

**Excerpts from “2017 Survey of NAFE Members:
Their Methods, Estimates, and Perspectives”**

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Some objected to the form of the question [#1] as “forced,” having never experienced such a judge as the one hypothetically imposed in Question 1. This question (as well as Questions 3, 5 and 7) includes the restriction to “assume that the judge instructs that you must . . . ” for a variety of reasons. It is the same wording as in previous surveys and makes comparison across surveys more relevant. It also imposes some specificity to the questions so that respondents will have a similar understanding of the question asked. Finally, requiring some response is a survey-design technique imposed to generate a greater number of usable responses, as it seeks to override the tendency by some in the absence of a requirement to simply avoid responding to any question involving a method not personally used.

Question 1. Assume that the judge instructs that you must incorporate an estimate of the nominal rate of increase in total compensation into a 30-year forecast of economic loss. Assume an average worker in the private sector with no allowance for age-earnings factors. Complete the sentence: “I would use _____% as the average annual rate of increase in total compensation over this 30-year period.”

Question 3. Assume that the judge instructs that you must incorporate an estimate of the nominal rate of interest (or discount rate) into a 30-year forecast of economic loss. Assume there are no legal constraints concerning the specific rate utilized, but that the estimate must be a single figure and expressed in nominal terms. Complete the sentence: “I would use _____% as the rate of interest (or discount rate) over this 30-year period.”

Question 5. Assume the judge instructs that you must estimate a net discount rate (and use a fixed rate) in your forecast of total compensation for a 30-year period. The net discount rate may be based upon either nominal or real values. Please note that for this question the net discount rate is (approximately) equal to the interest rate minus the general rate of increase in total compensation for all U.S. workers. Complete the following sentence: "I would use _____% per year as the average net discount rate over 30 future years."

Question 7. Assume the judge instructs that you must incorporate price inflation into a 30-year forecast of economic loss. Complete the following sentence: "I would use _____% as the average annual rate of price inflation (increase in the CPI) over this 30-year period."

Question 9. When discounting, I generally use (select one):

Question 11. When determining wage increases over 30 years, I generally use (select one):

Question 13. When determining the interest rate for present value purposes over 30 years, I generally use (select one):

Question 15. If you selected "some historical average of interest rates" for Question 13, which of the following best reflect how you chose the number of years to be averaged?

Question 17. Given no legal constraints, I generally estimate lost earnings, interest rates, and other values in (select one):

Question 19. Assume that an injured worker has 30 additional years of worklife expectancy. Regardless of your mix of government securities versus other securities that you would emphasize in selecting an interest rate(s)?

Question 21. Assume that Mr. Jones is married and earns \$20,000 per year. Mrs. Jones earns \$100,000 per year. Mr. Jones dies and the forensic economist must deduct self-consumption of the deceased based upon expected consumption (as opposed to maintenance consumption). Is the base used for estimating self-consumption total family income equal to \$120,000 or is the base the income of the decedent equal to \$20,000? (The attorney instructs you that the governing law says nothing about which is the proper base and the choice is up to the expert economist.)

Question 23. In determining the dollar value of lost household services per hour (or other relevant time period) for a homemaker not otherwise employed, I generally use (check one):

Question 25. *My total annual taxable labor income last year (in percentage terms) came from the following sources: (Total must sum to 100%. Do not include income earned outside of the labor market such as dividends, interest, pensions, 401(k) income, and Social Security benefits.)*

Question 27. *What is the highest educational degree you have obtained which relates to your forensic work?*

Question 29. *In what field of study was your highest degree related to forensic work awarded (select one)?*

Question 31. *Within the last five calendar years (2011-2016) how would you describe your level of professional activity designed to enhance your knowledge related to your practice? (e.g. conference attendance, reading related literature in the profession, monitoring or contributing to online discussions).*

Question 33. *Please complete the statement: “I have been practicing and earning income in the field of forensic economics for _____ years.”*

Question 35. *I would estimate that my relative earnings as a forensic economist in the last year were derived from the following types of cases. (Percentages should be based on earnings as a practicing forensic economist, not total earnings).*

Question 37. *Looking back at the total number of new cases for which I was hired in the field of forensic economics last year, I would break the percentages as follows (Note: Please include family law cases in “other”):*

Question 39. *Please use the space below to outline or discuss any ethical dilemmas or issues that you have personally faced, that others have faced, or that you believe the profession should address.*

Question 40. *Please use the space below for any additional comments you wish to make about this survey or suggestions for future surveys.*