

Approved: 02/16/93
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Rochelle Chronister at 1:30 p.m. on February 11, 1993 in Room 514-S of the Capitol.

All members were present except: Rep. Tom Bradley (excused absence)
Rep. Gary Blumenthal (excused absence)

Committee staff present: Scott Rothe, Legislative Research Department
Alan Conroy, Legislative Research Department
Jim Wilson, Revisor of Statutes
Jerry Cole, Committee Secretary
Sharon Schwartz, Administrative Assistant
Mike Leitch, Intern

Conferees appearing before the committee:

Others attending: See attached list

The committee met to consider the subcommittee reports for budgets included in HB 2045. Rep. Gatlin concurred with the Governor for the FY 1993 budget with adjustments and the FY 1994 budget for the Judicial Council with notations. Rep. Gatlin made a motion, seconded by Rep. Edlund, to adopt the subcommittee's reports. (See Attachments 1 & 2). The motion was carried.

Rep. Hochhauser presented the majority report for the FY 1993 Board of Indigent's Defense Funds budget. Rep. Hochhauser moved to adopt the report and it was seconded by Rep. Teagarden. (See Attachment 3). Rep. Gatlin made a substitute motion to adopt the minority report in lieu of the majority report for the budget in question. His motion was seconded by Rep. Pottorff. (See Attachment 3). Rep. Gatlin's motion failed 8-11 and the majority report, with motions same as preceding, was adopted 11-10. Rep. Gatlin made a motion to adopt the FY 94 subcommittee report for the Board of Indigents' Defense Fund. The motion was seconded by Rep. Hochhauser. Rep. Carmody made a motion to amend the report by including the same information in paragraph 1 of the FY 93 budget with that of paragraph 3 in the FY 94 budget. His motion was seconded by Rep. Teagarden and carried. Rep. Gatlin made a motion to adopt the subcommittee's report for the Board of Indigent's Defense Fund FY 1994 budget as amended. (See Attachment 4). His motion was seconded by Rep. Edlund and carried.

Rep. Gatlin made a motion to adopt the subcommittee report for the Judicial Branch FY 1993 budget and was seconded by Rep. Edlund. (See Attachment 5). The motion carried. Rep. Gatlin then made a motion to adopt the minority report for the Judicial Branch FY 1994 budget. (See Attachment 6). Rep. Teagarden seconded the motion. Rep. Dean made a substitute motion to have the study in paragraph 3 of the report reviewed by the Joint Committee on Computers and Telecommunications. The motion was seconded by Rep. Gross and carried. Rep. Gatlin made a motion to adopt the minority report as amended. The motion was seconded by Rep. Teagarden and carried. Rep. Heinemann made a motion to include language that would establish that the \$125,000 increase in expenditures was a one time fund shift. His motion was seconded by Rep. Pottorff and carried 10-8. Rep. Gatlin made a motion to recommend favorably **HB 2045** as amended. The motion was seconded by Rep. Hochhauser and carried.

Rep. Gatlin made a motion to introduce a bill relating to official newspapers. The motion was seconded by Rep. Teagarden and carried.

Chairman Chronister adjourned the meeting at 2:35 p. m. The next meeting is scheduled for February 15, 1993.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: FEB. 11, 1993

[illegible]

SUBCOMMITTEE REPORT

Agency: Judicial Council

Bill No. --

Bill Sec. --

Analyst: Rothe

Analysis Pg. No. 69

Budget Page No. 352

| <u>Expenditure Summary</u> | <u>Agency Est. FY 93</u> | <u>Gov. Rec. FY 93</u> | <u>House Sub. Adjustments</u> |
|----------------------------|------------------------------|----------------------------|-----------------------------------|
| State Operations: | | | |
| State General Fund | \$ 254,415 | \$ 235,733 | \$ 3,515 |
| Publications Fee Fund | 13,048 | 13,048 | -- |
| Total | <u>\$ 267,463</u> | <u>\$ 248,781</u> | <u>\$ 3,515</u> |
| FTE Positions | 4.0 | 4.0 | -- |

Agency Estimate/Governor's Recommendation

The agency's FY 1993 expenditure estimate of \$267,463 is \$97 below the amount approved by the 1992 Legislature. The approved amount reflects a number of expenditure initiatives approved by the 1992 Legislature, including an increase in Judicial Council Advisory Committee meetings from 20 to 40 (\$23,000), \$17,925 to prepare, print and distribute a supplement to *PIK-Criminal 2d* associated with passage of the Sentencing Guidelines Act (including 10 additional meetings) the creation of a no-limit Publications Fee Fund to permit the preparation and sale of legal publications, and \$5,000 for start-up costs. In FY 1993 the Council plans to publish and sell the supplement to *PIK-Criminal 2d*, the supplement to *PIK Civil 2d*, and *PIK-Criminal 3rd*.

