Minnesota Judicial State Court Salaries

Prepared for the Minnesota District Judges Association

by

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Summary:

This is the latest in a series of evidence-based recommendations for Minnesota judicial salaries. In the previous report, from August 2018, we recommended 5% increases each year in the 2019-2020 biennium, which would have corresponded to 3% real increases when adjusted for inflation. The Legislature approved 2.5% nominal increases each year. These increases functionally kept pace with inflation. In this report, we draw insights from the judicial compensation literature to provide additional rationale for increases that exceed inflation. Primarily, insufficient judicial compensation can act as a barrier to entry for high-quality legal talent from backgrounds underrepresented in the profession. Based on these findings and our own analysis of the alternative labor market opportunities for judicial candidates and nominees, we recommend 5.05% increases each year of the 2021-2022 biennium and 4.05% increases for the following biennium.

Analysis:

In the 2018 version of the *Minnesota Judicial State Court Salaries* report, we recommended a 5% increase to all Minnesota judicial salaries on July 1, 2019 and another 5% increase on July 1, 2020. The approved nominal salary increase for both years was 2.5%. The 2019 increase translated to only half a percentage point of growth in real salaries. The 2020 growth appears larger (approximately 1.3% points), but this is due to historically low inflation as a result of the COVID-19 shutdown. Table 1 displays the nominal and real (inflation adjusted) salaries from 2002 to 2020. Figures 1, 2, and 3 show that the trend of steadily increasing judicial salaries over the past eighteen years reflect very little real income growth after adjusting for inflation. For example, nominal chief justices' salaries appear to have increased by approximately 50% since 2002; however, adjusting for inflation reveals a true increase of only 6% over this period.

In our prior reports, we hypothesized that lessening the gap between lawyers' and judges' salaries may increase the flow of high-quality attorneys into the profession. We also suggested that it may attract talent from historically underrepresented groups, who are less likely to be independently wealthy and more likely to be burdened with law school debt. There is clear evidence supporting both these statements. Black Americans with advanced degrees hold less than 30% of the wealth held by equally educated white Americans (Hamilton, Darity, Price, Sridharan, and Tippett, 2015). Additionally, one third of Black graduate or professional degree holders carry \$83,700 or more in student debt, a rate more than twice as high as their white peers' (U.S. Department of Education, 2016). A recent study reported a significant lack of gender and racial diversity in federal district court judges, where only 20% of judges were female and 16% were non-white (Thurston, 2019). This study then provided evidence of the

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¹ We also calculated cost of living adjusted (COLA) salaries for supreme court chief and associate justices and appellate and trial court chief judges and judges from 2002-2020. The COLA salaries did not significantly differ from nominal salaries over this time period.

salary cut in the transition from lawyer to judge acting as a barrier to obtaining a diverse pool of judicial candidates. Anecdotal evidence suggests this finding holds for Minnesota judges, but we would welcome the data to investigate this claim further. Additional research has shown that an increase in judicial compensation can not only have a positive selection effect, enticing more high-quality candidates, but it can also improve the performance of current judges, as measured through a higher proportion of their appealed cases being upheld (DeAngelo and McCannon, 2017). Thus, judicial salaries may be directly linked to the quality of the existing legal system.

Figure 4 compares the salaries of district judges to those of experienced private sector attorneys at each percentile for 2018 and 2020.² The increase in judges' salaries is narrower than for the attorneys, representing a growing gap between them over the two-year period. This discrepancy is most pronounced when moving to the higher wage percentiles. Essentially, judges who would otherwise hold these high-paying attorney positions are working substantially beneath their pay grade.

Public-sector attorney salaries are another good comparison for judicial salaries, as they both serve the public. Figure 5 and Table 5 compare Minnesota district judges' salaries to those of county attorneys and assistant county attorneys in metropolitan counties. Figure 5 shows that court judges' salaries have in recent years tracked most closely with the salaries of the highest paid assistant county attorneys in Ramsey county. The salaries of all county attorneys shown surpassed district judges', as did the highest paid assistant county attorneys in Stearns and Dakota county. Table 5 provides additional information on the size of the gaps between public attorneys' and judges' salaries for 2020. The county attorney salaries for the four metropolitan districts analyzed ranged from 8-23% higher than district judges, with an average difference of 13%. The highest paid assistant county attorneys averaged 4% higher. These disparities suggest that lawyers who feel a call to public service in the state receive financial incentives to serve as county or assistant county attorneys rather than the judiciary.

