

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1002

2007 HOUSE APPROPRIATIONS

HB 1002

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1002

House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 1/15/07

Recorder Job Number: 1136

Committee Clerk Signature

Minutes:

Chairman Carlson called the budget hearing on House Bill 1002 to order.

Chief Justice Gerald W. VandeWalle spoke in support of the bill.

Sally Holewa, State Court Administrator, gave an overview of the budget process for the

Supreme Court. See attached testimony 1002.1.15.07A.

Vice Chairman Carlisle: Are all FTEs listed in the budget none of them are listed as optional?

Sally Holewa: Yes they are all in our budget.

Representative Kempenich: Is this voluntary mediation or required?

Sally Holewa: We are looking at sending every case through mediation at first.

Vice Chairman Carlisle: Would there be a reporting system for the mediation cases?

Sally Holewa: We are in the process of developing a way to track custody specific agreements. As we get the mediation project in place, we would send out performance measures that would specifically look at what indicator was a satisfactory agreement.

Vice Chairman Carlisle: Is there any opposition to the mediation program?

Sally Holewa: No specific objectives, but the State Bar Association has some concerns.

Representative Kroeber: Is this based on any other states or projects

Sally Holewa: It is a combination of other mediation projects.

Vice Chairman Carlisle: Are there other Midwestern states that have this kind of mediation program?

Sally Holewa: I will have that information for the subcommittee.

Representative Kempenich: How have the Rolette County Clerks been funded up until now?

Sally Holewa: They are contract employees.

Vice Chairman Carlisle: How many counties are still under contract?

Sally Holewa: There are 42 counties that are still under contract. Of those 42, ten still have the option to become state employees.

Vice Chairman Carlisle: Are the judges still looking for a different salary package other than the 4 & 4 increase?

Sally Holewa: Yes.

Vice Chairman Carlisle requested a summary of the mediation project for the subcommittee.

Representative Glassheim: Where are the FTEs for the Adult Drug Court in the budget?

Chief Justice VandeWalle: The Department of Corrections has the Drug Court. The treatment portion is in the Department of Human Services.

Justice Dale V. Sandstrom spoke in support of the bill. See attached testimony 1002.1.15.07B.

Representative Kempenich: Does your IT people go out into the counties?

Justice Dale V. Sandstrom: They try to maintain support from the Bismarck office. They do have to travel for upgrades on the system.

Representative Kempenich: How will the CJIS System work with your current system?

Justice Dale V. Sandstrom: It should plug in and work correctly.

Justice May Muehlen Maring spoke in support of the bill. See attached testimony 1002.1.15.07C.

Representative Skarphol: The \$200,000 federal grant, had that been received previously?

Justice May Muehlen Maring: We have received this in the past but not that much.

Representative Skarphol: What will you do in the event that this doesn't go through?

Justice May Muehlen Maring: We will look for money elsewhere. We are pretty confident that we will get that.

Judge Douglas Herman spoke in support of the bill. See attached testimony 1002.1.15.07D.

Susan Sisk, Director of Finance, spoke in support of the bill. See attached testimony 1002.1.15.07E.

Representative Kempenich: You said that you use bulk ordering to save money. Does that include IT equipment?

Susan Sisk: We use ITD's contract unless we find it cheaper somewhere else.

Representative Skarphol: Credit cards typically require 4% or some kind of percentage in fees. Is that the \$92,000?

Susan Sisk: Yes.

Representative Skarphol: We don't get better rate than that?

Susan Sisk: We actually get 1.9% and I believe there is a thirty cent transaction fee per item. So if we say roughly that 10% of everything will be paid by credit card we should be right on.

Chairman Carlson requested a summary of any programs that have had federal funding in the past but are now funded by General Funds.

Ms. Sisk continued her testimony.

Chairman Carlson: How do you know if the counties will allow you to house the offices in their courthouse?

Susan Sisk: We can't contract with them until we know whether we are going to get the money to do so.

Vice Chairman Carlisle: Are there any other bills that will affect your budget?

Susan Sisk: We will provide the subcommittee with that list.

Vice Chairman Carlisle: Does the \$82,000 in the salary line include the 4 & 4?

Susan Sisk: Yes.

Representative Thoreson: Are you working on a formal proposal for more space?

Chief Justice VandeWalle: Not really. We have claimed all of the space that we have in the Judicial Wing.

Representative Skarphol: How much space do you have now and how much do you envision that you will need?

Chief Justice VandeWalle: We have 23,000 square feet now. (poor audio)

Hearing Closed.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1002

House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 1/30/07

Recorder Job Number: 2312

Committee Clerk Signature

Minutes:

Chairman Carlson opened the discussion on House Bill 1002.

Vice Chairman Carlisle handed out amendment 78002.0102.

The changes this amendment makes is adding \$2,000 and the 4/4 package to the salary line.

It also removes five FTEs from the mediation project. They will utilize these FTEs through contract basis.

A motion was made by Representative Thoreson, seconded by Representative Kroeber and carried by voice vote to adopt amendment 78002.0102 to House Bill 1002.

Vice Chairman Carlisle reviewed the green sheet.

Chairman Carlson: Where are they going to use the digital recorders?

Vice Chairman Carlisle: In the District Courtrooms.

Vice Chairman Carlisle: Sally can you come up and explain number 9 for us?

Sally Holewa: Number nine is our case management replacement. What we are looking for is \$1.275million. That will get us through the first two years of planning for the replacement. The

planning includes doing analysis for all of our practice and getting bids on a vendor. The second phase will be the actual purchase of the hardware and software.

Representative Skarphol: What I am assuming is that this is comparable to what we are doing with the Legislative Assembly this time.

Chairman Carlson: What I am having trouble with is how do you call it one time funding when it is just the first planning stage?

Representative Skarphol: That is the first step in any of these major IT projects.

Chairman Carlson: I understand the steps but this is wasted unless you keep going. So how do you call it one time funding? I am not blaming you I am just telling you that this is a problem we have seen in numerous budgets.

Representative Skarphol: The question I really have is not about number nine being one time but about number eighteen being one time. It says it adds funding for operating costs related to the enhanced records management system. How are operating costs one time funding?

Sally Holewa: We did not designate that to be one time?

Representative Skarphol: I would as that if we are going to amend this and I think we should that we only include the \$1.3million and not the \$115million.

Representative Thoreson: Who decided that was one time funding?

Sally Holewa: OMB. This however is not actually operating costs like it says on the green sheet. This is for the purchase of scanners and software that will only be asked for one more time.

At the request of the committee Don Wolf from Legislative Council read the language that will be added to most of the budget bills regarding one time funding.

Vice Chairman Carlisle: Can you also run through number eleven?

Sally Holewa: We are adding and expanding programs.

Representative Thoreson: Number twelve deals with the Minot and Williston drug courts.

Please refresh us, how was the determination made on these locations?

Sally Holewa: They were chosen because we didn't have a drug court presence there.

Chairman Carlson: Are we expecting a large growth in that cost over time?

Sally Holewa: We have budgeted the same amount for drug court in the last three bienniums.

We did increase it by three percent this biennium because we now have to pay for half of the attorneys involved in drug court. In the past they were in the indigent defense budget.

Chairman Carlson: How does the Rolette County thing work? (Number 16 on green sheet)

Sally Holewa: From my understanding is some of the larger counties wished to divest themselves. If the county had five or more employees you had to go state funding, if you had between one and five it was optional. If you are under one you can't at all. We pay for services through contract with those counties that either don't qualify or have decided not to opt in.

Chairman Carlson: So there is a potential of ten more counties becoming state employees.

Who is paying them now?

Sally Holewa: We are paying them.

Chairman Carlson: So we are paying them. Why does go up if we are paying them and now adding them as a state employee?

Sally Holewa: It goes up because of the benefits and the fact that we only paid one plus a portion of their other FTE.

Chairman Carlson: What is the liability out there in front of us if they all decide to opt in?

Sally Holewa: I believe there are 32 or 33 more FTEs.

Vice Chairman Carlisle: You still have an \$800,000 turn back is that correct?

Sally Holewa: Yes.

Representative Thoreson: Are there any other bills floating around that would impact this budget?

Susan Fisk: House Bill 1387. This bill would allow the counties to charge us rent on the office space we use.

A motion was made by Representative Kempenich, seconded by Vice Chairman Carlisle to adopt the amendment regarding one time funding. Motion carried by voice vote with Representative Glassheim in opposition.

A motion was made by Representative Thoreson, seconded by Vice Chairman Carlisle for a DO PASS AS AMENDED recommendation to the House Appropriations Full Committee. The committee vote was 8 Yeas, 0 Nays and 0 Absent and Not Voting. The bill will be carried by Vice Chairman Carlisle.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1002

House Appropriations Committee

Check here for Conference Committee

Hearing Date: February 5, 2007

Recorder Job Number: 2857

Committee Clerk Signature

Holly N. Sund

Minutes:

Chm. Svedjan opened the hearing on HB 1002.

Rep. Carlisle motioned to adopt amendment .0103 (Attachment A). **Rep. Thoreson**

seconded the motion. Rep. Carlisle pointed out that the amendment changes the salary

increases for Supreme Court justices from a 6 percent increase the first year and a 7 percent increase for the second year of the biennium to providing a \$2,000 increase plus a 4 percent increase, effective July 1, 2007, and a 4 percent increase for the second year of the biennium.

The amendment makes the same type of change for the district court judges. The amendment removes five of the six FTE position for the mediation pilot project and transfers funding from the salaries and wages line item to the operating line item.

Rep. Carlisle also reviewed the Department 180 – Judicial Branch budget green sheet. The only changes to the budget were the changes mentioned in amendment .0103.

Chm. Svedjan: Re: item 9 of the budget – this is a two-phase, one-time, but you're approaching it as ongoing?

Rep. Skarphol: We are spending some money to make sure we fully understand what's needed. That will take a substantial amount of time. Once we fully understand what's needed, then there will be a request for the development and implementation of that system.

Chm. Svedjan: But you would treat this as ongoing?

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Rep. Skarphol: I would treat this as one-time. It's just the first phase of the fully implemented system.

Rep. Carlisle continues his discussion of the executive budget highlights.

Chm. Svedjan: The total adjustment to this budget is \$294,000.

Rep. Carlisle: That's correct.

The motion to adopt amendment .0103 carried by voice vote and the amendment was adopted.

Rep. Carlisle motioned a Do Pass as Amended. Rep. Skarphol seconded the motion.

The motion carried by a roll call vote of 24 ayes, 0 nays and 0 absent and not voting.

Rep. Carlisle was designated to carry the bill.

FISCAL NOTE
 Requested by Legislative Council
 03/27/2007

Amendment to: Engrossed
 HB 1002

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$990,547		\$990,547	
Appropriations			\$990,547		\$990,547	

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides funds for the operation of the Judicial Branch of government. It includes proposed statutory salary changes for judges salaries. The amounts shown above are the proposed judicial salary increases.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The amended salary increases for judges and justices are \$2,000 on July 1, 2007, and an additional 4% beginning July 1, 2007 (computed after the \$2,000 increase) and 4% beginning July 1, 2008 for a total cost of \$990,547.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The amended salary increases of \$2,000 July 1, 2007, 4% on July 1, 2007 and 4% on July 1, 2008 are as follows:

Supreme Court - 5 justices \$ 114,600
 District Court - 42 judges \$ 875,947

Total Cost \$ 990,547

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The entire cost of the increases are general fund and are included in the judicial budget request.

Name:	Susan Sisk	Agency:	ND Supreme Court
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Phone Number: 328-3509

Date Prepared: 03/27/2007

FISCAL NOTE
Requested by Legislative Council
02/14/2007

Amendment to: HB 1002

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$876,835		\$876,835	
Appropriations			\$876,835		\$876,835	

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides funds for the operation of the Judicial Branch of government. It includes proposed statutory salary changes for judges salaries. The amounts shown above are the proposed judicial salary increases.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The amended salary increases for judges and justices are \$2,000 on July 1, 2007, and an additional 4% beginning July 1, 2007 (computed after the \$2,000 increase) and 4% beginning July 1, 2008 for a total cost of \$876,835.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The amended salary increases of \$2,000 July 1, 2007, 4% on July 1, 2007 and 4% on July 1, 2008 are as follows:

Supreme Court - 5 justices \$ 102,503
District Court - 42 judges \$ 774,332

Total Cost \$ 876,835

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The entire cost of the increases are general fund and are included in the judicial budget request.

Name:	Susan Sisk	Agency:	ND Supreme Court
Phone Number:	328-3509	Date Prepared:	02/14/2007

FISCAL NOTE
 Requested by Legislative Council
 01/02/2007

Bill/Resolution No.: HB 1002

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$1,171,303		\$1,171,303	
Appropriations			\$1,171,303		\$1,171,303	

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides funds for the operation of the Judicial Branch of government. It includes proposed statutory salary changes for judges salaries. The amounts shown above are the proposed judicial salary increases.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The proposed salary increases for judges and justices are 6% beginning July 1, 2007 and 7% beginning July 1, 2008 for a total cost of \$1,171,303.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The proposed salary increases of 6% and 7% are as follows:

Supreme Court - 5 justices \$ 138,260
 District Court - 42 judges \$1,033,043

Total Cost \$1,171,303

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The entire cost of the increases is general fund and are included in the judicial budget request of \$69,468,372.

Name: Susan Sisk	Agency: Supreme Court
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Phone Number: 328-3509

Date Prepared: 01/03/2007



Date: _____
Roll Call Vote #: _____

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1002

House Appropriations- Government Operations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Approval of Amendment

Motion Made By Kem Seconded By Carlisle

Representatives	Yes	No	Representatives	Yes	No
Chairman Al Carlson			Vice Chairman Ron Carlisle		
Rep Keith Kempenich			Rep Bob Skarphol		
Rep Blair Thoreson			Rep Eliot Glassheim		
Rep Joe Kroeber			Rep Clark Williams		
<u>Passed</u>					

Total Yes 7 No 1

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

1 time expenses

January 24, 2007

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1002

Page 2, line 18, replace "580,001" with "544,244"

Page 2, line 22, replace "879,725" with "843,968"

Page 2, line 23, replace "879,725" with "843,968"

Page 2, line 26, replace "5,353,145" with "4,432,566"

Page 2, line 27, replace "3,412,776" with "4,074,644"

Page 3, line 2, replace "10,112,876" with "9,854,165"

Page 3, line 4, replace "9,431,155" with "9,172,444"

Page 3, line 11, replace "10,409,469" with "10,115,001"

Page 3, line 13, replace "11,103,025" with "10,808,557"

Page 3, line 21, replace "7,102,912" with "7,067,155"

Page 3, line 25, replace "9,470,328" with "9,434,571"

Page 3, line 26, replace "9,470,328" with "9,434,571"

Page 3, line 29, replace "42,305,433" with "41,384,854"

Page 3, line 30, replace "14,635,431" with "15,297,299"

Page 4, line 5, replace "59,280,090" with "59,021,379"

Page 4, line 7, replace "57,378,412" with "57,119,701"

Page 4, line 14, replace "67,267,338" with "66,972,870"

Page 4, line 16, replace "69,468,372" with "69,173,904"

Page 4, line 30, replace "six" with "five" and replace "forty-two" with "seventy-eight"

Page 4, line 31, replace "twenty-one" with "eighteen" and replace "five" with "one"

Page 5, line 1, replace "ninety-seven" with "twenty-one"

Page 5, line 2, replace "three" with "two" and replace "twenty-four" with "sixty-two"

Page 5, line 3, replace "five" with "three" and replace "fifty-seven" with "ninety-two"

Page 5, line 8, replace "three" with "four", remove "nine", overstrike "hundred", and replace "fifty-four" with "seventy-three"

Page 5, line 9, replace "eleven" with "eight"

Page 5, line 10, replace "thirty" with "thirty-six"

Page 5, line 14, replace "sixty-three" with "five"

Page 5, line 15, replace "two" with "one" and replace "seventy-eight" with "twenty-six"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Supreme Court			
Total all funds	\$9,470,328	(\$35,757)	\$9,434,571
Less estimated income			
General fund	\$9,470,328	(\$35,757)	\$9,434,571
District Courts			
Total all funds	\$59,280,090	(\$258,711)	\$59,021,379
Less estimated income	1,901,678		1,901,678
General fund	\$57,378,412	(\$258,711)	\$57,119,701
Judicial Conduct Commission			
Total all funds	\$717,954	\$0	\$717,954
Less estimated income	299,356		299,356
General fund	\$418,598	\$0	\$418,598
Bill Total			
Total all funds	\$69,468,372	(\$294,468)	\$69,173,904
Less estimated income	2,201,034		2,201,034
General fund	\$67,267,338	(\$294,468)	\$66,972,870

House Bill No. 1002 - Supreme Court - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$7,102,912	(\$35,757)	\$7,067,155
Operating expenses	2,149,185		2,149,185
Capital assets	96,000		96,000
Judges' retirement	122,231		122,231
Total all funds	\$9,470,328	(\$35,757)	\$9,434,571
Less estimated income			
General fund	\$9,470,328	(\$35,757)	\$9,434,571
FTE	45.00	0.00	45.00

Dept. 181 - Supreme Court - Detail of House Changes

	CHANGES SALARIES FOR SUPREME COURT JUSTICES ¹	TOTAL HOUSE CHANGES
Salaries and wages	(\$35,757)	(\$35,757)
Operating expenses		
Capital assets		
Judges' retirement		
Total all funds	(\$35,757)	(\$35,757)
Less estimated income		
General fund	(\$35,757)	(\$35,757)
FTE	0.00	0.00

¹ Changes the salary increases for Supreme Court justices from a 6 percent increase the first year and a 7 percent increase for the second year of the biennium to providing a \$2,000 increase plus a 4 percent increase, effective July 1, 2007, and a 4 percent increase for the second year of the biennium.

The table below provides salary information for the Supreme Court justices:

	2005-07 BIENNIUM SALARY	SALARY INCLUDED IN HB 1002	SALARY AS AMENDED
Supreme Court justices			
First year of biennium	\$103,087	\$113,642	\$113,578
Second year of biennium	\$107,210	\$121,597	\$118,121
Chief Justice (amount in addition to justice salary)			
First year of biennium	\$3,015	\$3,324	\$3,262
Second year of biennium	\$3,136	\$3,557	\$3,392

House Bill No. 1002 - District Courts - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$42,305,433	(\$920,579)	\$41,384,854
Operating expenses	14,635,431	661,868	15,297,299
Capital assets	458,583		458,583
Judges' retirement	703,819		703,819
UND - Central legal research	80,000		80,000
Alternative dispute resolution	20,000		20,000
Mediation	1,076,824		1,076,824
Total all funds	\$59,280,090	(\$258,711)	\$59,021,379
Less estimated income	1,901,678		1,901,678
General fund	\$57,378,412	(\$258,711)	\$57,119,701
FTE	294.00	(5.00)	289.00

Dept. 182 - District Courts - Detail of House Changes

	CHANGES SALARIES FOR DISTRICT COURT JUDGES 1	CHANGES MEDIATION PILOT PROJECT TO CONTRACT BASIS 2	TOTAL HOUSE CHANGES
Salaries and wages	(\$258,711)	(\$661,868)	(\$920,579)
Operating expenses		661,868	661,868
Capital assets			
Judges' retirement			
UND - Central legal research			
Alternative dispute resolution			
Mediation			
Total all funds	(\$258,711)	\$0	(\$258,711)
Less estimated income			
General fund	(\$258,711)	\$0	(\$258,711)
FTE	0.00	(5.00)	(5.00)

1 Changes the salary increases for district court judges from a 6 percent increase the first year and a 7 percent increase for the second year of the biennium to providing a \$2,000 increase plus a 4 percent increase, effective July 1, 2007, and a 4 percent increase for the second year of the biennium.

The table below provides salary information for the district court judges:

	2005-07 BIENNIUM SALARY	SALARY INCLUDED IN HB 1002	SALARY AS AMENDED
District court judges			
First year of biennium	\$94,298	\$103,954	\$104,073
Second year of biennium	\$98,070	\$111,230	\$108,236
Presiding judges (amount in addition to judges' salary)			
First year of biennium	\$2,779	\$3,063	\$3,005
Second year of biennium	\$2,890	\$3,278	\$3,126

2 Removes 5 of the 6 FTE positions for the mediation pilot project and transfers funding from the salaries and wages line item to the operating line item. Contract mediators will be used for this project rather than adding employees. The one remaining position will serve as the program coordinator.

The executive budget included 2 new FTE clerk positions for Rolette County which opted to be state-employed, pursuant to North Dakota Century Code Chapter 27-05.2. The total salaries and wages for the new positions is \$222,677, which is an overall budget increase of \$87,626. The clerks were previously paid \$135,051 under a contract basis.