The Governor's FY 1993 recommendation of \$248,781 is a reduction of \$18,682 from the agency's estimate, including a reduction in the number of advisory committee meetings from 50 to 39 (\$1,379 per meeting for travel). The Governor also recommends the deletion of capital outlay expenditures (\$3,515).

House Subcommittee Recommendation


FY 1993. The Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Add \$3,515 from the State General Fund for capital outlay. The Subcommittee recommends the restoration of funds deleted by the Governor for the purchase of a printer and software. The Council's nine-year old word processor and printer stopped working in late FY 1992. The Council utilized savings from the existing appropriation and purchased a new microcomputer system in FY 1992. At the beginning of FY 1993 the Council shifted funds from other expenditures to purchase a new printer and software for \$3,515. The Council did not request a supplemental appropriation for FY 1993. The Subcommittee is not trying to encourage any agency to circumvent the budget process by buying capital outlay

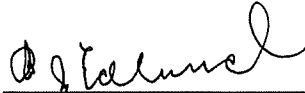
ATTACHMENT 1

that was not specifically approved. However, when a small agency's only computer stops working, a new computer must be purchased.

2. The Subcommittee concurs with the Governor's recommendation to reduce the number of advisory committee meetings from 50 to 39 for both fiscal years 1993 and 1994, but asks the Senate Subcommittee to review the request again. The House Subcommittee was unable to determine which advisory committees would not be able to meet as a result of the reduction.



Representative Fred Gatlin
Subcommittee Chair



Representative Richard Edlund



Representative Sheila Hochhauser

SUBCOMMITTEE REPORT

Agency: Judicial Council

Bill No. 2045

Bill Sec. 2

Analyst: Rothe

Analysis Pg. No. 69

Budget Page No. 352

| <u>Expenditure Summary</u> | <u>Agency Req. FY 94</u> | <u>Gov. Rec. FY 94</u> | <u>Subcommittee Adjustments</u> |
|----------------------------|------------------------------|----------------------------|-------------------------------------|
| State Operations: | | | |
| State General Fund | \$ 261,519 | \$ 229,173 | \$ -- |
| Publications Fee Fund | 21,653 | 21,653 | -- |
| Total | <u>\$ 283,172</u> | <u>\$ 250,826</u> | <u>\$ --</u> |
| FTE Positions | 4.0 | 4.0 | -- |

Agency Request/Governor's Recommendation

The Council requests FY 1994 expenditures of \$283,172, an increase of \$15,709 above the FY 1993 estimate. The requested increase includes a salary reserve of \$12,051 to be utilized if an executive assistant on disability leave returns (and displaces her less-costly replacement). Other increases are generally associated with merit pay and fringe benefit increases. In FY 1994 the Council plans to publish and sell the supplements to *PIK-Criminal 3rd* and *Kansas Probate Forms*.

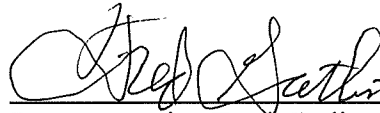
The Governor recommends FY 1994 expenditures of \$250,826, a reduction of \$32,346 from the agency's request. The recommendation includes a reduction in the number of requested committee meetings from 50 to 39 (\$1,381 per meeting), the elimination of capital outlay (\$4,800) and the elimination of a requested salary reserve (\$12,051).