We once again include national judicial salary rankings for the Legislature to use as a benchmark for Minnesota. As shown in Table 6, the state's higher courts slightly improved their rankings over the most recent report, while the district court salary rank worsened, especially when adjusted for the cost of living. The final column shows all categories would have been better ranked if our full 2018 recommendations were implemented. Table 7 presents the total percentage change in salaries that Minnesota's district judges would need to receive to reach each state's current ranking by 2022, assuming other states experience no increases over that period.

² We are only able to directly compare these years because percentile information was not included in previous editions of the Robert Half Legal Salary Guide.

In light of recent events, it has become abundantly clear that racial injustice permeates our criminal justice and legal system. This is a historic time to contemplate how Minnesota's judiciary can better reflect the racial and gender composition of the population it serves. Previous literature has demonstrated that increases in judicial compensation that outpace inflation have the power to reduce the barriers for diverse legal talent to enter the profession. Therefore, we view real salary increases as necessary.

Based on our analysis of the literature on the impact of judicial salaries on the diversity of the judiciary and on the current state of the job market from which we expect judicial talent to come, we recommend a 5.05% increase to all Minnesota judicial salaries to be implemented on both July 1, 2021 and July 1, 2022. We estimate these increases will outpace inflation by 3%. If these increases are put into effect, we would then recommend 4.05% increases for the 2023-2024 binnenium, as it would be more appropriate to reduce the size of the increases in that case. Our complete salary recommendations are presented in Table 8.

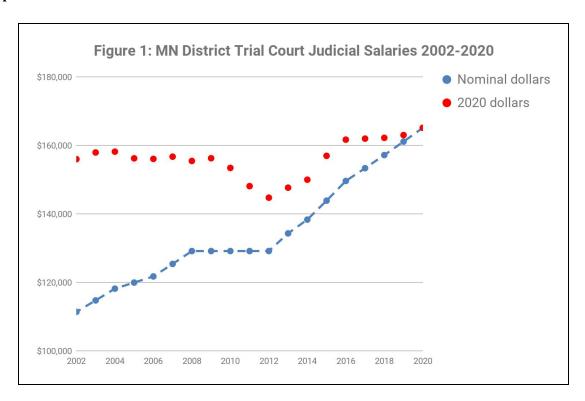
References

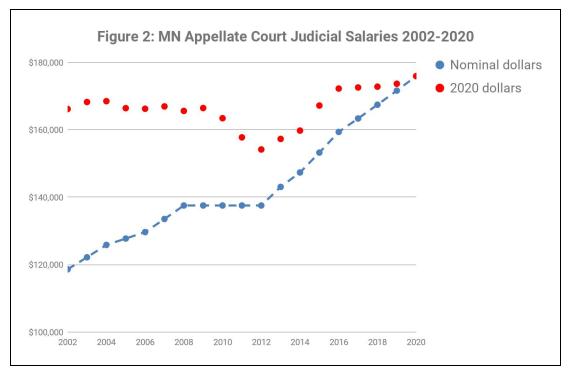
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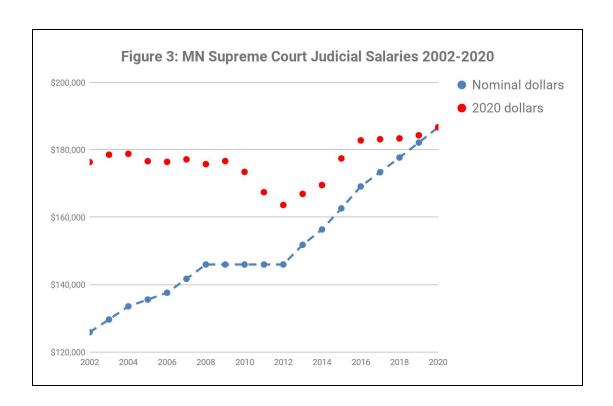
³ The Federal Open Market Committee (2019) estimates inflation will range from 2.0-2.1% in 2021 and from 2.0-2.2% in 2022. We use a rate of 2.05% as a conservative estimate.

