

2015 HOUSE APPROPRIATIONS

HB 1002

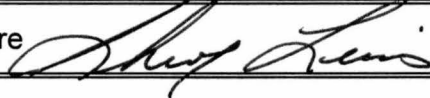
2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1002
1/14/2015
Recording Job# 21944

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch; to provide for the establishment of additional district court judgeships; and to amend and reenact sections 27-02-02 and 27-05-03 of the North Dakota Century Code, relating to salaries of supreme and district court judges.

Minutes:

Attachment A

Chairman Thoreson: Opened the hearing on HB1002.

Gerald W. Vandewalle, Chief Justice, ND Supreme Court: See Testimony attachment A.

Vice Chairman Brandenburg: I just wanted to compliment you. I was reading Coyote Warrior and you were in that book.

Gerald W. Vandewalle: That's what happens when you get old, you have all those life experiences.

Don Wolf, Director of Finance, ND Supreme Court: See testimony attachment A.

Chairman Thoreson: This would be for remodel of that space that ITD vacated over in the Judicial Wing in the capitol?

Don Wolf: Correct.

Chairman Thoreson: That is separate of the idea of also remodeling the Liberty Memorial Building?

Don Wolf: Correct.

Chairman Thoreson: Both spaces would be utilized in this case?

Don Wolf: Correct.

Don Wolf continued with his testimony.

Chairman Thoreson: Is the current system not electronic storage?

Larry Zupke, Information Technology Director, ND Supreme Court: We still store that manually.

Don Wolf continued with his testimony.

Chairman Thoreson: You referenced the jail space needs study. Could we get a copy of that please?

Don Wolf: Yes.

Representative Skarphol: We see references to CGIS in various periods. I would ask that council put together an enterprise-type document for CGIS that reflects the expenditures in all the various budgets; or any other project that you recognize in your endeavors.

Sean Smith, Fiscal Analyst, ND Legislative Council: Yes.

Don Wolf continued with his testimony.

Chairman Thoreson: So we would be pickup up where LSS is leaving off when that ends?

Don Wolf: That's right.

Don Wolf continued with his testimony.

Vice Chairman Brandenburg: What happened in Williston? Were there problems?

Gerald VandeWalle: There are two issues. One was treatment and the other was referrals. Police officers up there are too busy to be handling some of these minor things; so, referrals were down and the treatment wasn't there, so we just closed it down.

Chairman Thoreson: Rather than having the referrals because they're so busy, they're just left hanging out there?

Gerald VandeWalle: Some are in juvenile court; they're not being referred to drug court. They may or may not be getting treatment. If they are, it's not through the formal drug treatment program.

Chairman Thoreson: Would there be any concern of a similar thing happening in Dickinson?

Gerald VandeWalle: It's possible. We won't know until we get into it. I'm guessing that Dickinson is not quite as intense as Williston is.

Don Wolf continued with his testimony.

Chairman Thoreson: In the case where there's an overage, would it be looked at that that person could move to a different area? How does that work?

Gerald VandeWalle: Anything less than one is not going to be moved.

Vice Chairman Brandenburg: If you do have room to move some cases from an adjoin district, is that something that's possible?

Gerald VandeWalle: The parties have the right to have their cases tried in their own venue. There are civil cases that can be transferred.

Don Wolf continued with his testimony.

Chairman Thoreson: Why is it \$210,000 again?

Don Wolf: The cost increase is primarily due to when we convert the positions from the county bases to the state bases. They're guaranteed at least getting what they're currently making from the county. We have a pay grade system set up; so, if they're making less than that amount they would get bumped up to what our pay grade minimal was.

Chairman Thoreson: So if their salary was less as a county position, they would get moved up to what it is at the state?

Don Wolf: To the minimal allotment that we would have for that position.

Don Wolf continued with his testimony.

Representative Vigesaa: When you contract you just pay exactly what the county would pay them and then an equivalent amount for the benefit package?

Don Wolf: Basically, yes. We take their caseload history over the last couple of years and figure out what the need is for clerks in that office. We reimburse them at the rate that the county is paying for those clerks.

Vice Chairman Brandenburg: If you could bring back a flow chart that shows how you're going to position all these FTE's we'd appreciate it.

Don Wolf: Of all the positions we have, including the 9 county positions, there's 28 total. All of them will be in the western part of the state except for the 3 relating to Barnes county.

Vice Chairman Brandenburg: I heard Justice VandeWalle talk about the new housing where's that going to be funded through?

Don Wolf: OMB.

Chairman Thoreson: The money for the remodel of the Liberty Memorial Building is \$40 million?

Don Wolf: Yes.

Chairman Thoreson: That's been placed in SB2015 which is on the Senate side right now?

Don Wolf: Yes.

Cynthia Feland, Judge, South Central Judicial District: See testimony attachment A.

Representative Kempenich: What triggers the response?

Cynthia Feland: Right now when someone is appointed as a guardian or conservator, they are required to file an annual report with the clerk's office. Our concern is when they file these reports, some people believe that the courts look at them and if there are issues, the courts immediately bring people in. There isn't a mechanism to do that.