House Subcommittee Recommendation


FY 1994. The Subcommittee concurs with the Governor's recommendation with the following notes:

1. The Subcommittee notes that the creation of the no-limit Publications Fee Fund by the 1992 Legislature has successfully resolved the Council's long-term financial inability to publish new and supplemental legal publications.
2. The Subcommittee concurs with the Governor's recommendation to reduce the number of advisory committee meetings from 50 to 39 for both fiscal years 1993 and 1994, but asks the Senate Subcommittee to review the request again. The House Subcommittee was unable to determine which advisory committees would not be able to meet as a result of the reduction. The following table shows the Council's budget and number of meetings since FY 1981:

| <u>Fiscal Year</u> | <u>Budget</u> | <u>No. of Meetings</u> |
|------------------------|---------------|----------------------------|
| 1981 | \$ 147,621 | 62 |
| 1982 | 141,121 | 49 |
| 1983 | 201,385 | 60 |
| 1984 | 179,115 | 55 |
| 1985 | 160,301 | 34 |
| 1986 | 177,496 | 55 |
| 1987 | 185,903 | 41 |
| 1988 | 209,386 | 53 |
| 1989 | 215,416 | 64 |
| 1990 | 230,543 | 52 |
| 1991 | 222,808 | 40 |
| 1992 | 213,562 | 29 |
| 1993 (Gov. Rec.) | 248,781 | 39 |
| 1994 (Gov. Rec.) | 250,826 | 39 |



Representative Fred Gatlin
Subcommittee Chair



Representative Richard Edlund



Representative Sheila Hochhauser

SUBCOMMITTEE REPORT

Agency: Board of Indigents'
Defense Services

Bill No. --

Bill Sec. --

Analyst: Rothe

Analysis Pg. No. 73

Budget Page No. 330

| <u>Expenditure Summary</u> | <u>Agency Est. FY 93</u> | <u>Gov. Rec. FY 93</u> | <u>House Sub. Adjustments</u> |
|----------------------------|------------------------------|----------------------------|-----------------------------------|
| State Operations: | | | |
| State General Fund | \$ 8,317,568 | \$ 7,151,700 | \$ 1,205,539 |
| Special Revenue Funds | 249,767 | 251,836 | -- |
| Subtotal | <u>\$ 8,567,335</u> | <u>\$ 7,403,536</u> | <u>\$ 1,205,539</u> |
| Other Assistance: | | | |
| State General Fund | 408,157 | 408,157 | -- |
| TOTAL | <u><u>\$ 8,975,492</u></u> | <u><u>\$ 7,811,693</u></u> | <u><u>\$ 1,205,539</u></u> |
| FTE Positions | 80.0 | 80.0 | -- |

Agency Estimate/Governor's Recommendation

The Legislature approved total expenditures of \$7,893,066 for FY 1993, including \$7,575,088 from the State General Fund and \$317,978 from the Indigents' Defense Services Fund. The Board's revised estimate of expenditures of \$8,975,492 includes a supplemental request of \$1,130,563 from the State General Fund to pay for assigned counsel claims and \$20,074 from the State General Fund for other operating expenditures. The revised estimate also reflects a new expenditure of \$9,357 from a federal drug defense grant that is expected to be renewed for FY 1993 and a reduction in expenditures of \$77,568 from the Indigents' Defense Services Fund.

The Governor recommends total expenditures of \$7,811,693 for FY 1993, a reduction of \$1,163,799 from the Board's revised estimate. The Governor's recommendation does not include supplemental financing from the State General Fund for assigned counsel (\$1,130,563) or for state operations (\$20,074). The recommendation includes several minor reductions totaling \$13,162. The Governor concurs with the Board's salary turnover savings estimate of 4.2 percent in FY 1993 compared with actual rates of 1.6 percent in FY 1992 and 2.5 percent in FY 1991 percent.

House Subcommittee Recommendation

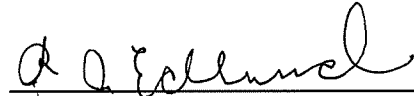
FY 1993. The Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Add \$1,205,539 from the State General Fund in FY 1993 to fully finance the estimated current year shortfall in assigned counsel payments. The agency estimates that the FY 1993 appropriation from the State General Fund for assigned counsel approved by the 1992 Legislature of \$3,992,045 will be exhausted

