

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on February 19, 2008, in Room 514-S of the Capitol.

All members were present except:
Representative George - excused

Committee staff present:
Alan Conroy, Legislative Research Department
J. G. Scott, Legislative Research Department
Reed Holwegner, Legislative Research Department
Cody Gorges, Legislative Research Department
Jim Wilson, Revisor of Statutes
Nobuko Folmsbee, Revisor of Statutes
Nikki Feuerborn, Chief of Staff
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:
Jerry Sloan, Judicial Branch
Randy Hearrell, Executive Director, Judicial Council

Others attending:
See attached list.

- Attachment 1 Budget Committee Report on Board of Indigents Defense Services (BIDS)
- Attachment 2 Budget Committee Report on Judicial Branch and Judicial Council

Introduction of Legislation

Representative Bethell moved to introduce legislation regarding healthy marriages and strong families. The motion was seconded by Representative Tafanelli. Motion carried.

Representative Powell moved to introduce legislation regarding negotiations for contracts and professional services. The motion was seconded by Representative Feuerborn. Motion carried.

Board of Indigents Defense Services (BIDS)

Representative Wolf, member of the Public Safety and Transportation Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Board of Indigents Defense Services (BIDS) for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

Representative Wolf, member of the Public Safety and Transportation Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Board of Indigents Defense Services (BIDS) for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 1). The motion was seconded by Representative Tafanelli. Motion carried.

Judicial Branch

Representative Pottorff, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Judicial Branch for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 2). The motion was seconded by Representative Lane. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on February 19, 2008, in Room 514-S of the Capitol.

Representative Pottorff, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Judicial Branch for FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 2). The motion was seconded by Representative Lane.

Representative Powell moved for a substitute motion to delete Item No. 2 from the Budget Committee report on the Judicial Branch for FY 2009 and request an interim study of caseloads for judges across the State and the feasibility of moving judges from a district where caseloads are declining to a district of increased caseloads. The motion was seconded by Representative Bethell. Motion failed on a 9-11 vote.

With reference to questions concerning Item No. 2 of the Budget Committee Report, the Budget Committee indicated that district court judges in Sedgwick County are elected and not appointed. Postponing the issue until Omnibus would not allow potential judges the ability to meet the deadline of mid-April for filing for the positions. Increased caseloads in Sedgwick County have caused the need for additional judges. The Committee voiced concern that there may be areas of the state where there are declining caseloads and discussion should take place with regard to moving judges from those areas into an area with increased caseloads.

Jerry Sloan, Judicial Branch, responded to questions from the Committee, stating that a chief judge can assign judges within the judicial district. In order to cross judicial district lines, an order from the Supreme Court is required. Mr. Sloan indicated that this is a routine procedure and done quite often. This action also applies to magistrate judges.

Representative Yoder moved to amend the Budget Committee report on the Judicial Branch for FY 2009 by decreasing the funding in Item No. 2 from \$737,698 to \$487,698 State General Fund. The motion was seconded by Representative Wolf. Motion carried.

The Budget Committee stated that this reduction in the State General Fund is possible because the judges in Sedgwick County are elected positions, to commence in January 2010, thereby requiring only six months of funding as opposed to a full year.

Representative Bethell moved to amend the Budget Committee report on the Judicial Branch for FY 2009 by requesting an interim study of judges' caseloads and the feasibility of moving judges across judicial district lines to better utilize judges across the state. The motion was seconded by Representative Ballard. Motion carried.

Representative Pottorff renewed the motion to adopt the Budget Committee report on the Judicial Branch for FY 2009 as amended. The motion was seconded by Representative Lane. Motion carried.

Judicial Council

Representative Lane, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Judicial Council for FY 2008 and moved for the adoption of the Budget Committee recommendations for FY 2008 (Attachment 2). The motion was seconded by Representative Pottorff. Motion carried.

Responding to a question from the Committee with reference to Item No. 1 of the Budget Committee report, Randy Hearrell, Executive Director, Judicial Council, provided an update on the status of the judge's performance survey. As of this date, the software to assist in the judge's performance survey has not been written causing the delay. There is only one vendor who can write the software update. Meanwhile, the vendor who has been contracted to do the performance survey is proceeding with the survey by securing data on a county by county basis.

Representative Lane, member of the General Government Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Judicial Council for

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on February 19, 2008, in Room 514-S of the Capitol.

FY 2009 and moved for the adoption of the Budget Committee recommendations for FY 2009 (Attachment 2). The motion was seconded by Representative Beamer. Motion carried.