Representative Skarphol: I'm not sure I agree with defining this by a geographic area. I'm not sure that some of those audits shouldn't take place in the west.

Cynthia Feland: When you look at a pilot project you look at it in a more narrowly defined geographic area.

Representative Skarphol: I'm not as familiar with the guardianship program as you are; but I would assume these reports indicate some degree of wealth. If not, maybe that's a consideration that should be given to the reports because of the fact if a guardianship involves multiple millions of dollars it may warrant a look.

Cynthia Feland: I understand what your concerns are. The working group wasn't opposed to looking at something statewide. We were trying to find a way to create a proper mechanism to conduct a review. We were trying to narrow the area in which it was conducted. There is another bill that is going to deal with some revisions to the guardianship statutes and conservatorship statutes. One of those deals with providing a more detailed annual review.

Representative Skarphol: Does it become a workload issue for the judges in that region?

Cynthia Feland: It would be an additional workload to the judges because the reports that are generated are going to go to the judge in that district for review.

Representative Skarphol: Is there any reason that that workload couldn't be transferred to those judges in the northeast district?

Cynthia Feland: Sometimes we end up going to other jurisdictions. Sometimes other jurisdictions have conflicts and so they have to bring a judge in from out of the area. Those cases have to be handled in the jurisdiction in which they are filed.

Representative Boehning: I'm dealing with a situation where the family member had the power of attorney over a couple I currently have power attorney. Is there anything that the courts do that looks at who has power of attorney?

Gerald VandeWalle: The courts do not regulate powers of attorney. The state has not regulated it's relationship between the person giving the power of attorney and the person receiving that power of attorney. That's a relationship between the two of them. Puerto Rico does require that they register their powers of attorney. You don't have to register a power of attorney in North Dakota; it's a private agreement just like any other contract.

Cynthia Feland: While the courts don't get into powers of attorney directly, if someone is abusing those authorities, there are the potential for criminal charges.

Daniel Crothers, Justice, ND Supreme Court: See attachment A.

Chairman Thoreson: Before we start, you house your own technology. You do not go through ITD, is that correct?

Daniel Crothers: Correct.

Chairman Thoreson: You have portions that you may work with them on but you are exempted from the requirement.

Daniel Crothers: That's correct. We have our own technology department and we have our own data storage and maintenance facilities. All our adjudicative matters have to be and remain confidential with limited access by anyone but court personnel. There are federal regulations prohibiting the executive branch from allowing anyone to have access to their data storage facilities i.e. HIPPA. HIPPA prohibits court employees from having access to either the electronic information or the physical space where data is being stored.

Representative Skarphol: You can't be located within the same secure facility; even though you would be separate from the state executive branch and the legislative branch?

Daniel Crothers: My understanding is our data backup could be in the same building. But, within that building our data would have to be stored separately and our employees who are maintaining our facility would have to be physically separated from the other state resources. ITD doesn't want us on their site.

Representative Skarphol: Is it due to the space factor?

Daniel Crothers: It is a space factor. ITD does have a backup center in North Dakota and they have no physical space in the location on the floor that they have developed for that backup center. The same building has some other space that would require significant upgrades.

Daniel Crothers continued with his testimony.

Representative Kempenich: How did you come up with \$1.7 million? Is that something that's off the shelf? Are you involving any outside people?

Daniel Crothers: The software is \$172,000.00, implementation/customization is \$899,000.00, disk storage area/network equipment \$220,000.00, IT equipment less than \$5,000.00-totals \$112,500.00, maintenance agreement \$90,000.00, contractual services \$205,000.00. Within the contractual services is a project manager that would be contracted. Also included in that number is the ITD large system management oversight cost; and then miscellaneous license fees of about \$83,000.00. We can get you the breakdown that I'm reading off of.

Representative Kempenich: What's your maintenance? Is that biannual?

Larry Zupke, Technology Director, ND Supreme Court: It's biannual.

Representative Kempenich: Then the \$200,000.00 is that just until the system is up and running? How long is the support lasting?

Larry Zupke: The maintenance is \$45,000.00/year; and it's based on a 21% cost of the purchase price of the software; so if we look at it biannually, it's \$90,000.00.

Representative Kempenich: The contractual service is \$200,000? Does that just last until you're up and running?

Larry Zupke: That is to hire an internal project manager for the courts to oversee the project as well as hire a project manager through ITD for the large project management oversight. It's one time.

Daniel Crothers continued with his testimony.

Representative Kempenich: Do you physically remove the tapes?

Larry Zupke: We create the tapes in the capitol building and they are relocated to another facility here in Bismarck the next day.

Daniel Crothers continued with his testimony.

Chairman Thoreson: Could we get a copy of the study?

Daniel Crothers: Absolutely.

Daniel Crothers continued with his testimony.

Chairman Thoreson: Would the court relocate to that building?

Daniel Crothers: Yes.

Chairman Thoreson: So that would be vacated from the capital.

Daniel Crothers: Yes. We need the space we have plus another 25,000 square feet.

Chairman Thoreson: Was there a discussion about just building a brand new facility from the ground up?

