

FY 2013, FY 2014, and FY 2015

General Government Budget Committee

Judicial Branch
Judicial Council




Representative Pete DeGraaf, Chair



Representative Jim Howell, Vice-Chair



Representative Harold Lane, Ranking
Minority Member



Representative Tom Burroughs



Representative Don Hineman



Representative Mark Kahrs



Representative Craig McPherson



Representative Virgil Peck



Representative William Sutton

House Budget Committee Report

Agency: Judicial Branch

Bill No. HB 2088

Bill Sec. 17

Analyst: Dear

Analysis Pg. No. 319

Budget Page No. 152

Expenditure Summary	Agency Estimate FY 2013	Governor Recommendation FY 2013	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 106,179,769	\$ 106,179,769	\$ 0
Other Funds	25,619,670	25,619,670	0
Subtotal	\$ 131,799,439	\$ 131,799,439	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 131,799,439	\$ 131,799,439	\$ 0
FTE positions	1,855.3	1,855.3	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	1,855.3	1,855.3	0.0

Agency Estimate

The **Judicial Branch** requests revised FY 2013 operating expenditures of \$131.8 million, an increase of \$615,512, or 0.5 percent, above the amount approved by the 2012 Legislature. The revised estimate increase in the State General Fund is due to a supplemental request of \$199,499. The supplemental request corrects a technical error in the FY 2013 approved budget. The Judicial Branch is currently operating with 58 vacant, funded FTE positions for 1,855.3 total FTE.

The revised estimate includes special revenue fund expenditures of \$25.6 million, an increase of \$417,013, or 1.7 percent, above the approved amount.

Governor's Recommendation

The **Governor** concurs with the FY 2013 Judiciary estimate. The Governor is statutorily required to submit the Judicial Branch Budget to the Legislature as received.

House Budget Committee Recommendation

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

1. Add language in FY 2013 prohibiting the State Treasurer from transferring funds from fees, costs, other charges or penalties of the State Board of Law Examiners to the Bar Discipline Fee Fund and the subsequent transfer to the Client Protection Fund. In FY 2012, the two funds had a total revenue of \$2,365,593. The Committee instructs the State Treasurer to deposit the funds in the the Non-Judicial Salary Adjustment Fund and estimates

House Budget Committee Report

Agency: Judicial Branch

Bill No. HB 2088

Bill Sec. 47

Analyst: Dear

Analysis Pg. No. 319

Budget Page No. 152

Expenditure Summary	Agency Request FY 2014	Governor Recommendation FY 2014	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 136,476,702	\$ 123,076,268	\$ (13,066,266)
Other Funds	11,549,410	11,513,513	12,365,593
Subtotal	<u>\$ 148,026,112</u>	<u>\$ 134,589,781</u>	<u>\$ (700,673)</u>
Capital Improvements:			
State General Fund	\$ 605,712	\$ 261,734	\$ (208,734)
Other Funds	0	0	0
Subtotal	<u>\$ 605,712</u>	<u>\$ 261,734</u>	<u>\$ (208,734)</u>
 TOTAL	 <u><u>\$ 148,631,824</u></u>	 <u><u>\$ 134,851,515</u></u>	 <u><u>\$ (909,407)</u></u>
 FTE positions	 1,858.3	 1,858.3	 (3.0)
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>1,858.3</u></u>	<u><u>1,858.3</u></u>	<u><u>(3.0)</u></u>

Agency Request

The **Judicial Branch** requests a FY 2014 operating budget of \$148.0 million, an all funds increase of \$16.2 million, or 12.3 percent, above the revised FY 2013 agency estimate. The request includes State General Fund expenditures of \$136.5 million, an increase of \$30.3 million, or 28.5 percent, above the revised FY 2013 estimate. The State General Fund increase is attributable to enhancement requests of \$13.6 million, \$11.1 million to offset the expiring Judicial Branch Surcharge Fund, \$2.5 million to fund Non-Judicial personnel, \$1.6 million to offset reduced docket fee revenue and salaries previously funded from the Department for Children and Families (DCF), \$420,000 for the 14th Court of Appeal Judge and Staff, \$630,000 for increased KPERS employers contributions. The request would finance 1,858.3 FTE positions, an increase of 3.0 FTE positions above the revised FY 2013 estimate. The FTE increase is attributable to the hiring of the 14th Court of Appeals Judge and staff.