The meeting was adjourned at 10:10 a.m. The next meeting of the Committee will be held at 9:00 a.m. on February 20, 2008


Sharon Schwartz, Chair

House Appropriations Committee
February 19, 2008
9:00 A.M.

NAME	REPRESENTING
Terry Neare	Judicial Council
MARK BORANYAK	CAPITOR STRATEGIES
KIM FULW	Judicial Branch
Terry Sloan	Judicial Branch
Cindy Denton/Vicki Helsel	Budget
SHEENA WARD	BUDGET
Michael Hopper	Kearney & Assoc.

FY 2008 and FY 2009

HOUSE TRANSPORTATION AND PUBLIC SAFETY BUDGET COMMITTEE

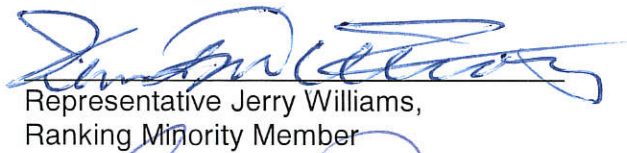
State Board of Indigents' Defense Services


Representative Lee Tafanelli, Chair


Representative Tom Moxley


Representative Mitch Holmes, Vice-Chair


Representative Tim Owens


Representative Jerry Williams,
Ranking Minority Member


Representative Jeff Whitham


Representative Paul Davis


Representative Kay Wolf


Representative Stan Frownfelter

HOUSE APPROPRIATIONS

DATE 2-19-2008
ATTACHMENT 1

House Budget Committee Report

Agency: Board of Indigents' Defense Services **Bill No.** HB

Bill Sec.

Analyst: Holwegner

Analysis Pg. No. Vol.-

Budget Page No.

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 23,301,160	\$ 22,497,270	\$ 0
Other Funds	1,000,000	1,000,000	0
Subtotal - Operating	<u>\$ 24,301,160</u>	<u>\$ 23,497,270</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 24,301,160</u></u>	<u><u>\$ 23,497,270</u></u>	<u><u>\$ 0</u></u>
FTE Positions	193.0	193.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>193.0</u></u>	<u><u>193.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The Board of Indigents' Defense Services requests a revised FY 2008 budget totaling \$24,301,160. This includes \$23,301,160 from the State General Fund and \$1,000,000 from all other funds. The revised budget request is an increase of \$503,890, or 2.1 percent, above the amount approved by the 2007 Legislature. The increase can be attributed to funding either reappropriated (\$103,890 from the State General Fund) or additional funds made available to the agency since the last legislative session (\$400,000 from the Indigents' Defense Services Fund). No supplemental enhancements have been requested. The request would fund 193.0 FTE positions, the same level as the 2007 Legislature approved.

Governor's Recommendation

The Governor recommends \$23,497,270 which includes \$22,497,270 from the State General Fund and \$1,000,000 from all other funds. Compared to the amount initially approved by the Legislature, this is a decrease of \$300,000, or 1.3 percent, from all funds and a decrease of \$700,000, or 3.0 percent, from the State General Fund. Compared to the agency's revised estimate, this is a decrease of \$803,890, or 3.3 percent, from all funds and a decrease of \$803,890, or 3.4 percent, from the State General Fund. The Governor's recommendation takes into account the latest caseload estimate for assigned counsel. The revised recommendation includes a reduction of \$700,000 from the State General Fund. The recommendation also includes an additional \$400,000 from the Indigents' Defense Services Fund. This fund receives revenue from docket fees (\$0.50 per case filed with the courts), bond forfeitures, and application fees (\$100

per application) for representation by the agency.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Board of Indigents' Defense Services **Bill No.** HB **Bill Sec.**
Analyst: Holwegner **Analysis Pg. No.** Vol.- **Budget Page No.**

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	House Budget Committee Adjustments*
Operating Expenditures:			
State General Fund	\$ 23,618,395	\$ 23,249,586	\$ (659,231)
Other Funds	1,000,000	1,000,000	0
Subtotal - Operating	<u>\$ 24,618,395</u>	<u>\$ 24,249,586</u>	<u>\$ (659,231)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 24,618,395</u></u>	<u><u>\$ 24,249,586</u></u>	<u><u>\$ (659,231)</u></u>
FTE Positions	193.0	193.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>193.0</u></u>	<u><u>193.0</u></u>	<u><u>0.0</u></u>

*Includes a reduction of \$397,631 from the State General Fund for the removal of the Governor's recommended salary adjustments.