Gerald VandeWalle: One of the suggestions was that we put a new building out where the Bank of North Dakota is and I resisted that. There's concern about putting another building on the campus. This was a proposal that was made to us.

Representative Kempenich: When was that building built?

Gerald VandeWalle: It was built in 1924.

Chairman Thoreson: There was supposed to be a mirror building across the mall.

Gerald VandeWalle: Location is a big issue.

Vice Chairman Brandenburg: They're really going to tear out those stairs in there?

Gerald VandeWalle: No. The architect understood that we maintained the integrity of that building.

Representative Boehning: And you're going to add on?

Gerald VandeWalle: It will be used but it will not be modified in any substantial way. The major portion for the court would be in the addition that's being added on. The first floor would have some sort of interpretive center. The courtroom would be in the new part.

Representative Boehning: Does the state library stay with you?

Gerald VandeWalle: My understanding is that it would not be there. I don't know what their plans are.

Chairman Thoreson: Recessed the hearing.

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Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1002
1/14/2015
Recording Job# 21956

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

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Minutes:

See attachment A

Chairman Thoreson: Reopened the hearing on HB1002.

Representative Skarphol: A lot of the conversation over the break centered over this power of attorney. Is there a type of mechanism that other jurisdictions have tried to develop that seems feasible? One of the things we discuss was registering them.

Gerald VandeWalle: Puerto Rico does register them. One of the problems is that if you make it so cumbersome ordinary people can't get a power of attorney. There's no one solution found yet.

Representative Boehning: The thing I found with taking over the power attorney was that every time you talk to an entity, you have to give them a form and most places want to see the original. It would be nice if we could have them online.

Gerald VandeWalle: That's not a big problem. I understand your concern.

Representative Glassheim: Could you not put something into law which requires fiduciary responsibility on the part of the person exercising it and therefore if they did something unusual there'd be some standing?

Richard VandeWalle: Our case law already says it's a fiduciary relationship. So if you come into court it is a fiduciary relationship; but, the problem is it's after the fact.

Don Wolf, Director of Finance, ND Supreme Court: See testimony attachment A.

Representative Kempenich: What is the increase on the district side? I'm assuming you put the additional operating expenses for the new judges in the operating line?

Don Wolf: It's in the operating line.

Vice Chairman Brandenburg: \$20 million is a sizeable amount; and we have to understand it so we can explain it the best we can. It looks like the supreme court is about \$3 million and district court is about \$17 million. As I understand it those are the judges and the new people? Two are going west and two are in the south central?

Don Wolf: Correct. Two in the south central which would be either Bismarck or Mandan; depending upon where there's room. One would be in Dickinson and one would be in Watford City.

Representative Kempenich: What about these other chambers? Are we going to get requests for remodeling?

Gerald VandeWalle: Williston has the greatest need and we're not putting a judge in Williston because they don't have the facilities right now. They're trying to come up with something for facilities.

Donna Wunderlich, Trial Court Administrator, South Central District Court: The plan would be if we would get the judges, we have a law clerk office that we currently use as a visiting judge chamber in the Burleigh county courthouse; that would be converted into a judge office. We would place 2 court reporters in the office adjacent to the visiting judge office. Our judges in this district are already used to sharing courtrooms. The other judge would go in Morton county into what we currently call our floater chamber. That is a chamber that only has a judge in it when we have judges handling master calendar items. We would place the judge in that office permanently and use a smaller office that was housing a court reporter to allow the judge on master calendar to have an office. We wouldn't need any additional space.

Carolyn Probst, Court Administrator, Northcentral and Northwest District Court: Watford City does have accommodations for 2 judges; those will be completed as of March.

Chairman Thoreson: Are they building an additional chamber? There was just one, correct?

Carolyn Probst: Correct, there are two. They've done extensive remodeling and they currently have the new courtroom finished. We'll maintain the trailer until mid-March and then all accommodations will be completed as of this year. They brought in a consultant to Williams county for space and we looked at what was available now and what could be renovated in the next 3 to 6 months. He was confident that we could create another chamber, staff office, and another hearing room; which will provide more space for cases to flow through. This is with the understanding that further renovations will take place through 2017; to be fully renovated.

Representative Kempenich: Do you have some equity money in the salary part of this?

Don Wolf: We do just have the regular 3 and 5 percent range.

Representative Kempenich: Is that additional on top of that?

Don Wolf: Our current budget request is just what OMB put in.

Tony Wyler, Executive Director, ND Bar Association: I represent almost 2,900 licensed lawyers. We do support the courts budget and appreciate the work they do.

Chairman Thoreson: Closed the hearing.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1002
2/3/2015
Recording Job# 23059

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch; to provide for the establishment of additional district court judgeships; and to amend and reenact sections 27-02-02 and 27-05-03 of the North Dakota Century Code, relating to salaries of supreme and district court judges.

Minutes:

See attachment A and B

Chairman Thoreson: Opened the discussion on HB1002.

Sally Holewa, State Court Administrator, ND Supreme Court: See attachment A.

Representative Kempenich: How many support people come with that judge?

Sally Holewa: We consider a judge unit to be a judge and a court reporter.