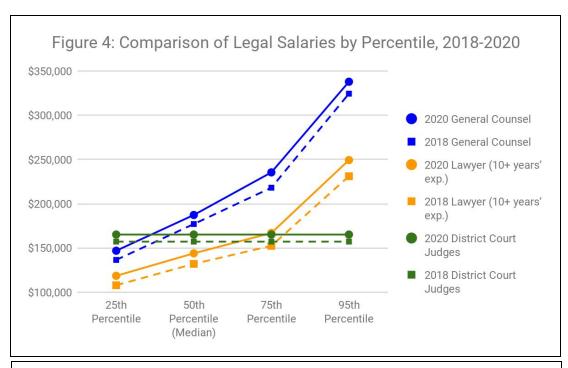
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Appendix:

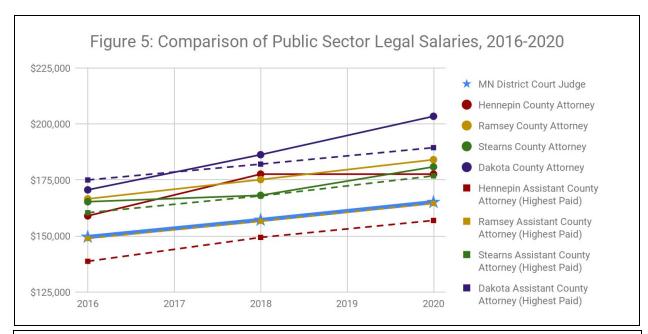








Sources: National Robert Half Legal 2018 and 2020 Salary Guides for data on attorneys' salaries.



Sources: Minnesota County Attorneys Association: 2016, 2018, and 2020 County Attorney Salaries & 2016, 2018, and 2020 Assistant County Attorney Salaries.

Table 1: Minnesota Judicial Salaries: Nominal and Real, 2002-2020

| Supreme Court | | | | | |
|---------------|-----------|---------------|--------------------|---------------|--|
| Chief Justice | | | Associate Justices | | |
| Year | Nominal | Real (2020\$) | Nominal | Real (2020\$) | |
| 2002 | \$138,487 | \$193,981 | \$125,897 | \$172,157 | |
| 2003 | \$142,641 | \$196,411 | \$129,674 | \$174,313 | |
| 2004 | \$146,920 | \$196,704 | \$133,564 | \$174,573 | |
| 2005 | \$149,124 | \$194,278 | \$135,567 | \$172,420 | |
| 2006 | \$151,361 | \$194,077 | \$137,601 | \$172,242 | |
| 2007 | \$155,902 | \$194,886 | \$141,729 | \$172,960 | |
| 2008 | \$160,579 | \$193,325 | \$145,981 | \$171,575 | |
| 2009 | \$160,579 | \$194,319 | \$145,981 | \$172,457 | |
| 2010 | \$160,579 | \$190,796 | \$145,981 | \$169,330 | |
| 2011 | \$160,579 | \$184,175 | \$145,981 | \$163,454 | |
| 2012 | \$160,579 | \$179,974 | \$145,981 | \$159,726 | |
| 2013 | \$167,002 | \$183,613 | \$151,820 | \$162,955 | |
| 2014 | \$172,012 | \$186,511 | \$156,375 | \$165,528 | |
| 2015 | \$178,892 | \$195,188 | \$162,630 | \$173,229 | |
| 2016 | \$186,048 | \$201,068 | \$169,135 | \$178,447 | |
| 2017 | \$190,699 | \$201,443 | \$173,363 | \$178,780 | |
| 2018 | \$195,466 | \$201,720 | \$177,697 | \$177,697 | |
| 2019 | \$200,353 | \$202,734 | \$182,139 | \$184,303 | |
| 2020 | \$205,361 | \$205,361 | \$186,692 | \$186,692 | |