Date: 1/30/07

Roll Call Vote #: 1

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1002

House Appropriations- Government Operations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass As Amended

Motion Made By THOR Seconded By CAR

Representatives	Yes	No	Representatives	Yes	No
Chairman Al Carlson	✓		Vice Chairman Ron Carlisle	✓	
Rep Keith Kempenich	✓		Rep Bob Skarphol	✓	
Rep Blair Thoreson	✓		Rep Eliot Glassheim	✓	
Rep Joe Kroeber	✓		Rep Clark Williams	✓	

Total Yes 8 No 0

Absent 0

Floor Assignment Carlisle

If the vote is on an amendment, briefly indicate intent:

Date: 2/5/07
 Roll Call Vote #: ①

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1002

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number 78002.0103

Action Taken Adopt Amendment 0103

Motion Made By Carlisle Seconded By Thoreson

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Representative Wald			Representative Aarsvold		
Representative Monson			Representative Gulleson		
Representative Hawken					
Representative Klein					
Representative Martinson					
Representative Carlson			Representative Glassheim		
Representative Carlisle			Representative Kroeber		
Representative Skarphol			Representative Williams		
Representative Thoreson					
Representative Pollert			Representative Ekstrom		
Representative Bellew			Representative Kerzman		
Representative Kreidt			Representative Metcalf		
Representative Nelson					
Representative Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Motion carries by voice vote

Date: 2/5/07
 Roll Call Vote #: (2)

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 1002

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number 72002.0103

Action Taken Do Pass as Amended

Motion Made By Carlisle Seconded By Skarphol

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Representative Wald	✓		Representative Aarsvold	✓	
Representative Monson	✓		Representative Gulleon	✓	
Representative Hawken	✓				
Representative Klein	✓				
Representative Martinson	✓				
Representative Carlson	✓		Representative Glassheim	✓	
Representative Carlisle	✓		Representative Kroeber	✓	
Representative Skarphol	✓		Representative Williams	✓	
Representative Thoreson	✓				
Representative Pollert	✓		Representative Ekstrom	✓	
Representative Bellew	✓		Representative Kerzman	✓	
Representative Kreidt	✓		Representative Metcalf	✓	
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 24 No 0

Absent 0

Floor Assignment Carlisle

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1002: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (24 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1002 was placed on the Sixth order on the calendar.

Page 2, line 18, replace "580,001" with "544,244"

Page 2, line 22, replace "879,725" with "843,968"

Page 2, line 23, replace "879,725" with "843,968"

Page 2, line 26, replace "5,353,145" with "4,432,566"

Page 2, line 27, replace "3,412,776" with "4,074,644"

Page 3, line 2, replace "10,112,876" with "9,854,165"

Page 3, line 4, replace "9,431,155" with "9,172,444"

Page 3, line 11, replace "10,409,469" with "10,115,001"

Page 3, line 13, replace "11,103,025" with "10,808,557"

Page 3, line 21, replace "7,102,912" with "7,067,155"

Page 3, line 25, replace "9,470,328" with "9,434,571"

Page 3, line 26, replace "9,470,328" with "9,434,571"

Page 3, line 29, replace "42,305,433" with "41,384,854"

Page 3, line 30, replace "14,635,431" with "15,297,299"

Page 4, line 5, replace "59,280,090" with "59,021,379"

Page 4, line 7, replace "57,378,412" with "57,119,701"

Page 4, line 14, replace "67,267,338" with "66,972,870"

Page 4, line 16, replace "69,468,372" with "69,173,904"

Page 4, line 30, replace "six" with "five" and replace "forty-two" with "seventy-eight"

Page 4, line 31, replace "twenty-one" with "eighteen" and replace "five" with "one"

Page 5, line 1, replace "ninety-seven" with "twenty-one"

Page 5, line 2, replace "three" with "two" and replace "twenty-four" with "sixty-two"

Page 5, line 3, replace "five" with "three" and replace "fifty-seven" with "ninety-two"

Page 5, line 8, replace "three" with "four", remove "nine", overstrike "hundred", and replace "fifty-four" with "seventy-three"

Page 5, line 9, replace "eleven" with "eight"

Page 5, line 10, replace "thirty" with "thirty-six"

Page 5, line 14, replace "sixty-three" with "five"

Page 5, line 15, replace "two" with "one" and replace "seventy-eight" with "twenty-six"

Page 5, after line 16, insert:

"SECTION 8. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The total general fund appropriation line item in section 3 of this Act includes \$1,490,750 for the one-time funding items identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The supreme court shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

Enhanced records management system	\$115,750
Unified case management system	<u>1,375,000</u>
 Total	 \$1,490,750"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Supreme Court			
Total all funds	\$9,470,328	(\$35,757)	\$9,434,571
Less estimated income			
General fund	<u>\$9,470,328</u>	<u>(\$35,757)</u>	<u>\$9,434,571</u>
District Courts			
Total all funds	\$59,280,090	(\$258,711)	\$59,021,379
Less estimated income	1,901,678		1,901,678
General fund	<u>\$57,378,412</u>	<u>(\$258,711)</u>	<u>\$57,119,701</u>
Judicial Conduct Commission			
Total all funds	\$717,954	\$0	\$717,954
Less estimated income	299,356		299,356
General fund	<u>\$418,598</u>	<u>\$0</u>	<u>\$418,598</u>
Bill Total			
Total all funds	\$69,468,372	(\$294,468)	\$69,173,904
Less estimated income	2,201,034		2,201,034
General fund	<u>\$67,267,338</u>	<u>(\$294,468)</u>	<u>\$66,972,870</u>

House Bill No. 1002 - Supreme Court - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$7,102,912	(\$35,757)	\$7,067,155
Operating expenses	2,149,185		2,149,185
Capital assets	96,000		96,000
Judges' retirement	<u>122,231</u>		<u>122,231</u>
Total all funds	\$9,470,328	(\$35,757)	\$9,434,571
Less estimated income			
General fund	<u>\$9,470,328</u>	<u>(\$35,757)</u>	<u>\$9,434,571</u>

FTE 45.00 0.00 45.00

Dept. 181 - Supreme Court - Detail of House Changes

	CHANGES SALARIES FOR SUPREME COURT JUSTICES 1	TOTAL HOUSE CHANGES
Salaries and wages	(\$35,757)	(\$35,757)
Operating expenses		
Capital assets		
Judges' retirement		
Total all funds	(\$35,757)	(\$35,757)
Less estimated income		
General fund	(\$35,757)	(\$35,757)
FTE	0.00	0.00

1 Changes the salary increases for Supreme Court justices from a 6 percent increase the first year and a 7 percent increase for the second year of the biennium to providing a \$2,000 increase plus a 4 percent increase, effective July 1, 2007, and a 4 percent increase for the second year of the biennium.

The table below provides salary information for the Supreme Court justices:

	2005-07 BIENNIUM SALARY	SALARY INCLUDED IN HB 1002	SALARY AS AMENDED
Supreme Court justices			
First year of biennium	\$103,087	\$113,642	\$113,578
Second year of biennium	\$107,210	\$121,597	\$118,121
Chief Justice (amount in addition to justice salary)			
First year of biennium	\$3,015	\$3,324	\$3,262
Second year of biennium	\$3,136	\$3,557	\$3,392

House Bill No. 1002 - District Courts - House Action

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$42,305,433	(\$920,579)	\$41,384,854
Operating expenses	14,635,431	661,868	15,297,299
Capital assets	458,583		458,583
Judges' retirement	703,819		703,819
UND - Central legal research	80,000		80,000
Alternative dispute resolution	20,000		20,000
Mediation	1,076,824		1,076,824
Total all funds	\$59,280,090	(\$258,711)	\$59,021,379
Less estimated income	1,901,678		1,901,678
General fund	\$57,378,412	(\$258,711)	\$57,119,701
FTE	294.00	(5.00)	289.00

Dept. 182 - District Courts - Detail of House Changes

	CHANGES SALARIES FOR DISTRICT COURT JUDGES 1	CHANGES MEDIATION PILOT PROJECT TO CONTRACT BASIS 2	TOTAL HOUSE CHANGES
Salaries and wages	(\$258,711)	(\$661,868)	(\$920,579)
Operating expenses		661,868	661,868
Capital assets			
Judges' retirement			
UND - Central legal research			
Alternative dispute resolution			

Mediation			
Total all funds	(\$258,711)	\$0	(\$258,711)
Less estimated income			
General fund	(\$258,711)	\$0	(\$258,711)
FTE	0.00	(5.00)	(5.00)

¹ Changes the salary increases for district court judges from a 6 percent increase the first year and a 7 percent increase for the second year of the biennium to providing a \$2,000 increase plus a 4 percent increase, effective July 1, 2007, and a 4 percent increase for the second year of the biennium.

The table below provides salary information for the district court judges:

	2005-07 BIENNIUM SALARY	SALARY INCLUDED IN HB 1002	SALARY AS AMENDED
District court judges			
First year of biennium	\$94,298	\$103,954	\$104,073
Second year of biennium	\$98,070	\$111,230	\$108,236
Presiding judges (amount in addition to judges' salary)			
First year of biennium	\$2,779	\$3,063	\$3,005
Second year of biennium	\$2,890	\$3,278	\$3,126

² Removes 5 of the 6 FTE positions for the mediation pilot project and transfers funding from the salaries and wages line item to the operating line item. Contract mediators will be used for this project rather than adding employees. The one remaining position will serve as the program coordinator.

The executive budget included 2 new FTE clerk positions for Rolette County which opted to be state-employed, pursuant to North Dakota Century Code Chapter 27-05.2. The total salaries and wages for the new positions is \$222,677, which is an overall budget increase of \$87,626. The clerks were previously paid \$135,051 under a contract basis.

2007 SENATE APPROPRIATIONS

HB 1002

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1002

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-23-07

Recorder Job Number: 3758

Committee Clerk Signature

Alice Degee

Minutes:

Chairman Holmberg opened the hearing on HB 1002 at 8:30 am on February 23, 2007 regarding the Judicial Branch.

Chief Justice Gerald W. VandeWalle of the Supreme Court presented written testimony (1) and oral testimony in support of HB 1002. His testimony included information regarding the Family Court Project, using contract people to work on this project, and stated the money is in a line item to fund this project. When it comes to family law, regarding child custody issues, he stated he was not so sure the adversary system works. We need a mediation system that will work. The custody and visitation of children becomes an issue and there is already a problem and then we bring the parents into Court if they have been unable to settle it themselves and put them before the Judge, so the mediation project is an attempt to meet the needs of the children. We hope you will support it. We don't know if it will work, but we have to try something.

Chairman Holmberg stated he hoped the testifiers would identify whether the money has already been put in the bill and they are asking us to leave it there or if it new appropriations.

Chief Justice VandeWalle stated there are only two areas where they are asking to add money over what the House added: 1. an error was made in calculation in the salary line item because of changes that were made and they didn't compound it the second year of the

biennium and #2. A technical error that will be addressed later in this testimony today. He stated both mediation and technology are already in this bill we are just trying to support them on this side.

Chairman Holmberg asked if OMB agrees with the assessment regarding the technical error in the line item. He was informed that when the House changed the salary they gave a flat \$2,000.00 raise and they didn't carry the necessary money over for the 2nd year of the biennium to support that. Susan will explain it better. Chairman Holmberg stated we want to make sure everyone is on board. Chief Justice introduced Sally Holewa, the new Court Administrator.

Sally Holewa, State Court Administrator gave an overview of the budget (A) of testimony #1. Her testimony included FTE requests, Contract for services, Guardian ad Litem Project, and contracts for Juvenile Court services.

Chairman Holmberg had questions regarding the data for weighted case load for judges in the northwest, southwest and south central and asked if she could provide the subcommittee with the weighted case loads for all of the districts. He also asked if all of them are in the minus or are there some that indicate a surplus.

Sally Holewa stated there are two that are slightly over; the East Central which is generally the Fargo area under by 1.97; the South Central which is the Bismarck area is 1.29 short; South East which is the Wahpeton area is 1.25 shortage; North West which is in the Minot area is .84 shortage; the South West which is the Dickinson area is .17 short. When you look at the overages the North East Central which is the Grand Forks area shows an overage of 1.10; the North East which is the area north of Grand Forks including Pembina, Cavalier, Devils Lake and Grafton area is .28 overage. These are all two year averages.

Senator Christmann asked if the 6 positions are in the budget as it came from the House. He was told yes. He asked about the 42 counties that provide clerk of court services, and what the other 11 counties do.

Sally Holewa stated they now have 11 state employees, clerks of court offices, and under the statute if you have more than 4 employees you had to be state employees and that transfer took place in 2001. She continued to explain the process regarding this matter.

Dale V Sandstrom, Justice Supreme Court gave oral testimony regarding the Information Technology Activities and Enhancements (B) of written testimony # 1, stating all of these have been approved by the House. He gave an overview of the technology tools that the Department is requesting. They are as follows:

1. The Unified Court Information System (UCIS) Replacement.
2. Enhanced Records Management System.
3. Interactive Television.
4. Digital Audio Recording.
5. Data Sharing.
6. Supreme Court Website.
7. IT Services.

Senator Christmann asked when they do these technology projects and we get a district judge elected that has no technology background, who does all the training so they can keep up with it once you have made it highly technical. He was told they have technology staff that train people, however, the newer judges all seem to be very technology orientated. All court and legal business has changed so dramatically on the technological side but we do have training for those folks.

Senator Mathern had questions concerning the request for proposals during the next biennium. He was told it is hard to know because we don't know where technology is going.

Chairman Holmberg asked how their IT, or what the department produces, how that interfaces with collectors of that information, like Thompson, or some of these other companies. He asked how they access that.

Justice Dale Sandstrom stated that the Clerk's office has an ongoing relationship with Thompson West in the information is transmitted electronically. We also put the data on the website so everyone can get the decisions the Court has rendered the day the notice is issued so we have a subscriber list of about 1,900 people who get pre-email notices when they're linked to the documents.

Judge Douglas Herman, Fargo, Fargo, ND gave oral testimony in support of Salary

Increases (C) in testimony #1 and asked for adding another \$2000 equity adjustment in the second year of the biennium. This is in addition to what we were provided in the House.

Although this will not achieve absolute parity it will get us close. He compared their parity with South Dakota and shared the gap that exists between our state and South Dakota.

Senator Mathern asked if they made this request to the House in the second year.

Judge Douglas Herman stated they made the request for the 6% and 7% and just that morning they had gone ahead with the 4 and 4 plus the equity adjustment.

Senator Mathern had questions regarding the 6% and the 4 and 4.

Chairman Holmberg had questions regarding the \$10 million equity adjustment and if court employees qualify for that \$10 million. He was told they do not.

Senator Krebsbach asked if Judge Herman had information regarding the average income of an attorney in North Dakota and how they compare to other states. She was informed that the

information was provided on their disc that was provided to the committee earlier and in their testimony pages 45 and 50.

Sally Holewa shared information regarding attorney salaries in North Dakota.

Susan Sisk, Director of Finance gave oral testimony to support the Detailed Budget (D) in written testimony #1. They are as follows:

1. Salaries and Benefits.
2. Operating Expenses
3. Capital assets
4. Mediation Pilot Project.
5. Judge Retirement (Chapter 27-17 Old Retirement system)
6. Judicial Conduct Commission and Disciplinary Board.

She stated they are requesting an additional six FTE's. One of these positions is for the mediation pilot project, and the cost is included in that line item. The other five positions are a juvenile officer, a law clerk, a half time referee, the other half of the Director of Finance position, and two clerk positions in Rolette County. She stated they will be back next biennium regarding the UCIS replacement.

Chairman Holmberg stated there is a subcommittee appointed and they are: **Senator Christmann (Chairman) and Senators Kilzer and Tallackson.**

Senator Grindberg had questions regarding the Judge's retirement amount on page 6 of testimony. There was further discussion regarding that issue.

Senator Holmberg stated the subcommittee will be contacting them when they meet. Hearing no further testimony the hearing on HB 1002 closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1002

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 03-23-07

Recorder Job Number: 5534

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on HB 1002.

Senator Christmann discussed concerns under dept. 181 and 182. He then introduced HB 1002 discussing the significant changes in funding that had come from the House, the increase of the 4/4 and equity increases, the medical pilot project that was originally in the Governor's budget.

Senator Christmann moved a do pass on the amendment, seconded by Senator Wardner. There was an oral vote resulting in a do pass on the amendment.

Senator Christmann moved a do pass as amended, Senator Fischer seconded. A roll call vote was taken resulting in 13 yes, 0 no and 1 absent. The motion passed and Senator Tallackson will carry the bill.

Chairman Holmberg closed the hearing on HB 1002.

JB
3-23-07
1 of 3

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1002

Page 2, line 18, replace "544,244" with "556,341"

Page 2, line 22, replace "843,968" with "856,065"

Page 2, line 23, replace "843,968" with "856,065"

Page 2, line 26, replace "4,432,566" with "5,196,049"

Page 2, line 27, replace "4,074,644" with "3,412,776"

Page 2, line 29, replace "(2,952)" with "(101,022)"

Page 3, line 2, replace "9,854,165" with "9,857,710"

Page 3, line 4, replace "9,172,444" with "9,175,989"

Page 3, line 11, replace "10,115,001" with "10,130,643"

Page 3, line 13, replace "10,808,557" with "10,824,199"

Page 3, line 21, replace "7,067,155" with "7,079,252"

Page 3, line 25, replace "9,434,571" with "9,446,668"

Page 3, line 26, replace "9,434,571" with "9,446,668"

Page 3, line 29, replace "41,384,854" with "42,148,337"

Page 3, line 30, replace "15,297,299" with "14,635,431"

Page 4, line 1, replace "703,819" with "605,749"

Page 4, line 5, replace "59,021,379" with "59,024,924"

Page 4, line 7, replace "57,119,701" with "57,123,246"

Page 4, line 14, replace "66,972,870" with "66,988,512"

Page 4, line 16, replace "69,173,904" with "69,189,546"

Renumber accordingly

20f3

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Supreme Court				
Total all funds	\$9,470,328	\$9,434,571	\$12,097	\$9,446,668
Less estimated income				
General fund	\$9,470,328	\$9,434,571	\$12,097	\$9,446,668
District Courts				
Total all funds	\$59,280,090	\$59,021,379	\$3,545	\$59,024,924
Less estimated income	1,901,678	1,901,678		1,901,678
General fund	\$57,378,412	\$57,119,701	\$3,545	\$57,123,246
Judicial Conduct Commission				
Total all funds	\$717,954	\$717,954	\$0	\$717,954
Less estimated income	299,356	299,356		299,356
General fund	\$418,598	\$418,598	\$0	\$418,598
Bill Total				
Total all funds	\$69,468,372	\$69,173,904	\$15,642	\$69,189,546
Less estimated income	2,201,034	2,201,034		2,201,034
General fund	\$67,267,338	\$66,972,870	\$15,642	\$66,988,512

House Bill No. 1002 - Supreme Court - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	HOUSE VERSION
Salaries and wages	\$7,102,912	\$7,067,155	\$12,097	\$7,079,252
Operating expenses	2,149,185	2,149,185		2,149,185
Capital assets	96,000	96,000		96,000
Judges' retirement	122,231	122,231		122,231
Total all funds	\$9,470,328	\$9,434,571	\$12,097	\$9,446,668
Less estimated income				
General fund	9,470,328	\$9,434,571	\$12,097	\$9,446,668
FTE	45.00	45.00	0.00	45.00

Dept. 181 - Supreme Court - Detail of Senate Changes

	CHANGES SALARIES FOR SUPREME COURT JUSTICES ¹	TOTAL SENATE CHANGES
Salaries and wages	\$12,097	\$12,097
Operating expenses		
Capital assets		
Judges' retirement		
Total all funds	\$12,097	\$12,097
Less estimated income		
General fund	\$12,097	\$12,097
FTE	0.00	0.00

¹ Changes the salary increases for Supreme Court justices to reflect the cost of funding the second year of the \$2,000 salary increase provided effective July 1, 2007.

The table below provides salary information for the Supreme Court justices:

	2005-07 BIENNIUM SALARY	SALARY INCLUDED IN HB 1002	SALARY INCLUDED IN HOUSE VERSION	SALARY INCLUDED IN SENATE VERSION
Supreme Court justices				
First year of biennium	\$103,087	\$113,642	\$113,578	\$113,578
Second year of biennium	\$107,210	\$121,597	\$118,121	118,121
Chief Justice (amount in addition to justice salary)				
First year of biennium	\$3,015	\$3,324	\$3,262	\$3,262
Second year of biennium	\$3,136	\$3,557	\$3,392	\$3,392

House Bill No. 1002 - District Courts - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$42,305,433	\$41,384,854	\$763,483	\$42,148,337
Operating expenses	14,635,431	15,297,299	(661,868)	14,635,431

Capital assets	458,583	458,583		458,583
Judges' retirement	703,819	703,819	(98,070)	605,749
UND Central Legal Research	80,000	80,000		80,000
Alternative dispute resolution	20,000	20,000		20,000
Mediation	<u>1,076,824</u>	<u>1,076,824</u>		<u>1,076,824</u>
Total all funds	\$59,280,090	\$59,021,379	\$3,545	\$59,024,924
Less estimated income	<u>1,901,678</u>	<u>1,901,678</u>		<u>1,901,678</u>
General fund	\$57,378,412	\$57,119,701	\$3,545	\$57,123,246
FTE	294.00	289.00	0.00	289.00

Dept. 182 - District Courts - Detail of Senate Changes

	CHANGES THE SALARIES FOR DISTRICT COURT JUDGES ¹	ADJUSTS FUNDING FOR MEDIATION PILOT PROJECT ²	DECREASES FUNDING FOR JUDGES' RETIREMENT ³	TOTAL SENATE CHANGES
Salaries and wages	\$101,615	\$661,868		\$763,483
Operating expenses		(661,868)		(661,868)
Capital assets				
Judges' retirement			(\$98,070)	(98,070)
UND Central Legal Research				
Alternative dispute resolution				
Mediation				
Total all funds	\$101,615	\$0	(\$98,070)	\$3,545
Less estimated income				
General fund	\$101,615	\$0	(\$98,070)	\$3,545
FTE	0.00	0.00	0.00	0.00

¹ Changes the salary increases for district court judges to reflect the cost of funding the second year of the \$2,000 salary increase provided effective July 1, 2007.