Agency Request

The **Board of Indigents' Defense Services** requests an FY 2009 budget of \$24,618,395. This includes \$23,618,395 from the State General Fund and \$1,000,000 from other funds. This is an increase of \$317,235, or 1.3 percent, above the revised current year estimate. Requested State General Fund expenditures are an increase of \$317,235, or 1.4 percent, above the revised budget. The request would finance 193.0 FTE positions, the same staffing level as approved for the current fiscal year. The request includes enhancement funding of \$597,990 from the State General Fund.

Governor's Recommendation

The Governor recommends \$24,249,586 for an operating budget in FY 2009; this includes \$23,249,586 from the State General Fund and \$1,000,000 from the Indigents' Defense Services Fund. Compared to the revised 2008 recommendation, this is an increase of \$752,316, or 3.2 percent, from all funds. Compared to the agency's request, this is a decrease of \$368,809, or 1.5 percent, from all funds and a decrease by the same amount from the State General Fund. The recommendation would fund 193.0 FTE positions. The Governor further recommends \$261,600 from the State General Fund for enhancements.

1-4

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following adjustments and comments:

1. **Pay Plan Adjustments.** Delete \$397,631, all from the State General Fund, to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
 - a. **State Employee Pay Increases.** Delete \$233,633, all from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** Delete \$133,948, all from the State General Fund, to remove the amount recommended by the Governor for FY 2009 pay increases for basic vocational classes and for those employees identified as having the most disparity relative to market rate.
 - c. **Longevity Pay.** Delete \$30,050, all from the State General Fund, to remove the amount recommended by the Governor for longevity bonus payments.
2. **Public Defender Salary Enhancement.** Delete \$250,000 from the State General Fund that was recommended for salary enhancement for public defenders. The Committee heard testimony from the agency that these non-classified employees are estimated to be 24 percent below market rates. Approximately one out five public defenders resigned their position in FY 2007. A year ago the Budget Committee sent a letter to the Legislative Division of Post Audit requesting a study of the State Board of Indigents' Defense Services. The letter requested Post Audit to study the entire system of delivering services to indigent persons in the state, including methods to effectively and efficiently provide services, attracting and retaining public defenders and private attorneys, and the future needs of the agency. That study has not yet been authorized by the Post Audit Committee. The Budget Committee repeats its request. While the Committee believes that public defender salary pay may be an issue, it should be addressed while looking at the whole public legal defense system. The Budget Committee further recommends this issue be considered during omnibus.
3. **Vehicle.** Delete \$11,600 from the State General Fund for the replacement of one vehicle. While the vehicle recommendation meets the criteria for replacement that was established by the Department of Administration, the Budget Committee recommends that this issue be considered during omnibus after the consensus revenue estimates for the State General Fund have been revised.
4. **Assigned Counsel Caseload Estimates.** Approximately 40 percent of the State Board's budget is dedicated to paying for assigned counsel, a total of \$9,600,000 from the State General Fund. New caseload estimates will be determined in the spring. The Budget Committee recommends that any funding changes be considered during omnibus.

FY 2008 and FY 2009

HOUSE GENERAL GOVERNMENT BUDGET COMMITTEE

Judicial Branch
Judicial Council



Representative Kevin Yoder, Chair



Representative Rocky Fund

Representative Kasha Kelley, Vice-Chair

Representative Annie Kuether



Representative Harold Lane,
Ranking Minority Member



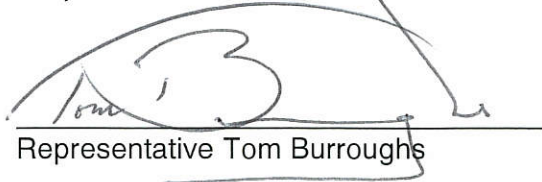
Representative JoAnn Pottorf



Representative Virginia Beamer



Representative Charles Roth



Representative Tom Burroughs

HOUSE APPROPRIATIONS

DATE 2-19-2008
ATTACHMENT 2

House Budget Committee Report

Agency: Judicial Branch **Bill No.** HB **Bill Sec.**
Analyst: Holwegner **Analysis Pg. No.** Vol.- **Budget Page No.**