Governor's Recommendation

The **Governor** recommends a FY 2014 operating budget of \$134.6 million, including \$123.1 million from the State General Fund. The recommendation is a State General Fund total reduction of \$13.4 million, or 9.8 percent, below the FY 2014 agency request. The State General Fund reduction is attributable to recommendations not to fund the Judiciary enhancement requests totaling \$13.7 million. The Governor's recommendation includes a decrease of \$112,209, including \$105,127 from the State General Fund to reflect the Governor's

recommendation to reduce the Kansas Public Employees Retirement System (KPERs) death and disability employer contribution rate from the statutory 1.0 percent to 0.85 percent for FY 2014.

House Budget Committee Recommendation

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

1. Delete \$10.0 million, all from the State General Fund, contingent upon the passage of a bill extending the Judicial Branch Surcharge through FY 2014. The Judiciary originally added \$11.1 million, all from the State General Fund, to compensate for the sunset of the Judicial Branch Surcharge and the reduction in the lapse amount accounts for reduced docket fee and surcharge revenue projections.
2. Add \$10.0 million, all from special revenue funds, contingent upon the passage of a bill extending the Judicial Branch Surcharge through FY 2014.
3. Delete \$640,000, all from the State General fund, and direct the agency to fund longevity payments and step movement from within existing resources.
4. Delete \$420,000 and 3.0 FTE positions, all from the State General fund, to remove operating and capital improvement expenditures for implementation of the 14th Court of Appeals judge and staff. The Committee notes that 2012 SB 425 provides the court the authority to implement the 14th Court of Appeals Judge subject to appropriation of funds by the Legislature.
5. Delete \$625,000, all from the State General Fund, to allow the Judicial Branch to fill 60 of the 80 vacant judicial clerk positions included in the Judiciary budgetary request. The original judiciary request was for \$2,500,000, all from the State General Fund, to fill 80 vacant positions.
6. Delete \$1,590,000, all from the State General Fund, for monies requested by the Judiciary to compensate for declining docket fee revenue. The committee recognizes that Docket Fees are currently down between 4.0 percent and 6.0 percent from FY 2012 but believes that it would be premature to provide State General Fund to compensate the decline which may have reversed itself before FY 2014.
7. Add language prohibiting the State Treasurer from transferring funds from fees, costs, other charges or penalties of the State Board of Law Examiners to the Bar Discipline Fee Fund and the subsequent transfer to the Client Protection Fund. In FY 2012, the two funds had a total revenue of \$2,365,593. The Committee instructs the State Treasurer to deposit the funds in the following two accounts:
 - Deposit the first \$1,100,000 in the Judiciary Technology Fund to fund the e-filing enhancement request for FY 2014;
 - Deposit any funds in excess of \$1,100,000 in the Non-Judicial Salary Adjustment Fund. The Committee notes that these funds will allow the agency to retain the additional Court Services Officers to comply with the increased caseload involved in

implementation of the 2012 DUI bill and/or retain up 58 additional clerks requested by the Judiciary and recommended by the weighted caseload study.

8. The Committee notes that the Judiciary requested \$4.0 million to retain 22 additional judges to complete the additional caseload created by the requirement to have one judge per county. The Committee recommends the Legislature review this requirement and develop alternatives to allow the Judiciary to better manage their caseload.

House Budget Committee Report

Agency: Judicial Branch

Bill No. HB 2231

Bill Sec. 48

Analyst: Dear

Analysis Pg. No. 319

Budget Page No. 152

Expenditure Summary	Agency Request FY 2015	Governor Recommendation FY 2015	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ --	\$ 123,713,222	\$ (13,066,266)
Other Funds	--	11,556,502	12,365,593
Subtotal	\$ --	\$ 135,269,724	\$ (700,673)
Capital Improvements:			
State General Fund	\$ --	\$ 0	\$ (208,734)
Other Funds	--	0	0
Subtotal	\$ --	\$ 0	\$ (208,734)
 TOTAL	 \$ --	 \$ 135,269,724	 \$ (909,407)
 FTE positions	 --	 1,858.3	 (3.0)
Non FTE Uncl. Perm. Pos.	--	0.0	0.0
TOTAL	--	1,858.3	(3.0)

Agency Request

There were no **agency** budget requests made for FY 2015 by any state agencies other than those agencies designated in statute as biennial budget agencies. The Governor's budget recommendations to the 2013 Legislature do, however, include funding recommendations for each state agency for FY 2015.

