Harwell seconded a motion to adjourn.



Texas Judicial Compensation Commission

205 WEST 14TH STREET, SUITE 600 • TOM C. CLARK BUILDING • (512) 463-1625 • FAX (512) 463-1648
P. O. BOX 12066 • AUSTIN, TEXAS 78711-2066

CHAIR:
BILL STRAWN

Minutes
Judicial Compensation Commission Meeting
September 14, 2012
10:00 a.m.
Supreme Court of Texas
Supreme Court Courtroom, 201 West 14th St.
Austin, Texas

I. Call to Order and Roll Call

William Strawn, chair of the Judicial Compensation Commission, called the meeting to order at 10:00 a.m. in the Supreme Court of Texas Courtroom in Austin, Texas. David Slayton, administrative director for the Office of Court Administration, called roll. Five members were present, which provided the necessary quorum for the meeting.

The following members of the Commission were present: Romulo Chavez, Cruz Hernandez, Bane Phillippi, Michael Slack, and William Strawn. Tommy Harwell, Harold Jenkins and Patrick Mizell were not present.

Office of Court Administration staff present were David Slayton; María Elena Ramón, general counsel; Angela Garcia, Judicial Information manager; and Marilyn Galloway, Legal Programs manager.

II. Approval of Minutes

On motion by Mr. Hernandez, which was seconded, the minutes from the Commission meeting on February 23, 2012, the Data Committee meeting on May 30, 2012, and the Public Comment Committee meeting on June 21, 2012, were approved.

III. Welcome and Overview

Mr. Strawn welcomed the members of the Commission, OCA staff, and others present. He gave a brief overview of the three Commission committees – Data, Public Comment, and Legislative – and thanked Commission members and OCA staff for their work.

IV. Public Comments Committee Report

Mr. Slack, chair of the Public Comments Committee, summarized the June meeting and noted that the newly adopted minutes thoroughly addressed the comments and testimony made at that meeting.

V. Legislative Committee Report

Mr. Strawn, chair of the Legislative Committee, stated that his committee recommends being more assertive in presenting the Commission's conclusions and recommendations, and asked OCA to keep the Commission apprised of relevant legislative meetings.

VI. Data Committee Report

Mr. Mizell, chair of the Data Committee, was unable to be present, so Mr. Strawn presented for that committee. The Commission reviewed information on district judge salaries and salary rankings of the 10 most populous states, and Mr. Strawn noted that both sets of information indicate that Texas judges' salaries need to increase. In answer to questions from the Commission regarding whether a bill would need to be introduced next session in order for a raise to be effective, Mr. Slayton and Ms. Ramon stated that it was not required. They added that in its 2010 report the Commission recommended a change to the salary differential between the three levels of courts. Because the differentials are statutory, that recommendation would require the passage of legislation. However, they restated that a salary increase that does not affect the salary differentials set in statute could be done through the appropriations process.

To make the final report more effective, Mr. Strawn asked that the appropriate conclusions be included on the same page as the graph being presented.

VII. Formulation of Recommendations for 2012 Report

Mr. Strawn stated that the Executive Summary would be the Commission's primary tool in communicating with the Legislature and asked that it be restructured to make a better presentation. After a discussion, the Commission agreed that a statement be included that current salaries have not kept up with inflation and that the salaries of Texas judges are lower than the salaries of judges in comparable states. Mr. Slack noted that the Commission consider that a biennial adjustment be made to compensate for the last two

years, during which the judges' salaries fell further behind due to the rate of inflation.

The Commission agreed that it would propose an increase in state judges' salaries and that it should exceed what the judges' salaries would be in 2014 if they were to keep pace with inflation.

Mr. Strawn summarized next steps for the Commission with OCA's help: to develop a new structure for the Executive Summary; to project the increase of state judges' salaries that includes several scenarios; to send the information to Commission members for feedback by mid October; and to have the Commission's report ready to give to the Legislature by mid November.

VIII. Future Meetings

Mr. Strawn stated that he would coordinate with Mr. Slayton to hold a teleconference to determine the plan and message for presenting to the Legislature.

IX. Adjournment

The meeting was adjourned at 10:36 a.m.



Texas Judicial Compensation Commission

205 WEST 14TH STREET, SUITE 600 • TOM C. CLARK BUILDING • (512) 463-1625 • FAX (512) 463-1648
P. O. BOX 12066 • AUSTIN, TEXAS 78711-2066

CHAIR:
BILL STRAWN

Judicial Compensation Commission

Minutes of Conference Call Meeting October 25, 2012

I. Call to Order and Roll Call

William Strawn, chair of the Judicial Compensation Commission, called the meeting to order at 1:30 p.m. via conference call. Six members were present, which provided the necessary quorum for the meeting.

The following members of the Commission participated:

Romulo Chavez
Cruz Hernandez
Harold Jenkins
Patrick Mizell
Michael Slack
William Strawn

Tommy Harwell, Bane Phillippi, and Linda Russell were not available to participate.

Office of Court Administration staff present on the call were David Slayton, administrative director; María Elena Ramón, general counsel; Angela Garcia, Judicial Information manager; Judy Speer-Gamino, assistant general counsel; and Marilyn Galloway, Legal Programs manager.

II. Approval of Minutes

On motion by Mr. Hernandez, which was seconded by Mr. Mizell, the minutes from the Commission meeting on September 14, 2012, were approved.

III. Review of Meeting Materials

Ms. Ramón reviewed the meeting materials, noting how the data, statistics, and alternatives were presented in formats to assist the Commission in formulating a recommendation for the Commission's Report.

