

Senate Subcommittee Report

Agency: Judicial Branch

Bill No. House Sub. for SB 4

Bill Sec. 28

Analyst: Dear

Analysis Pg. No. 1152

Budget Page No. 144

Expenditure Summary	Agency Estimate FY 2015	Governor Recommendation FY 2015	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 101,819,657	\$ 97,544,305	\$ 0
Other Funds	31,363,466	31,186,818	0
Subtotal	\$ 133,183,123	\$ 128,731,123	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 133,183,123	 \$ 128,731,123	 \$ 0
 FTE positions	 1,862.3	 1,862.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	1,862.3	1,862.3	0.0

Agency Estimate

The **agency** requests \$133.2 million, including \$101.8 million from the State General Fund, a net reduction of \$4.0 million or 2.9 percent, from the FY 2015 approved budget. The State General fund request is an increase of \$3.6 million, or 3.7 percent, above the FY 2015 approved budget.

The reduction from the approved budget is attributable to increasing the salaries and wages shrinkage amount by \$1.5 million, a reduction in contractual services of \$2.3 million due to the implementation time-frame for e-courts, a reduction of \$310,234 in capital outlay for computers, a reduction of \$41,470 for the Access to Justice program. The reductions are partially offset by an increase of \$94,123 in commodities.

Despite the reductions, the Judicial Branch is requesting an increase of \$3.6 million from the State General Fund. The increased State General Fund request is attributable to projected revenue shortfalls.

Governor's Recommendation

The **Governor** recommends expenditures of \$128.7 million, including \$97.5 million from the State General Fund, a reduction of \$4.5 million, or 3.3 percent, all funds and \$4.3 million, or 4.2 percent, below the FY 2015 agency revised estimate. The Governor did not include \$3.6

million in additional expenditures for reduced DUI Reinstatement fund and Docket Fee Fund revenue. The Governor is constitutionally barred from allotting State General Fund expenditures in the Judicial Branch; however, the Governor did recommend a reduction of \$850,402, including \$673,754 to reduce the state employer contribution rate for employee retirement in the same manner as the Executive Branch was allotted.

The Governor's recommendation further provided authority to the Chief Justice to transfer funds from the Electronic Filing Management Fund to the Docket Fee Fund to offset operational revenue reductions in the Judicial Branch.

House Sub. for Senate Bill 4

House Sub. for SB 4 adopted the Governor's recommendation in FY 2015.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation in FY 2015.

Senate Subcommittee Report

Agency: Judicial Branch

Bill No. SB 236

Bill Sec. 2

Analyst: Dear

Analysis Pg. No. 1152

Budget Page No. 144

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 119,549,312	\$ 96,689,750	\$ 4,304,935
Other Funds	29,514,796	29,301,398	0
Subtotal	\$ 149,064,108	\$ 125,991,148	\$ 4,304,935
Capital Improvements:			
State General Fund	\$ 402,778	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 402,778	\$ 0	\$ 0
 TOTAL	 \$ 149,466,886	 \$ 125,991,148	 \$ 4,304,935
 FTE positions	 1,894.3	 1,894.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	1,894.3	1,894.3	0.0

Agency Request

The **agency** requests \$149.1 million, including \$119.5 million from the State General Fund, for FY 2016. This is an all funds increase of \$15.9 million, or 11.9 percent, and a State General Fund increase of \$17.7 million, or 17.4 percent, above the FY 2015 revised estimate. Absent enhancements, the request is an all funds increase of \$5.3 million, or 4.0 percent, and a State General Fund increase of \$7.2 million, or 7.0 percent, above the FY 2015 revised estimate.

The State General Fund increase is attributable to an increase in salaries and wages of \$15.2 million as a result of \$10.1 million in enhancements for salary increases for judges and staff, 20 additional clerks, 9 additional judges and related staff, a reduction in shrinkage of \$1.1 million, and \$4.1 million in other salary increases. The agency also increased contractual services expenditures by \$156,084 for court improvement.

The special revenue fund reduction is attributable to reduced expenditures of \$2.6 million from the Docket Fee Fund due to lowered projected revenue partially offset by increased expenditures from the Electronic Filing and Management Fund of \$759,221 due to the E-Court Improvement Program beginning its implementation phase. The reduced docket fees available are offset by the increased State General Fund request.

Governor's Recommendation

The **Governor** recommends expenditures of \$126.0 million, including \$96.7 million from the State General Fund, an all funds reduction of \$23.1 million, or 15.5 percent, and a State General Fund reduction of \$22.9 million, or 19.1 percent, from the FY 2016 Judicial Branch request.

The State General Fund reduction is attributable to the following.