by March, 1993. The shortfall is due to a caseload increase of 23 percent in the last year and a carryover of 792 unpaid claims from FY 1992. The Subcommittee reviewed the 1987 Kansas Supreme Court opinion in *State ex rel. Stephan v. Smith* which prompted the 1988 Legislature to approve an increase in the assigned counsel hourly rate from \$35 to \$50. A 1988 Interim Special Committee on Judiciary (the last interim committee to study this agency) reviewed the Court decision and previous studies on the agency and made no substantive recommendations. A 1988 Judicial Council study recommended that a statewide public defender system should not be adopted, but instead recommended a mixed plan of regional public defender delivery and assigned counsel financed from the State General Fund. The Subcommittee also reviewed Subcommittee Reports from 1987 to the present and discovered that one or both houses have annually recommended supplemental financing for assigned counsel, and have recommended or urged the establishment of additional public defender offices, particularly in Wyandotte and Leavenworth counties. The Subcommittee believes the Legislature has no choice but to finance the shortfall for the current year, and further addresses assigned counsel in the FY 1994 Subcommittee Report.

2. The Subcommittee wishes it to be known that anytime anyone from anywhere who would like to present the state with a windfall of unexpected funds, the Subcommittee knows of a good place to use it.

Representative Fred Gatlin
Subcommittee Chair



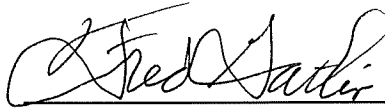
Representative Richard Edlund



Representative Sheila Hochhauser

Minority Report

I concur with the Governor's recommendation for FY 1993. Given the declining balances forecast for the State General Fund, the recommendations made in the FY 1994 Subcommittee Report to address continuing agency shortfalls will have to suffice. If additional funds are necessary for this Executive Branch agency I feel it is the responsibility of the Governor to issue a Governor's Budget Amendment.

A handwritten signature in cursive script, appearing to read "Fred Gatlin", is written over a horizontal line.

Representative Fred Gatlin
Subcommittee Chair

SUBCOMMITTEE REPORT

Agency: Board of Indigents'
Defense Services

Bill No. 2045

Bill Sec. 3

Analyst: Rothe

Analysis Pg. No. 73

Budget Page No. 330

| <u>Expenditure Summary</u> | <u>Agency Req. FY 94</u> | <u>Gov. Rec. FY 94</u> | <u>House Sub. Adjustments</u> |
|----------------------------|------------------------------|----------------------------|-----------------------------------|
| State Operations: | | | |
| State General Fund | \$ 10,885,891 | \$ 7,422,073 | \$ -- |
| Special Revenue Funds | 170,000 | 170,000 | -- |
| Subtotal | \$ 11,055,891 | \$ 7,592,073 | \$ -- |
| Other Assistance: | | | |
| State General Fund | 594,952 | 408,157 | -- |
| TOTAL | <u>\$ 11,650,843</u> | <u>\$ 8,000,230</u> | <u>\$ --</u> |
| FTE Positions | 118.0 | 80.0 | -- |

Agency Request/Governor's Recommendation

The Board's request for FY 1994 totals \$11,650,843, including \$11,055,891 for agency operations and \$594,952 for a grant to Legal Services for Prisoners, Inc. (LSP). Requested expenditures from the Indigents' Defense Services Fund of \$170,000 are \$70,410 less than estimated for FY 1993 due to the elimination of the Shawnee County Misdemeanor Contract halfway through the current year. The FY 1994 request reflects a total increase of \$2,675,351 and 38.0 FTE positions above the revised FY 1993 estimate. Most of the increase can be attributed to a request to add 20.0 FTE new positions to existing offices (\$642,185), to establish a new public defender office in Wyandotte County (\$523,580 and 13.0 FTE positions) and Leavenworth County (\$163,398 and 5.0 FTE positions), to cover expected increases in assigned counsel expenditures (\$368,033), and to increase the assigned counsel in-court rate from \$50 to \$65 per hour (\$438,795).

The Governor recommends total expenditures of \$7,592,073 for agency operations and \$408,157 for the grant to LSP. The recommendation is a reduction of \$3,650,613 from the amount requested. The recommendation does not include funding for new positions, new public defender offices, increased assigned counsel expenditures, or for an increase in the assigned counsel in-court hourly rate. The Governor recommends financing for salary step movement for classified employees and a 2.5 percent salary pool for unclassified employees. The Governor concurs with the Board's estimate of turnover savings of 4.2 percent in FY 1994.