Governor's Recommendation

The **Governor** recommends a FY 2015 operating budget of \$135.3 million, including \$123.7 million from the State General Fund. The recommendation is an increase of \$679,943, or 0.5 percent, and State General Fund increase of \$636,954, or 0.5 percent, above the FY 2014 Governor's recommendation. The increase is attributable to higher employer contributions to the Kansas Public Employee Retirement System. The Governor continues to recommend a reduced employe contribution rate for death and disability insurance.

House Budget Committee Recommendation

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

1. Delete \$10.0 million, all from the State General Fund, contingent upon the passage of a bill extending the Judicial Branch Surcharge through FY 2015. The Judiciary originally added \$11.1 million, all from the State General Fund, to compensate for the sunseting of the Judicial Branch Surcharge and the reduction in the lapse amount accounts for reduced docket fee and surcharge revenue projections.
2. Add \$10.0 million, all from special revenue funds, contingent upon the passage of a bill extending the Judicial Branch Surcharge through FY 2015.
3. Delete \$640,000, all from the State General fund, and direct the agency to fund longevity payments and step movement from within existing resources.
4. Delete \$420,000 and 3.0 FTE positions, all from the State General fund, to remove operating and capital improvement expenditures for implementation of the 14th Court of Appeals judge and staff. The Committee notes that 2012 SB 425 provides the court the authority to implement the 14th Court of Appeals Judge subject to appropriation of funds by the Legislature.
5. Delete \$625,000, all from the State General Fund, to allow the Judicial Branch to fill 60 of the 80 vacant judicial clerk positions included in the Judiciary budgetary request. The original judiciary request was for \$2,500,000, all from the State General Fund, to fill 80 vacant positions.
6. Delete \$1,590,000, all from the State General Fund, for monies requested by the Judiciary to compensate for declining docket fee revenue. The committee recognizes that Docket Fees are currently down between 4.0 percent and 6.0 percent from FY 2012 but believes that it would be premature to provide State General Fund to compensate the decline which may have reversed itself before FY 2014.
7. Add language prohibiting the State Treasurer from transferring funds from fees, costs, other charges or penalties of the State Board of Law Examiners to the Bar Discipline Fee Fund and the subsequent transfer to the Client Protection Fund. In FY 2012, the two funds had a total revenue of \$2,365,593. The Committee instructs the State Treasurer to deposit the funds in the following two accounts:
 - Deposit the first \$500,000 in the Judiciary Technology Fund to fund the e-filing for FY 2015. The agency indicates that this should complete the e-filing project.
 - Deposit any funds in excess of \$1,100,000 in the Non-Judicial Salary Adjustment Fund. The Committee notes that these funds will allow the agency to retain the additional Court Services Officers to comply with the increased caseload involved in implementation of the 2012 DUI bill and/or retain up 58 additional clerks requested by the Judiciary and recommended by the weighted caseload study.

House Budget Committee Report

Agency: Judicial Council

Bill No. HB 2088

Bill Sec. --

Analyst: Dear

Analysis Pg. No. 341

Budget Page No. 160

Expenditure Summary	Agency Estimate FY 2013	Governor Recommendation FY 2013	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	566,986	566,986	(60,000)
Subtotal	\$ 566,986	\$ 566,986	\$ (60,000)
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 566,986	 \$ 566,986	 \$ (60,000)
 FTE positions	 5.0	 5.0	 (1.0)
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	5.0	5.0	(1.0)

Agency Estimate

The **agency** estimates FY 2013 operating expenditures of \$566,986, all from special revenue funds. The estimate is a decrease of \$39,278, or 6.5 percent, below the amount approved by the 2012 Legislature. The 2012 Legislature approved an additional \$84,777 in expenditures for FY 2013 and 1.0 FTE position to hire a staff attorney to assist with work previously completed by Judicial Performance Staff. The funds also provide for additional Judicial Council meetings to complete increasing workload. The Legislature approved a total of 5.0 FTE positions.