² This amendment adjusts funding for the mediation pilot project. The total funding for the mediation pilot project, including salaries and wages and operations, are included in a separate line item. This amendment continues the House change to provide for contract mediators rather than FTE positions.

³ The Senate adjusted the funding needed for judges' retirement due to a qualifying judge recently passing away.

The table below provides salary information for the district court judges:

	2005-07 BIENNIUM SALARY	SALARY INCLUDED IN HB 1002	SALARY INCLUDED IN HOUSE VERSION	SALARY INCLUDED IN SENATE VERSION
District court judges				
First year of biennium	\$94,298	\$103,954	\$104,073	\$104,073
Second year of biennium	\$98,070	\$111,230	\$108,236	\$108,236
Presiding judges (amount in addition to judges' salary)				
First year of biennium	\$2,779	\$3,063	\$3,005	\$3,005
Second year of biennium	\$2,890	\$3,278	\$3,126	\$3,126

Date:
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1002

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken

DP as amend .0201

Motion Made By

Christmann

Seconded By

Fischer

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	..	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 13 No _____

Absent 1

Floor Assignment Tallackson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1002, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1002 was placed on the Sixth order on the calendar.

- Page 2, line 18, replace "544,244" with "556,341"
- Page 2, line 22, replace "843,968" with "856,065"
- Page 2, line 23, replace "843,968" with "856,065"
- Page 2, line 26, replace "4,432,566" with "5,196,049"
- Page 2, line 27, replace "4,074,644" with "3,412,776"
- Page 2, line 29, replace "(2,952)" with "(101,022)"
- Page 3, line 2, replace "9,854,165" with "9,857,710"
- Page 3, line 4, replace "9,172,444" with "9,175,989"
- Page 3, line 11, replace "10,115,001" with "10,130,643"
- Page 3, line 13, replace "10,808,557" with "10,824,199"
- Page 3, line 21, replace "7,067,155" with "7,079,252"
- Page 3, line 25, replace "9,434,571" with "9,446,668"
- Page 3, line 26, replace "9,434,571" with "9,446,668"
- Page 3, line 29, replace "41,384,854" with "42,148,337"
- Page 3, line 30, replace "15,297,299" with "14,635,431"
- Page 4, line 1, replace "703,819" with "605,749"
- Page 4, line 5, replace "59,021,379" with "59,024,924"
- Page 4, line 7, replace "57,119,701" with "57,123,246"
- Page 4, line 14, replace "66,972,870" with "66,988,512"
- Page 4, line 16, replace "69,173,904" with "69,189,546"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Supreme Court Total all funds Less estimated income	\$9,470,328	\$9,434,571	\$12,097	\$9,446,668

REPORT OF STANDING COMMITTEE (410)
March 26, 2007 8:55 a.m.

Module No: SR-56-6156
Carrier: Tallackson
Insert LC: 78002.0201 Title: .0300

General fund	\$9,470,328	\$9,434,571	\$12,097	\$9,446,668
District Courts				
Total all funds	\$59,280,090	\$59,021,379	\$3,545	\$59,024,924
Less estimated income	<u>1,901,678</u>	<u>1,901,678</u>		<u>1,901,678</u>
General fund	\$57,378,412	\$57,119,701	\$3,545	\$57,123,246
Judicial Conduct Commission				
Total all funds	\$717,954	\$717,954	\$0	\$717,954
Less estimated income	<u>299,356</u>	<u>299,356</u>		<u>299,356</u>
General fund	\$418,598	\$418,598	\$0	\$418,598
Bill Total				
Total all funds	\$69,468,372	\$69,173,904	\$15,642	\$69,189,546
Less estimated income	<u>2,201,034</u>	<u>2,201,034</u>		<u>2,201,034</u>
General fund	\$67,267,338	\$66,972,870	\$15,642	\$66,988,512

House Bill No. 1002 - Supreme Court - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	HOUSE VERSION
Salaries and wages	\$7,102,912	\$7,067,155	\$12,097	\$7,079,252
Operating expenses	2,149,185	2,149,185		2,149,185
Capital assets	96,000	96,000		96,000
Judges' retirement	<u>122,231</u>	<u>122,231</u>		<u>122,231</u>
Total all funds	\$9,470,328	\$9,434,571	\$12,097	\$9,446,668
Less estimated income				
General fund	9,470,328	\$9,434,571	\$12,097	\$9,446,668
FTE	45.00	45.00	0.00	45.00

Dept. 181 - Supreme Court - Detail of Senate Changes

	CHANGES SALARIES FOR SUPREME COURT JUSTICES ¹	TOTAL SENATE CHANGES
Salaries and wages	\$12,097	\$12,097
Operating expenses		
Capital assets		
Judges' retirement		
Total all funds	\$12,097	\$12,097
Less estimated income		
General fund	\$12,097	\$12,097
FTE	0.00	0.00

¹ Changes the salary increases for Supreme Court justices to reflect the cost of funding the second year of the \$2,000 salary increase provided effective July 1, 2007.

The table below provides salary information for the Supreme Court justices:

	2005-07 BIENNIUM SALARY	SALARY INCLUDED IN HB 1002	SALARY INCLUDED IN HOUSE VERSION	SALARY INCLUDED IN SENATE VERSION
Supreme Court justices				
First year of biennium	\$103,087	\$113,642	\$113,578	\$113,578
Second year of biennium	\$107,210	\$121,597	\$118,121	118,121
Chief Justice (amount in addition to justice salary)				
First year of biennium	\$3,015	\$3,324	\$3,262	\$3,262
Second year of biennium	\$3,136	\$3,557	\$3,392	\$3,392

House Bill No. 1002 - District Courts - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
--	---------------------	------------------	-------------------	-------------------

Salaries and wages	\$42,305,433	\$41,384,854	\$763,483	\$42,148,337
Operating expenses	14,635,431	15,297,299	(661,868)	14,635,431
Capital assets	458,583	458,583		458,583
Judges' retirement	703,819	703,819	(98,070)	605,749
UND Central Legal Research	80,000	80,000		80,000
Alternative dispute resolution	20,000	20,000		20,000
Mediation	<u>1,076,824</u>	<u>1,076,824</u>		<u>1,076,824</u>
Total all funds	\$59,280,090	\$59,021,379	\$3,545	\$59,024,924
Less estimated income	<u>1,901,678</u>	<u>1,901,678</u>		<u>1,901,678</u>
General fund	\$57,378,412	\$57,119,701	\$3,545	\$57,123,246
FTE	294.00	289.00	0.00	289.00

Dept. 182 - District Courts - Detail of Senate Changes

	CHANGES THE SALARIES FOR DISTRICT COURT JUDGES ¹	ADJUSTS FUNDING FOR MEDIATION PILOT PROJECT ²	DECREASES FUNDING FOR JUDGES' RETIREMENT ³	TOTAL SENATE CHANGES
Salaries and wages	\$101,615	\$661,868		\$763,483
Operating expenses		(661,868)		(661,868)
Capital assets				
Judges' retirement			(\$98,070)	(98,070)
UND Central Legal Research				
Alternative dispute resolution				
Mediation				
Total all funds	\$101,615	\$0	(\$98,070)	\$3,545
Less estimated income				
General fund	\$101,615	\$0	(\$98,070)	\$3,545
FTE	0.00	0.00	0.00	0.00

¹ Changes the salary increases for district court judges to reflect the cost of funding the second year of the \$2,000 salary increase provided effective July 1, 2007.

² This amendment adjusts funding for the mediation pilot project. The total funding for the mediation pilot project, including salaries and wages and operations, are included in a separate line item. This amendment continues the House change to provide for contract mediators rather than FTE positions.

³ The Senate adjusted the funding needed for judges' retirement due to a qualifying judge recently passing away.

The table below provides salary information for the district court judges:

	2005-07 BIENNIUM SALARY	SALARY INCLUDED IN HB 1002	SALARY INCLUDED IN HOUSE VERSION	SALARY INCLUDED IN SENATE VERSION
District court judges				
First year of biennium	\$94,298	\$103,954	\$104,073	\$104,073
Second year of biennium	\$98,070	\$111,230	\$108,236	\$108,236
Presiding judges (amount in addition to judges' salary)				
First year of biennium	\$2,779	\$3,063	\$3,005	\$3,005
Second year of biennium	\$2,890	\$3,278	\$3,126	\$3,126

2007 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1002

2007 HOUSE STANDING COMMITTEE MINUTES

-Bill/Resolution No. 1002

House Appropriations Committee
Government Operations Division

X Check here for Conference Committee

Hearing Date: 4/3/07

Recorder Job Number: 5762

Committee Clerk Signature

Minutes:

Conference Committee for 1002

Rep. Carlisle opened discussion on House Bill 1002.

Sen. Christmann described what the senate changes were.

The Senate reduced the retirement for judges by \$98,000 because of a death of a judge.

We increased the salaries by \$2000 plus 4% the first year and another 4% the second year.

However we funded the \$2000 the first year plus 4% and then they would have to subtract that \$200 back off for the second year and just give a 4% raise.

Someone: I don't think that was our intention.

Rep Carlisle: That is an increase of \$113,712. The second year it wasn't calculated.

Someone: The supreme court made the calculation, and in reviewing afterwards she realized she had forgotten to carry the \$2000 over to the second part of the biennium and they were underfunded in order to do what you had intended to do.

Rep Carlisle: So that 's the additional \$113,712. We had a pilot project where we went from FTE's to contract employees, but there was a line item that was not correct. Is that correct?

Seantor Christman: When we changed that those folks were in operating and when and when we decided to contract them, then that amount of money could be subtracted from

salaries and put into operating to pay the contractors. However the salaries were in operating in the first place so no adjustment needed to be made.

Don Wolf: The salaries were in the mediation line item and so when we switched from salaries to operating it really is a housecleaning item.

Senator Kilzer: Are we all working off 0201. On page 3 where Dept 182 The first column changes the salaries for district court judges, is that the one?

Rep Carlisle: Add the supreme court and the district court together to get the figure.

(unstructured, unidentified conversation)

Rep Carlisle: I would like to have one more meeting. I need to take the change to our appropriation chairman. We all understand what you said, it was an error that came out of the supreme court and they caught the miscalculation and added it on. Or intent was the \$2000, so we understand the corrections.

Senator Kilzer: Is the \$2000 plus the 4%, that's the first year. And the second year, is it just 4% or another \$2000 plus 4%?

Rep Carlisle: It's 4% of the new total. I think that's where the calculation was missed.

(Conversation among unidentified participants)

Don Wolf: Explained the miscalculation again. There is not an additional \$2000 added in the second year before the 4% is calculated. He will bring a memo to the next meeting with the explanation.

Senator Christman: I had them calculate the judge's salaries and I will bring that the next meeting.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1002

House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 4/6/07

Recorder Job Number: 5814

Committee Clerk Signature

Minutes:

Vice Chairman Carlisle: opened discussion on House Bill 1002.

All conference committee members are present.

Vice Chairman Carlisle: explained the hand out from Susan Sisk (CPA w/Supreme Court) that explains the retirement issues...last time Don Wolf gave us an explanation. It's the difference that you did in the Senate...we just needed an explanation about when that \$2000 bump we gave them on the 2nd year...it wasn't calculated in...the way I understand the 1 technical correction. I think there really wasn't really anything else...we had the correction on the 2nd year, the contract employees...there isn't any funds with that...that was just that change you did on the line item...then the 1 retired District Court Judge that died. I think the letters are self explanatory...we'll be able to explain to our folks on the floor. If no questions, we're open to a motion.

Representative Kroeber: Sandy, you have all of the numbers correct...on the change on the \$98,070 on the deceased judge's retirement and the addition of the \$113,712 for the 2nd year salary increases...total general fund increase by the Senate...is that correct also on Jack's \$15,642 when you take the amendment that Don said...you have of that?

Someone from the Senate: Yes

Rep Kroeber: In that I'll move that the House Accede to Senate amendments

Unidentified Legislator: I'll second it.

Roll Call Vote Taken Yes 6 No 0 Absent 0

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

Bill Number 1002 (, as (re)engrossed):

Date: 4/6/07

Your Conference Committee House Appr Gov Ops

For the Senate:

For the House:

	YES / NO		YES / NO
Senator Christmann	Y	Rep Carlisle	Y
Senator Kilzer	Y	Rep. Thoreson	Y
Senator Tallackson	Y	Rep. Kroeber	Y

recommends that the ~~(SENATE)~~(HOUSE) ~~(ACCEDE)~~(ACCEDE) to ~~(RECEDE)~~ from)

the ~~(Senate)~~(House) amendments on (SJ/HI) page(s) 1344 - 1346

X, and place 1002 on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the Seventh order:

_____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) 1002 was placed on the Seventh order of business on the calendar.

DATE: 4/6/07

CARRIER: Rep Carlisle

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Rep Kroeber

SECONDED BY: Sen. Tallackson

VOTE COUNT 6 YES 0 NO 0 ABSENT

REPORT OF CONFERENCE COMMITTEE

HB 1002, as engrossed: Your conference committee (Sens. Christmann, Kilzer, Tallackson and Reps. Carlisle, Thoreson, Kroeber) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ pages 1344-1346 and place HB 1002 on the Seventh order.

Engrossed HB 1002 was placed on the Seventh order of business on the calendar.

2007 TESTIMONY

HB 1002

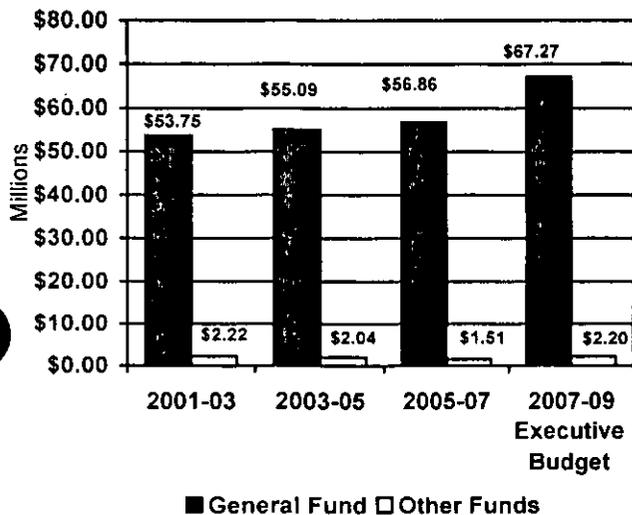
Department 180 - Judicial Branch
 House Bill No. 1002

	FTE Positions	General Fund	Other Funds	Total
2007-09 Executive Budget	343.00	\$67,267,338	\$2,201,034	\$69,468,372
2005-07 Legislative Appropriations	332.00 ¹	56,857,869	1,507,478	58,365,347 ²
Increase (Decrease)	11.00	\$10,409,469	\$693,556	\$11,103,025

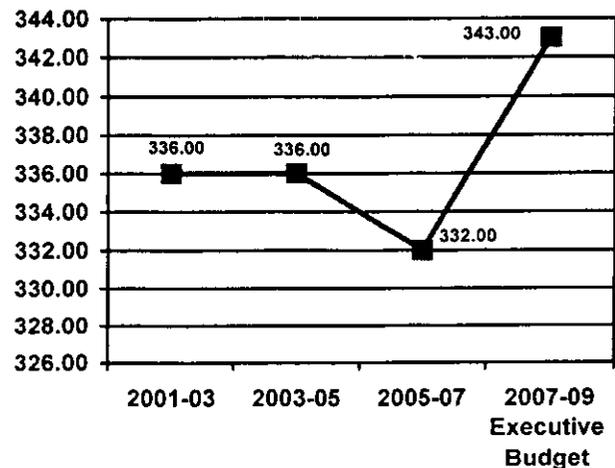
¹The number of FTE positions for the 2005-07 biennium reflect a reduction of 6 FTE positions relating to the transfer of indigent defense services from the judicial branch to the Commission on Legal Counsel for Indigents.

²The total appropriation is decreased by \$9,530,493, of which \$8,310,493 is from the general fund and \$1,220,000 is other funds, relating to the transfer of indigent defense services from the judicial branch to the Commission on Legal Counsel for Indigents. In addition, the 2005-07 biennium other funds appropriation is decreased by \$2,500 relating to the appropriation for the electronic filing fund, which was removed from the appropriation amount because the judicial branch has continuing appropriation authority for revenues from this fund.

Agency Funding



FTE Positions



Executive Budget Highlights

	General Fund	Other Funds	Total
Supreme Court			
1. Provides funding for a 6 percent salary increase for Supreme Court justices for the first year of the biennium and 7 percent increase for the second year	\$138,260		\$138,260
2. Decreases funding for former judges' retirement system from \$134,931 to \$122,231	(\$12,700)		(\$12,700)
3. Adds .5 FTE director of finance position to make full-time	\$74,802		\$74,802
4. Provides funding for equipment over \$5,000 for copy machines (\$65,000) and other office furniture (\$31,000)	\$96,000		\$96,000
District Court			
5. Provides funding for a 6 percent salary increase for the district court judges for the first year of the biennium and a 7 percent increase for the second year	\$1,033,043		\$1,033,043
6. Adds funding for equipment over \$5,000 including copy machines (\$113,000), evidence projectors (\$32,500), workstations (\$84,000), sound systems (\$90,000), shelving (\$10,000) and reader/printers (\$8,042)	\$337,542		\$337,542
7. Adds funding for information technology equipment over \$5,000 to purchase digital audio recording equipment (\$58,041) and servers (\$63,000)	\$121,041		\$121,041

8.	Decreases funding for former judges' retirement system from \$706,771 to \$703,819	(\$2,952)		(\$2,952)
9.	Adds funding for operating expenses to enhance or begin the replacement of the unified case management system (executive budget identified as one-time funding)	\$1,375,000		\$1,375,000
10.	Adds funding for operating costs for providing judicial services to families on welfare	\$65,388	\$483,118	\$548,506
11.	Adds funding for operating costs for juvenile services programs	\$248,172		\$248,172
12.	Adds funding for operating costs to fund two new juvenile drug courts located in Minot and Williston	\$288,000		\$288,000
13.	Adds .5 FTE referee position for South Central and Southwest Districts	\$72,045		\$72,045
14.	Adds 1 FTE law clerk position in the Northwest District	\$124,484		\$124,484
15.	Adds 1 FTE juvenile officer position in the South Central District	\$126,717		\$126,717
16.	Adds 2 FTE clerk positions for Rolette County which opted to be state-employed, pursuant to North Dakota Century Code Chapter 27-05.2	\$222,677		\$222,677
17.	Adds funding for 6 FTE positions, including 4 mediators and 2 support staff positions (\$808,868) and operating costs (\$267,956) for a mediation pilot project	\$1,076,824		\$1,076,824
18.	Adds funding for operating costs relating to the enhanced records management system (executive budget identified as one-time funding)	\$115,750		\$115,750
Judicial Conduct Commission and Disciplinary Board				
19.	Adds funding for operating costs of the Judicial Conduct Commission and Disciplinary Board	\$20,533	\$7,344	\$27,877

Other Sections in Bill

Section 4 of this bill provides that, in addition to the amount appropriated as special funds, any other income received from gifts, grants, and donations received by the Supreme Court, district courts, and Judicial Conduct Commission and Disciplinary Board is appropriated for the purposes designated for the 2007-09 biennium.

Section 5 of this bill provides that the director of the Office of Management and Budget and the State Treasurer may transfer funds between line items of appropriation for the judicial branch of government 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 of government.

Section 6 of this bill provides the statutory changes increasing Supreme Court justices' salaries. Supreme Court justices' annual salaries are increased from the current level of \$107,210 to \$113,642, effective July 1, 2007, and \$121,597, effective July 1, 2008. The Chief Justice of the Supreme Court is entitled to receive an additional \$3,324 per annum effective July 1, 2007, and \$3,557 per annum effective July 1, 2008, an increase from the current additional amount for the Chief Justice of \$3,136 per annum.

Section 7 of this bill provides the statutory changes increasing district court judges' salaries. District court judges' annual salaries are increased from the current level of \$98,070 to \$103,954, effective July 1, 2007, and \$111,230, effective July 1, 2008. A presiding judge of a judicial district is entitled to receive an additional \$3,063 per annum, effective July 1, 2007, and \$3,278 per annum, effective July 1, 2008, an increase from the current additional amount for presiding judges of \$2,890.

Continuing Appropriations

Restitution collection assistance fund - NDCC Section 12.1-32-08 - This fund was established for defraying expenses incident to the collection of restitution through imposing a fee equal to the greater of \$10 or 25 percent of the amount of restitution ordered.

Electronic filing administration fund - NDCC Section 27-03-05 - This fund was established to cover the actual costs of maintaining an electronic filing system and managing documents filed in an electronic format. The source of the funds is an electronic filing processing fee established by court rule for any matter filed in an electronic format.

Court facilities improvement and maintenance fund - NDCC Sections 27-05.2-08 and 29-26-22 - Funding from this fund may be used by the court facilities improvement committee to make grants to counties to provide funds for court facilities and improvement and maintenance projects. The source of these funds is a \$100 fee charged in all criminal cases except infractions. The first \$750,000 collected is used for indigent defense services, the next \$460,000 is used for court facilities, and anything above that is split evenly between the two funds.

Juvenile court reinvestment funds - NDCC Section 54-56-03 - These funds are a IV-E (foster care) reimbursement under the Children's Services Coordinating Committee for time spent on case management for children at risk. Due to a federal decision regarding eligibility for participation, these funds are no longer available after June 30, 2004. The balance remaining will be spent on juvenile services during the 2005-07 biennium.

