

**Judicial Branch
Budget No. 180
Senate Bill No. 2002, House Bill Nos. 1015, 1050, 1069**

	FTE Positions	General Fund	Other Funds	Total
2005-07 executive budget (bills as introduced)	332.00	\$66,546,349	\$2,526,808	\$69,073,157
2005-07 legislative appropriations	338.00¹	65,168,362¹	2,729,978¹	67,898,340¹
Legislative increase (decrease) to executive budget	6.00 ¹	(\$1,377,987)	\$203,170	(\$1,174,817)
Legislative increase (decrease) to 2003-05 appropriations	2.00 ¹	\$10,080,993	\$686,442	\$10,767,435

¹The 2005-07 legislative appropriation amounts for the judicial branch includes 6 new FTE positions for the Commission on Legal Counsel for Indigents and an appropriation of \$815,671, consisting of \$365,593 from the general fund, for the establishment of the commission (see the **Indigent Defense** section below for additional information).

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the judicial branch is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1050.

	Major Items FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Provided funding in House Bill No. 1069 for the cost of paying military service retirement credit for veterans		\$3,144		\$3,144
Supreme Court changes:				
Reduced funding for judicial branch proposed salary increases for Supreme Court justices from 5.78 percent and 4 percent for each year of the biennium to 4 percent and 4 percent each year, the same as the state employee salary increases		(24,241)		(24,241)
Added funding for other employees for state employee salary increases		21,671		21,671
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(5,490)		(5,490)
District court changes:				
Reduced funding for judicial branch proposed salary increases for district court judges from 5.78 percent and 4 percent for each		(180,329)		(180,329)

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Added funding for other employees for state employee salary increases		107,462	\$3,082	110,544
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(35,138)	(680)	(35,818)
Reduced funding for indigent defense contracts from a rate of \$75 to \$65 per hour		(1,155,930)		(1,155,930)
Reduced funding for indigent defense to decrease the reimbursement of overhead expenses relating to the reduction in funding for indigent defense contract rates (Reimbursement of overhead expenses is calculated at 10 percent of the total indigent defense contract amount.)		(115,593)		(115,593)
Reduced funding for indigent defense caseload increases from \$500,000 to \$250,000		(250,000)		(250,000)
Added 6 FTE positions and provided funding for establishing and defraying the expenses of the Commission on Legal Counsel for Indigents (see Indigent Defense section below for additional information)	6.00	365,593	200,000	565,593
Removed funding for the installation of a digital audio system		(40,000)		(40,000)
Removed funding for the installation of two interactive televisions		(70,000)		(70,000)
Judicial Conduct Commission changes:				
Added funding for state employee salary increases		1,129	1,003	2,132
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$559.15 to \$553.95 per month per policy		(265)	(235)	(500)
Total	<u>6.00</u>	<u>(\$1,377,987)</u>	<u>\$203,170</u>	<u>(\$1,174,817)</u>

FTE Changes

The 2005-07 biennium appropriation includes funding for 338 FTE positions, an increase of 2 FTE positions from the 2003-05 biennium authorized level of 336 FTE positions. The Legislative Assembly did not change the judicial branch proposal to delete 4 vacant FTE positions that were eliminated pursuant to Senate Bill No. 2423 (2003)--the state employee contingent salary increase bill--to generate savings and allow the judicial branch to provide a 1 percent salary increase for the remaining judicial branch employees as of January 1, 2004. The 4 FTE positions deleted consisted of 3 FTE deputy clerk of court positions (Walsh, Williams, and Stutsman Counties) and 1 FTE juvenile court officer position (Burleigh County). The Legislative Assembly also added 6 FTE positions for the Commission on Legal Counsel for Indigents (see **Indigent Defense** section below for additional information).

Other Sections in Bill

Appropriation of additional funding - Section 4 appropriates any funds received by the Supreme Court, district courts, and Judicial Conduct Commission and Center Disciplinary Board pursuant to federal acts and private gifts, grants, and donations for the purpose as designated in the federal acts or private gifts, grants, and donations.

Transfers - Section 5 provides that the director of the Office of Management and Budget and the State Treasurer make transfers of funds between line items of the appropriation for the judicial branch as requested by the Supreme Court upon a finding by the court that the nature of the duties of the court and its staff requires the transfers to carry on properly the functions of the judicial branch.