Vice Chairman Brandenburg: You have 4 judges and 4 court reporters?

Sally Holewa: Our original request includes 4 judges and 4 court reporters; so out of that 28 FTE that you see on your green sheet, 8 of those our judge/court reporter units.

Vice Chairman Brandenburg: So we have 4 judges, 8 court reporters and then the additional judge and another court reporter.

Sally Holewa: It's 4 judges and 4 court reporters for a total of 8.

Vice Chairman Brandenburg: That's the original request. But now you're requesting another judge.

Sally Holewa: It's a total of 10.

Chairman Thoreson: You said that Williams county went to these national experts. What was it that they actually did? Did they come in and look at the facilities or did they just provide information and made an opinion based on that?

Sally Holewa: This person came to Williams county, met with them, toured the facilities and gave them some initial ideas of where they could begin with their remodel. They are contracted to work with the criminal justice side; what the court's need, what the county law enforcement center needs, what they need for their detention needs.

Representative Vigesaa: How do you assess the need for a judge? Is it by the number of cases pending?

Sally Holewa: We use a weighted case load system. You look at how much work each case type takes; and they do that by doing an initial time in motion study. They come in and spend 6 weeks looking at how long it takes to do each case type and then they average that across the state. That weighted case is multiplied against the number of cases filed by case type. We run those statistics every year but we average them over two years. So the 2.56 is the need averaged over the last 2 years.

Representative Skarphol: Can you tell us about the disposition of cases in that northwest region vs the others? Are things way behind by comparison?

Sally Holewa: We don't have a good measure for how far behind things are; but we do something called docket currency. We know that in the northwest, particularly in the Williston area, that the number of cases going beyond standard is growing. In 2009 when we ran docket currency, the average number of overdue cases in the northwest was 80. Now they're up to the 500 to 600 mark.

Representative Skarphol: Because of that trend are there people who are challenging the system by their actions? Are they saying they want to go to court in order to increase the case load?

Sally Holewa: You're seeing two things. As soon as you get a new judge there are a lot more trials as they're trying to test that judge.

Representative Glassheim: Can you talk about the 13 clerk of court positions?

Sally Holewa: There are 9 positions that we don't want you to regard at all. They are coming over from the county clerks. We're already funding them except for a little for their health and retirement. They don't bring us anymore help because we're already getting their help.

Vice Chairman Brandenburg: Which 9 FTE's from the county are going to become state employees?

Sally Holewa: The clerk of district court one. Those are the clerk of court positions in Barnes county and McKenzie county. The clerk of court is the office supervisor or manager. Six of those are brand new current state funded offices.

Vice Chairman Brandenburg: Six are new?

Sally Holewa: Yes.

Vice Chairman Brandenburg: Then the seven?

Sally Holewa: Seven are coming over from Barnes. In that number it would be 5 in McKenzie county and 2 in Barnes county.

Vice Chairman Brandenburg: So 5 and 2. Those are positions that the state will be taking over?

Sally Holewa: Yes. The other 6 are new and there will be 2 in Burleigh county, 2 in Williams county, 1 in Ward county and 1 in Stark county.

Vice Chairman Brandenburg: So 2 in Burleigh, 2 in Williams, 1 in Stark and 1 in Ward.

Representative Skarphol: The 2 in Williams are regardless of what we do in regard to your request today?

Sally Holewa: Yes. They are outside of what we would do with an additional judgeship; because there's a desperate need there.

Representative Skarphol: We're under a lot of pressure to not to do some of the things that have been requested. I can't imagine that 30 new FTE's are going to happen.

Sally Holewa: I understand.

Representative Skarphol: Let's go to number 6 on the green sheet.

Sally Holewa continued with the green sheet.

Chairman Thoreson: That's separate from the request of the Liberty Memorial; that's in SB2015?

Sally Holewa: Yes.

Sally Holewa continued with going through the green sheet.

Chairman Thoreson: When you doing training you said you're limited to about 10 right now. Correct?

Sally Holewa: Correct.

Chairman Thoreson: What are you envisioning that you need space for? Are you looking at groups of 20 or 30?

Sally Holewa: We're looking at some smaller conference rooms for meetings; but we're looking for rooms that can hold 50 to 75 people.

Sally Holewa continued with the green sheet.

Chairman Thoreson: Where would that tunnel run to?

Sally Holewa: It would be an exit out into the parking lot.

Representative Skarphol: If we do the \$1 million remodel and you get a new facility, is that space intended to be utilized in some other fashion? Has that been part of the discussion or are we looking at a second remodel of some nature?

Sally Holewa: That would be a permanent addition to the capitol and make that space useable for anyone in the capitol. It's going to be completely reconfigurable if some other tenant takes that space.

Representative Vigesaa: How much did you pay in rental costs to have the meetings off site during the last biennium?

Sally Holewa: I don't have that information.

Chairman Thoreson: Don do you know how much the cost was to rent space.

Don Wolf, Director of Finance, ND Supreme Court: I don't know off hand.

Chairman Thoreson: That would be to rent conference rooms at hotels?