House Subcommittee Recommendation

FY 1994. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

ATTACHMENT 4

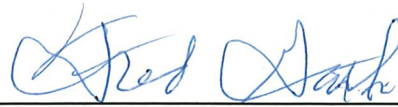
1. Merge the Operating Expenditures account and the Assigned Counsel and Other Professional Payments account of the State General Fund into one line item. The Subcommittee also recommends the elimination of the FTE position limitation on the agency. The Subcommittee believes the agency needs as much flexibility as possible to manage its responsibilities within limited financial resources. The annual backlog of unpaid cases, requests for supplemental appropriations, and increase in caseloads, will continue indefinitely under current conditions. A single appropriation will not only permit the agency to shift financing to assigned counsel, but will also enable the agency to hire additional attorneys as needed to defend indigent defendants at a cost estimated to be 31 percent less than assigned counsel payments. If the agency is permitted to look at the defense system as a whole it may be more able to address the burgeoning caseload assigned to agency attorneys, adjust to an imposed turnover rate of 4.2 percent which forces the agency to wait a minimum of 30 days before replacing positions, and reduce the increasing number of cases assigned to private counsel in counties with public defender offices.

The Subcommittee cites the example of the Public Defender Office in Shawnee County which began refusing new cases in January until the average caseload falls from 109 cases to 74 cases per attorney (which is still 80 percent above the national standard). During the January shutdown (which continues), 80 cases were assigned to private counsel at a rate of \$50 per hour. The cost of the shutdown in January alone would have paid for an additional Attorney I. To function within limited state resources the agency needs the flexibility to rapidly replace vacant attorney positions, to hire temporary legal assistance (perhaps student interns) to address peak caseloads, and to possibly reassign agency attorneys to handle only the most difficult and expensive felony cases and relegate assigned counsel to lighter felony cases and conflict cases.

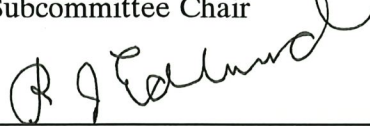
2. In return for the generous flexibility recommended in Item 1, above, the Subcommittee strongly recommends that the agency open its doors wide for a complete post audit of agency operations and financing. The recommendation for an audit to be performed by the Legislative Division of Post Audit, last performed in 1978, is not meant to seek wrong doing on anyone's part. The audit is meant to focus on reviewing the current agency structure and should suggest ways to operate more efficiently and cost-effectively. The audit should examine the relationship between the legal and non-legal members of the Board and how they work with each other. The audit should examine the relationship between the non-legal administrative director of the agency and the chief public defenders (who manage each of the public defender offices) and how they work with one another. The audit should compare Kansas's method of providing counsel to indigent defendants to methods in other states. Hourly rates of compensation should be compared with other states, as well as whether rate caps are applied. The backlog of unpaid assigned counsel cases should be reviewed to determine the most efficient method of reimbursement and to suggest ways to eliminate future backlogs.

The Subcommittee is asking for a great deal from the agency and hopes that a positive review by the Legislative Division of Post Audit as well as continued

scrutiny by the Legislature will result in an agency which is managed efficiently and in a cost-effective manner.



Representative Fred Gatlin
Subcommittee Chair



Representative Richard Edlund



Representative Sheila Hochhauser

SUBCOMMITTEE REPORT

Agency: Judicial Branch

Bill No. --

Bill Sec. --

Analyst: Rothe

Analysis Pg. No. 87

Budget Page No. 354

| Expenditure Summary | Agency Est. FY 93 | Gov. Rec. FY 93 | House Sub. Adjustments |
|--|----------------------|----------------------|---------------------------|
| State Operations: | | | |
| State General Fund | \$ 58,042,166 | \$ 57,835,648 | \$ 25,000 |
| Jud. Technology Fund | 657,109 | 480,669 | 150,000 |
| J.B. Education Fund | 783,497 | 336,909 | 100,000 |
| Special Revenue Funds | 1,515,827 | 1,515,827 | -- |
| Total | <u>\$ 60,998,599</u> | <u>\$ 60,169,053</u> | <u>\$ 275,000</u> |
| FTE Positions: | | | |
| Appellate Court Judges and Justices | 17.0 | 17.0 | -- |
| District Court Judges | 218.0 | 218.0 | -- |
| Nonjudicial Personnel | 1,454.5 | 1,454.5 | -- |
| Total | <u>1,689.5</u> | <u>1,689.5</u> | <u>--</u> |

