

Good morning, Chairman Nathe and members of the Education and Environment Division of House Appropriations. My name is Zack Pelham.

I'm here today to testify in support of HB 1002, the judicial branch's budget. Specifically, I'm here to urge your support of an increase in judicial salaries.

I've been in private practice for many years and am an active member of the state bar. Currently, I'm the managing member of the Pearce Durick law firm in Bismarck. My practice focuses on insurance defense, oil and gas law, product liability defense, employment and labor law, and general business representation. I am a past president of the State Bar Association, past president of the Big Muddy Bar Association, past president of the North Dakota Defense Lawyers Association, and current Chair of the Commission on Legal Counsel for Indigents. I am here today, however, in my individual capacity as a private practice attorney.

Current judicial compensation is inadequate to attract highly qualified individuals from private practice. When I first starting practicing law in 2004, judicial vacancies used to routinely have 10 or more candidates, many from private practice. That is no longer the case. The vast majority of recent judicial applicants are individuals moving from one government position to another or candidates with limited legal experience. To be clear, these are good people. I worked with some of them when I was an assistant attorney general before moving into private practice in 2007. The reason we have few applicants, and almost no applicants from private practice, for state judicial vacancies is in large part because of current judicial compensation. I can tell you that is not a problem for federal judicial vacancies—of which I have applied for. I can tell you with certainty that a successful, mid-career private practitioner in North Dakota, who is typically at the height of their earning capacity, simply cannot take a significant pay cut in becoming a state court judge. For me, with a wife and four children, I am here to tell you the numbers do not add up—I have done the math.

We are fortunate in North Dakota to have a great bench from a diversity of life and professional experiences. However, as our current judges retire and judicial salaries continue to lag behind real-dollar increases realized by private practitioners, judicial recruitment and the quality of our bench is at serious risk. Having a broad based judiciary, made up of professionals from public *and* private practice is imperative for a healthy judicial system in North Dakota.

As such, I urge you to support the judiciary's request for a \$6.4 million dollar increase to its biannual budget to provide our judges and justices with increased compensation.

Thank you, Chairman Nathe. I'd be happy to answer any questions from the committee.