Sally Holewa: Yes.

Sally Holewa continued with the green sheet and attachment B.

Vice Chairman Brandenburg: Going back to the county positions; those people will still stay in the county, but they become state employees?

Sally Holewa: That's correct.

Representative Kempenich: What's your ability to fill the positions you have now?

Sally Holewa: We're able to fill positions. We've had difficulty in Williams county, Burleigh and Morton counties. We used to get 30 or 40 applicants and now we're only getting 5 to 7. The people that we're able to recruit are generally less educated and less experienced.

Representative Kempenich: In Williams county it's probably the spouse of somebody moving in.

Sally Holewa: We lose some of our best employees when their husbands get fired from the oil jobs.

Representative Hogan: You also have 2 additional positions on the first page that are not directly district court.

Sally Holewa: Line 2 of your green sheet under Supreme Court; these are Supreme Court positions. They are 2 accountant positions. The guardian related person, we would like to start a pilot program to do some better monitoring of guardianship and conservatorship cases. This person would be hired to set up that program.

Chairman Thoreson: It would be an accounting type position?

Sally Holewa: Right.

Sally Holewa explained the 2 positions from the green sheet.

Chairman Thoreson:

Representative Boehning: With that guardianship program, you're looking at doing a pilot project with just one person? Would it be more involved than that?

Sally Holewa: It would be 1 FTE. It would be a pilot program only for the southcentral and southeast judicial districts; so that's the Burleigh, Morton, southcentral, and southeast is Valley City and Jamestown. Proportionately, they have the most number of guardianship cases. We would contract with people called court visitors. Whenever there's a new guardianship case, the court visitor makes an actual face to face visit with the person who is alleged to be incapacitated and gives a recommendation to the court on what should happen to them. A year or two after the guardianship was in place, we'd again contract with the court visitor to do a follow-up to make sure that everything is running smoothly.

Representative Boehning: Would that be a contracted position rather an FTE?

Sally Holewa: We looked at a contract position and found out it would be almost impossible. None of the accountant type firms would be interested in that.

Sally Holewa continued with the green sheet.

Representative Skarphol: If we refused to give you that money would the counties have to pick it up?

Chairman Thoreson: If this weren't funded; because you did say it was the counties that were paying more, would it come out of their budget?

Sally Holewa: Underneath the statute we have to pay what the county said. The statute also says if the county refuses to provide the service; that the state will provide it.

Sally Holewa continued with the green sheet.

Don Wolf, Finance Director, ND Supreme Court: Explained item 10 on the green sheet.

Representative Kempenich: You have a sizeable increase in medical, dental and optical. Is that for the staff?

Don Wolf: It's primarily relating to juvenile court. It's for where we do the drug testing supply kits.

Representative Kempenich: I see your IT processing and software are going up rapidly also? Is that just cost?

Don Wolf: We're looking at a 10% to 20% increase for software supply. The IT data processing costs are determined by what the ITD guidelines are; it's based upon a per FTE amount.

Sally Holewa continued with the green sheet.

Representative Kempenich: So it's basically a tough love program?

Sally Holewa: I think it's a tough love program for both the child and for the parents.

Representative Kempenich: I think the problem is that parents want to be the child's friend instead of the parent and that doesn't work.

Sally Holewa: I agree.

Sally Holewa continued with the green sheet.

Don Wolf explained item 14 of the green sheet.

Vice Chairman Brandenburg: So 14 and 15 should both be zeroed out?

Sally Holewa: Right.

Representative Skarphol: Does legislative council agree with that?

Sean Smith, Fiscal Analyst, ND Legislative Council: We don't necessarily agree; we're trying to clear it up. In order to tie it with the executive budget, we had to add these amounts.

Vice Chairman Brandenburg: It could be a zero; but, it's not a zero today?

Sean Smith: Yes.

Representative Skarphol: Can we also have a response from OMB about their opinion on this?

Office of Management and Budget: I believe number 14; the CGIS is in the attorney general's budget. It was previously in ITD's budget.

Vice Chairman Brandenburg: What about the \$516,000.00?

Office of Management and Budget: I'll have to look into that.

Sean Smith: Those numbers were one-time funding last biennium; so they were in there and OMB does a one-time funding add back.

Vice Chairman Brandenburg: It's like that double funding; where it goes to the general fund and OMB and you end up with the doubling?

Sean Smith: It is the one-time funding add back; and to remove.

Vice Chairman Brandenburg: We'll have to find that out.

Sally Holewa continued with the green sheet.

Representative Skarphol: This is going to be to build a facility to be your backup?

Sally Holewa: It's to rent space in an existing data facility.

Representative Skarphol: This is to pay the cost of installing and buying the equipment?

Sally Holewa: It's to purchase and install the equipment and to pay the rent on it.

Representative Skarphol: Is there any possibility you could contract with an existing facility that supplies that type of service?

Sally Holewa: The facility we are contracting with is actively doing this; but they require you to install your own equipment.

Larry Zubke, Information Technology Director, ND Supreme Court: We did look outside the state; there's no one in the state that would provide the equipment for us. You can lease time from other facilities outside the state of North Dakota; it's a very expensive solution. It doesn't provide you much security; because you don't know how much work it's going to take to get it all set up.