IV. Salary Recommendation for 2012 Report

V. Fiscal Impact of Salary Recommendation

VI. Effect of Salary Recommendation on State's National Ranking

The Commission took up Agenda Items IV, V, and VI together. The Commission discussed the alternatives presented in the meeting materials. Mr. Slack noted that the two highest range alternatives are the ones which would come the closest to placing our judges where they should be relative to the rest of the country. It was also noted that the number of years between increases factors into calculating the percentage increase being considered.

Mr. Strawn discussed the fiscal impact of the various salary recommendations. The Commission discussed the effect of the various salary recommendations on the national ranking of Texas.

On motion by Mr. Hernandez, which was seconded by Mr. Slack, the Commission voted unanimously to recommend an increase of CPI plus 12.5%.

Mr. Strawn noted that the draft report would be prepared and would be sent out to Commission members in approximately two weeks. Mr. Strawn also noted that the Commission is going to need to discuss the interaction with legislators regarding the report.

VII. Adjournment

On motion and second, the meeting was adjourned.

Appendix C: County Supplements Paid to District Court Judges

County Supplements Received by District Judges			
Number of Judges	Percentage of All Judges	County Supplement	Total Salary
338	74.1%	\$14,999 to 15,000	\$140,000
18	3.9%	\$14,000 to 14,998	\$139,083 to 139,983
14	3.1%	\$13,000 to 13,999	\$138,000 to 138,776
10	2.2%	\$12,000 to 12,999	\$137,000 to 137,670
8	1.8%	\$11,000 to 11,999	\$136,000 to 136,808
12	2.6%	\$10,000 to 10,999	\$135,000 to 135,800
9	2.0%	\$9,000 to 9,999	\$134,000 to 134,769
13	2.9%	\$8,000 to 8,999	\$133,000 to 133,850
7	1.5%	\$7,000 to 7,999	\$132,000 to 132,875
2	0.4%	\$6,000 to 6,999	\$131,000 to 131,633
1	0.2%	\$5,000 to 5,999	\$130,000 to 130,919
6	1.3%	\$4,000 to 4,999	\$129,000 to 129,800
5	1.1%	\$3,000 to 3,999	\$128,000 to 128,733
4	0.9%	\$2,000 to 2,999	\$127,000 to 127,880
0	0.0%	\$1,000 to 1,999	\$126,000 to 126,999
1	0.2%	\$1 to 999	\$125,001 to 125,900
8	1.8%	\$0	\$125,000
AVERAGE		\$13,684	\$138,568

Appendix D: County Supplements Paid to Intermediate Appellate Court Judges

County Supplements Received by Intermediate Appellate Court Justices			
Number of Judges	Percentage of All Judges	County Supplement	Total Salary
73	91.3%	\$7,500	\$145,000
3	3.8%	\$6,573	\$144,073
4	5.0%	\$4,087	\$141,587
AVERAGE		\$7,317	\$144,817

Note: Percentages do not total to 100.0% due to rounding.

Appendix E: State Bar Survey on Full-Time Private Practitioner Salaries, 2011

For the analysis of private sector attorney compensation, the Commission reviewed the private practitioners' income data collected by the State Bar of Texas for its *2011 Income Fact Sheet*. The State Bar sent a questionnaire electronically on May 21, 2012 to all active attorneys who had not opted out of taking surveys (87,113 attorneys). The survey's response rate was 10 percent, with a total of 9,053 attorneys responding.

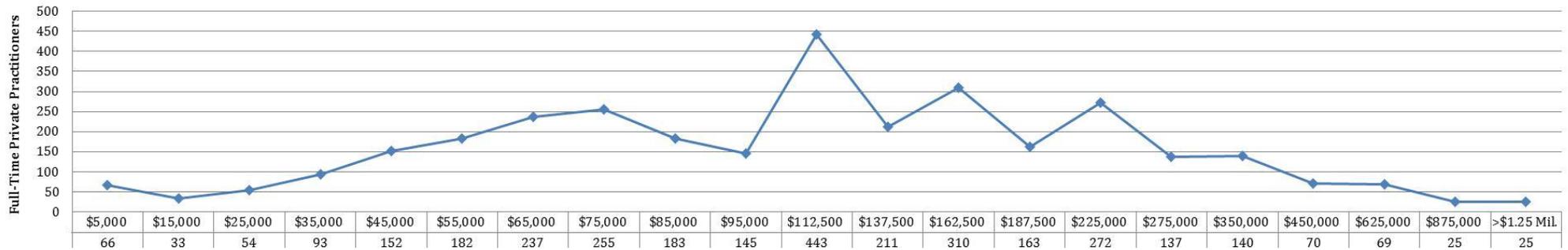
A total of 3,265 full-time, private practitioner attorneys responded to the survey. Results of the survey showed that the salaries of lawyers vary widely.

Overall, full-time private practitioners had a median salary of \$113,120 and an average salary of \$153,434. Nearly 23 percent of the attorneys had salaries of \$187,500 or more.

Lawyers with 11 to 15 years of experience had a median salary of \$115,983 and an average salary of \$146,973. Twenty (20) percent of attorneys in this group had salaries of \$187,500 or more.

Lawyers with 16 to 20 years of experience had a median salary of \$130,859 and an average salary of \$164,434. Twenty-six (26) percent of lawyers in this group had salaries of \$187,500 or more.

Salary Distribution of Full-Time Private Practitioners from the 2011 State Bar Survey (N = 3,265)



Salary Distribution of Full-Time Private Practitioners from the 2011 State Bar Survey with 11 to 15 Years of Experience (N = 348)



Salary Distribution of Full-Time Private Practitioners from the 2011 State Bar Survey with 16 to 20 Years of Experience (N = 441)