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 109,181,506	\$ 109,181,506	\$ 0
Other Funds	10,961,220	10,961,220	0
Subtotal - Operating	<u>\$ 120,142,726</u>	<u>\$ 120,142,726</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 139,984	\$ 139,984	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 139,984</u>	<u>\$ 139,984</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 120,282,710</u></u>	 <u><u>\$ 120,282,710</u></u>	 <u><u>\$ 0</u></u>
 FTE Positions	 1,846.3	 1,846.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>1,846.3</u></u>	<u><u>1,846.3</u></u>	<u><u>0.0</u></u>

Agency Estimate

The Judicial Branch estimates its revised total expenditures to be \$120,142,726. This includes \$109,181,506 from the State General Fund, \$491,814 from federal funds, and \$10,469,406 from other funds. The revised budget request is an increase of \$471,735, or 0.4 percent, above the amount approved by the 2007 Legislature. Requested State General Fund expenditures are an increase of \$456,002, or 0.4 percent, above the approved amount and can be attributed to the reappropriation of funds. The request would fund 1,846.3 FTE positions.

Governor's Recommendation

The Governor concurs.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation.

House Budget Committee Report

Agency: Judicial Branch **Bill No.** HB **Bill Sec.**
Analyst: Holwegner **Analysis Pg. No.** Vol.- **Budget Page No.**

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	House Budget Committee Adjustments*
Operating Expenditures:			
State General Fund	\$ 121,428,688	\$ 111,792,805	\$ (2,589,227)
Other Funds	11,168,896	10,902,785	(213,229)
Subtotal - Operating	<u>\$ 132,597,584</u>	<u>\$ 122,695,590</u>	<u>\$ (2,802,456)</u>
Capital Improvements:			
State General Fund	\$ 143,483	\$ 143,483	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 143,483</u>	<u>\$ 143,483</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 132,741,067</u></u>	 <u><u>\$ 122,839,073</u></u>	 <u><u>\$ (2,802,456)</u></u>
 FTE Positions	 1,887.8	 1,849.3	 6.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>1,887.8</u></u>	<u><u>1,849.3</u></u>	<u><u>6.0</u></u>

*Includes a reduction of \$3,378,821, including \$3,165,592 from the State General Fund, for the removal of the Governor's recommended pay plan adjustments.

Agency Request

The Judicial Branch requests an operating budget of \$132,597,584 for FY 2009. This includes \$121,428,688 from the State General Fund, \$357,479 from federal funds, and \$10,811,417 from other funds. This is an increase of \$12,454,858, or 10.4 percent, above the revised current year estimate. Requested State General Fund expenditures are an increase of \$12,247,182, or 11.2 percent, above the revised budget. The request would finance 1,887.8 FTE positions, an increase of 41.5 positions from the revised current year estimate. The request includes enhancement funding of \$12,465,207 from all funds, including \$11,674,425 from the State General Fund, and 38.5 FTE positions. Absent the enhancement requests, the requested budget for FY 2009 would total \$120,132,377 from all funds, including \$109,754,263 from the State General Fund. Compared to the revised FY 2008 budget request, the FY 2009 base budget is increased by \$6,850, or less than 0.1 percent, from all funds and a State General Fund increase of \$572,757, or 0.5 percent.

Governor's Recommendation

The Governor recommends \$122,695,590 which includes \$111,792,805 from the State General Fund. Compared to the revised FY 2008 recommendation, this is an increase of \$2,552,864, or 2.1 percent, from all funds and an increase of \$2,611,299, or 2.4 percent, from the State General Fund. Compared to the Judicial Branch's FY 2009 request, this is a decrease of \$9,901,994, or 7.5 percent, from all funds and a decrease of \$9,635,883, or 7.9 percent, from the

State General Fund. The recommended budget would fund 1,849.3 FTE positions. The Governor does not recommend the enhancements requested by the Judicial Branch.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following adjustments and comments:

1. **Pay Plan Adjustments.** Delete \$3,378,821, including \$3,165,592 from the State General Fund to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
 - a. **State Employee Pay Increases.** Delete \$2,538,821, including \$2,391,187 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** The Judicial Branch is not part of the Governor's recommended pay plan for classified employees, and no money is deleted for this item.
 - c. **Longevity Pay.** Delete \$840,000, including \$774,405 from the State General Fund, to remove the amount recommended by the Governor for longevity bonus payments.
2. **District Court Judges and Support Staff.** Add \$737,698 from the State General Fund and 9.0 FTE positions for three district judges and six support staff. One judge position will be for the 2nd Judicial District (Jackson, Jefferson, Pottawatomie, and Wabaunsee Counties) and two judge positions will be for the 18th Judicial District (Sedgwick County). Two support staff positions will be associated with each district judge position. The Committee heard testimony that both of these judicial districts had an increase in caseloads. There are currently only two judges in the 2nd Judicial District, and in FY 2007 the 18th Judicial District had the largest caseload (an average of 3,133 cases per judge) of all of the district courts in the state.
3. **14th Appeals Court Judge.** Delete \$161,333 from the State General Fund and 3.0 FTE positions. In the recent past, the Legislature has postponed the creation of the 13th and 14th Appeal Court judgeships as a means to balance the state's budget. The 13th judge was filled in January 2008. The Committee recommends adding a proviso that will postpone the creation of 14th Appeals Court judge until January 2010.
4. **Market Pay Adjustments.** The Judicial Branch is not included in the Governor's recommended pay adjustments for classified employees. The Judicial Branch has requested that the Legislature appropriate \$10,549,639 from all funding sources, including \$10,135,894 from the State General Fund, for a salary plan adjustment for nonjudicial personnel. Due to high turnover rates, the Judicial Branch previously instituted a pay plan in 2000 that eliminated automatic annual step movements and provided for pay raises at certain performance levels. A portion of clerks' docket fees are deposited into the statutorily created Judicial Branch Nonjudicial Salary Initiatives Fund. Currently 17.85 percent of docket fees (an estimated \$20.9 million in FY 2008 and \$21.3 million in FY 2009) is deposited in the fund to be used solely for nonjudicial personnel. Initial data indicated to the

2-4

Court that the pay plan increased the retention of employees. However, the Judicial Branch contends that over time the cost of living allowances for its employees has fallen short because of inflationary pressures as measured by the Employment Cost Index of the Bureau of Labor Statistics. Vacancy rates have begun to increase again. The Judicial Branch estimates that this enhancement would allow for a cost of living adjustment of 15.75 percent.

The Committee heard testimony from nonjudicial personnel about the difficulties in retaining qualified employees. Like many other state employees, nonjudicial employees are expected to take on more responsibilities over time. The Committee concludes that it is necessary to raise the pay of nonjudicial personnel as well. While the Judicial Branch requests the total sum be made up in one year, the Committee recommends that pay adjustments be implemented over three fiscal years.

On February 11, 2007, the House Committee on Appropriations approved the introduction of legislation that would increase docket fees; the bill would increase fees similar to what the Kansas Supreme Court instituted through its emergency surcharge that was in effect from April 1, 2003 to the end of FY 2006. It is estimated that the bill would raise approximately \$3.7 million, which is approximately equivalent to the amount needed to fund the first year of the Judicial Branch's market pay adjustment. The Budget Committee encourages the passage of the bill and recommends that this issue be considered during omnibus.

House Budget Committee Report

Agency: Judicial Council **Bill No.** HB **Bill Sec.**
Analyst: Holwegner **Analysis Pg. No.** Vol.- **Budget Page No.**

Expenditure Summary	Agency Estimate FY 08	Governor's Recommendation FY 08	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 220,000	\$ 220,000	\$ 0
Other Funds	1,301,763	1,301,763	150,000
Subtotal - Operating	<u>\$ 1,521,763</u>	<u>\$ 1,521,763</u>	<u>\$ 150,000</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 1,521,763</u></u>	 <u><u>\$ 1,521,763</u></u>	 <u><u>\$ 150,000</u></u>
 FTE Positions	 7.0	 7.0	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>7.0</u></u>	<u><u>7.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The Judicial Council's revised FY 2008 budget request is \$1,521,763 from all funds, including \$220,000 from the State General Fund. The requested budget would fund 7.0 FTE positions. This is the same amount as what the 2007 Legislature had approved.

Governor's Recommendation

The Governor concurs.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following comment:

1. **Judicial Performance Fund.** Add \$150,000 from the Judicial Performance Fund. The Committee notes that the Commission on Judicial Performance, which is a part of the Judicial Council, initially planned to start in FY 2007 to survey persons (such as lawyers, litigants, witnesses, and jurors) who recently had contact with the court system. In April of 2007, the Commission entered into a contract with a vendor to conduct the surveys and in June of 2007 made the initial

2-6

payment \$300,000 from the Judicial Performance Fund under the terms of the contract. However, the Commission was unable to provide the contractor in a timely manner with the information needed to do the mailings because of a software compatibility issue involving the district court databases. In FY 2008 the vendor returned the \$300,000 to the Commission and entered into a letter of understanding, which will reinstate the original contract when the rewritten software is functioning. In the meantime the Commission secured an "extraction disc" and has been physically going from courthouse to courthouse to extract the information needed for mailings from the court files. The agency informed the Committee that it plans to catch up, and the original \$300,000 will be spent during FY 2008 and FY 2009: \$150,000 in FY 2008 and \$150,000 in FY 2009.