Court receivables fund - NDCC Section 27-05.2-04 - Any moneys received by the clerk which is not required to be deposited in the state general fund, a different special fund, or the county treasury, and which is received as bail or restitution, or otherwise received pursuant to an order of the court are deposited in this fund. Amounts are used for refunding bail, forwarding restitution amounts to entitled recipients, or otherwise making payments as directed by the court.

Major Related Legislation

House Bill No. 1083 - This bill removes the continuing appropriation authority for the electronic filing administration fund.

House Bill No. 1097 - This bill continues the temporary court of appeals until January 1, 2012. The temporary court of appeals is established to exercise appellate and original jurisdiction as delegated by the Supreme Court.

Senate Bill 1002
Government Operations Division
House Appropriations
by Sally Holewa, State Court Administrator

Good afternoon, Chairman Carlson and members of the Government Operations Division:

I will be providing a general overview of our budget request. Susan Sisk, our Director of Finance, will provide the details contained in our 2007-09 budget request.

In preparing our 2007-09 budget, we directed the judicial districts, operating units of the Supreme Court, and the Judicial Conduct Commission to build their budgets based on need. While the directive was to consider the needs of their respective division, everyone was advised of the guidelines provided by Governor Hoeven to executive branch agencies.

Our budget request for the 2007-09 biennium is \$69,468,732. This represents an increase of \$11,103,025. The bulk of this increase is for judicial and employee salaries and technology.

Our budget is allocated between 3 divisions: the district court budget is \$59,280,089, which is 85% of our total appropriation; the Supreme Court budget is

\$9,470,328 or 14% of our budget request; and the Judicial Conduct Commission and Disciplinary Board budget request is \$717,954 or 1% of our budget.

Salary and Wages

Overall, salary and wages comprise 71% of our budget, which supports 285 employees and 47 judges and justices.

We utilize a number of different performance measures within the judiciary to review workloads and staffing levels. Our docket currency standards, weighted caseload standards for district court judges, and weighted workload standards for clerk of court personnel and juvenile court personnel all provide guidelines upon which we monitor judicial and employee needs in the trial courts. In addition to these objective measurements, we go through an extensive justification process for refilling every vacancy and have moved positions from one division or district to another if the need is greater elsewhere. Having said that, this budget includes a request for new FTEs. They are:

- 6 Mediation pilot project
 - 2 Transfer of Rolette County Clerk of Court Staff
 - 1 Law clerk for the NWJD
 - 1 Juvenile court officer for the SCJD
 - .5 Judicial Referee, to move current half-time position to full time
 - .5 Director of Finance, to move current half-time position to full time
- 11 FTEs

Six of those FTEs would be hired as part of the mediation pilot project we have developed for mediating custody and visitation disputes in divorce cases. This includes 4 mediators and 2 office support staff. The program would be piloted in two sites. Each site would be staffed by two mediators and one office support staff. Our intention is to send cases involving children to a mediation session to educate parents about the sorts of issues that will arise over the years and to come to an agreement, in advance, about how these things will be handled. The goal is two-fold: to assist parents in achieving a mutually satisfying decision about custody and visitation; and to increase compliance with court orders regarding these issues. We suspect that parties will be more inclined to follow custody and visitation agreements and will be more likely to seek a collaborative solution to future issues, if they have been through the mediation process.

Two of the FTEs are the result of transferring Rollete County Clerk services from county employment to state employment. N.D.C.C. 27-05.2-02 makes this an automatic process subject to appropriation of funding by the legislature.

The law clerk position would serve the Northwest Judicial District and be housed in Minot. The NWJD currently shows a 2-year average judge shortage of .84FTE. Assigning a second law clerk to the district would alleviate some of that

shortage by doing some of the legal research that the judges and referee are currently doing themselves.

The juvenile court officer position would serve the South Central Judicial District. Since 2001, the average caseload for the juvenile court officers in this unit has historically been higher than other juvenile courts within the state. The juvenile court officers in Bismarck typically carry from 40 to 50 cases per officer. National standards recommend that juvenile court officers carry a caseload of no more than 30 open cases, of which no more than 10 should be high-risk children. Statewide, we have begun administering tests to determine risk for re-offending and a screening for mental health problems. The results of those tests show that 50% - 75% of the children on probation in Bismarck are registering as high risk. This percentage does not hold true for other areas in the state where the majority of juveniles are found to be low to moderate risk offenders. The most recent (2005) weighted caseload standards for the juvenile courts verified that the unit has a shortage of 2 court officers in the Bismarck office. To alleviate this shortage, the Dickinson supervisor has been coming to Bismarck once a week to handle informal hearings, and the court officers from Dickinson are providing probation services to Grant, Sioux and Mercer counties, as well as the western half of Morton County. Juvenile court officers from

Minot have been covering the northern half of McLean County. Still, we have a sustained need to add at least one additional juvenile court officer in this area.

We have two half-time positions that we want to expand to full-time positions.

We currently have a half-time judicial referee position in Bismarck. We are asking for an additional .5FTE to bring that position to full time. The judicial referee handles juvenile, child support, small claims, and traffic cases. If the position were expanded to full time, it would help alleviate a current judge shortage in this unit. Our weighted caseload currently shows a 2-year average judge need shortage of 1.29 in the SCJD and a .17 need in the SWJD. Expanding the half-time position to full time would allow district court judges more time to work with other family, civil and criminal cases.

We are also requesting an additional .5 FTE to expand the current half-time Director of Finance position to full time. This position is responsible for developing and monitoring our court budget, for overseeing all accounting functions of the district courts, for preparing fiscal notes, and compiling and analyzing statistics for numerous research projects and performance measures. These duties could not be carried out by a half-time position, and indeed, we have been funding the additional half of this salary out of temporary employee funds. For this reason, granting the .5

FTE request does not increase the budget but would give us authorization to count this as a full-time position.

We believe that the workload for each of these half-time positions justifies the expansion. In addition, it is difficult to recruit for these positions. They are both professional positions requiring advanced degrees and training. The type of training and experience required for these types of positions means that candidates are generally looking for full-time employment. And, the work itself does not lend well to a part-time position. It is detailed, time-consuming, and unpredictable. For all of those reasons, we are requesting that the two .5 FTEs be granted.

The remaining increases in salary and wages can be attributed to the request for increase in judicial salaries, the anticipated 4% & 4% increases for all state employees, and regular maintenance of our compensation system. The rest of the increases in the budget are attributable to incremental increases across a wide array of items which Susan Sisk, our Director of Finance, will cover in her presentation.

CONTRACT FOR SERVICES USED IN LIEU OF HIRING

We contract with the University of North Dakota to provide the Guardian ad Litem project. The biennial cost for that contract is approximately \$ 306,855.

By statute, we contract with 42 counties to provide for clerk of court services. The biennial cost for those contracts is \$2,700,352, which supports 31.74 FTEs. In many counties, we are contracting for less than 1 FTE based on weighted caseload statistics.

We do maintain many contracts for juvenile court services, however, these are for services, such as counseling, to juveniles and their families and are not in lieu of hiring staff.

From time to time, we issue contracts for short-term technology projects. These are generally few in number and it is cheaper to hire the work out then it would be to employ additional staff.

Conclusion

Our budget has been prepared recognizing that we have been fortunate in North Dakota compared to financial circumstances in many other states. Our budget is a responsible budget. It represents a thoughtful, conservative approach to fund all operations within the courts of the state assuring there will be no reduction in service delivery to the citizens in 53 counties of our state.

At this time, I will turn the podium over to Judge Herman to review the judicial salary request.

Thank you.

House Bill 1002
Senate Appropriations Committee
February 23, 2007

by Sally Holewa, State Court Administrator

Good afternoon, Chairman Holmberg and members of the Senate Appropriations Committee:

For the record, my name is Sally Holewa. I am the State Court Administrator.

I will be providing a general overview of our budget request. Susan Sisk, our Director of Finance, will provide the details contained in our 2007-09 budget request.

In preparing our 2007-09 budget, we directed the judicial districts, operating units of the Supreme Court, and the Judicial Conduct Commission to build their budgets based on need. While the directive was to consider the needs of their respective division, everyone was advised of the guidelines provided by Governor Hoeven to executive branch agencies.

The budget request before you is for \$69,173,904. This represents an increase of \$10,808,557. The bulk of this increase is for judicial and employee salaries and technology. In addition, we will be asking for consideration of a second equity adjustment for judges in the latter half of the biennium. Judge Herman and Susan Sisk will go into that request in further detail.

Our budget is allocated between 3 divisions: the district court budget is \$59,021,379, which is 85% of our total appropriation; the Supreme Court budget is \$9,434,571 or 14% of our budget request; and the Judicial Conduct Commission and Disciplinary Board budget request is \$717,954 or 1% of our budget.

Salary and Wages

Overall, salary and wages comprise 71% of our budget, which supports 285 employees and 47 judges and justices.

We utilize a number of different performance measures within the judiciary to review workloads and staffing levels. Our docket currency standards, weighted caseload standards for district court judges, and weighted workload standards for clerk of court personnel and juvenile court personnel all provide guidelines upon which we monitor judicial and employee needs in the trial courts. In addition to these objective measurements, we go through an extensive justification process for refilling every vacancy and have moved positions from one division or district to another if the need is greater elsewhere. Having said that, this budget includes a request for new FTEs.

They are:

- 1 Mediation pilot project
- 2 Transfer of Rolette County Clerk of Court Staff
- 1 Law clerk for the NWJD
- 1 Juvenile court officer for the SCJD

.5 Judicial Referee, to move current half-time position to full time
.5 Director of Finance, to move current half-time position to full time
6 FTEs

One FTE would be hired as a coordinator for the mediation pilot project we have developed for mediating custody and visitation disputes in divorce cases. The coordinator would be responsible for contracting with 4 mediators. The program would be piloted in two sites. Our intention is to send cases involving children to a mediation session to educate parents about the sorts of issues that will arise over the years and to come to an agreement, in advance, about how these things will be handled. The goal is two-fold: to assist parents in achieving a mutually-satisfying decision about custody and visitation; and to increase compliance with court orders regarding these issues. We suspect that parties will be more inclined to follow custody and visitation agreements and will be more likely to seek a collaborative solution to future issues, if they have been through the mediation process.

Two of the FTEs are the result of transferring Rolette County Clerk services from county employment to state employment. N.D.C.C. 27-05.2-02 makes this an automatic process subject to appropriation of funding by the legislature. Since we are currently contracting for these services, the actual increase in costs to transfer the positions to state employment will be \$87,626.

The law clerk position would serve the Northwest Judicial District and be housed in Minot. The NWJD currently shows a 2-year average judge shortage of .84FTE. Assigning a second law clerk to the district would alleviate some of that shortage by doing some of the legal research that the judges and referee are currently doing themselves.

The juvenile court officer position would serve the South Central Judicial District. Since 2001, the average caseload for the juvenile court officers in this unit has historically been higher than other juvenile courts within the state. The juvenile court officers in Bismarck typically carry from 40 to 50 cases per officer. National standards recommend that juvenile court officers carry a caseload of no more than 30 open cases, of which no more than 10 should be high-risk children. Statewide, we have begun administering tests to determine risk for re-offending and a screening for mental health problems. The results of those tests show that 50% - 75% of the children on probation in Bismarck are registering as high risk. This percentage does not hold true for other areas in the state where the majority of juveniles are found to be low to moderate risk offenders.

The most recent (2005) weighted caseload standards for the juvenile courts verified that the unit has a shortage of 2 court officers in the Bismarck office. To

alleviate this shortage, the Dickinson supervisor has been coming to Bismarck once a week to handle informal hearings, and the court officers from Dickinson are providing probation services to Grant, Sioux and Mercer counties, as well as the western half of Morton County. Juvenile court officers from Minot have been covering the northern half of McLean County. Still, we have a sustained need to add at least one additional juvenile court officer in this area.

We have two half-time positions that we want to expand to full-time positions.

We currently have a half-time judicial referee position in Bismarck. We are asking for an additional .5FTE to bring that position to full time. The judicial referee handles juvenile, child support, small claims, and traffic cases. If the position were expanded to full time, it would help alleviate a current judge shortage in this unit. Our weighted caseload currently shows a 2-year average judge shortage of 1.29 in the SCJD and a .17 need in the SWJD. By expanding the half-time position to full time, we could have the referee work 4 days a week in Bismarck and 1 day a week in Dickinson. This would allow district court judges more time to work with other family, civil and criminal cases.

We are also requesting an additional .5 FTE to expand the current half-time Director of Finance position to full time. This position is responsible for developing

and monitoring our court budget, for overseeing all accounting functions of the district courts, for preparing fiscal notes, and compiling and analyzing statistics for numerous research projects and performance measures. These duties could not be carried out by a half-time position, and indeed, we have been funding the additional half of this salary out of temporary employee funds. For this reason, granting the .5 FTE request does not increase the budget but would give us authorization to count this as a full-time position.

We believe that the workload for each of these half-time positions justifies the expansion. In addition, it is difficult to recruit for these positions. They are both professional positions requiring advanced degrees and training. The type of training and experience required for these types of positions means that candidates are generally looking for full-time employment. Finally, the work itself does not lend well to a part-time position. It is detailed, time-consuming, and unpredictable. For all of those reasons, we are requesting that these two .5 FTEs be granted.

The remaining increases in salary and wages can be attributed to the request for increase in judicial salaries, the anticipated 4% & 4% increases for all state employees, and regular maintenance of our compensation system. The rest of the increases in the

budget are attributable to incremental increases across a wide array of items which Susan Sisk, our Director of Finance, will cover in her presentation.

CONTRACT FOR SERVICES USED IN LIEU OF HIRING

We contract with the University of North Dakota to provide the Guardian ad Litem Project. The biennial cost for that contract is approximately \$306,855.

By statute, we contract with 42 counties to provide for clerk of court services. The biennial cost for those contracts is \$2,700,352, which supports 31.74 FTEs. In many counties, we are contracting for less than 1 FTE based on weighted caseload statistics.

We do maintain many contracts for juvenile court services, however, these are for services, such as counseling, to juveniles and their families and are not in lieu of hiring staff.

From time to time, we issue contracts for short-term technology projects. These are generally few in number, and it is cheaper to hire the work out than it would be to employ additional staff.

Conclusion

I believe we have taken a conservative and thoughtful approach in preparing this budget. If fully funded, it will allow us to continue to deliver judicial services to

the citizens of North Dakota and will provide the capital and personnel necessary to expand services for juveniles and families.

Thank you.

House Bill 1002
House Appropriations Committee
Susan Sisk, Director of Finance

Mr. Chairman, members of the committee, good afternoon. My name is Susan Sisk and I am the Director of Finance for the Judiciary. I will be providing you with the details regarding the judicial budget request.

The current biennium appropriation for the judiciary which includes the Supreme Court, District Courts and the Judicial Conduct Commission/Disciplinary Board is \$58,365,347. This does NOT include any monies appropriated for indigent defense. All of these have been removed from the judicial budget and are being shown in the budget request for the ND Commission on Legal Counsel for Indigents. The estimated turnback for the current biennium is \$1,000,000 or 1.7% of the budget. This is due in part to salary savings from retirements and resignations, travel savings due to carpooling and the increased use of interactive television for meetings, and lower than anticipated costs for legal resources and materials. We have also realized savings by bulk ordering supplies and equipment whenever possible. By bulk ordering file folders for the clerk's offices, we realized approximately \$80,000 savings per year. We have also realized savings of approximately \$90,000 in the judges' retirement plan due to the passing of some members during the current biennium.

The judicial request for the 2007-09 biennium is for \$69,468,372, which is an increase of \$11,103,025 over the current biennium. Of this increase, \$10,409,469 is general funds, \$681,721 is federal funds and \$11,835 is special funds. This is broken down by appropriation as follows:

Appropriation	Request	Increase
Supreme Court	\$ 9,470,328	\$ 879,725
District Court	\$59,280,090	\$10,112,876
JCC/DB	\$ 717,954	\$ 110,424
Total	\$69,468,372	\$11,103,025

This increase is broken down by line item as follows:

Line Item	Request	Increase/(Decrease)
Salaries and Wages	\$49,408,345	\$5,933,146
Operating	\$16,784,616	\$3,637,200
Capital Assets	\$ 554,583	\$ 361,083
Mediation Pilot Project	\$ 1,076,824	\$1,076,824
Judges Retirement	\$ 826,050	\$ (15,652)
UND – Central Legal Research	\$ 80,000	\$ 0
Alternative Dispute Resolution	\$ 20,000	\$ 0
JCC/DB	\$ 717,954	\$ 110,424
Total	\$69,468,372	\$11,103,025

Salaries and Benefits

Salaries and Benefits are 71% of the total judicial request. Included in this request are salary increases of 4% and 4% for employees per Governor Hoeven’s recommendation, as well as the associated benefit increases. These increases amount to approximately \$2,756,371.

Judge Herman discussed pay increases for judges and justices. The judiciary is requesting increases of 6% and 7%, which amounts to \$1,171,303.

As Sally discussed earlier, we are requesting an additional eleven FTE’s. Six of these positions are part of the mediation pilot project, and their cost is included in that line item. The other five positions are a juvenile officer, a law clerk, a half time referee, the other half of the Director of Finance position, and two clerk positions in Rolette County. Rolette County has opted to become state-employed as of July 1, under 27-05.2. Based on their caseload, they would receive two full time positions at a cost of \$222,677. Had they continued on as county employed, the cost of their contract payments would have been \$135,051, a differences of \$87,626. The cost of all five positions is \$620,725.

The request also includes funds towards finalizing the implementation of the judicial compensation plan. As you may recall, this compensation plan was implemented

in 2004 and phased in over time as funds became available. This compensation plan is for classified employees only, and does not include judges.

Operating

Operating expenses are 24% of the total judicial budget request. We are requesting \$16,784,615 which is an increase of \$3,637,199. The bulk of this increase is for information technology costs. Details of the increase are as follows:

Technology – The increase in the technology request is \$1,807,306. Of this increase, \$1,375,000 is for the UCIS replacement project that Justice Sandstrom discussed. Some other increases include data processing (\$283,133), software (\$116,623), and equipment (\$218,954). Data processing increases are due to an increase in the cost charged by ITD for data communications in the counties and fees to support the enhanced records management project. Increases in software are due to increased costs for licenses and application software. Equipment includes all purchases of computers, printers, servers, and equipment for digital audio recording as well as interactive video systems. Increases for equipment are due to a slightly higher purchasing rate based on ITD contracts as well as an increase in the number of devices.

Travel – Travel increased by approximately \$163,347. Much of this is due to anticipated travel related to the federal court improvement grants. We have also set up a travel “pool” to be used by judges who have exceeded their budgeted trips. An application must be made to the Chief Justice for approval before these funds can be expended.

Office Equipment and Furniture – An increase of \$112,935 is being requested for the routine replacement of chairs, workstations, copiers and other office equipment and furniture. We are also requesting funds for the replacement of steno machines used by the court reporters.

Operating Fees and Services – An increase of \$1,141,605 is being requested for operating fees and services. \$512,104 of this increase is for federal funds, and the remainder is general. Factors contributing to this increase include:

- Payments to county clerks – after surveying county auditors for salary information and applying the formula for workload assessment which is based

on cases filed in each county, the amount budgeted for contract payments for clerk services increased by \$82,000 or 3%. Payments to Rolette County are not included, as they have opted to become state employed as of July 1, 2007. This will bring the total number of counties where clerks are state-employed to 12, and the other 41 clerk offices remain county-employed and state-funded.

- Juvenile drug courts -- As Justice Maring discussed, we are increasing the number of juvenile drug courts from three to five, with the additions of courts in Minot and Williston. A total of \$675,000 is being requested for the five courts, with \$200,082 of this amount in federal funds. The total increase for the two additional drug courts is \$288,000.
- Court Improvement Program – this is a federal program established in 1993 to help state courts improve their processing of child welfare cases. The federal grants are to be used to make broad-based, comprehensive systemic reforms of courts and legal processes. We use the grant to contract with UND to hire and train lay guardian's ad litem in deprivation cases. The federal government has just made two new annual grants available to be used for technology and education. Our increase of \$548,506 includes these new grants. Of the total increase, \$483,118 is federal funds and the remaining \$65,388 is the match for these grants.
- Credit card costs – Within the last six months we have phased in the implementation of credit cards in all 11 state clerk offices. The Credit cards can be used to pay fines, fees, bonds, and also filing and other fees. The estimated cost of accepting credit cards is for the 2007-09 biennium is \$92,422. Although this will be difficult to quantify, this amount should more than be offset by increased collections and decreased staff time. It could also potentially save the county jails money if people are able to bond out of jail more quickly.
- Juvenile Services – this includes programs such as tracking, accountability conferences, community services programs and unruly diversion programs. Our request includes an increase of \$248,172 for a total request to provide

juvenile services of \$898,178. \$100,000 of this request is to fund the administration of the Restorative Justice Program. This has been federally funded in the past. However, it was pulled from the federal budget, and to our knowledge it has not been reinstated yet. If this money is reinstated in the federal budget, we will withdraw it from our budget request. Increases of \$73,200 are to fund new programs, such as Robocuff (a program for curfew checking electronically), drug screens and a joint program on the reservation in the NE district to address Native American Issues. Funds of \$74,972 are being requested for existing programs. In 2005, the courts disposed of nearly 12,000 juvenile cases. Based on our 2005 caseload, the funds we are requesting for juvenile services average approximately \$75 per case.