Agency Estimate/Governor's Recommendation

The Judicial Branch has submitted a revised estimate of expenditures for FY 1993 of \$60,998,599, \$58,163 less than the amount approved by the 1992 Legislature. The estimate includes a reduction of \$132,826 in expenditures from the State General Fund and an increase of \$74,663 in expenditures from special revenue funds. The estimate reflects a number of initiatives approved by the 1992 Legislature, including \$50,000 appropriated to finance a study to determine the computer automation needs of the Judicial Branch, \$96,171 to increase travel for judges and justices, the creation of the Judiciary Technology Fund with revised estimated expenditures \$657,109, and the creation of the Judicial Branch Education Fund with revised estimated expenditures of \$753,497. The FY 1993 revised budget includes a turnover rate of 1.7 percent compared to actual turnover of 2.3 percent in FY 1992.

The Governor recommends \$60,169,053 in FY 1993, a decrease of \$829,546 from the amount estimated by the Court. The reduction includes \$206,518 from the State General Fund, \$176,440 from the Judiciary Technology Fund and \$446,588 from the Judicial Branch Education Fund. Recommended reductions include \$181,518 from salaries (\$34,329 for fringe benefit corrections and \$147,189 to increase the turnover rate from 1.7 percent to 2.0 percent), the elimination of a contingency fund to be used at the discretion of the Chief Justice (\$25,000), and \$623,028 from other operating expenditures of the district courts. The latter reduction includes the elimination of a proposed computer needs analysis of the district courts (\$150,000 from the Judiciary Technology Fund) and a reduction of \$385,248 of expenditures from the Judicial Branch Education Fund for travel associated with judicial education.

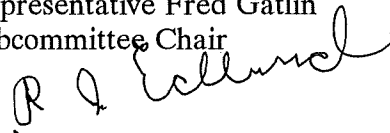
House Subcommittee Recommendation

FY 1993. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

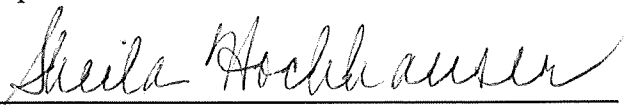
1. Restore \$150,000 in expenditures from the no-limit Judiciary Technology Fund deleted by the Governor for a computer needs analysis for the district courts. The Subcommittee believes it is a proper use of the new Fund to determine the level of incompatibility of the current 31 judicial district computer systems and to determine the real computer needs of the court system as a whole. The Subcommittee's recommended expenditure would result in an estimated ending Fund balance of \$100,416 for FY 1993.
2. Restore \$100,000 in expenditures from the no-limit Judicial Branch Education Fund deleted by the Governor. The Governor's recommendation of expenditures from the Fund is \$446,588 below the amount estimated by the agency. The Subcommittee believes the purpose of the Fund, created by the 1992 Legislature, is to increase education and training opportunities for new and existing judges and nonjudicial employees. Though the agency's original estimate of expenditures appears to be high, the Governor's recommended cut midway through the year may be burdensome to the agency. The Subcommittee's recommended expenditure would result in an estimated ending Fund balance of \$700,280 for FY 1993.
3. Restore \$25,000 in both FY 1993 and FY 1994 from the State General Fund deleted by the Governor for a contingency for possible expenditures authorized at the discretion of the Chief Justice. The Governor did not eliminate the proviso authorizing the expenditure for FY 1993. She just reduced the total appropriation by \$25,000.
4. The Subcommittee reviewed the Governor's recommendation to increase the agency's salary turnover rate from 1.7 percent to 2.0 percent. Although the agency continues to impose a minimum 30-day wait before filling vacant positions, the Subcommittee does not believe the recommended turnover rate is excessive for the current year.