Representative Boehning: Don't we have a new place at UND that would be able to do this as well?

Representative Skarphol: We did put in an IT facility for the university system at UND and it did have excess space; but I don't know if it has the capability to do what's needed here.

Larry Zubke: I don't think the courts care as long it was outside of the Bismarck/Mandan metro area. If something could be arranged with UND, I don't think that would be an issue.

Representative Kempenich: All you're looking for is to keep your equipment segregated through a separate facility?

Don Zubke: Even if UND could work, we will still have to purchase the same equipment.

Representative Glassheim: Could you break down the \$2 million, how much is hardware and how much is lease?

Don Zubke: The breakdown was \$825,672.00 and that would include the rental for the facility and the network cost to ITD to maintain this on a daily basis. The software costs were estimated \$500,000.00 and those would be software licenses to have smaller subset of equipment to have software up and running. \$20,000.00 is for contractual services to hire an ITD large system project manager and \$824,000.00 was the actual equipment we'd be installing.

Representative Skarphol: What are the anticipated annual operating costs once you're up and running?

Don Zubke: The annual costs are estimated at \$283,836.00.

Representative Skarphol: So the lease costs are how much?

Don Zubke: The monthly cost is \$3,653.00 for the facility.

Vice Chairman Brandenburg: So about \$36,000.00/year; and \$72,000.00 per biennium.

Representative Skarphol: What would you consider your cost to be to provide the backup that you have today?

Don Zubke: Very minimal. It's the cost of purchasing additional tape drives as we need them and the tapes and the storage.

Vice Chairman Brandenburg: \$1.3 million is a big number for copy machines, etc.

Don Wolf: That includes our IT equipment. Our total for office equipment and furniture is \$338,500.00 that's for the district.

Vice Chairman Brandenburg: So how much was that?

Don Wolf: \$338,500.00 is for non IT equipment. Just over \$1 million is for IT equipment.

Don Wolf continued with the green sheet.

Representative Kempenich: (Didn't have microphone on.)

Larry Zubke: All of our servers that we use at the courts are going on 6.5 years. Those are updates for the servers.

Representative Kempenich: So you're just putting new software in them?

Larry Zubke: It's the disk storage upgrade and we're not going to last too much longer.

Representative Kempenich: That is a replacement?

Larry Zubke: Right. \$72,000.00 in addition to that is upgrades to servers that are over 6 years old.

Representative Kempenich: So you're upgrading to a bigger unit?

Larry Zubke: Yes. We would put the new units, the disk drives themselves.

Representative Kempenich: This has to be redundant also.

Larry Zubke: The \$820,000.00 included one of these XIB disk storage units; so they're exactly the same.

Representative Boehning: You need 4 new copy machines and you're going paperless?

Sally Holewa: We are going paperless. We generally use our copy machines because we are required to notice people by mail when their court cases are in order to get jurisdiction over them. We're also required to send out copies of the orders and notices to people.

Representative Kempenich: Do you lease them or do you buy?

Sally Holewa: We buy.

Representative Vigesaa: I'm assuming some of this equipment would be for the new judgeships also. Do you know how much equipment is purchased for each of those new judgeships?

Don Wolf: For each new judge we have a computer and printer for each new judge. The steno machines would also be provided as each judge would also have a court reporter.

Representative Vigesaa: How much would that be per judge?

Don Wolf: The computer and the printer would be a little bit less than \$3,000 and the steno machines are \$7,500.00 a piece.

Vice Chairman Brandenburg: About \$10,000.00?

Don Wolf: Yes. Then there is some office furniture, a work station and that would be about \$10,000.00 per judge.

Representative Kempenich: For a new clerk of court for a judge you're estimating about \$29,300.00.

Don Wolf: Yes. There would be some IT data processing costs. For the court reporter we're looking at a computer of \$1,400.00, IT data processing costs \$1,400.00 and a work station so it's about \$4,500.00 for each court reporter.

Sally Holewa continued with the green sheet.

Vice Chairman Brandenburg: What is this going to do with that program?

Sally Holewa: The computer system is how we track what's happening, what cases are filed, who's involved in it; especially in the juvenile area because we do have juvenile probation it tracks, condition of probation, it contains the notes from the probation agents. The current system we have now acts as a file cabinet.

Representative Kempenich: This must be a higher priority?

Sally Holewa: In our list of priorities for IT; the number one thing is the disaster recovery system. We want to upgrade our juvenile case management. If that's the one item that has to be cut, we can hold off for 2 years.

Representative Boehning: Is there any national standard that the court systems require? Are you audited to make sure that you have a backup system of any kind?

Sally Holewa: There's no national standard or audit.

Representative Boehning: I was just curious if there anything.

Sally Holewa: There's nothing like that.

Sally Holewa continued with the green sheet.

Vice Chairman Brandenburg: Why do you need \$90,000.00? Is this to discipline lawyers or judges?