Table 1, continued: Minnesota Judicial Salaries: Nominal and Real, 2002-2020

| | Court of Appeals | | | | |
|-------------|------------------|---------------|-----------|---------------|--|
| Chief Judge | | | Judges | | |
| Year | Nominal | Real (2020\$) | Nominal | Real (2020\$) | |
| 2002 | \$124,558 | \$174,472 | \$118,627 | \$162,216 | |
| 2003 | \$128,295 | \$176,657 | \$122,186 | \$164,248 | |
| 2004 | \$132,144 | \$176,921 | \$125,852 | \$164,494 | |
| 2005 | \$134,126 | \$174,739 | \$127,740 | \$162,465 | |
| 2006 | \$136,138 | \$174,558 | \$129,656 | \$162,297 | |
| 2007 | \$140,222 | \$175,285 | \$133,546 | \$162,974 | |
| 2008 | \$144,429 | \$173,882 | \$137,552 | \$161,668 | |
| 2009 | \$144,429 | \$174,776 | \$137,552 | \$162,499 | |
| 2010 | \$144,429 | \$171,607 | \$137,552 | \$159,553 | |
| 2011 | \$144,429 | \$165,652 | \$137,552 | \$154,016 | |
| 2012 | \$144,429 | \$161,874 | \$137,552 | \$150,503 | |
| 2013 | \$150,206 | \$165,146 | \$143,064 | \$153,557 | |
| 2014 | \$154,712 | \$167,753 | \$147,346 | \$155,970 | |
| 2015 | \$160,900 | \$175,557 | \$153,240 | \$163,227 | |
| 2016 | \$167,336 | \$180,846 | \$159,370 | \$168,144 | |
| 2017 | \$171,519 | \$181,183 | \$163,354 | \$168,458 | |
| 2018 | \$175,807 | \$181,432 | \$167,438 | \$167,438 | |
| 2019 | \$180,202 | \$182,343 | \$171,624 | \$173,663 | |
| 2020 | \$184,707 | \$184,707 | \$175,915 | \$175,915 | |

Table 1, continued: Minnesota Judicial Salaries: Nominal and Real, 2002-2020

| Trial Court | | | | | |
|-------------|-----------|---------------|-----------|---------------|--|
| Chief Judge | | | Judges | | |
| Year | Nominal | Real (2020\$) | Nominal | Real (2020\$) | |
| 2002 | \$116,926 | \$163,781 | \$111,359 | \$152,277 | |
| 2003 | \$120,434 | \$165,832 | \$114,700 | \$154,185 | |
| 2004 | \$124,047 | \$166,080 | \$118,141 | \$154,415 | |
| 2005 | \$125,908 | \$164,032 | \$119,913 | \$152,511 | |
| 2006 | \$127,797 | \$163,863 | \$121,712 | \$152,353 | |
| 2007 | \$131,631 | \$164,546 | \$125,363 | \$152,987 | |
| 2008 | \$135,580 | \$163,228 | \$129,124 | \$151,762 | |
| 2009 | \$135,580 | \$164,068 | \$129,124 | \$152,543 | |
| 2010 | \$135,580 | \$161,093 | \$129,124 | \$149,777 | |
| 2011 | \$135,580 | \$155,503 | \$129,124 | \$144,580 | |
| 2012 | \$135,580 | \$151,956 | \$129,124 | \$141,282 | |
| 2013 | \$141,003 | \$155,028 | \$134,289 | \$144,138 | |
| 2014 | \$145,233 | \$157,475 | \$138,318 | \$146,414 | |
| 2015 | \$151,042 | \$164,801 | \$143,851 | \$153,226 | |
| 2016 | \$157,084 | \$169,766 | \$149,605 | \$157,842 | |
| 2017 | \$161,011 | \$170,083 | \$153,345 | \$158,136 | |
| 2018 | \$165,036 | \$170,317 | \$157,179 | \$157,179 | |
| 2019 | \$169,162 | \$171,172 | \$161,108 | \$163,022 | |
| 2020 | \$173,391 | \$173,391 | \$165,136 | \$165,136 | |

Note: Real salaries are adjusted to March 2020 dollars using the Bureau of Labor Statistics CPI-U for the Minneapolis-St. Paul-Bloomington, Minn.-Wis metropolitan region (251.570). This was considerably lower than the Jan. 2020 CPI-U (252.447) due to the economic effects of the COVID-19 pandemic.

Table 4: Minnesota District Trial Court Judge salaries relative to median salaries of Minneapolis private sector lawyers with various years of experience, 2020

| | Median 2020 Salary | % Increase Over District Court Judge Salary |
|------------------------------------|--------------------|--|
| General Counsel | \$187,250 | 13% |
| In-House Counsel | \$155,150 | -6% |
| (10+ years of experience) | Ψ133,130 | 070 |
| Law Firm (10+ years of experience) | \$143,915 | -13%. |
| Law Firm (4-9 years of experience) | \$122,248 | -26% |
| In-House Corporate Attorney | \$120,643 | -27% |
| (4-9 years of experience) | \$120,043 | -27/0 |
| District Court Judge | \$165,136 | |

Source: National Robert Half Legal 2020 Salary Guide.

Note: The data are adjusted for Minneapolis and do not account for bonuses, incentives, benefits, or retirement packages.