Capital Assets

The budget request for capital assets includes an increase over the current budget of \$361,083 for a total budget request of \$554,583. This request includes workstations (\$109,000), copy machines (\$178,000), sound systems (\$90,000), evidence projectors for the courtrooms (\$32,500), shelving for files in the clerk's office (\$10,000), a reader/printer for court files (\$8,000) and a table(s) for the Supreme Court conference room. In addition, IT capital assets of \$121,041 are included for digital audio recording systems and to replace servers. We are planning on purchasing digital recording systems for approximately 20 counties where recorders are routinely used. These recorders can no longer be repaired or purchased due to obsolete technology. The digital recording systems are an alternative to these recorders.

Mediation Pilot Project

This line item contains the proposed pilot project for mediation. The project plans on two sites with two mediators and one support staff at each site. Salaries and benefits for these six positions are budgeted at \$808,868 and operating expenses at \$267,956 for a total proposed budget of \$1,076,824. If these offices can be housed in county courthouses, there would be savings of approximately \$140,720 (rent, professional

resources, communication lines for data processing and insurance) bringing the proposed budget down to \$936,104.

Judge Retirement (Chapter 27-17 Old Retirement System)

This line item provides for the state's general fund portion of retirement payments to eligible retirees. There are 3 participants within the Supreme Court budget and 14 participants within the district court budget planned to receive benefits under this system. This line item is budgeted at **\$826,050** and is \$15,652 less than the current biennium.

Judicial Conduct Commission and Disciplinary Board (JCC/DB)

Funds of \$717,000 are being requested for the operations of JCC/DB. This is an increase of \$110,424. The bulk of this increase (\$82,000) is for salary increases per the governor's recommendation. The remainder of the increase is for travel, trustee fees and transcripts. No capital assets are being requested.

Conclusion

This concludes my presentation. I would be happy to answer any questions.

Judicial Branch Budget Request 2007-2009

Supreme Court

1. Salary Increase for Justices

- Current Salaries are 50th in the nation, will soon be 51st
- Gap between North Dakota salaries and other justices is widening

2. Decrease Funding for “old” judges retirement system

- Decreased need due to loss of members in the system
- System is being phased out

3. Add .5 FTE for Director of Finance position

- Current part-time Director of Finance
- Workload requires a full-time position
- Budget neutral since we've been paying the rest of salary out of temporary employee line item

4. Supreme Court Copiers

- Requesting two high capacity copiers to replace current, failing machines

District Court

5. Increase salaries for District Court judges

- Current Salaries are 50th in the nation, will soon be 51st
- Gap between North Dakota salaries and other justices is widening

6. Additional Equipment and Furniture for court offices throughout the state

- Replacement of workstations and copiers in offices throughout the state
- Addition of special evidence projectors in courtrooms throughout the state
- Some courtroom sound systems have to be installed or upgraded to accommodate digital recording – anticipate 9 at \$10,000 each

7. Digital Audio Recording and Servers

- Analog recorders are no longer manufactured and hard to repair
- Eventually all courtrooms will have to be upgraded to digital recorders
- Routine replacement of 8 servers and addition of 1 new server

8. Decrease Funding for “old” judges retirement system

- Decreased need due to loss of members in the system
- System is being phased out

9. Replace Case Management System (UCIS)

- Current system is 18 years old
- Tracks case activity and court schedules
- Transfers data between courts and other agencies

- Written in obsolete programming language
- Lacks functionality in 12 critical areas
- Request this biennium is for planning and RFP phases of the project
- Estimated total project cost is \$5 - \$6 million spread across 2 biennia

10. Court Improvement Project Grant Funds

- Federal entitlement grant based on juvenile population
- Objective is improving tracking and handling of child neglect and deprivation cases
- Two new grants available for improving education and technology
- Can use in-kind services in lieu of cash match

11. Increase funding of services for juveniles

- \$74,972 to expand existing services
- \$73,200 for new programs including drug screens, electronic curfew checks, and a joint alcohol education program with the reservations in Northeastern part of the state
- \$100,000 is to replace federal Juvenile Accountability Block Grant funds currently used for restorative justice programs

12. Expand juvenile drug court to Minot and Williston

- New juvenile drug court started in Minot in January, 2007

- New juvenile drug court slated to start in Williston in late 2007
- 42% of drug court funding is from ND general funds and 68% is from federal grant funds

13. Add .5 FTE referee position

- To expand current half-time position to full-time
- 1.46 judge shortage in this area of the state
- Handles juvenile, child support, small claims, and traffic cases

14. Add new law clerk position

- New position in Minot
- Serves 7 judges
- .84 judge shortage in this area of the state

15. Add new juvenile court officer position

- New position in Bismarck
- Workload study shows shortage of 2 juvenile court officers in this area
- Using juvenile officers from Dickinson and Minot to assist with cases

- Bismarck has the heaviest caseloads (40 – 50 per officer), highest risk kids (50% - 75% of caseload), and most out-of-home placements in the state

16. Assume Rolette County Clerk of Court positions

- County option to transfer to state-employment
- Currently contract for these services so actual increase is only \$87,626

17. Mediation pilot project

- 2 pilot sites (anticipate Grand Forks and Bismarck/Mandan)
- Original option - 2 mediators and 1 office staff per site would be state employees
- Alternative option – Program Coordinator would be state employee and mediators would be independent contractors responsible for providing own space and office support
- Refer all divorce cases involving children for initial mediation session to settle issues of custody and visitation, if possible;
- Those that can pay would go to private mediation, indigent couples would go to court-annexed mediation

- Goals: (1) assist parties in reaching mutually agreeable decisions about custody and visitation and (2) increase compliance with court orders

18. Enhanced Records Management System (ERMS)

- Continued development of a system to scan court records and accept electronic filing
- Currently pilot testing in 2 counties (Burleigh and Mercer) with expected roll-out to 4 additional counties by July, 2007
- Anticipate installation in 30 additional counties during 2007-2009 biennium and final installation in remaining counties during 2009-2011 biennium

Judicial Conduct Commission and Disciplinary Board

19. Additional Operating Costs

- Additional funds needed to pay for travel and other costs related to investigating complaints, and fees to oversee practices when lawyers are suspended or disbarred
- Costs are dependent on number and types of complaints filed and outside the control of the Board



SALLY HOLEWA
STATE COURT ADMINISTRATOR

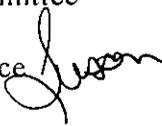
State of North Dakota
OFFICE OF STATE COURT ADMINISTRATOR

Attachment 4

SUPREME COURT
Judicial Wing, 1st Floor
600 E Boulevard Ave Dept 180
Bismarck, ND 58505-0530
701: (701) 328-4216
Fax: (701) 328-2092

January 22, 2007

TO: Government Operations Committee

FROM: Susan Sisk, Director of Finance 

SUBJECT: 2005-07 Turnback

The Government Operations Committee asked for detail of our turnback for the 2005-07 biennium. In our hearing on January 15, 2007 we estimated our turnback to be \$1,000,000. Since then, we have reviewed the technology and equipment needs of the Supreme Court and District Courts and have determined that \$800,000 is a more accurate number.

The bulk of this turnback (\$600,000) is due to salary savings from an unusually high number of retirements and staff and judicial turnover.

We are also projecting savings in travel (\$60,000) due in part to our aggressive carpooling policy and the increased use of interactive television for meetings.

Projected savings in professional supplies and materials is \$100,000, due to a lower than anticipated increase in purchasing legal resources.

The remaining \$40,000 in estimated savings is spread throughout the budget.

This is our best estimate of turnback at this point. As was pointed out in the hearing, the judiciary is always looking for ways to save money, and all purchases are based on needs, not wants. We pride ourselves on being good stewards of the money that is appropriated to us.

Please contact me if you need further information.

ND JUDICIARY
Schedule of Federal Funds

	<u>2001-03</u>	<u>2003-05</u>	<u>Projected 2005-07</u>	<u>Projected 2007-09</u>
1 Child Support	\$ 860,415	\$ 876,559	\$ 935,596	\$ 1,114,478
2 Court Improvement	\$ 281,285	\$ 187,078	\$ 283,461	\$ 587,118
3 Drug Court	\$ 281,001	\$ 381,093	\$ 236,476	\$ 200,082
4 Termination of Parental Rights	\$ 224,521	\$ 21,490	\$ -	\$ -
5 Family Court Pilot Project	\$ 29,204	\$ 84,873	\$ 77,517	\$ -
6 Stop Grants - Misc. Projects	\$ 26,369	\$ 3,258	\$ -	\$ -
	<u>\$ 1,702,795</u>	<u>\$ 1,554,351</u>	<u>\$ 1,533,050</u>	<u>\$ 1,901,678</u>

Notes:

- 1 Federal IV-D (Child Support) funds. We receive these as a reimbursement for the time referees and clerks spend on child support cases. The time spent is calculated through quarterly time studies. This is an entitlement program, so funds should be secure.
- 2 Court Improvement - federal funds received through the Dept. of Health and Human Services to be used to improve legal processes associated with child welfare cases. These are allocated to each state annually dependent upon the state submitting an application.
- 3 Drug Courts - These funds are from various federal grants, each of which is granted on a year-to-year basis depending on availability of funds.
- 4 Federal IV-E funds received as a reimbursement of time spent by guardians ad litem on deprivation cases. These funds are no longer available due to a federal decision regarding eligibility of guardians.
- 5 Family Court Pilot Project - this has been funded through federal stop grants and private grants on a year-to-year basis. The budget proposal for 2007-09 contains a request of general funds of \$46,349 which is the cost of the coordinator's salary for one-year. This will be spent only if federal funds cannot be secured.
- 6 Stop Grants - these have funded miscellaneous projects. We apply when they are available if we have a project that is eligible under the guidelines for the grant.

Judicial Branch Budget – HB 1002

Legislative Council “Green Sheet” points:

Supreme Court:

1. Supreme Court Justices Salary Increase
 - \$2,000 July, 2007, then 4% and 4%
 - Increase of \$102,503 from current salary appropriation
 - Decrease of \$35,757 from original request of 6% and 7%
2. Old Judges Retirement Plan
 - Decrease due to passing of current participants
3. .5 FTE for Director of Finance position
 - Not a budget increase, as funds for this .5 FTE have been requested as temporary salaries in the budget for the last 4 biennia
4. Capital Assets - \$96,000
 - Copy Machines – \$65,000 two high capacity copiers
 - Office furniture - \$31,000 – routine replacement of furniture

District Court:

5. District Judges Salary Increase
 - \$2,000 July, 2007, then 4% and 4%
 - Increase of \$774,332 from current salary appropriation
 - Decrease of \$258,711 from original request of 6% and 7%
6. Capital Assets - \$337,542
 - Copy machines - \$113,000 – 11 locations
 - Evidence Projectors - \$32,500 – 5 locations to be used in the courtroom to project evidence
 - Workstations - \$84,000 – Routine replacement of outdated or ergonomically incorrect workstations
 - Sound systems - \$90,000 – upgrade sound systems in 9 courtrooms
 - Shelving - \$10,000 for clerk’s office in Dickinson. Files are currently stored in basement of courthouse, but county is installing new air system, so files need to be moved elsewhere
 - Microfiche machine - \$8,042 – Williston – current machine cannot be repaired
7. IT Capital Assets - \$121,041
 - Digital audio recording equipment - \$58,041 – will replace analog records that can no longer be purchased or repaired
 - Servers - \$63,000 routine replacement of 8 servers in Bismarck, Fargo and G.F.
8. Old Judges Retirement Plan
 - Decrease due to passing of current participants

9. Replacement of current case management system - \$1,375,000. This request is for the initial planning phase. Another request estimated at \$5-\$6 million will be made for the 09-11 biennia.
10. Federal Court Improvement Grant – additional federal grant funds to be used for training and technology.
11. Juvenile Services - \$248,172.
 - \$100,000 of the increase is due to decrease in federal funds budgeted. If these funds are reinstated in the federal budget, we will be amending our budget request.
 - \$75,000 is to expand current juvenile programs
 - \$73,200 is for new programs
 - Based on 2005 caseload, spending per juvenile case is \$75
12. Juvenile Drug Courts in Minot and Williston - \$288,000
 - Costs remain at \$67,500 per year per drug court
13. .5 FTE - \$72,045 – referee position
 - Expands current .5 FTE position in Bismarck.
 - Will serve Bismarck and Dickinson areas to alleviate judge shortage
14. 1.0 FTE - \$124,824 Law Clerk position
 - Minot – to assist judges and referee with legal research
15. 1.0 FTE - \$126,717 – Juvenile Officer
 - Bismarck – weighted workload shows a shortage of 2 officers.
 - Bismarck area has higher caseloads and children with higher risk to re-offend
16. 2 FTEs - \$222,677 – Clerks in Rolette County
 - Rolette county has opted for their clerk's to become state employed
 - Increase in budget over current contract payments is \$87,626
17. Mediation pilot project - \$1,076,824
 - Pilot project tentatively planned for Grand Forks and Bismarck/Mandan
 - Will contract with mediators.
 - 1.0 FTE is requested for Coordinator
 - Would be mandatory for all divorcing couples with children
 - Would be limited to custody and visitation (not child support and division of property issues)
18. Enhanced Records Management project - \$115,750
 - Provides for software and equipment to continue deployment of imaging project
 - Will allow for an additional 30 counties to use imaging
 - Additional request will be made in 09-11 for remaining counties
19. Judicial Conduct Commission/Disciplinary Board - \$27,877
 - Salary increases and operating increases for travel, transcripts and trustee fees



SALLY HOLEWA
STATE COURT ADMINISTRATOR

State of North Dakota
OFFICE OF STATE COURT ADMINISTRATOR

SUPREME COURT
Judicial Wing, 1st Floor
600 E Boulevard Ave Dept 180
Bismarck, ND 58505-0530
701: (701) 328-4216
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TO: Rep. Carlisle, Rep. Kroeber, and Rep. Thoreson
FROM: Sally Holewa, State Court Administrator *SHA*
DATE: January 22, 2007
RE: Additional information in support of HB 1002, Judicial Branch Budget

Thank you for meeting with us on January 16, 2007 to discuss the Judicial Branch budget request for the 2007-2009 biennium. With the assistance of our Director of Finance, Susan Sisk, and Kurt Schmidt, our Director of Technology, I have put together the additional information you requested at that meeting. The information follows the outline set out in your "green sheet".

Supreme Court

1. We are requesting a salary increase for Supreme Court Justices in the amount of 6% in 2007 and 7% in 2008. In the alternative, we have suggested an increase of 4% in 2007 and 4% in 2008, with an equity pool of \$437,881. If the legislature were to approve the second alternative, the amount of the equity pool that would be allocated to the Supreme Court would be \$51,687.
2. We have decreased our request for funds for the Judges retirement system due to the passing of some members of the system. This is the "old retirement system" created under N.D.C.C. 27-17. There are 3 remaining supreme court members in this system which is being phased out as the members pass away.
3. We are requesting the additional .5 FTE to expand the current Director of Finance position from half-time to full-time. This was a full-time position which was reduced to half-time to accommodate the family needs of the former incumbent. Since Susan Sisk assumed the office in 2001 we have been funding it as a .88 FTE position and funding the additional .38 time through temporary employee salaries. Granting this request will allow us to put the Director on full-time status. The impact would be budget neutral as the funds would merely shift from the temporary employee line item to the permanent employee line item.

4. We have requested funds to replace the two high capacity copier machines used by the Clerk of the Supreme Court and the Office of the State Court Administrator. To save printing costs, we do most of our own printing and binding in-house. They have been subject to numerous breakdowns and increased maintenance costs. We have reviewed leasing and purchasing options and have determined that purchase with a maintenance contract is the most cost-effective way to handle the replacement

District Court

5. We are requesting a salary increase for District Court Judges in the amount of 6% in 2007 and 7% in 2008. In the alternative, we have suggested an increase of 4% in 2007 and 4% in 2008, with an equity pool of \$437,881. If the legislature were to approve the second alternative, the amount of the equity pool that would be allocated to the District Court would be \$386,194.

6. We are requesting funds to purchase additional capital assets for the juvenile, clerk, and administrative offices located throughout the state. Included in that line item is \$90,000 for upgrades to sound systems in 9 courtrooms (estimated at \$10,000 each). Also included are projectors for courtrooms. These projectors are used by litigants during court proceedings. They look similar to overhead projectors except that they use cameras and computers to project 3-D objects and PowerPoint presentations onto screens or televisions. The purchase price includes both the projector and the receiving device. See "Attachment 1" for a breakdown of requested capital assets and locations.

7. Digital audio recording equipment: The \$58,041 listed here is to replace the current analog tape recording machines used in these courtrooms. Analog tape recorders are no longer being made by the two vendors who have supplied them in the past. Additionally, authorized repair centers for these recorders are becoming increasingly difficult to locate and utilize. For these reasons, we will begin replacing the analog tape recorders with a comparable digital recording unit. The digital recording units serve the same purpose as their analog tape recording counterparts, which is to record the court proceeding. There are significant differences in how they function however. The digital recording units record the proceeding to a computer where it is stored for later retrieval. The plan is to purchase of 20 recording units to be placed in locations that have the oldest locations and in locations where the analog tape units are failing.

Servers: The \$63,000 noted is for the routine replacement of 8 servers located in Bismarck, Fargo and Grand Forks; and the addition of a messaging server in Bismarck. Each server is estimated at a cost of 7,000.

8. We have decreased our request for funds for the judges retirement system due to the passing of some members of the system. This is the "old retirement system" created under N.D.C.C. 27-17. There are 14 remaining district court members in this system which is being phased out as the members pass away.

9. We are requesting funds to begin the initial planning phase of replacing our Unified Case Management System (UCIS). A case management system is needed to maintain our case records and schedules, and to transfer data electronically between multiple agencies. The funds requested would be used for project planning to do the business needs analysis, to issue a Request for Proposals, and to assist in evaluating the responses we receive. The total cost of replacing UCIS is estimated to be \$5 - \$6 million dollars spread over 2 biennia.

10. We are requesting an increase in spending authority which would allow us to accept education and technology grants from the federal Court Improvement Grant. The increase in funds we are requesting is for spending authority, not general fund money. The \$65,388 to be used as a match to the Court Improvement Grant is a decrease of approximately \$4,000 from the last biennium. This is because rule changes for the grant have changed and we will be allowed to use the cost of guardian ad litem services as an in-kind match.

11. We are requesting \$74,972 in additional funds to expand current juvenile services. In addition, we are requesting \$73,200 to fund new programs including a joint alcohol education program on the reservation in the NE part of the state. We are requesting \$100,000 in the event that Congress does not re-authorize the Juvenile Accountability Block Grant that we use to fund restorative justice programs. We are monitoring this situation closely and it is our intention to reduce our budget request by \$100,000 in the event the JABG is continued.

12. We are requesting funds to operate two new juvenile drug courts. The Minot court began operating in January, 2007. Arrangements are proceeding for a new drug court in Williston, with a goal of opening in late 2007 or early 2008.

13. We are requesting a .5 FTE referee position to expand an existing .5 FTE referee position to full-time. The position is currently located in Bismarck. Unit 3, which includes the Bismarck and Dickinson areas has a combined judge shortage of 1.46. The increased referee time would be used to alleviate that shortage by handling more cases in Bismarck and by spending one day a week in Dickinson to assist with juvenile court, child support, small claims, and traffic cases.

14. We are requesting a law clerk position for the Northwest Judicial District (NWJD). This is a new position which would be assigned to Minot to assist the judges and referee with legal research. The NWJD currently has a .84 judge shortage and one law clerk serving the 7 judges of the district.

15. We are requesting a new juvenile court officer position, to be located in the Bismarck office. Our weighted workload studies show that this region has a 2 court officer shortage. The Bismarck area juvenile court officers typically have a higher probation load and children that are higher risk to re-offend than other parts of the state. Attempts to resolve the shortage by having employees from Dickinson and Minot take part of the workload have helped but have not eliminated the need.

16. Under N.D.C.C. 27-05.2-02 counties have the right to transfer clerk services to the state. Rolette County has exercised this option. We currently contract for these services, so the actual increased cost to bring the 2 employees into the state court system is \$87,626. The committee asked for additional information on the number of contract counties and how many are eligible to transfer their clerk services to state employment. That information is included as "Attachment 2."

17. We are requesting 6 new positions and operating costs to establish a mediation pilot project in 2 sites. In the alternative, we are willing to consider using contract employees, however, this option would still require 1 FTE to act as Program Coordinator. Please see "Attachment 3" for further details.

18. Enhanced Records Management: The 115,750 listed here is to continue the deployment of our imaging project to additional counties. We are currently in pilot testing in 2 counties and expect to be deployed to 4 additional counties this biennium. These funds are expected to enable us to deploy to 30 additional counties in the 2007-2009 biennium.

Judicial Conduct Commission and Disciplinary Board

19. Additional operating funds are being requested to cover the costs of travel related to investigating complaints, purchasing transcripts and fees to pay a trustee to oversee law offices when it is required. These costs are unpredictable and outside the control of the Board because they are based on the number and types of complaints that are received during the biennium.

Other

You asked for additional details about the amount of money we anticipate turning back at the end of the biennium. That information is included as "Attachment 4".

You also asked us to review our budget for the past two biennia and identify any areas which were funded by federal funds but are now paid for out of the state's general revenue. This information is included as "Attachment 5". As you will see, the funds we receive are minimal. The position of the judiciary is that we apply for federal or grant funding only if we are committed to a project, and have developed a plan for sustaining the project once the outside funds are no longer available. Before making a grant application we are careful to weigh the additional administrative cost of managing the grant funds and any commitment to continue the project beyond the original grant phase.