Sally Holewa: The disciplinary board is the attorney side; the judicial conduct commission is the judge side. They do take complaints and investigate them. The biggest part of the expense is they have very limited space and they can rent more space in the building their in; so, part of it is lease costs. The other part has to do with some investigative costs. They also hire court reporters to take depositions.

Vice Chairman Brandenburg: So it costs for disciplining lawyers as well as judges?

Sally Holewa: Yes.

Representative Vigesaa: Where do the other funds come from?

Sally Holewa: The other funds come from the bar dues to belong to the state bar association. We are a mandatory bar; so if you pass the bar in North Dakota you have to join the bar association.

Representative Skarphol: You have \$786,000.00 in extraordinary repairs. Can you tell us what that is?

Sally Holewa: That's the cost to build that tunnel.

Representative Skarphol: Do you have any discomfort in the way things are handled in the court system? Do you think we don't spend enough money in places we should or we spend too much money in places we don't? Is there any other methodology in any state that you're aware of for funding the courts?

Jack McDonald, Lobbyist: I should state that I represent the district court judges as a lobbyist and am president of the ND Bar Association. I represent almost 2,900 attorneys in North Dakota. It's a branch of government that needs to operate along with the other branches of government equally. I'm not aware of any other state that doesn't go through this same thing. In a lot of other states you don't have a unified court system.

Representative Skarphol: If there were a mechanism to allow the courts to have a given amount of money, how would we get the proper perspective on the utilization of those dollars? Let's say, for example, that we set up some type of continuing appropriation that the courts were entitled to a given amount of money, does the bar association have an opinion? Do they communicate back and forth to the effectiveness to where we could get some comfort out of the fact that the court system was being monitored by the bar association and the attorneys in the state?

Jack McDonald: Yes and no. We have great communication the bar association meets regularly with the Supreme Court. We don't do an overall accounting of the judicial system; but in our larger counties the judges do meet regularly with the bar association.

Representative Skarphol: Should we be dictating?

Jack McDonald: With those 30 FTE's it sticks out. Every time you have a judge, you have to have a court reporter. The 9 new clerks of court are part of an overall plan that was started where they're gradually taking over and by state law we're required to assume those county court clerk positions.

Vice Chairman Brandenburg: Is it 9 or 7?

Jack McDonald: I'm counting clerks.

Vice Chairman Brandenburg: How many are in McKenzie and Barne?

Jack McDonald: Six and 3.

Judy Vetter, Administrator, Guardian and Protective Services: Testified in support of line 20 of the green sheet for HB1002.

Representative Kempenich: How many are involved in your association?

Judy Vetter: I don't have the current number.

Representative Kempenich: Is there a list of courts throughout the state that have been screened?

Judy Vetter: There isn't a screening process. We're appointed as the public administrator and we are appointed to serve in guardianship cases. When the court appoints us, we're required to file annual reports but there's nobody screening those reports.

Sally Holewa: This state doesn't monitor training and we don't screen guardians.

Representative Hogan: Do you know what percentage of guardianships in the state are served by agencies vs family members or other individuals?

Sally Holewa: I don't know.

Representative Hogan: Do you know how many guardianships are appointed by the courts?

Sally Holewa: We have 4,463 active guardianship and conservatorship cases. I am familiar with some other alternative funding methods. By state constitution in West Virginia the judicial branch submits their budget and either the executive branch or legislative branch can alter it.

Vice Chairman Brandenburg: Closed the discussion on HB1002.

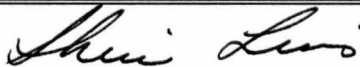
2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1002
2/10/2015
Recording Job# 23555

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch; to provide for the establishment of additional district court judgeships; and to amend and reenact sections 27-02-02 and 27-05-03 of the North Dakota Century Code, relating to salaries of supreme and district court judges.

Minutes:

See attachment A.

Chairman Thoreson: Opened the discussion on HB1002.

Adam Mathiak, Fiscal Analyst, ND Legislative Council: Explained attachment A.

Don Wolf, Finance Director, ND Supreme Court: Explained green sheet.

Adam Mathiak: Explained changes to the green sheet.

Chairman Thoreson: So the worksheet we just received lines up with the new green sheet.

Adam Mathiak: Correct.

Representative Kempenich: Can they move between operating and one-time?

Adam Mathiak: If you look at the second sheet of the worksheet there's a section that talks about line item transfers. So they can transfer funds between line items of appropriations for the judicial branch of government as requested by the supreme court.

Representative Kempenich: I'm making a proposal to increase the base level budget by \$15 million.

Chairman Thoreson: You're intention would be to have a sum of money of how much?

Representative Kempenich: The base right now is \$99,308,000.00 and if you wanted to go to \$115,700,000.00.

Representative Hogan: Would you do the same salary things we've done in all the other bills?

Representative Kempenich: No. I'm not going to pick and choose.

Representative Hogan: So you don't want to address the retirement issue in this budget either?

Representative Kempenich: No.

Representative Boehning: Do you know how your retirement fund is funded? At what level? You must be close to that 100% or probably above.

Don Wolf, Director of Finance, ND Supreme Court: I'll double check and get back to you.

Representative Boehning: I think the judges are around that 100%.