Table 5: Minnesota District Court Judge Salaries relative to metropolitan area lead county attorneys and senior assistant county attorneys, 2020

| | Lead County Attorney | | Highest Paid Assistant County Attorney | |
|-----------------------------|----------------------|---|---|---|
| | 2020 Salary | % Increase Over District Court Judge Salary | 2020 Salary | % Increase Over District Court Judge Salary |
| Hennepin County | \$177,639 | 8% | \$156,968 | -5% |
| Ramsey County | \$184,084 | 11% | \$164,537 | 0% |
| Stearns County | \$180,889 | 10% | \$176,856 | 7% |
| Dakota County | \$203,453 | 23% | \$189,467 | 15% |
| Four County | \$186,516 | 13% | \$171,957 | 4% |
| Average | | | | |
| District Court Judge | \$165,136 | | | |

Sources: Minnesota County Attorneys Association 2020 County Attorney Salaries & 2020 Assistant County Attorney Salaries.

Table 6: Salary rankings, including cost of living adjusted (COLA) trial court rankings, for Minnesota

| | State Court Ranking ¹ | | | | |
|------------------------------------|----------------------------------|------|------|------|-------------------------------|
| | 2012 | 2015 | 2017 | 2019 | 2019, if recommended increase |
| Supreme Court Justice | 28 | 31 | 25 | 23 | 21 |
| Appellate Court Judge ² | 23 | 27 | 23 | 22 | 21 |
| Trial Court Judge | 31 | 31 | 24 | 26 | 24 |
| COLA Trial Court Judge Ranking | 34 | 25 | 19 | 23 | 18 |

¹ Highest paid rank=1 and lowest paid rank=51 (includes the District of Columbia)

Sources: National Center for State Courts, "Survey of Judicial Salaries," Vol 45, No. 1, 2020, Vol 43, No. 1, 2018, Vol. 40, No. 2, 2016, and Vol. 37, No. 1, 2012.

Note: The recommended increase in the last column comes from the 2018 version of the report by Elizabeth Kula and Kristine L. West, PhD.

Table 7: Complete cost of living adjusted (COLA) trial court judge salary rankings, 2019

| 2019 COLA adjusted rank | State | 2019 COLA district trial court judge salary | % (real) change for MN to reach rank | Difference in rank from 2017 to 2019 |
|----------------------------|----------------|---|--|--|
| 1 | South Carolina | \$191,349 | 24.84% | -29 |
| 2 | Arkansas | \$191,095 | 24.68% | -1 |
| 3 | Tennessee | \$189,888 | 23.89% | +2 |
| 4 | Georgia | \$184,450 | 20.34% | 0 |
| 5 | Illinois | \$183,658 | 19.82% | +3 |
| 6 | Pennsylvania | \$174,311 | 13.73% | -1 |
| 7 | Texas | \$172,785 | 12.73% | -11 |
| 8 | Nebraska | \$170,600 | 11.30% | +2 |
| 9 | Delaware | \$168,289 | 9.80% | +4 |
| 10 | Missouri | \$165,760 | 8.15% | 0 |
| 11 | Virginia | \$165,095 | 7.71% | +2 |
| 12 | Utah | \$163,495 | 6.67% | +4 |
| 13 | Washington | \$160,125 | 4.47% | -8 |
| 14 | Michigan | \$159,907 | 4.33% | +1 |
| 15 | Ohio | \$158,206 | 3.22% | -7 |

² Appellate salaries ranked 1-39 in 2012 and 1-40 in 2015 (only 39 states had appellate courts in 2012, and 40 states had appellate courts in 2015 and 2017)