- A reduction of \$10.6 million for agency enhancement request.
- A reduction of \$2.4 million for other salary increases.
- A reduction of \$7.2 million in State General fund monies requested by the Judicial Branch to offset declining docket fee revenue.
- A reduction of \$755,448 in State General Fund monies requested by the Judicial Branch to offset lower than anticipated DUI reinstatement revenue.
- A reduction of \$1.1 million from the State General Fund, to reduce employer contributions for state employee health insurance.

Senate Subcommittee Recommendation

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

1. Add \$2,326,000, all from the State General Fund, to offset lower than anticipated revenue in the Docket Fee fund for FY 2016. The increase is partially reduced by additional revenue of \$574,000 from Senate Bill 15 which imposes a new docket fee on dispositive motions. The estimate for lower revenue assumes a reduction rate of 3.0 percent from FY 2015 to FY 2016 rather than 6.5 percent in the original Judicial Branch estimate.
2. Add \$648,204, all from the State General Fund, to offset lower than anticipated revenue from DUI reinstatement fees for FY 2016.
3. Add \$156,000, all from the State General Fund, for contractual service expenditures related to senior judge contracts and other contractual service fee increases for FY 2016.
4. Add \$861,364, all from the State General Fund, for judicial retirement fees for FY 2016.
5. Add \$313,367, all from the State General Fund, for other fringe benefit costs including longevity.
6. Add language allowing the agency to transfer funds from the Electronic Filing Management Fund to the Docket Fee Fund for FY 2016.

Senate Subcommittee Report

Agency: Judicial Branch

Bill No. SB 236

Bill Sec. 3

Analyst: Dear

Analysis Pg. No. 1152

Budget Page No. 144

Expenditure Summary	Agency Request FY 2017	Governor Recommendation FY 2017	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 126,609,753	\$ 96,706,812	\$ 8,627,002
Other Funds	33,053,925	32,843,820	0
Subtotal	\$ 159,663,678	\$ 129,550,632	\$ 8,627,002
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
 TOTAL	 \$ 159,663,678	 \$ 129,550,632	 \$ 8,627,002
 FTE positions	 1,899.3	 1,899.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	1,899.3	1,899.3	0.0

Agency Request

The **agency** requests \$159.7 million, including \$126.6 million from the State General Fund, an all funds increase of \$10.6 million, or 7.1 percent, above the FY 2016 agency request. The request is a State General Fund increase of \$7.1 million, or 5.9 percent, above the FY 2016 agency request.

The State General Fund increase is within salaries and wages and is attributable to increased expenditures for the enhancement requests continued from FY 2016 (\$452,431), the 27th payroll contribution (\$5.2 million) in that fiscal year, public employee retirement (\$1.1 million), and other fringe benefits (\$367,816). There is approximately \$1.0 million in additional salaries and wages expenditures which are not specifically identified.

The special revenue fund increase is attributable to implementation of the e-courts program. The funding from FY 2016 to FY 2017 increases by \$3.8 million to \$5.4 million. The increase is partially offset by reduced expenditures from the Docket Fee Fund from due to a continued reduction in projected revenue (\$204,334). The federal state court improvement program is also projected to experience a reduction of \$55,308.

Governor's Recommendation

The **Governor** recommends expenditures of \$129.6 million, including \$96.7 million from the State General Fund, an all funds reduction of \$30.1 million, or 18.9 percent, and a State General Fund reduction of \$29.9 million, or 23.6 percent, below the FY 2017 Judicial Branch request.

The State General Fund reduction is attributable to the following items.

- A reduction of \$10.6 million for agency enhancement request.
- A reduction of \$8.2 million in State General fund monies requested by the Judicial Branch to offset declining docket fee revenue.
- A reduction of \$2.9 million to fill vacant positions.
- A reduction of \$5.2 million for the 27th payroll for that fiscal year.
- A reduction of \$755,448 in State General Fund monies requested by the Judicial Branch to offset lower than anticipated DUI reinstatement revenue.
- A reduction of \$1.1 million from the State General Fund, to reduce employer contributions for state employee health insurance.
- A reduction of \$1.3 million for employer contributions for state employee retirement.

Senate Subcommittee Recommendation

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

1. Add \$3,176,000, all from the State General Fund, to offset lower than anticipated revenue in the Docket Fee fund for FY 2017. The increase is partially reduced by additional revenue of \$574,000 from Senate Bill 15 which imposes a new docket fee on dispositive motions. The estimate for lower revenue assumes a reduction rate of 3.0 percent from FY 2016 to FY 2017 rather than 4.5 percent in the original Judicial Branch estimate.
2. Add \$4,123,600, all from the State General Fund, to fund the 27th payroll costs for FY 2017.
3. Add \$648,204, all from the State General Fund, to offset lower than anticipated revenue from DUI reinstatement fees for FY 2017.
4. Add \$371,528, all from the State General Fund, for other fringe benefit costs including longevity for FY 2017.
5. Add \$307,670, all from the State General Fund, for group health insurance costs for FY 2017.