Salaries of Supreme Court justices - Section 6, as amended by Section 14 of House Bill No. 1015, provides statutory changes to North Dakota Century Code (NDCC) Section 27-02-02, relating to the salaries of justices of the Supreme Court. The Legislative Assembly authorized 2005-07 biennium salary increases of 4 percent, effective July 1, 2005, and 4 percent, effective July 1, 2006. The Supreme Court justices' salaries are to be increased from the current level of \$99,122 to \$103,087, effective July 1, 2005, and \$107,210, effective July 1, 2006. The Chief Justice of the Supreme Court is entitled to receive an additional \$3,015 per annum, effective July 1, 2005, and an additional \$3,136 per annum, effective July 1, 2006, which is an increase from the current level of an additional \$2,899 per annum.

Salaries and expenses of district judges - Section 7, as amended by Section 15 of House Bill No. 1015, provides statutory changes to NDCC Section 27-05-03, relating to the salaries and expenses of district court judges. The Legislative Assembly authorized 2005-07 biennium salary increases of 4 percent, effective July 1, 2005, and 4 percent, effective July 1, 2006. The district court judges' salaries are to be increased from the current level of \$90,671 to \$94,298, effective July 1, 2005, and \$98,070, effective July 1, 2006. The presiding judge of a judicial district is entitled to receive an additional \$2,779 per annum, effective July 1, 2005, and an additional \$2,890 per annum, effective July 1, 2006, which is an increase from the current level of an additional \$2,672 per annum.

Indigent Defense

The judicial branch requested a total of \$11,014,298 in the indigent defense line items for the 2005-07 biennium. Of that amount, \$10,486,423 was to provide indigent defense services and \$527,875 was for guardians ad litem, which represents increases of \$5,799,026 for indigent defense services and \$152,875 for guardians ad litem from the 2003-05 biennium appropriation. Senate Bill No. 2027, as introduced, provided for the establishment of a Commission on Legal Counsel for Indigents for the purpose of providing indigent defense services, provided for the transition of indigent defense services from the judicial branch to the commission by December 31, 2005, and provided a general fund appropriation of \$1,135,285 to the commission for the purpose of establishing the commission.

The Legislative Assembly provided a total of \$9,492,775 for the indigent defense line items for the 2005-07 biennium, consisting of \$8,964,900 for indigent defense services and \$527,875 for guardians ad litem. The \$8,964,900 for indigent defense services is a decrease of \$1,521,523 from the judicial branch's request of \$10,486,423, and an increase of \$4,277,503 from the 2003-05 biennium appropriation. Although the Legislative Assembly removed the general fund appropriation of \$1,135,285 from Senate Bill No. 2027, it provided a total of \$815,671 in Senate Bill No. 2002 for the establishment of the Commission on Legal Counsel for Indigents. The \$815,671 consists of a general fund appropriation of \$365,593 (Section 9 of the bill), special funds appropriation of \$200,000 (Section 9 of the bill), general fund carryover of up to \$250,078 from the 2003-05 biennium (Section 8 of the bill), and is anticipated to be used to provide salaries and benefits for 6 new FTE positions, operating expenses, startup costs, and oversight board expenses. Funding for the new positions was provided based on the following--1 director (22 months), 1 deputy director (21 months), 1 administrative assistant (21 months), and 3 investigators (2 for 18 months and 1 for 6 months).

Section 8 was added to provide for an exemption to the provisions of NDCC Section 54-44.1-11, relating to unexpended appropriations to allow the judicial branch to carry forward up to \$250,078 from the Supreme Court and district courts 2003-05 biennium general fund appropriation to the 2005-07 biennium for establishing and defraying the expenses of the Commission on Legal Counsel for Indigents established by 2005 Senate Bill No. 2027.

Section 9 was added to provide an appropriation of \$565,593 to the district courts for establishing and defraying the expenses of the Commission on Legal Counsel for Indigents. This appropriation consists of \$365,593 from the general fund and \$200,000 from the indigent defense administration fund. This section

also provides that any money not expended by the district courts for this purpose by December 31, 2005, are available to the Commission on Legal Counsel for Indigents and the appropriation must be transferred to the commission on January 1, 2006.

Related Legislation

Senate Bill No. 2027 establishes a Commission on Legal Counsel for Indigents for the purpose of providing indigent defense services and provides for the transition of indigent defense services from the Supreme Court to the commission by December 31, 2005.

Senate Bill No. 2103 allows the state courts to participate in the income tax refund debt setoff for purposes of court-ordered fines, fees, or costs due to the state.

Senate Bill No. 2105 repeals NDCC Section 27-02-05.2, which provides for the state juvenile services coordinator position.