| 16 | Indiana | \$157,658 | 2.86% | +2 |
|----|----------------------|-----------|---------|-----|
| 17 | Louisiana | \$157,578 | 2.81% | +6 |
| 18 | Iowa | \$155,743 | 1.61% | +2 |
| 19 | Alaska | \$155,420 | 1.40% | -7 |
| 20 | Colorado | \$155,242 | 1.28% | +3 |
| 21 | Florida | | 0.56% | +9 |
| | Hawaii | \$154,135 | | |
| 22 | | \$153,373 | 0.06% | -11 |
| 23 | Minnesota | \$153,274 | 0.020/ | +4 |
| 24 | Wyoming | \$153,223 | -0.03% | +1 |
| 25 | Mississippi | \$152,077 | -0.78% | +10 |
| 26 | New Jersey | \$151,561 | -1.12% | -11 |
| 27 | Oklahoma | \$148,378 | -3.19% | -2 |
| 28 | California | \$147,566 | -3.72% | +4 |
| 29 | Nevada | \$145,468 | -5.09% | +9 |
| 30 | North Carolina | \$144,525 | -5.71% | -6 |
| 31 | Rhode Island | \$144,273 | -5.87% | -11 |
| 32 | New York | \$143,583 | -6.32% | -2 |
| 33 | Wisconsin | \$142,997 | -6.70% | -7 |
| 34 | Idaho | \$142,870 | -6.79% | +6 |
| 35 | Massachusetts | \$140,463 | -8.36% | -3 |
| 36 | North Dakota | \$139,739 | -8.83% | +5 |
| 37 | Arizona | \$138,174 | -9.85% | +5 |
| 38 | Kentucky | \$137,288 | -10.43% | +3 |
| 39 | Montana | \$136,714 | -10.80% | 0 |
| 40 | District of Columbia | \$136,523 | -10.93% | +13 |
| 41 | Alabama | \$133,613 | -12.83% | +16 |
| 42 | Kansas | \$133,009 | -13.22% | -1 |
| 43 | New Hampshire | \$132,172 | -13.77% | -5 |
| 44 | Connecticut | \$131,875 | -13.96% | 0 |
| 45 | New Mexico | \$131,520 | -14.19% | -5 |
| 46 | Vermont | \$130,725 | -14.71% | 0 |
| 47 | South Dakota | \$130,501 | -14.86% | 0 |
| 48 | West Virginia | \$129,535 | -15.49% | +7 |
| 49 | Oregon | \$125,565 | -18.08% | 0 |
| 50 | Maryland | \$125,405 | -18.18% | +5 |
| 51 | Maine | \$112,088 | -26.87% | 0 |

Source: National Center for State Courts, "Survey of Judicial Salaries," Vol 45, No. 1, 2020 and Vol 43, No. 1, 2018. Note: The last column shows the extent to which the rank of each state has increased or decreased since 2017. A negative value represents an improved rank. Minnesota moved from a 19th in the rankings in 2017 to 23rd in 2019, so this column contains a +4 to represent its worsening position compared to other states.

| | nmended Minnesota Dist salaries, 2021-2024 | rict Trial Court, Appellate | e Court, and Supreme |
|--------------------|---|----------------------------------|--------------------------------|
| | Chi | ief Judge/Justice | |
| Year | District | Appellate | Supreme |
| 2020 | \$173,391 | \$184,707 | \$205,361 |
| 2021 | \$182,147 | \$194,035 | \$215,732 |
| 2022 | \$191,346 | \$203,833 | \$226,626 |
| 2023 | \$199,095 | \$212,089 | \$235,805 |
| 2024 | \$207,159 | \$220,678 | \$245,355 |
| • | Assoc | ciate Judge/Justice | |
| Year | District | Appellate | Supreme |
| 2020 | \$165,136 | \$175,915 | \$186,692 |
| 2021 | \$173,475 | \$184,799 | \$196,120 |
| 2022 | \$182,236 | \$194,131 | \$206,024 |
| 2023 | \$189,616 | \$201,993 | \$214,368 |
| 2024 | \$197,296 | \$210,174 | \$223,050 |
| ote: These salario | es represent 5.05% increases in 2 | 2021 and 2022 and 4.05% increase | ses in 2023 and 2024. Expected |

A note about the authors:

inflation is 2.05%

Elizabeth Kula graduated from St. Catherine University with a dual degree in economics and mathematics in December 2019. She currently works for the Economics and Political Science department at St. Catherine University as a pre-doctoral research assistant and a program coordinator for the MN Center for Diversity in Economics. She will begin the Applied Economics PhD program at the University of Minnesota in September 2020.

Dr. Kristine West is an associate professor of Economics at St. Catherine University. She is an applied microeconomist with expertise in labor economics and public policy analysis. Her research focuses on the economics of public sector labor markets. She earned a Ph.D. in Applied Economics from the University of Minnesota in 2012 and a B.A. from Macalester College in 2001.

Both Dr. West and Ms. Kula volunteered their time to conduct this analysis. All analysis was conducted independently. Ms. Kula was responsible for background research, data collection and preliminary analysis and drafts. Dr. West provided oversight and guidance, reviewed the final analysis and co-authored the final draft. We extend a special thank you to Tessa Jones, a St. Catherine University Political Science and Public Policy student who contributed to the data collection for this report.