Please feel free to contact any of us if you have any additional questions or would like a further explanation or clarification.

Thank you.

Capital Assets Requested in 2007-09 Judicial Budget

EQUIPMENT AND FURNITURE:

Copy Machines - Routine Replacement

\$ 65,000	2 machines for Supreme Court
\$ 6,500	Minot - 3rd Floor
\$ 10,000	Devils Lake Juvenile Court
\$ 15,000	Grand Forks Clerk of Court
\$ 10,000	Rolette County Clerks Office
\$ 13,000	Fargo Admin Office
\$ 6,500	Jamestown Juvenile Court
\$ 13,000	Fargo Clerks Office
\$ 13,000	Bismarck Admin Office
\$ 6,500	Mandan Juvenile Office
\$ 6,500	Dickinson Clerks Office
<u>\$ 13,000</u>	Bismarck Clerks Office
\$ 178,000	

Guidelines for Multifunction copier/fax/printer units:

\$ 3,000	Small, 1-3 users with light use
\$ 6,500	Medium, 4-8 users with medium use
\$ 13,000	Large - multiple users with heavy use

Evidence Projectors

\$ 6,500	North East District
\$ 6,500	Fargo
\$ 6,500	Dickinson
\$ 6,500	Minot
<u>\$ 6,500</u>	Williston
\$ 32,500	

Furniture

\$ 15,000	To upgrade furniture that is not ergonomically correct
<u>\$ 10,000</u>	Supreme Court - replace furniture in Central Legal
\$ 25,000	

Microfiche Reader

\$ 8,042	To replace technologically obsolete reader in Williston
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Shelving

\$ 10,000	Dickinson Clerk's Office - files are currently stored in basement of courthouse. However, due to pending installation of new air conditioning unit, files need to be relocated to another area.
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Sound Systems

\$ 10,000	Sound Systems: The 90,000 listed here is to upgrade sound systems in 9 courtrooms
\$ 10,000	at an estimated cost of \$10,000 per sound system. The locations of these
\$ 10,000	sound systems are: Bottineau, Lamoure, Finley, Carrington, Cooperstorn,
\$ 10,000	Forman, Sheridan, and two courtrooms in Williston.
\$ 10,000	
\$ 10,000	
\$ 10,000	
<u>\$ 20,000</u>	(Williston - 2 courtrooms)
\$ 90,000	

Tables for Supreme Court Conference Room

\$ 6,000	To reconfigure room to make Interactive Television system more useable.
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Workstations

\$ 8,000	Grafton - Judge Geiger's Chambers
\$ 8,000	Grand Forks - Judge Braaten's Chambers
\$ 8,000	Two workstations in Fargo Administrative area
\$ 10,000	Two workstations in Jamestown Juvenile Office
\$ 12,000	Burleigh and Stark Counties - Judges Reich and Herauf

\$ 23,000 Dickinson Clerk's Office - replace non-ergonomic workstations
\$ 10,000 Minot - replace two workstations
\$ 5,000 Supreme Court - one workstation
\$ 84,000

\$ 433,542 Total Equipment over \$5,000

IT EQUIPMENT OVER \$5,000:

Digital Audio Recording Equipment

\$ 58,041 Digital Audio recording equipment to replace the current analog tape recording machines used in these courtrooms. Analog tape recorders are no longer being made by the two vendors who have supplied them in the past. Additionally, authorized repair centers for these recorders are becoming increasingly difficult to locate and utilize. For these reasons, we will begin replacing the analog tape recorders with a comparable digital recording unit. The digital recording units serve the same purpose as their analog tape recording counterparts. That is to record the court proceeding. There are significant differences in how they function however. The digital recording units record the proceeding to a computer where it is stored for later retrieval. There are funds included for the purchase of 20 recording units. They will be placed in locations that have the oldest locations and in locations where the analog tape units are failing.

Servers

\$ 63,000 This is for the routine replacement of 8 servers located in Bismarck, Fargo and Grand Forks, and the addition of a messaging server in Bismarck. Each server is estimated at a cost of \$7,000.

\$ 121,041 Total IT Capital Assets

\$ 554,583 Total Capital Assets

2004/2005 CASE FILINGS / FTE NEEDS BY COUNTY
North Dakota Clerks of Court

District	County	AVERAGE	Change		ACTUAL	Variance	Shortage as
		FILINGS	FTE Avg on	from			
		2004 / 2005	2004, 2005	2002/2003 to		from Actual	FTEs
				2004/2005			
State Funded							
East Central	Cass	25,443	23.89	0.37	22	-1.89	-9%
Northeast	Ramsey	5,916	4.32	-0.05	4	-0.32	-8%
Northeast	Walsh	2,829	2.47	-0.37	3	0.53	18%
Northeast Central	Grand Forks	15,735	14.90	1.66	14	-0.90	-6%
Northwest	Ward	11,332	11.30	0.34	10	-1.30	-13%
Northwest	Williams	6,143	4.98	0.38	4	-0.98	-25%
South Central	Burleigh	13,197	12.94	0.78	11	-1.94	-18%
South Central	Morton	7,181	5.62	-0.13	5	-0.62	-12%
Southeast	Richland	3,976	3.45	-0.32	4	0.55	14%
Southeast	Stutsman	8,017	5.59	0.30	5	-0.59	-12%
Southwest	Stark	6,123	5.24	0.03	5	-0.24	-5%
Total		105,889	94.70	2.99	87.00	-7.70	

County Operated / State Funded	County	AVERAGE	FTE Avg on	Change	ACTUAL	Variance	Shortage as	Change	FTEs If
								from last	state
								contract	employed
Southwest	Adams	754	0.44					-0.01	
Southeast	Barnes	5,121	3.22					0.39	3
Northeast	Benson	1,277	0.95					0.01	
Southwest	Billings	666	0.24					0.04	
Northeast	Bottineau	2,025	1.41					-0.07	1
Southwest	Bowman	554	0.49					-0.03	
Northwest	Burke	686	0.48					0.03	
Northeast	Cavalier	752	0.61					-0.10	
Southeast	Dickey	1,353	0.99					0.14	
Northwest	Divide	404	0.35					0.02	
Southwest	Dunn	912	0.48					-0.10	
Southeast	Eddy	774	0.51					-0.06	
South Central	Emmons	609	0.47					-0.06	
Southeast	Foster	670	0.58					-0.02	
Southwest	Golden Valley	595	0.32					0.00	
South Central	Grant	650	0.26					-0.04	
Southeast	Griggs	653	0.46					0.04	
Southwest	Hettinger	513	0.27					0.01	
South Central	Kidder	1,219	0.53					-0.08	
Southeast	Lamoure	1,569	0.68					-0.32	
South Central	Logan	267	0.17					-0.02	
Northeast	McHenry	1,850	1.10					0.11	1
South Central	McIntosh	536	0.33					-0.03	
Northwest	McKenzie	2,419	1.30					0.19	1
South Central	McLean	4,105	1.64					-0.07	2
South Central	Mercer	1,497	1.23					-0.03	1
Northwest	Mountrail	1,704	1.09					0.08	1
Northeast Central	Nelson	1,081	0.59					0.00	
South Central	Oliver	410	0.21					-0.02	
Northeast	Pembina	2,269	1.79					0.08	2
Northeast	Pierce	1,263	0.76					-0.18	
Southeast	Ransom	1,397	1.21					0.11	1
Northeast	Renville	559	0.35					-0.01	
Northeast	Rolette	1,799	1.85					-0.23	2
Southeast	Sargent	783	0.63					-0.02	
South Central	Sheridan	228	0.18					0.03	
South Central	Sioux	190	0.24					0.04	
Southwest	Slope	220	0.09					-0.04	
East Central	Steele	506	0.32					-0.04	
Northeast	Towner	644	0.55					0.06	
East Central	Traill	2,501	1.58					-0.01	2
Southeast	Wells	858	0.79					-0.09	
Statewide Totals		48,833	31.74					-0.30	17
		154,722	126.44						

Have option of becoming state employed
Over (under) more than one full FTE

Note: Rolette County opted to become state employed on July 1, 2007

House Bill 1002
Senate Appropriations Committee
Susan Sisk, Director of Finance

Mr. Chairman, members of the committee, good morning. My name is Susan Sisk and I am the Director of Finance for the Judiciary. I will be providing you with the details regarding the judicial budget request.

The current biennium appropriation for the judiciary which includes the Supreme Court, District Courts and the Judicial Conduct Commission/Disciplinary Board is \$58,365,347. This does NOT include any monies appropriated for indigent defense. All of these have been removed from the judicial budget and are being shown in the budget request for the ND Commission on Legal Counsel for Indigents. The estimated turnback for the current biennium is \$800,000 or 1.4% of the budget. This is due in part to salary savings from retirements and resignations, travel savings due to carpooling and the increased use of interactive television for meetings, and lower than anticipated costs for legal resources and materials. We have also realized savings by bulk ordering supplies and equipment whenever possible. By bulk ordering file folders for the clerk's offices, we realized approximately \$80,000 savings per year. We have also realized savings of approximately \$90,000 in the judges' retirement plan due to the passing of some members during the current biennium.

The judicial request for the 2007-09 biennium was for \$69,468,372, which is an increase of \$11,103,025 over the current biennium. The engrossed house bill reduced this request by \$294,468 for an increase of \$10,808,557. Of this increase \$10,115,001 is general funds, \$681,721 is federal funds and \$11,835 is special funds. This is broken down by appropriation as follows:

Appropriation	Request	Increase
Supreme Court	\$ 9,434,571	\$ 843,968
District Court	\$59,021,379	\$ 9,854,165
JCC/DB	\$ 717,954	\$ 110,424
Total	\$69,173,904	\$10,808,557

This increase is broken down by line item as follows:

Line Item	Request	Increase/(Decrease)
Salaries and Wages	\$49,113,877	\$5,638,678
Operating	\$16,784,616	\$3,637,200
Capital Assets	\$ 554,583	\$ 361,083
Mediation Pilot Project	\$ 1,076,824	\$1,076,824
Judges Retirement	\$ 826,050	\$ (15,652)
UND – Central Legal Research	\$ 80,000	\$ 0
Alternative Dispute Resolution	\$ 20,000	\$ 0
JCC/DB	\$ 717,954	\$ 110,424
Total	\$69,173,904	\$10,808,557

Salaries and Benefits

Salaries and Benefits are 71% of the total judicial request. Included in this request are salary increases of 4% and 4% for employees per Governor Hoeven's recommendation, as well as the associated benefit increases. These increases amount to approximately \$2,756,371.

Judge Herman discussed pay increases for judges and justices. The judiciary requested increases of 6% and 7%, which amounted to \$1,171,303. The House reduced this to an equity increase of \$2,000 on July 1, 2007; a 4% increase applied on top of the \$2,000, and a 4% increase on July 1, 2008. This reduced the appropriation request by \$294,468. However, an error was discovered in the calculation of this increase, so the budget should have been reduced by \$180,756, a difference of \$113,712. This means that although the statutory changes to the judicial salaries are correct, the judicial appropriation in the engrossed bill is underfunded by \$113,712. The cost of funding the second equity adjustment of \$2,000 on July 1, 2008 that Judge Herman discussed is an additional \$126,148. The cost of this and correcting the appropriation for the existing equity adjustment is \$239,860.

We are requesting an additional six FTE's. One of these positions is for the mediation pilot project, and the cost is included in that line item. The other five positions

are a juvenile officer, a law clerk, a half time referee, the other half of the Director of Finance position, and two clerk positions in Rolette County. Rolette County has opted to become state-employed as of July 1, under 27-05.2. Based on their caseload, they would receive two full time positions at a cost of \$222,677. Had they continued on as county employed, the cost of their contract payments would have been \$135,051, a differences of \$87,626. The cost of all five positions is \$620,725.

The request also includes funds towards finalizing the implementation of the judicial compensation plan. As you may recall, this compensation plan was implemented in 2004 and phased in over time as funds became available. This compensation plan is for classified employees only, and does not include judges.

Operating

Operating expenses are 24% of the total judicial budget request. We are requesting \$16,784,615 which is an increase of \$3,637,199. The bulk of this increase is for information technology costs. Details of the increase are as follows:

Technology – The increase in the technology request is \$1,807,306. Of this increase, \$1,375,000 is for the UCIS replacement project that Justice Sandstrom discussed. Some other increases include data processing (\$283,133), software (\$116,623), and equipment (\$218,954). Data processing increases are due to an increase in the cost charged by ITD for data communications in the counties and fees to support the enhanced records management project. Increases in software are due to increased costs for licenses and application software. Equipment includes all purchases of computers, printers, servers, and equipment for digital audio recording as well as interactive video systems. Increases for equipment are due to a slightly higher purchasing rate based on ITD contracts as well as an increase in the number of devices.

Travel – Travel increased by approximately \$163,347. Much of this is due to anticipated travel related to the federal court improvement grants. We have also set up a travel “pool” to be used by judges who have exceeded their budgeted trips. An application must be made to the Chief Justice for approval before these funds can be expended.

Office Equipment and Furniture – An increase of \$112,935 is being requested for the routine replacement of chairs, workstations, copiers and other office equipment and furniture. We are also requesting funds for the replacement of steno machines used by the court reporters.

Operating Fees and Services – An increase of \$1,141,605 is being requested for operating fees and services. \$512,104 of this increase is for federal funds, and the remainder is general. Factors contributing to this increase include:

- Payments to county clerks – after surveying county auditors for salary information and applying the formula for workload assessment which is based on cases filed in each county, the amount budgeted for contract payments for clerk services increased by \$82,000 or 3%. Payments to Rolette County are not included, as they have opted to become state employed as of July 1, 2007. This will bring the total number of counties where clerks are state-employed to 12, and the other 41 clerk offices remain county-employed and state-funded.
- Juvenile drug courts – We are increasing the number of juvenile drug courts from three to five, with the additions of courts in Minot and Williston. A total of \$675,000 is being requested for the five courts, with \$200,082 of this amount in federal funds. The total increase for the two additional drug courts is \$288,000.
- Court Improvement Program – this is a federal program established in 1993 to help state courts improve their processing of child welfare cases. The federal grants are to be used to make broad-based, comprehensive systemic reforms of courts and legal processes. We use the grant to contract with UND to hire and train lay guardian's ad litem in deprivation cases. The federal government has just made two new annual grants available to be used for technology and education. Our increase of \$548,506 includes these new grants. Of the total increase, \$483,118 is federal funds and the remaining \$65,388 is the match for these grants.
- Credit card costs – Within the last six months we have phased in the implementation of credit cards in all 11 state clerk offices. The Credit cards

can be used to pay fines, fees, bonds, and also filing and other fees. The estimated cost of accepting credit cards is for the 2007-09 biennium is \$92,422. Although this will be difficult to quantify, this amount should more than be offset by increased collections and decreased staff time. It could also potentially save the county jails money if people are able to bond out of jail more quickly.

- Juvenile Services – this includes programs such as tracking, accountability conferences, community services programs and unruly diversion programs. Our request includes an increase of \$248,172 for a total request to provide juvenile services of \$898,178. \$100,000 of this request is to fund the administration of the Restorative Justice Program. This has been federally funded in the past. However, it was pulled from the federal budget, and to our knowledge it has not been reinstated yet. If this money is reinstated in the federal budget, we will withdraw it from our budget request. Increases of \$73,200 are to fund new programs, such as Robocuff (a program for curfew checking electronically), drug screens and a joint program on the reservation in the NE district to address Native American Issues. Funds of \$74,972 are being requested for existing programs. In 2005, the courts disposed of nearly 12,000 juvenile cases. Based on our 2005 caseload, the funds we are requesting for juvenile services average approximately \$75 per case.

Capital Assets

The budget request for capital assets includes an increase over the current budget of \$361,083 for a total budget request of \$554,583. This request includes workstations (\$109,000), copy machines (\$178,000), sound systems (\$90,000), evidence projectors for the courtrooms (\$32,500), shelving for files in the clerk's office (\$10,000), a reader/printer for court files (\$8,000) and a table(s) for the Supreme Court conference room. In addition, IT capital assets of \$121,041 are included for digital audio recording systems and to replace servers. We are planning on purchasing digital recording systems for approximately 20 counties where recorders are routinely used. These recorders can

no longer be repaired or purchased due to obsolete technology. The digital recording systems are an alternative to these recorders.

Mediation Pilot Project

This line item contains the proposed pilot project for mediation. The purpose of this project is to alleviate the emotional distress caused by the adversarial process with the hope that future discussions will be more amicable. It is anticipated that all parties would be subject to an initial screening process. A particular concern that will be addressed is affordability. This process should serve the needs of those who otherwise would not be able to afford mediation. This project is not intended to divert cases out of the court. The effect of this project on caseload and judge time cannot be determined at this point.

The project plans on two sites with contract mediators and staff at each site. One FTE is included in the budget request for a coordinator. The original proposal included funds for 5 additional FTEs for mediators and staff, but this has been changed to operating for contractors. The total proposed budget is \$1,076,824.

Judge Retirement (Chapter 27-17 Old Retirement System)

This line item provides for the state's general fund portion of retirement payments to eligible retirees. There are 3 participants within the Supreme Court budget and 14 participants within the district court budget planned to receive benefits under this system. This line item is budgeted at \$826,050 and is \$15,652 less than the current biennium.

Judicial Conduct Commission and Disciplinary Board (JCC/DB)

Funds of \$717,000 are being requested for the operations of JCC/DB. This is an increase of \$110,424. The bulk of this increase (\$82,000) is for salary increases per the governor's recommendation. The remainder of the increase is for travel, trustee fees and transcripts. No capital assets are being requested.

Conclusion

This concludes my presentation. I would be happy to answer any questions.

JUDICIAL SALARIES

Good afternoon. I am Judge Doug Herman, a trial judge-sitting in Fargo. Along with Supreme Court Justice Carol Ronning Kapsner, I am charged by our North Dakota Judges Conference to bring a proposed judicial pay raise to the 2007 Legislature. Our request originated back in November 2005 and finalized at the State Bar Meeting this past June-both events well in advance of knowledge of the extent of our large state budget surplus. In other words, we did not go back and make an increase in our request when we learned the "good news" of our current budget surplus late this summer.

We have provided each Legislator a computer disc outlining our case for a judicial pay increase. We also have provided each committee member here with copies of just 11 pages from that 49 page presentation. Let's begin by looking at pages 9 and 10. In 1989 there were 54 full-time trial judges in this state; now we are down to 42. As expected the workload has increased. We have had to be innovative in using technology to address workload issues and innovative in future-looking services by staffing the juvenile and adult drug courts.

Let's put some perspective on today's pay. We have not even kept pace with inflation over the past 30 years. Page 20.

Most telling, we are now 50th of the 50 states plus DC, but soon we will be 51st or **last place**. Page 25. Other than crime

figures and unemployment rates, I don't think any of us in North Dakota want to **last** in anything. And as we learned from the Governor's State of the State address, we have risen from 84% to 91% of the national average for per capita income, something quite remarkable for a rural state.

If we compare ourselves to the 9 states used by the Executive Branch in setting its salaries, we are 8th and soon to be 9th behind Montana and more than \$13,500 behind the average in those 9 states. Page 27.

Let's take another measure: If we take our three contiguous states, we are \$8000 behind and will fall more and more behind now that Montana is going to a 5-state averaging process. Page 30.

Yet another measure: small population states. If we compare ourselves to all states with population under 1,000,000 we are even further behind on the average-here by more than \$18,000 per year. Page 33. And let's cut that further, to the states with less population-as well as the District of Columbia (Vermont, Wyoming and DC) we are more than \$13,000 behind per year. Page 36.

Now, let's take the state that is closest to us in history, geography and culture: South Dakota. There was formal talk as late as 2001 contemplating that our judges would achieve equal pay with South Dakota judges. When that goal was set, we were

about \$5000 per year behind. Today, we find ourselves almost \$7000 per year behind, in large part because the second half of that equity adjustment started in 1991 never came through. Pages 39-41.

So here is where we come with our proposal. **Parity with South Dakota.** In order to achieve that, we need an increase of 6% and 7% in the two years of this next biennium.

Two general thoughts: We know that there is again consideration for healthy pay increases for state employees across the board; perhaps as high as 5% and 5% (or maybe 4% and 4%). You no doubt will be thinking that is a good across the board raise. Why not just roll the judges in with that? We would respectfully remind you that the 47 judges are not exactly like the group of state employees as a whole. For example, you have many state employees who have only high school educations. You have many state employees who are only in the 20s and have only been in their jobs for a handful of years. The judges are a very different group. Most judges came to state employment having accumulated decades of experience, usually in the private sector. We average 57 years of age. All of us-by definition-have college degrees and law degrees. More importantly, our judges average almost 28 years of legal experience out of law school. This is a very small group of highly educated, highly trained, and highly experienced individuals. It would be more

like heads of the administrative agencies; officers and deans in the universities and professional schools; superintendents of school districts, etc. And we all know where their salaries are. In fact, our research indicates that there are between 150 and 200 public employees who earn more than the judges here in North Dakota. And it is not that these individuals are not worth what they earn: they are worth what they earn. The work of judges should be similarly valued. We work alone; we make significant decisions in people's lives almost daily. Although our proposal is for a greater salary adjustment than has been discussed for state employees generally, we believe that it fits into the concept of **equity adjustment** for positions that are substantially underpaid. We urge that salary should not be a disincentive for a successful, experienced attorney to change the focus of his or her legal career.