Representative Fred Gatlin
Subcommittee Chair



Representative Richard Edlund



Representative Sheila Hochhauser

SUBCOMMITTEE REPORT

Agency: Judicial Branch

Bill No. 2045

Bill Sec. 4

Analyst: Rothe

Analysis Pg. No. 87

Budget Page No. 354

| Expenditure Summary | Agency Req. FY 94 | Gov. Rec. FY 94 | House Sub. Adjustments |
|--|----------------------|----------------------|---------------------------|
| State Operations: | | | |
| State General Fund | \$ 61,501,593 | \$ 59,616,583 | \$ 162,554 |
| Jud. Technology Fund | 722,333 | 497,653 | 37,030 |
| J.B. Education Fund | 719,611 | 398,359 | 150,000 |
| Special Revenue Funds | 1,584,172 | 1,595,172 | -- |
| Total | <u>\$ 64,527,709</u> | <u>\$ 62,107,767</u> | <u>\$ 349,584</u> |
| FTE Positions: | | | |
| Appellate Court Judges and Justices | 17.0 | 17.0 | -- |
| District Court Judges | 218.0 | 218.0 | -- |
| Nonjudicial Personnel | 1,461.5 | 1,454.5 | -- |
| Total | <u>1,696.5</u> | <u>1,689.5</u> | <u>--</u> |

Agency Request/Governor's Recommendation

The Judicial Branch requests a total of \$64,527,709 for FY 1994, an increase of \$3,529,110 (5.8 percent) above the FY 1993 estimate. The request includes \$60,830,087 for salaries (94.3 percent of the total request) and \$3,697,622 for other operating expenditures. The FY 1994 request for the district courts accounts for 87.4 percent of the total request. The Court requests 7.0 FTE new nonjudicial positions (\$238,524), \$600,000 from the State General Fund to upgrade the Judicial Center computer system, \$586,750 from the Judiciary Technology Fund for a computer upgrade for the district courts, and an FY 1994 turnover rate of 1.3 percent.

The Governor recommends \$62,107,767 in FY 1994, a decrease of \$2,419,942 from the agency's request. The recommendation includes \$59,742,913 for salaries (a reduction of \$1,087,174) and \$2,364,854 for other operating expenditures (a reduction of \$1,332,768). The recommended reduction in salaries includes the deletion of 7.0 FTE requested new positions, a reduction of nonjudicial personnel actions (\$105,532), and a reduction of \$734,363 associated with an increase in the turnover rate to 2.5 percent compared to the requested rate of 1.3 percent. The Governor concurs with the request for a 2.5 percent unclassified salary increase and classified step movement. The largest deletions from other operating expenditures include a reduction in travel (\$342,929) associated with district court education, the elimination of financing associated with a computer upgrade for district courts (\$586,750), and a reduction of \$250,000 from the \$600,000 requested to upgrade the Judicial Center computers. The \$350,000 recommended for the computer upgrade would be financed from the Judiciary Technology Fund rather than from the State General Fund.

House Subcommittee Recommendation

FY 1994. The Subcommittee concurs with the Governor's recommendation with the following adjustments:

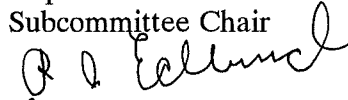
1. Concur with Governor's Budget Amendment No. 1 to add standard proviso language to the FY 1994 appropriations bill (H.B. 2045) to permit the implementation of the Governor's recommended salary increase of 2.5 percent for justices, judges and magistrate judges.
2. Concur with Governor's Budget Amendment No. 1 to shift \$37,970 in financing of a portion of the Judges of the District Court Program to the State General Fund from the Judiciary Technology Fund, as intended. The net result of the GBA is to increase expenditures from the State General Fund by \$37,970 and to reduce expenditures from the Judiciary Technology Fund by \$37,970.
3. Increase expenditures by \$75,000 from the Judiciary Technology Fund (from \$350,000 recommended by the Governor to \$425,000) to replace the Judicial Center WANG minicomputer. The Subcommittee reviewed initial results of a recently completed study (financed by a \$50,000 appropriation from the State General Fund in FY 1993) which estimates possible five year costs totaling \$1,857,456, including \$685,100 in FY 1994. The five-year cost would provide for 134 MacIntosh microcomputers, hardware, software, training, and 2.0 FTE new positions. The Subcommittee concurs with the Governor that the Judiciary Technology Fund is a more appropriate source of financing than the State General Fund, and increases the Governor's recommendation based on the release of the study results. The Subcommittee recommends an ending Judiciary Technology Fund balance of \$318,751 based on its FY 1993 recommendation and on FY 1994 Recommendations No. 2 and 3.
4. The Subcommittee concurs with the Governor's deletion of maintenance funds for district court facsimile machines in both FY 1993 and FY 1994. The Subcommittee agrees that it is the responsibility of the counties to maintain the 124 FAX machines financed by the Judiciary Technology Fund in FY 1993. Under an ongoing agreement, the state is responsible for financing judicial and nonjudicial personnel costs while the counties are responsible for other operating expenditures.
5. Restore \$150,000 in expenditures from the no-limit Judicial Branch Education Fund deleted by the Governor. The Governor's recommendation of expenditures from the Fund is \$321,252 below the amount requested by the agency. The Governor had recommended an FY 1994 ending Fund balance of \$1,074,776. The Subcommittee, which recommends additional expenditures from the Fund of \$100,000 in FY 1993 and \$150,000 in FY 1994, recommends an ending balance of \$824,776. The Subcommittee was unable to agree on whether to reduce the balance even further by increasing education expenditures, offsetting expenditures from the State General Fund, or recommending a reduction in the docket fee.