House Budget Committee Report

Agency: Judicial Council **Bill No.** HB **Bill Sec.**
Analyst: Holwegner **Analysis Pg. No.** Vol.- **Budget Page No.**

Expenditure Summary	Agency Request FY 09	Governor's Recommendation FY 09	House Budget Committee Adjustments*
Operating Expenditures:			
State General Fund	\$ 155,000	\$ 151,210	\$ (1,210)
Other Funds	<u>1,233,830</u>	<u>1,244,363</u>	<u>136,467</u>
Subtotal - Operating	<u>\$ 1,388,830</u>	<u>\$ 1,395,573</u>	<u>\$ 135,257</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Capital Improvements	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 1,388,830</u></u>	<u><u>\$ 1,395,573</u></u>	<u><u>\$ 135,257</u></u>
FTE Positions	7.0	7.0	0.0
Non FTE Uncl. Perm. Pos.	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
TOTAL	<u><u>7.0</u></u>	<u><u>7.0</u></u>	<u><u>0.0</u></u>

* Includes a reduction of \$14,743, including \$1,210 from the State General Fund, for the removal of the Governor's recommended pay plan adjustments.

Agency Request

The Judicial Council requests expenditures of \$1,388,830 from all funds for the agency's operating budget (\$1,233,830) and for the second year of operations of the Criminal Code Recodification Commission (\$155,000 from the State General Fund). This is a decrease of \$132,933, or 8.7 percent, below the revised current year estimate. Requested State General Fund expenditures are a decrease of \$65,000, or 29.5 percent, below the revised budget. The request would finance 7.0 FTE positions. The request includes enhancement funding of \$5,000 from the State General Fund for the Criminal Code Recodification Commission.

Governor's Recommendation

The Governor recommends \$1,395,573 from all funds. This includes \$1,244,363 from other funds for the operations of the Judicial Council and \$151,210 from the State General Fund for the Criminal Code Recodification Commission. Compared to the revised FY 2008 recommendation, this is a decrease of \$126,190, or 8.3 percent, from all funds and a decrease of \$68,790, or 31.3 percent, from the State General Fund. Compared to the Judicial Council's request, this is a decrease of \$6,743, or 0.5 percent, from all funds and a decrease of \$3,790, or 2.4 percent, from the State General Fund. The recommended budget would fund 7.0 FTE positions. The Governor does not recommend the enhancement requested by the Criminal Code Recodification Commission.

2-8

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following adjustments and comments:

1. **Pay Plan Adjustments.** Delete \$14,743, including \$1,210 from the State General Fund, to remove the following pay plan adjustments recommended by the Governor. Pay plan adjustments will be considered in a separate bill.
 - a. **State Employee Pay Increases.** Delete \$11,743, including \$1,210 from the State General Fund, to remove the amount recommended by the Governor for the 2.5 percent base salary adjustment.
 - b. **Classified Employee Pay Plan.** The Judicial Council is not part of the Governor's recommended pay plan for classified employees, and no money is deleted for this item.
 - c. **Longevity Pay.** Delete \$3,000, all from special revenue funds, to remove the amount recommended by the Governor for longevity bonus payments.
2. **Judicial Performance Fund.** Add \$150,000 from the Judicial Performance Fund. The Committee notes that the Commission on Judicial Performance, which is a part of the Judicial Council, initially planned to start in FY 2007 to survey persons (such as lawyers, litigants, witnesses, and jurors) who recently had contact with the court system. In April of 2007, the Commission entered into a contract with a vendor to conduct the surveys and in June of 2007 made the initial payment of \$300,000 from the Judicial Performance Fund under the terms of the contract. However, the Commission was unable to provide the contractor in a timely manner with the information needed to do the mailings because of a software compatibility issue involving the district court databases. In FY 2008 the vendor returned the \$300,000 to the Commission and entered into a letter of understanding, which will reinstate the original contract when the rewritten software is functioning. In the meantime the Commission secured an "extraction disc" and has been physically going from courthouse to courthouse to extract the information needed for mailings from the court files. The agency informed the Committee that it plans to catch up, and the original \$300,000 will be spent during FY 2008 and FY 2009: \$150,000 in FY 2008 and \$150,000 in FY 2009.