Governor's Recommendation

The **Governor** concurs with the FY 2013 agency estimate.

House Budget Committee Recommendation

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

1. Delete \$60,000 and 1.0 FTE position, all from special revenue funds, to remove one vacant administrative assistant position in FY 2013.

House Budget Committee Report

Agency: Judicial Council

Bill No. HB 2231

Bill Sec. 43

Analyst: Dear

Analysis Pg. No. 341

Budget Page No. 160

Expenditure Summary	Agency Request FY 2014	Governor Recommendation FY 2014	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	592,611	592,172	(60,000)
Subtotal	<u>\$ 592,611</u>	<u>\$ 592,172</u>	<u>\$ (60,000)</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 TOTAL	 <u><u>\$ 592,611</u></u>	 <u><u>\$ 592,172</u></u>	 <u><u>\$ (60,000)</u></u>
 FTE positions	 5.0	 5.0	 (1.0)
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>5.0</u></u>	<u><u>5.0</u></u>	<u><u>(1.0)</u></u>

Agency Request

The **agency** requests FY 2014 operating expenditures of \$592,611, all from special revenue funds. The request is an increase of \$25,625, or 4.5 percent, above the revised FY 2013 estimate. The request includes funding for 5.0 FTE positions.

Governor's Recommendation

The **Governor** recommends a FY 2014 operating budget of \$592,172 all from special revenue funds, a decrease of \$439, or 0.1 percent, below the FY 2014 agency request. The reduction is attributable to a decrease of \$439 to reflect the Governor's recommendation to reduce the Kansas Public Employees Retirement System (KPERs) death and disability employer contribution rate from the statutory 1.0 percent to 0.85 percent for FY 2014.

House Budget Committee Recommendation

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

1. Delete \$60,000 and 1.0 FTE position, all from special revenue funds, to remove one vacant administrative assistant position for FY 2014.

2. The Committee notes that 0.99 percent of docket fees are deposited in the Judicial Council Fee Fund generating \$249,276 in revenue for the agency. If HB 2338 which redirects Docket Fee funds to the State General Fund is adopted, this agency budget should be re-evaluated prior to finalization of the budget to determine in what manner the agency will be funded in the future.
3. The Committee further notes that HB 2102 would re-establish Judicial Performance Reviews. If HB 2102 is adopted, the Legislature should review the agency budget prior to finalization of the budget to determine an appropriate level of funding for these judicial reviews.

House Budget Committee Report

Agency: Judicial Council

Bill No. HB 2231

Bill Sec. 44

Analyst: Dear

Analysis Pg. No. 341

Budget Page No. 160

Expenditure Summary	Agency Request FY 2015	Governor Recommendation FY 2015	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ --	\$ 0	\$ 0
Other Funds	--	595,181	(60,000)
Subtotal	\$ --	\$ 595,181	\$ (60,000)
Capital Improvements:			
State General Fund	\$ --	\$ 0	\$ 0
Other Funds	--	0	0
Subtotal	\$ --	\$ 0	\$ 0
 TOTAL	 \$ --	 \$ 595,181	 \$ (60,000)
 FTE positions	 --	 5.0	 (1.0)
Non FTE Uncl. Perm. Pos.	--	0.0	0.0
TOTAL	--	5.0	(1.0)

Agency Request

There were no **agency** budget requests made for FY 2015 by any state agencies other than those agencies designated in statute as biennial budget agencies. The Governor's budget recommendations to the 2013 Legislature do, however, include funding recommendations for each state agency for FY 2015.

Governor's Recommendation

The **Governor** recommends a FY 2015 operating budget of \$595,181 all from special revenue funds, an increase of \$3,009, or 0.5 percent, above the FY 2014 Governor's recommendation. The increase is attributable to employer contributions to the Kansas Public Employee Retirement System. The recommendation includes the continued reduction in the KPERS Death and Disability employer contribution rate from 1.0 to 0.85 percent.

House Budget Committee Recommendation

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

1. Delete \$60,000 and 1.0 FTE position, all from special revenue funds, to remove one vacant administrative assistant position for FY 2015.