

Legislative Highlights

ABI Supports Payraise for Federal Judges

The ABI has endorsed passage of S. 1638, the Federal Judicial Salary Restoration Act, in a letter to the Senate Judiciary Committee. The bill would authorize a raise in the pay for bankruptcy judges from the current \$151,984 to \$227,976. Bankruptcy judges' salaries are set by statute at only 92 percent of that of district judges, currently \$165,200, the same as that for Senators and U.S. House Members. The bipartisan bill, pending in the Senate Judiciary Committee, would delink district court judge salaries from Congress for the first time since 1991. The last 15 years have witnessed a dramatic erosion in the real pay for judges, compared to other federal employees and the average American worker. Many federal employees can now earn substantially more than judges

before whom they appear. More than 100 experienced and talented judges have left the federal bench due to the salary issue, threatening the independence of the Third Branch. The problem is especially acute at the bankruptcy level: "The rights of millions of employees, retirees and other stakeholders are at issue in these cases, and so retaining and attracting the top members of the legal profession is vital to the administration of the bankruptcy system," ABI Chairman **John D. Penn** wrote in the letter dated July 30. While ABI is not an advocacy group, it has supported legislation to advance the administration of justice in the past.

DOJ Seeks Increase in Quarterly Chapter 11 Fees

The U.S. Trustee Program is proposing an increase in the quarterly fee assessed to debtors in chapter 11 (28

U.S.C. 1930(a)(6)). Fees would increase by 30 percent in all quarterly fee categories and three new disbursement levels at the upper end of the disbursement table are proposed. Quarterly fees have not increased since 1996, and the 30 percent hike approximates the inflation rate since then. BAPCPA mandates a number of new requirements on the UST program. If approved by Congress, the new fees would take effect on Jan. 1, 2008. The proposal has already passed the House of Representatives as part of the DOJ appropriations bill.

Existing Disbursement

Ranges	Fee
\$0 to \$14,999	\$250
\$15,000 to \$74,999	\$500
\$75,000 to \$149,999	\$750
\$150,000 to \$224,999	\$1,250
\$225,000 to \$299,999	\$1,500

continued on page 63

Legislative Highlights

from page 8

\$300,000 to \$999,999	\$3,750	Proposed Disbursement Ranges	Proposed Fee	\$2,000,000	
\$1,000,000				to \$2,999,999	\$9,750
to \$1,999,999	\$5,000	\$0 to \$14,999	\$325	\$3,000,000	
\$2,000,000		\$15,000 to \$74,999	\$650	to \$4,999,999	\$10,400
to \$2,999,999	\$7,500	\$75,000 to \$149,999	\$975	\$5,000,000	
\$3,000,000		\$150,000 to \$224,999	\$1,625	to \$14,999,999	\$15,000
to \$4,999,999	\$8,000	\$225,000 to \$299,999	\$1,950	\$15,000,000	
\$5,000,000 or more	\$10,000	\$300,000 to \$999,999	\$4,875	to \$29,999,999	\$20,000
		\$1,000,000		\$30,000,000 or more	\$30,000. ■
		to \$1,999,999	\$6,500		