

# MAINE STATE LEGISLATURE

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**JUDICIARY**

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**STATE OF MAINE  
SENATE  
118TH LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "B" to S.P. 322, L.D. 1062, Bill, "An Act to Implement the Recommendations of the Judicial Compensation Commission"

Amend the bill in section 1 in subsection 1 in the last 2 lines (page 1, lines 9 and 10 in L.D.) by striking out the following: "1997-98 and thereafter, of \$115,000" and inserting in its place the following: '1998-99 and thereafter, of \$111,000, to be paid biweekly'

Further amend the bill in section 2 in paragraph A in the first line (page 1, line 16 in L.D.) by striking out the following: "1997-98 and thereafter, \$100,000" and inserting in its place the following: '1998-99 and thereafter, \$96,000, to be paid biweekly'

Further amend the bill in section 3 in subsection 2-A in the 2nd line (page 1, line 22 in L.D.) by striking out the following: "1998" and inserting in its place the following: '1999'

Further amend the bill in section 4 in subsection 1 in the last line (page 1, line 49 in L.D.) by striking out the following: "1997-98 and thereafter, of \$98,000" and inserting in its place the following: '1998-99 and thereafter, of \$94,000, to be paid biweekly'

Further amend the bill in section 5 in paragraph A in the first line (page 2, line 5 in L.D.) by striking out the following: "1997-98 and thereafter, \$94,000" and inserting in

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2 its place the following: '1998-99 and thereafter, \$90,000, to be  
3 paid biweekly'

4 Further amend the bill in section 6 in that part designated  
5 "§104-A." in the first paragraph in the 4th and 5th lines (page  
6 2, lines 17 and 18 in L.D.) by striking out the following: "\$300  
7 per day or \$90 \$180" and inserting in its place the following:  
8 '\$250 per day or \$90 \$150'

10 Further amend the bill in section 7 in subsection 2 in the  
11 last line (page 2, line 29 in L.D.) by striking out the  
12 following: "1997-98 and thereafter, of \$98,000" and inserting in  
13 its place the following: '1998-99 and thereafter, of \$94,000, to  
14 be paid biweekly'

16 Further amend the bill in section 8 in subsection 3 in the  
17 last line (page 2, line 37 in L.D.) by striking out the  
18 following: "1996-98 and thereafter, of \$96,000" and inserting in  
19 its place the following: '1998-99 and thereafter, of \$92,000, to  
20 be paid biweekly'

22 Further amend the bill in section 9 in paragraph A in the  
23 first line (page 2, line 43 in L.D.) by striking out the  
24 following: "1997-98 and thereafter, \$94,000" and inserting in  
25 its place the following: '1998-99 and thereafter, \$90,000, to be  
26 paid biweekly'

28 Further amend the bill in section 10 in that part designated  
29 "§157-D." in the first paragraph in the 4th line (page 3, line 4  
30 in L.D.) by striking out the following: "\$300 per day or \$90  
31 \$180" and inserting in its place the following: '\$250 per day or  
32 \$90 \$150'

34 Further amend the bill in section 11 in paragraph H in the  
35 6th line from the end (page 3, line 36 in L.D.) by striking out  
36 the following: "\$300 a day or \$45 \$180" and inserting in its  
37 place the following: '\$250 a day or \$45 \$150'

38 Further amend the bill in section 12 in that part designated  
39 "§1352." in subsection 1 in paragraph A in the 3rd line (page 4,  
40 line 8 in L.D.) by striking out the following: "1997" and  
41 inserting in its place the following: '1998'

44 Further amend the bill in section 12 in that part designated  
45 "§1352." in subsection 1 in paragraph C in the last line (page 4,  
46 line 17 in L.D.) by striking out the following: "1997" and  
47 inserting in its place the following: '1998'  
48

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Further amend the bill in section 12 in that part designated "§1352." by striking out all of subsections 3 and 3-A (page 4, lines 26 to 38 in L.D.) and inserting in their place the following:

'3. **Maximum benefit.** No A judge in service on December 1, 1984, or appointed on or after December 1, 1984, may not receive a benefit which that exceeds 60% of his average final compensation, not including adjustments under section 1358, except as provided in subsection 4 the maximum benefit calculated for that judge. The maximum benefit must be calculated as follows:

A. Divide the judge's service credit available under section 1302 earned prior to July 1, 1998 by the total years of service credit available to the judge under section 1302 and multiply the quotient by 60%;

B. Divide the judge's service credit available under section 1302 earned on or after July 1, 1998 by the total years of service credit available to the judge under section 1302 and multiply the quotient by 70%; and

C. Add the product arrived at under paragraph A and the product arrived at under paragraph B. The sum of the 2 products is the percentage of the judge's average final compensation that is the amount of the maximum benefit payable to the judge.

The maximum benefit calculation is used to establish the maximum benefit at the time of retirement, which is thereafter subject to adjustment under section 1358. The maximum benefit limitations do not apply in the calculation or payment of benefits under subsection 4.'

Further amend the bill by inserting at the end after section 13 the following:

'Sec. 14. **Appropriation.** The following funds are appropriated from the General Fund to carry out the purposes of this Act.

1998-99

**JUDICIAL DEPARTMENT**

**Courts - Supreme, Superior, District  
and Administrative**

Personal Services

\$538,872

2 Appropriates funds to increase compensation  
3 for judges and justices, to increase the per  
4 diem rate for active retired judges and to  
5 increase retirement benefits for judges and  
6 justices.

8 **Sec. 15. Retroactivity.** This Act applies retroactively to July  
9 1, 1998.'

10 Further amend the bill by inserting at the end before the  
11 summary the following:

14 **FISCAL NOTE**

16 **1998-99**

18 **APPROPRIATIONS/ALLOCATIONS**

20 General Fund \$538,872

22 This bill includes a General Fund appropriation of \$538,872  
23 in fiscal year 1998-99 to fund the additional compensation and  
24 retirement costs of the Judicial Department.

26 The Judicial Department will incur total additional costs of  
27 \$192,395 in fiscal year 1998-99, to increase compensation levels  
28 for judges and justices. However, because of previously budgeted  
29 and appropriated personal services funds for the salaries of  
30 judges and justices that will exist as salary savings on a  
31 one-time basis, the additional appropriations needed by the  
32 Judicial Department to fund the increased compensation levels in  
33 fiscal year 1998-99 will be \$152,066. Assuming judges and  
34 justices salaries will increase by the 3% increase in the  
35 Consumer Price Index predicted for each of the years 1999 and  
36 2000 by the Consensus Economic Forecasting Commission, the total  
37 estimated costs related to increasing salaries of judges and  
38 justices in fiscal years 1999-2000 and 2000-01 will be  
39 approximately \$203,650 and \$209,759, respectively. The  
40 department will also incur additional costs of \$49,804 in fiscal  
41 year 1998-99 to raise the per diem rate for active retired  
42 judges; these increased costs will remain constant for each of  
43 fiscal years 1999-2000 and 2000-01.

46 The prospective increases in the maximum benefit limitation  
47 from 60% to 70% and the benefit accrual rate from 2% to 3% per  
48 year of judicial service will increase the employer share of the  
normal cost of retirement for judges by 7.30% of salary. The

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2 total costs associated with these increases in the employer share  
for the Judicial Department are \$337,002 in fiscal year 1998-99.  
4 The estimated 2nd-year and 3rd-year costs in fiscal years  
1999-2000 and 2000-01 will be approximately \$347,411 and  
6 \$357,834, respectively.'

8 **SUMMARY**

10 This amendment is the majority report of the Joint Standing  
Committee on Judiciary. This amendment reduces the salary  
12 increases for judges and justices from those recommended by the  
Judicial Compensation Commission. It delays any cost-of-living  
14 adjustment until July 1, 1999. It avoids any unfunded liability  
for the judicial retirement system by establishing a "blended  
16 cap" on retirement benefits, applying the 70% cap to only the  
service credit earned on or after July 1, 1998. It also adds an  
18 appropriation section and a fiscal note to the bill.