6. Restore \$25,000 in both FY 1993 and FY 1994 from the State General Fund deleted by the Governor for a contingency for possible expenditures authorized at the discretion of the Chief Justice. The Subcommittee further recommends the addition of a proviso that contingency expenditures shall only be made if contingency expenditures are also authorized from appropriations made to the Governor's Department.
7. Add \$99,584 from the State General Fund to upgrade the salaries of all 31.5 FTE appellate court attorneys. The proposed upgrades, shown in the following table, would parallel the salary ranges for attorneys in the state's classified service.

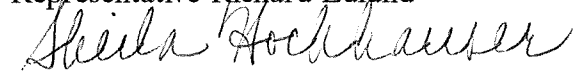
| Position | FTE | Current Range | Proposed Range |
|------------------------------|------|---------------|----------------|
| Research Attorney | 17.0 | 22 | 26 |
| Central Research Attorney | 9.0 | 22 | 26 |
| Central Research Attorney II | 1.0 | 25 | 28 |
| OJA Staff Attorney | 1.0 | 26 | 28 |
| Appellate Reporter II | 3.5 | 26 | 28 |

8. The Subcommittee reviewed the Governor's recommendation to increase the agency's salary turnover rate from 1.3 percent to 2.5 percent for FY 1994. The Subcommittee concurs with the Governor and notes that the FY 1994 rates will be reviewed by the Subcommittee in 1994.
9. The Subcommittee reviewed a request to establish a central research staff for the Supreme Court, including the addition of 5.0 FTE positions (three attorneys and two clerical positions). The Governor deleted requested financing of \$168,713. The Subcommittee concurs that tight financial times restrict the addition of new positions for FY 1994 and hopes that technological advances in the Judicial Center will alleviate the need for additional clerical employees.
10. The Subcommittee concurs with the Governor's reduction of \$41,822 from a request to add 1.0 FTE Court Services Specialist for juvenile probation matters. No changes should be made until the Legislature has finalized action on proposed consolidation plans for court services, community corrections, and juvenile probation.

Representative Fred Gatlin
Subcommittee Chair



Representative Richard Edlund

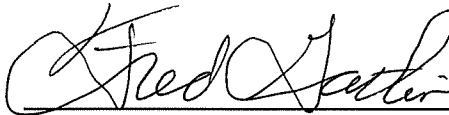


Representative Sheila Hochhauser

MINORITY REPORT

I concur with the Subcommittee report, and make the following additional recommendation:

1. Increase expenditures by \$125,000 from the Judicial Branch Education Fund to offset expenditures from the State General Fund by the same amount for the Law Library. I recognize that this would establish a precedence in the use of the Judicial Branch Education Fund, but firmly believe the Library serves a legitimate educational function. This recommendation would reduce the FY 1994 ending Fund balance to \$699,776.

A handwritten signature in cursive script, appearing to read "Fred Gatlin", written over a horizontal line.

Representative Fred Gatlin
Subcommittee Chair