And a second general thought: This one from the Chief Justice of the United States Supreme Court John Roberts. Just this month, he wrote a paper urging significant pay increases for federal judges, citing low judicial pay as a "constitutional challenge." Please recall that a federal district judge earns in excess of \$166,000 per year and is allowed, if he or she chooses, to earn another \$20,000 outside of court for teaching. Yet even at that level, the Chief Justice argues that the judicial system is at risk for what he believes is inadequate pay. In one part

of the paper, he notes:

"The American people and their government have a profound stake in the quality of the judiciary. The dramatic erosion of judicial compensation will inevitably result in the decline in the quality of persons willing to accept appointment as a federal judge. Our judiciary will not properly serve its constitutional role if it is restricted to (1) persons so wealthy that they can afford to be indifferent to the level of judicial compensation, or (2) people for whom the judicial salary represents a significant pay increase. Do not get me wrong-there are very good judges in both of those categories. But a judiciary drawn more and more from only those two categories should not be the sort of judiciary on which we have historically depended to protect the rule of law in this country."

Please don't misunderstand our position. None of our judges is threatening to quit this year if we don't achieve the requested equity adjustment. But it need not ever come to that. We simply believe that we have made the case for these increases. Thank you.

The Judiciary Has Tightened Its Belt

- At the end of 1989 there were 54 full-time trial judges in North Dakota
- HB 1517 created a unified trial court
 - County Courts were abolished as of January 1, 1995
- Target set for 42 District Court (full-time) Judges by January 2, 2001
 - In December, 1999, the North Dakota Supreme Court issued a decision abolishing a sitting judgeship to reduce to the mandatory number of 42 District Court Judges

Judges are working harder than ever before!

- In 1989, when there were 54 full time trial judges, each judge disposed of an average of just over 2,000 matters per year
- In 2004, with only 42 District Judges, each judge disposed of just under 4,500 matters per year!

Inflation

- In 1977, a District Judge made: \$34,500
- In 2006 dollars, that would equal: \$110,673
- In 2006, a District Judge's salary is: \$94,298
- This is a loss to inflation of:
 - This is, in effect, a pay cut of that amount
 - Despite the fact that per Judge dispositions are up dramatically

Judicial salaries are losing ground in national rankings:

○ N.D. District Judges

– 2004 Salary: \$90,671

○ Ranked 48th

○ Ahead of only:

– Indiana (49th but increased to \$110,500 as of 1/1/2006)

– West Virginia (50th but increased to \$116,000 as of 1/1/2006)

– Montana (51st but increased to \$94,093 as of 1/1/2006)

– As of January 1, 2006 Salary increased \$94,298

● Ranked 50th

● Ahead of only Montana

– Note: Montana's salaries will increase automatically as they are now based upon a 5 state average

Executive branch survey states compared to ND District Judge salaries (As of January 1, 2006)

• Average Trial Judge Salary in 9 States Executive
Branch Study:

\$107,859

• North Dakota District Court Judge Salary:

\$94,298

• Difference:

- \$13,561

Contiguous states compared to ND District Judge Salaries (As of January 1, 2006)

- Average Trial Judge Salary in 3 Contiguous States:
\$102,328
- North Dakota District Court Judge Salary:
\$94,298
- Difference:
- \$8,030

States with a population of less than 1,000,000 compared with ND District Judge salaries (As of Jan. 1, 2006)

• Average Trial Judge Salary in States with Less than 1,000,000 Population:

\$112,685

• North Dakota District Court Judge Salary:

\$94,298

• Difference:

- \$18,387

States with a population less than that of N.D. compared to ND District Judge Salaries (Jan. 1, 2006)

• Average Trial Judge Salary in States with Less Population than North Dakota:

\$107,460

• North Dakota District Court Judge Salary:

\$94,298

• Difference:

- \$13,162

Parity with South Dakota was the goal in 2001

- Parity between ND & SD judges is a historical fact
- After presenting similar evidence in 2001, North Dakota judges simply asked to keep track with South Dakota judges
- It was anticipated that this would be done over two biennium's
 - Judicial raises in 2001 = 7.45%
 - Judicial raises in 2002 = 6.97%
- The next level of parity raises is still in the future

North Dakota Judicial Pay Has Not Kept Up With South Dakota

North Dakota judicial raises since 2002: South Dakota judicial raises over the same time:

- Judicial raises in 2003 = 0%
- Judicial raises in 2004 = 0%
- Judicial raises in 2005 = 4%
- Judicial raises in 2006 = 4%
- Average raise of 2% per year for those 4 years

- Judicial raises in 2003 = 2%
- Judicial raises in 2004 = 3%
- Judicial raises in 2005 = 3%
- Judicial raises in 2006 = 3%
- Average raise of 2.75% per year for those 4 years

Instead of catching up we are falling farther behind the South Dakota judges. The stated goal of parity is not being achieved.

South Dakota Trial Court Salary Comparison (Jan. 1, 2006)

• South Dakota Trial Court Judge Salary:

\$101,010

• North Dakota District Court Judge Salary:

\$94,298

• Difference:

- \$6,712

Good morning. I am Judge Doug Herman, a trial judge sitting in Fargo. I want to thank the Committee for allowing us to come in early on a Friday morning so as to accommodate our Court schedules.

In early January, we presented each legislator a computer disc outlining our case for a judicial pay increase. I can summarize that presentation in about two minutes.

1. In 1989 there were 54 full time trial judges in this state. Now we are down to 42. As expected, our caseload has increased.
2. But as for pay, we have not even kept track with inflation over the past 30 years.
3. If we compare ourselves to the 9 states used by the Executive Branch in setting its salaries, we are now 8th and soon to be 9th.
4. If we average our three contiguous states, we are more than \$8000 per year behind in District Court judge's pay.
5. If we compare ourselves to small population states-those states with populations under

1,000,000 and we are more than \$18,000 per year behind in District Court judge's pay.

6. Let's take the state closest to us in history, geography and culture: South Dakota. There was formal talk as late as 2001 contemplating that our judges should achieve parity with South Dakota judges. At that time the gap was about \$5000 per year. Today the gap is \$7000 per year and growing... So here is where we based our proposal - Parity with South Dakota. In order to achieve that, we needed an increase of 6% and 7% in the two years of this next biennium.

HANDOUT

As you can see from the handout, the House Government Operations Committee agreed to some extent and gave us a \$2000 equity adjustment for the first year in addition to the 4%. And we cannot emphasize enough how much we appreciate that. However, there is no corresponding equity adjustment in the second year and that means we continue to fall significantly short of parity with South Dakota.

We would suggest a compromise of sorts; merely adding another \$2000 equity adjustment in the second year of the biennium. Although this will not achieve absolute parity-it will get us close. In fact just over \$1000 short at the District Court level and only about \$1500 short at the Supreme Court level. The benefit of this is that we will not be forced to be back here in two years asking for parity with South Dakota. We are so close; let's finish the job and be done with it.

The plain fact is that we do not enjoy coming here and asking for pay increases. We would much rather come before the Legislature to urge substantive legislation or other legal reforms, e. g. funding of drug courts.

In summary, our judges come to state employment having accumulated decades of legal experience. We average age 57 years and 28 years of legal experience out of law school. We work alone; we make significant decisions in peoples lives almost daily. We urge that salary should not be a disincentive for a successful, experienced attorney to change the focus or his or her legal career to become a judge.

Thank you.

PROPOSED SALARY INCREASES FOR JUSTICES AND JUDGES 2007-2009 BIENNIUM

July, 2007 Increase	6.00%	PROPOSED
July, 2008 Increase	7.00%	

	DISTRICT JUDGES	SUPREME COURT JUSTICES
New Annual Salary, July 2007	\$103,954.20	\$113,642.52
New Annual Salary, July 2008	\$111,230.99	\$121,597.49

\$2,000 Equity Increase Annually (\$166.66/month) July, 2007		CURRENTLY IN HB 1002
July, 2007 Increase	4.00%	
July, 2008 Increase	4.00%	

	DISTRICT JUDGES	SUPREME COURT JUSTICES
New Annual Salary, July 2007	\$104,072.72	\$113,578.23
New Annual Salary, July 2008	\$108,235.63	\$118,121.36

\$2,000 Equity Increase Annually (\$166.66/month) July, 2007		REQUEST
\$2,000 Equity Increase Annually (\$166.66/month) July, 2008		
July, 2007 Increase	4.00%	(computed after the \$2,000 increase)
July, 2008 Increase	4.00%	(computed after the \$2,000 increase)

	DISTRICT JUDGES	SUPREME COURT JUSTICES
New Annual Salary, July 2007	\$104,072.72	\$113,578.23
New Annual Salary, July 2008	\$110,315.54	\$120,201.28

Note: The Presiding Judges and the Chief Justice are compensated approximately \$300 more per month for additional administrative duties that are not reflected in the numbers above.

The cost to fund the first equity increase of \$2,000 and the 4% and 4% is actually \$990,547. There was an error in the engrossed budget from the House that computed the increase at \$876,835, a difference of \$113,712.

The cost to fund the second equity increase of \$2,000 is \$126,148. Combined with the error in funding the first equity increase of \$113,712, the judicial budget would need to be increased by \$239,860.

JUDGES' SALARY ADJUSTMENTS

The following is a summary of the salary adjustments for Supreme Court and district court judges as provided in 2007 House Bill No. 1002:

- The executive budget provided for the judges to receive a 6 percent salary increase for the first year of the biennium and a 7 percent increase for the second year of the biennium.
- The House amendments provided the judges with a \$2,000 increase plus a 4 percent increase for the first year of the biennium and a 4 percent increase for the second year of the biennium. The \$2,000 increase provided for the first year of the biennium is to be applied before providing the 4 percent increase.
- The House amendments did not include adequate funding necessary to provide the judges' salary increases.
- In determining the funding needed for the first year of the biennium, the calculation allowed each judge to receive a \$2,000 increase to their current base salary plus a 4 percent increase to arrive at their base salary effective July 1, 2007.
- In determining the funding needed for the second year of the biennium, the salary increase should have been calculated using the base salary as of July 1, 2007, plus 4 percent. However, the calculation did not consider the \$2,000 salary increase provided on July 1, 2007, thus understating the amount necessary to fully fund the salary plan.
- To correct this oversight, the Senate added \$113,712, of which \$12,097 is for the Supreme Court justices and \$101,615 for the district court judges, to fully fund the amount needed to provide the judges with a \$2,000 increase plus a 4 percent increase effective July 1, 2007, and a 4 percent increase effective July 1, 2008.



SALLY HOLEWA
STATE COURT ADMINISTRATOR

State of North Dakota
OFFICE OF STATE COURT ADMINISTRATOR

SUPREME COURT
Judicial Wing, 1st Floor
600 E Boulevard Ave Dept 180
Bismarck, ND 58505-0530
701: (701) 328-4216
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April 5, 2007

TO: Representative Ron Carlisle

FROM: Susan Sisk, Director of Finance 

SUBJECT: Retirement Funds

The Judges Retirement System (JRS) was established in 1949 and provides retirement and survivor benefits to Supreme and District Court judges of the State of North Dakota who served on the bench prior to July 1, 1973. Judges who are appointed or elected on and after July 1, 1973 are required to participate in a separate judicial retirement plan under the North Dakota Public Employees Retirement System. There are currently 17 participants remaining in this retirement system. Once they pass away, this retirement fund will cease to exist.

Since the submission of our budget, we have had a judge participant in this old retirement fund pass away. Typically we handle this by including unexpended funds in the turnback at the end of the biennium. We wait until we prepare our budget for the next biennium to reduce our budget for this line amount, because we are unable to predict if there will be other participants passing away. The amount that was included in the budget is \$98,070, and the Senate has reduced our budget by this amount.

Please contact me with further questions.

House Bill 1002
Senate Appropriations Committee
Testimony of Justice Dale V. Sandstrom
February 23, 2007

Same system to the House

Chairman Holmberg and members of the Senate Appropriations Committee, I'm Dale Sandstrom, one of the justices of the North Dakota Supreme Court.

I'm here to ask for tools to help the courts continue to meet the need for judicial services of the people of North Dakota. The tools I'll be talking about are information technology tools, and they are vital if we are to continue to meet a growing caseload with 42 district judges and five Supreme Court justices.

We are requesting an increase of slightly more than \$2 million from our present budget for information technology. The biggest part of that increase is needed to begin the process of replacing our current District Court case management system, the Unified Court Information System—UCIS.

Here's an overview of the technology tools we are requesting.

UCIS Replacement

Our district court case management system—UCIS—is 18 years old. It is the system used by the district courts to track cases and to ensure that all cases are disposed of in a timely manner. You know the pace at which technology is advancing, so it is no surprise to learn this 18-year-old system has become obsolete; it lacks the capacity for modern business-process integration and financial controls.

Replacement of this system will be difficult. We would like to work on planning, to analyze workflow, and to seek requests for proposals during the next biennium. This would prepare us to purchase and install a new system the following biennium. It could certainly be argued that we should move more quickly, but we want to engage in a careful and deliberate process so that the system we move to will serve our needs well into the future.

Enhanced Records Management System

As you can imagine, running the state judicial system involves managing an enormous records system. We need to have a system that will make records available where they're needed and when they're needed. Judges need to have complete files when they make decisions. We must preserve court information and make that information accessible. And, we want to reduce operational costs and record-storage costs. We're moving to a system in which electronic case folders will replace the current paper case files that are stored in courthouses across the State.

During this biennium, we have been working with the Information Technology Department (ITD) to implement our Enhanced Records Management program within ITD's existing Filenet infrastructure, which is integrated with our case management system. We are currently testing the system in two pilot counties, and we expect to begin to use the new system statewide within the next several months.

Interactive Television

The installation and use of interactive television is an ongoing initiative. Parties and witnesses can appear for proceedings by interactive television to avoid delay or to save the time and expense of travel. Interactive television can enhance access and availability to judicial services in areas where a judge is not chambered, and can enhance public safety by reducing the number of times prisoners are transported. Interactive television is being used in involuntary commitment proceedings to permit expert witnesses to testify without travel.

We currently have interactive television systems operational in thirteen locations. The funds being requested will be used to install systems into an additional four courtrooms.

Digital Audio Recording

As you probably know, the district courts are required to keep a record of everything that is said in court. That's done by court reporters and court recorders, who use audio-recording equipment. Digital audio recording is a method of making a court record with an audio

recording stored on a computer. This allows those who need to have access to the record to get it more easily, and it allows judges to keep notes with specific portions of testimony.

Several years ago, we began installing digital audio recording in some of the busiest courtrooms in the state. It was a better system than the older recording systems, and it was cost-effective. At this point, the recording systems we had used before we began to install digital audio recording systems have become obsolete. They're no longer sold or repaired, which means we will need to move all the courtrooms to digital audio recording. In some cases, we'll have to upgrade sound systems in order to do so. This is an expensive, but necessary, process.

Data Sharing

The judicial branch is committed to sharing data. It's not only courts that use the UCIS system—there are more than 500 enrolled users in 53 counties and 10 municipalities. District court information is provided by the state court data warehouse to more than 250 criminal justice and law enforcement personnel. For instance, we share information recorded on traffic citations electronically with law enforcement and the Department of Transportation and divorce information with the Health Department.

We continue to work with the Criminal Justice Information System (CJIS) as it is involved in areas that relate directly and indirectly with the judicial system.

Supreme Court Website

The Supreme Court's website continues to be an information resource for court personnel, attorneys, legislators, and the public. It includes a wealth of information—Supreme Court opinions and case information, legal news, notices, and much more. Anyone who is interested can listen to Supreme Court arguments and read the briefs for cases being argued. The site now contains all of the North Dakota Supreme Court and Court of Appeals opinions for the last forty years, fully searchable and readily accessible.

IT Services

Our IT staff supports and maintains the computers and information systems for more than 300 judicial branch judges and employees and more than 100 contracted county employees. This is facilitated by a help desk, which receives nearly 5,000 calls each year.

We're asking your favorable consideration of our request for the tools we need to continue to provide efficient and effective judicial service to the people of North Dakota. I'd be happy to address any questions you may have.

Attachment 3 - Judicial Branch Budget Request 2007 – 2009

Mediation Pilot Project

The goal of the mediation pilot project is to assist divorcing couples in reaching a mutually agreeable decision on custody and visitation orders. We expect that parents are more likely to comply with a court order if it is based on an agreement of the parties.

By referring the couple to mediation we hope to eliminate some of the anger and hostility that is generated by an adversarial system that forces parents to prove their case for custody or visitation. Oftentimes, the way to “win” custody or visitation is by “proving” the other parents unfitness. The bad feelings this generates can continue long after the divorce is finalized and has a poor effect on the parent’s ability to reach agreement on other types of parenting issues.

Mediation is currently available in two forms: court-sponsored mediation and private mediation.

Our rules of court (N.D.R.Ct. 8.8, attached), allows for court-sponsored mediation. Court-sponsored mediation is the optional use of a district court judge for domestic relations mediation. This service has been under-utilized as most litigants opt not to use it.

Parties always have the option of going to private mediation. This is a service provided in the community and costs vary depending on who is providing the service. The court maintains a roster of neutrals and establishes the requirements for inclusion on the roster, (N.D.R.Ct. 8.9, attached) but is not otherwise involved in the process and has no control over fees.

Of particular concern to the court is the ability of indigent parents to participate in mediation. We are proposing establishing a court-annexed mediation project using court employed mediators. This would be a mandatory process for all divorcing couples with children.

While several other states have mandated mediation in family court cases, they rely on the private market for mediators. They do not provide mediation for indigent families but instead waive the mediation requirement. We feel this is a disadvantage to poor families.

We also feel that too many people opt out of mediation without giving it a fair chance.

Specifics of the project include:

- Amend court rule to mandate the mediation process for all divorcing couples with children

- Non-indigent couples would be referred to private mediation; indigent couples would be referred to the court-annexed mediation
- Issues to be mediated are limited to custody and visitation (child support and division of property issues would not be included)
- There would be no fees for court-annexed mediation
- Mediators and support staff would be state-employees*
- Pilot sites would be in Grand Forks and in Bismarck/Mandan
- Each pilot site would consist of 2 mediators and 1 office support staff

The budget for the pilot project is \$1,076,824 and is broken down as:

Salaries and Wages	\$808,868
Rent, professional resources, data processing	\$140,720
Other operating expenses	<u>\$127,236</u>
	\$1,076,824

*Alternative proposal

Program Coordinator	\$147,000
Contract mediators	\$802,588
Training, Travel, and other costs	<u>\$127,720</u>
	\$1,076,824

Senate Appropriations Committee

Mary Muehlen Maring

Juvenile Drug Courts

February 23, 2007

I. Budget Request

- A. We are requesting \$474,918 in general funds to continue operation of our three juvenile drug courts and to implement two new juvenile drug courts.

We will continue to seek grant funds from the Enforcement of Underage Drinking Laws Grant. The total amount needed for the biennium to run five juvenile drug courts is \$675,000. This is approximately \$67,500 per year per court.

Our request is up from last biennium - approximately \$271,900.

Across the country, state legislatures are taking over the funding for the drug courts, and we request that North Dakota do the same.

II. North Dakota Juvenile Drug Courts

- A. Grand Forks and Fargo were implemented May 1, 2000.
B. Bismarck was implemented October 2002.
C. Minot was implemented January 2007; Williston projects implementation September - January 2008.
D. Marilyn Moe, Program Director, North Dakota Supreme Court.
Contact her at (701) 328-2198 to arrange a visit to one of the drug courts or to view a ten-minute video on our North Dakota Drug Courts.

III. Juvenile Drug Court Statistical Summary

- A. In 2005, the illegal possession or purchase of alcoholic beverages was the most common single reason for referral to the juvenile court. There was a 7 percent decrease in referrals from 2004 to 2005 for possession or purchase of alcoholic beverages, but from 2004 to 2005, there was an 8 percent increase of referrals for possession of a controlled substance to the juvenile court statewide.
- B. According to the 2005 Youth Risk Behavior Survey, 49 percent of North

Dakota high school students drank one or more drinks on more than one day of the 30 days preceding the survey.

Although North Dakota's percentage has gone down from previous surveys, we still have the highest rate of alcohol use among high school students in the nation.

C. June 1, 2006, Statistical Summary - Dr. Kevin Thompson, NDSU

1. We have had 210 participants as of June 1, 2006.
2. 79 have graduated from the drug court program.
3. Average age - 16.2 years at entry.
4. Average number of prior referrals to juvenile court before entering drug court - 5.7.
5. 80 percent were Caucasian and 20 percent were minorities.
6. 50 percent of participants were terminated because of dirty screens and further offenses.
7. 22 current participants as of June 1, 2006.
8. Marijuana and alcohol are the main drug choices.
9. 61 percent of the participants had a dual diagnosis (substance abuse and mental health).

IV. Evaluations - Dr. Kevin Thompson, NDSU

A. Recidivism - June 20, 2002:

- | | |
|----------------------------|--------------|
| 1. Drug Court participants | 35.7 percent |
| 2. Comparison group | 55.6 percent |

B. Recidivism Cost Savings Report

1. Recidivism is defined as any subsequent arrest for an offense committed in North Dakota classified as Class B misdemeanor or higher.
2. The reduced recidivism rate among drug court juveniles produced a court and victim cost savings of \$62,400 over 18 months.

C. Report of impact of Drug Court on participant's school achievement (August

12, 2002):

1. Average GPA among participants in 2 quarters preceding court:
1.78
2. Average GPA among participants in 2 quarters following court:
2.08
(An increase of roughly 1/3 of a grade point)
3. Decrease in absenteeism
4. Qualitative data from teachers:
 - a. one juvenile elected to student council.
 - b. one achieved a perfect grade point average.
 - c. another scored in the 82nd percentile on the ACT following a poor score prior to drug court.
 - d. several have gone on or are considering college.
5. Recent 2005 study showed graduates improved their academic standing by 32 percent while in drug court.

D. Cost-Benefit Analysis: Youth Correction Center, Group Residential Center, Community Supervision¹

1. YCC costs \$120 per day or roughly \$3,677 per month - approximately \$44,000 per year.
2. Group residential facility costs \$100 per day or roughly \$3000 per month - approximately \$36,000 per year.
3. Community supervision costs \$11 per day or roughly \$330 per month - approximately \$4,015 per year.
4. Drug Court costs \$14.73 per day per JDC participant.

E. Adult Recidivism Outcome Evaluation - November 2004

1. Study included all graduates 17 years of age who had been out of the program one year up to three years with the cutoff date of May 4, 2004.
2. Recidivism defined: (1) Any arrest as an adult for a Class A misdemeanor or higher; (2) any arrest as an adult for a substance use related offense; (3) any conviction as an adult for a class A

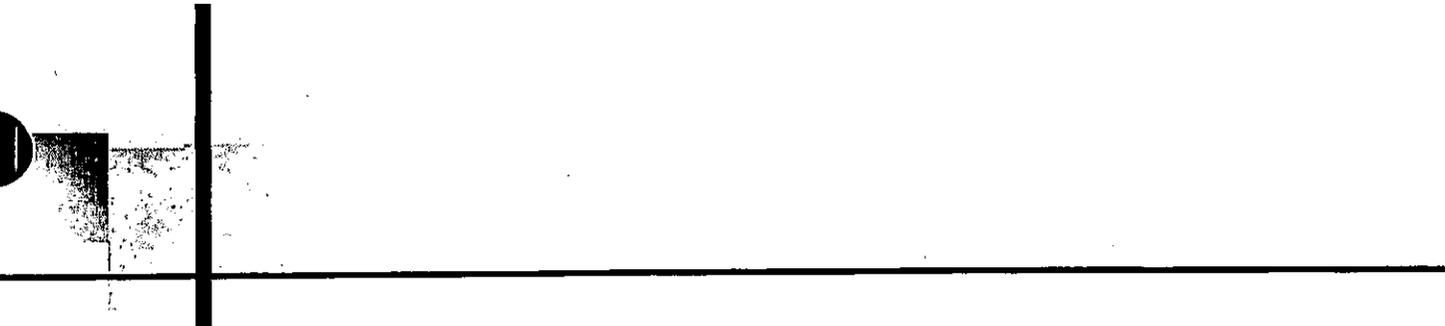
¹Figures provided by the Division of Juvenile Services, North Dakota Department of Corrections (2002).

misdemeanor or higher; and (4) any conviction as an adult for a felony.

3. The highest recidivism rate was in the East Central or Fargo juvenile drug court where out of 20 graduates 8 or 40 percent were convicted of a Class A misdemeanor or higher.
4. The lowest recidivism rate was in the Northeast Central or Grand Forks juvenile drug court where out of 24 graduates 4 or 17 percent were convicted of a Class A misdemeanor or higher.
5. The factors that were identified as associated with recidivism as an adult were specifically being male, beginning drug court at a later age, being older at the time of the study, and being referred to juvenile court at a later age.
6. The study examined why the Grand Forks graduates were much more likely than all participants to sustain an offense-free lifestyle in adulthood. The conclusion is that the longer the court retained a drug court graduate, the lower the probability that the juvenile would recidivate as an adult. On the average, Grand Forks graduates were retained in drug court 11.1 months compared to 7.8 months for Fargo graduates. The only other characteristic that differed between the courts was the average age at which participants commenced drug court. On average, Grand Forks participants commenced drug court about four months (16.5 years) earlier than Fargo participants (16.9 years). "While to some, this four month difference may seem trivial, it is not when considering that adolescent criminality begins to skyrocket around the 15th - 17th years. Consequently, the earlier that criminality prone juveniles are thrust into a treatment program, the easier it is to prevent future criminality." Dr. Kevin Thompson, Department of Criminal Justice and Political Science, NDSU, Fargo, North Dakota, November 2004, "An Adult Recidivism Outcome Evaluation of North Dakota's Juvenile Drug Courts."
7. Recommendations include targeting substance abusing juveniles for admittance between 15 ½ and 16 ½ years of age and extending the drug court process by at least three months. In addition, develop an aftercare treatment plan and mentoring for drug court participants.
8. Overall the study suggests that juvenile drug court can facilitate an offense-free lifestyle for participants when they reach adulthood.

- F. Adult Recidivism Outcome S. Central - Dr. Thompson (May 2006)
1. A majority of SC participants who graduated from drug court (60%) remain offense free in adulthood.
 2. Approximately 50 percent of the terminated participants remain offense free in adulthood.
- G. Outcome evaluation of Juvenile Drug Court using the Child and Adolescent Functional Assessment Scale - Dr. Thompson.
1. This study sought to assess the effectiveness of treatment for substance abuse when combined with drug court as opposed to those not in drug court.
 2. Drug court graduates made substantial treatment gains and progress in all measured areas of functioning.

Thank you, Mr. Chairman. I would be happy to try to answer any questions.



North Dakota Juvenile Drug Court Program
2005-2007



I. **Budget Request**

We are requesting \$474,918 in general funds to continue operation of our three juvenile drug courts, implementation of the Minot drug court, and to begin training and implementation of a juvenile drug court in Williston.

We will continue to seek grant funds from the Enforcement of Underage Drinking Laws Grant. The total amount needed for the biennium to run five juvenile drug court is \$675,000. Approximately \$200,000 of that amount will be grant funds and the balance from the general fund. This is approximately \$67,500 per year per court. Our request from the general fund is up from last biennium - approximately \$288,000. This increase is primarily due to planned implementation of two new juvenile drug courts; one in Minot and one in Williston.

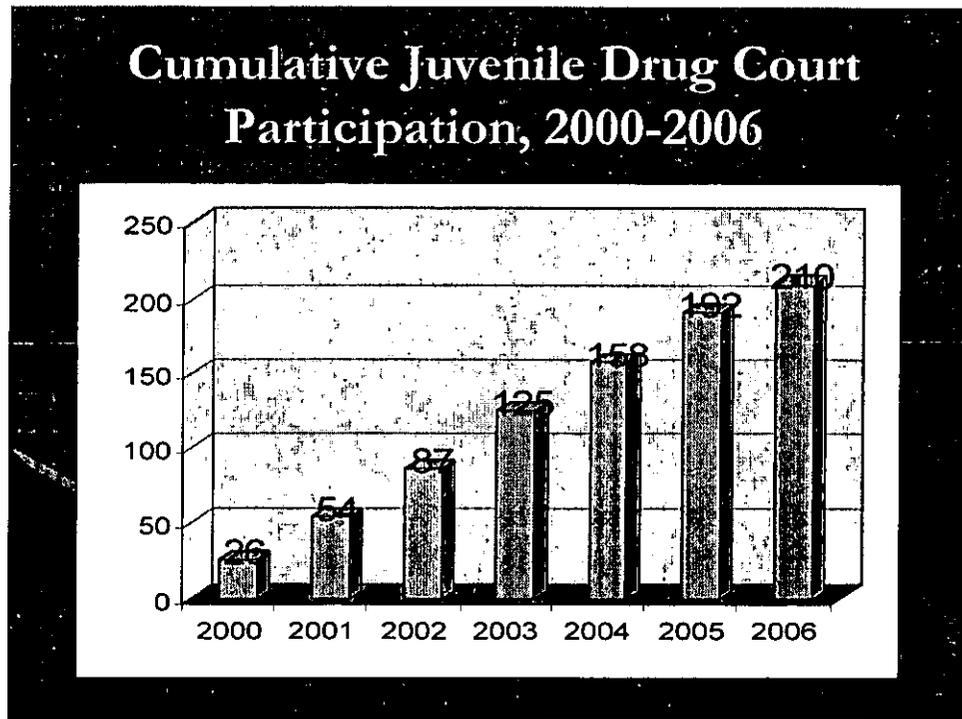
II. **North Dakota Juvenile Drug Courts**

- Grand Forks and Fargo were implemented May 1, 2000.
- Bismarck was implemented October 2002.
- Minot plans to begin operation in January 2007.
- Williston plans to begin operation between September 2007 and January 2008.
- *Contact Marilyn Moe, Program Director, North Dakota Supreme Court at (701) 328-2198 to arrange a visit to one of the drug court or to view a ten-minute video on our North Dakota Drug Courts.*

III. **Juvenile Drug Court Statistical Summary**

- In 2005 the illegal possession or purchase of alcohol was the most common single reason for referral to the juvenile court. There was a seven percent decrease in alcohol referrals from 2004, but there was an eight percent increase of referrals for possession of controlled substance from 2004 to 2005.
- According to the 2005 Youth Risk Behavior Survey, 22 percent of North Dakota high school students drove a car or other vehicle when they had been drinking alcohol one or more times during the past 30 days. This compared to 9.9 percent nationwide.

- Forty-nine percent of our youth had at least one drink of alcohol or more 30 days before completing the Youth Risk Survey. This compares to 43.3 percent nationwide. This was a decrease of 5.2 percent from 2004 for North Dakota youth. Even though we have seen a decrease in alcohol use we still have the highest rate of alcohol use among high school students in the nation.
- **June 1, 2006, Statistical Summary - Dr. Kevin Thompson, NDSU**



- As of June 1, 2006, 210 juveniles had entered the drug court programs.
- As of January 1, 2007, 72 have graduated from the drug court program.
- Average age at entry is 16.2 years.
- Average number of prior referrals to juvenile court before entering drug court is 5.7.
- Eighty percent were Caucasian and twenty percent were minorities.
- Fifty percent of the participants are terminated from the program because of noncompliance and further offenses.
- There are 22 current participants in the three courts as of January 1, 2007.
- Marijuana and alcohol are the main drug of choice.
- Sixty-one percent of the participants had a dual diagnosis (substance abuse and mental health)

IV. Recent Evaluations

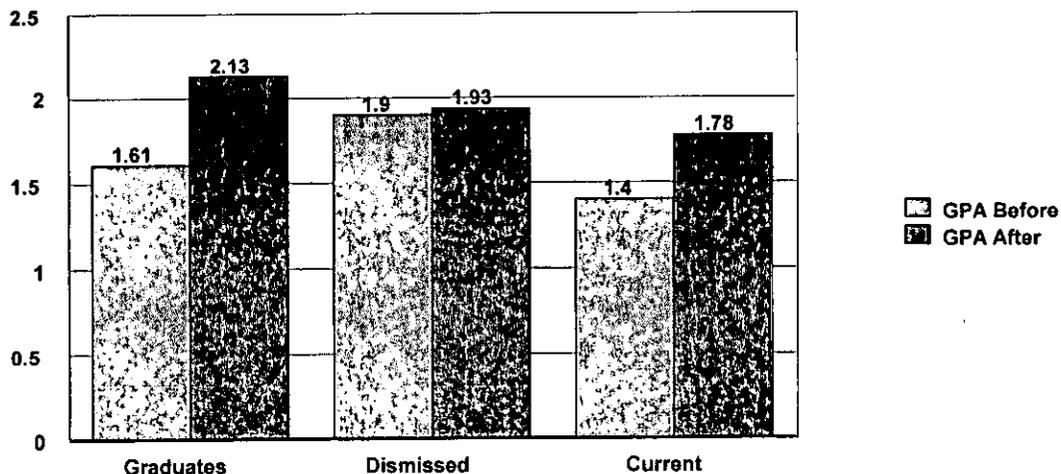
- **The Impact of North Dakota's Juvenile Drug Court on School Achievement**, Dr. Kevin Thompson, (August 2005)

This report summarizes the impact of North Dakota's Juvenile Drug Court on participants' school achievement. Besides reducing recidivism and facilitating a clean and sober lifestyle, drug courts are expected to improve school functioning for substance abusing juveniles.

Eight-four percent of drug court participants were enrolled in school at the time of admission to drug court. Ninety-three percent of participants were either in school or completed a GED while in drug court.

School records of drug court participants showed that the average GPA among participants in the two quarters preceding drug court was 1.69. In the two quarters following their participation in drug court, the average GPA of juveniles went up roughly one-third of a grade point to 2.01. One of the biggest subgroup academic gains was reported by drug court graduates who improved their academic standing by 32 percent while in drug court.

The following figure presents mean GPA data for participants on the basis of their drug court status. Some drug court participants fail to complete the drug court program due to non-compliance with program objectives. They are then dismissed from drug court. The following figure shows a rise of 32 percent in grade achievement following drug court admission for the graduates.



- **Adult Recidivism Outcome - South Central Judicial District**, Dr. Kevin Thompson, (May 2006)

This report summarizes findings from an adult recidivism study of South Central Judicial District (SC). Recidivism measures included: (1) any arrest as an adult for a Class A misdemeanor or higher; (2) any conviction as an adult for a Class A misdemeanor or higher, (3) any conviction as an adult for a felony, and (4) any arrest as an adult for a substance use related offense. This study examined the adult recidivism rates of 27 juveniles participating in this court who turned 17 as of January 1, 2006.

Overall, forty percent of the participants graduating from the SC court recidivated in adulthood. SC drug court admitted a higher proportion of males than females. The higher proportion of males available for analyses could explain the higher adult recidivism rate recorded by this court. Since males generally have higher rates of recidivism than females, this could partially account for the higher recidivism rates.

The data in this study suggests that the majority of SC participants who graduate from drug court remain offense free in adulthood. About one quarter of these graduates are arrested and charged with a substance use violation, suggesting that perhaps the majority of them are remaining substance free in adulthood. Among participants who failed to comply with program objectives and were terminated from drug court, a slight majority of them fail to remain offense free in adulthood. The average terminated participant spent barely half a year in drug court. Nevertheless one of the chief reasons why these juveniles were terminated from the program was because of repeated failure to comply with program objectives - a symptom that apparently carries baggage into adulthood. We know from an earlier report that juveniles who fail to complete drug court are likely to reside with one parent, be referred to court an earlier age, be less likely enrolled in school, and be diagnosed with a mental health disorder. We also know from earlier analysis that the longer a graduate spends in drug court, the lower the probability of adult recidivism. The average length of stay at SC drug court was 10.5 months.

Since this study, SC has lengthened its program to 12 months and is in the process of considering an aftercare program once they leave the drug court program.

- **An Outcome Evaluation of Juvenile Drug Court Using the Child and Adolescent Functional Assessment Scale** Dr. Kevin Thompson, (August 2006)

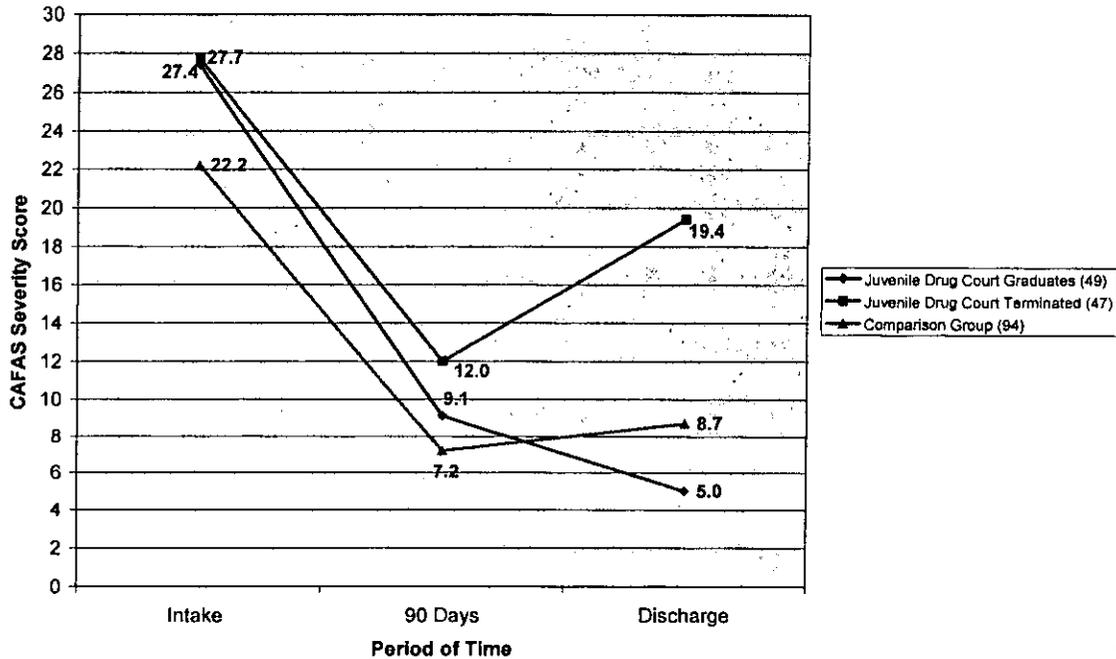
This study sought to determine the effectiveness of treatment for substance abusing juveniles. More specifically, the aim of the study was to assess treatment progress differences between juvenile drug court participants and substance abusing juveniles not exposed to juvenile drug court. Juvenile drug courts should theoretically improve treatment outcomes for juveniles. Exposing drug court participants to weekly sessions in front of a judge who holds them accountable for treatment progress, school grades, family functioning, community service, meetings with probation officers, and appropriate behavior toward others should enhance treatment outcomes relative to non-drug court participation.

There were 190 juveniles included in the study. Approximately one-half of the subjects were drug court and one-half constituted the comparison group. Licensed addiction counselors employed by substance abuse treatment facilities completed a Child and Adolescent Functional Assessment Scale (CAFAS) on each juvenile participating in treatment. The CAFAS is used to assess the effect of symptoms in children and adolescents with emotional, behavioral, or substance use disorders. The CAFAS measures adolescent functioning with respect to seven subscales: (1) school performance, (2) home functioning, (3) Delinquency, (4) behavior toward others, (5) moods/emotions, (6) substance use, and (7) family/social support. The CAFAS was at intake, 90 days, and discharge.

Data shows that the drug court graduates, the comparison group subjects, and the terminated group made substantial progress on all of the subscale domains during the first 90 days of treatment. Following 90 days, drug court graduates continued to make substantial treatment gains. Comparison group subjects exhibited modest gains and terminated participants tended to either stall in treatment progress or regress.

Figure 11 shows that clearly the drug court participants in this study were almost all at the severe level of impairment at intake with both terminated participants and graduates scoring over 27 on this scale.

Figure 11. CAFAS Severity Scores-Substance Use Subscale



A summary description of the Substance Use Subscale would indicate the following:

- 1) Treatment appears to be effective for all subjects during the first 90 days.
- 2) From 90 days to discharge, terminated and comparison group subjects' impairment levels tend to worsen.
- 3) Drug court graduates ratings of substance use declined 82 percent over the course of their treatment.
- 4) The net effect of treatment on substance use scores for drug court graduates appears to be around 21 percent (difference between graduates and comparison group).

Data from this study shows that the average juvenile with a substance abuse diagnosis benefits in some way from treatment during the first 90 days. Clearly however, some juveniles benefit more than others. In this study, juveniles participating in juvenile drug court and ultimately graduating from the program (1) improve their school functioning, (2) lessen their inappropriate home behaviors, (3) reduce their delinquent acts 4) behave in a way that is more respectful of others, (5) exhibit fewer fears and anxieties, (6) reduce their use of intoxicating substances and the negative consequences associated with their use, and (7) gain family support. In virtually every domain, drug court graduates' treatment outcomes outstrip the gains made by the comparison group.

- **Projects and Activities in 2005-2006**

- A mentoring program began with the Fargo Police Department in 2006. This program is designed to build on the strengths of the participants. The officers and participants are building positive relationships. They have attended baseball games, canoe outings, and rock-wall climbing. The next phase of the program will include community service projects.
- The Grand Forks Drug Court participants and team members completed an art/history project during their summer months. Drift wood was collected and used to sculpt a herd of buffalo which have been on display in the local galleries and parks.
- The Bismarck Drug Court has become involved in the "Banquet," a meal that is provided for the poor, weekly at a local church. The participants are involved in the setup , serving, and are also able to have interaction with the guests. Discussion follows the "Banquet" with staff and participants.
- Participants are involved in a program with Bismarck High School involving suitcases packed for foster care children who are being moved from place to place. These suitcases are packed with books, bears, and personal items.
- Day of Care is an annual event where the Bismarck community provides someone deserving of repairs on their home. The participants and team are involved in this program yearly.
- The Bismarck team works with the City of Bismarck in taking down the Christmas decorations for the city. This is a group project with the team and the participants. This had helped strengthen the bond between team members and participants.
- Fargo participants have provided their help at the local wrestling meets and also taking down Christmas decorations at the Rheault Farms.

Success Stories



- One JDC participant was elected to student council
- Several have achieved a perfect GPA
- One scored in the 82nd percentile on the ACT following a very low score prior to JDC
- Several have gone to (or are considering) college
- Several girls have delivered drug free babies

What the participants had to say...

- "It (JDC) raised my confidence, self-esteem, and my motivation to hear that others were proud of me."
- "It (JDC) helped me learn from my mistakes and it also helped me think before I took action."
- "I have a closer relationship with both friends and family, and they trust me."

What the parents had to say...

- "I do not believe she would be alive today if not for the drug court program."
- "The team seems to really care about the welfare of the teens."
- "It's as though this whole program was designed with my son in mind... it worked well!"