Don Wolf: I know we're below 100%.

Representative Hogan: The judge's retirement fund only retires to the judges. Do all the other supreme court employees fall under PERS?

Don Wolf: That's correct.

Representative Hogan: Is that the majority of your employees?

Don Wolf: Correct. We have 47 judges and the 5 supreme court people.

Representative Boehning: I would move over 3 judges vs the 4.

Representative Hogan: Typically there are 2 positions when you add a new judgeship.

Representative Boehning: That would be up to the courts if they need that person with the reduction of the \$5 million; they'd have to juggle that around in order to fund the 3 judges.

Representative Hogan: You're suggesting we fund the 3 judges and anything else would come out of their increase.

Representative Boehning: No. The 3 judges would come out of the budget that's currently here.

Representative Glassheim: I would agree with Representative Kempenich and not go through this exercise. I think \$5 million is a little high; but to say how much we want total and let the judges work on what they want transferred where.

Chairman Thoreson: Instead of putting a number in for judgeships?

Representative Glassheim: The court system should be the ones deciding how they want to reach that \$4 million or \$5 million reduction.

Representative Kempenich: It's a reduction from what they want.

Chairman Thoreson: Representative Boehning do you still want to go ahead with the request for the 3 judges?

Representative Boehning: Doesn't the legislature have to say how many judges they have?

Sally Holewa, State Court Administer, ND Supreme Court: You're correct. The legislature has to designate the number of judgeships.

Chairman Thoreson: So we can't give you a lump sum and say you can fund as many judges as you want? We would still have to put a number there.

Sally Holewa: Right. You have to amend that specific statute.

Representative Glassheim: What I think Representative Kempenich and I are saying is let them go back and say what they want and we still get to approve what they want.

Representative Kempenich: We do on section 5 of the bill; at some point we're going to have to say where those judges are going. My intent was for them to figure out if they want the 4 then they have to do that with what we're giving them.

Representative Skarphol: I think we can say they can have up to so many judges and they decide what they need based on the money we give them. We don't have to say they can only have 3. I'm not sure we need to designate exactly where they need to go.

Chairman Thoreson: Recessed the discussion.

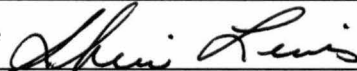
2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division Medora Room, State Capitol

HB1002
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- Subcommittee
 Conference Committee

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Explanation or reason for introduction of bill/resolution:

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Minutes:

"Click to enter attachment information."

Chairman Thoreson: Reopened the discussion.

Sally Holewa, Court Administer, ND Supreme Court: I'm excited about having more control about our budget. With that in mind, \$5 million is 25% of the increase that we asked for. We had amended 27-05-01 last session. In the past, that had specifically listed all the judicial districts and how many judges could be in each one. Now it reads that so many judges are authorized and the supreme court can place them. We could amend section 5 of the bill.

Sally Holewa went through the different sections of the bill that could be amended.

Chairman Thoreson: So it would get rid of all that other language about southwest judicial districts?

Sally Holewa: Yes.

Sally Holewa continued with changes to the language in the budget bill.

Chairman Thoreson: That would give the flexibility to determine where they're best needed?

Sally Holewa: Right. The green sheet addresses the four that we had included in the budget.

Chairman Thoreson: There was an additional request after that.

Sally Holewa: Exactly.

Representative Boehning: I would like to see three judges rather than five.

Chairman Thoreson: We would still have to determine the number?

Sally Holewa: Yes. It would be \$5 million cut plus the additional two judges?

Representative Boehning: Correct. It would be minus \$5 million and allow them up to three judges.

Chairman Thoreson: The language would read up to three additional judgeships instead of five.

Representative Boehning: Correct. The money for CGIS is still in your budget. If we transfer that over to the attorney general; isn't that like \$3 million?

Sally Holewa: That \$99,000.00 for CGIS criminal initiation is separate from what the attorney general's office or CGIS would need to do. That \$99,000.00 is what we would have to pay to our vendor to write an API for us.

Representative Boehning: Aren't we taking out of the court and moving to the attorney general's office?

Sally Holewa: CGIS is currently sitting underneath the ITD budget.

Chairman Thoreson: But you're saying you would still need this funding for an onramp to CGIS?

Sally Holewa: Yes. CGIS would do their part of the work and then we would deal directly with our vendor to build that piece so that the two systems could talk.

Representative Glassheim: What would be the impact of not replacing the juvenile case management system?

Sally Holewa: Nothing. It's an old system. We want to change it and make some improvements; but, if we have to wait it's not going to be a catastrophe.

Representative Glassheim: The 13 clerk of court positions are they required for us to take them in?

Sally Holewa: Seven of those are ones that we have to take and six are brand new; the two above are also.

Chairman Thoreson: The two and seven of the 13 are the ones we're picking from the county?

Sally Holewa: Right.

Representative Hogan: The increase of payments to the county is legislative already so you don't have any flexibility with that?

Sally Holewa: That's correct.

Chairman Thoreson: Another thing we had discussion about was the redundant IT which would be one-time funding. That would be an off-site backup somewhere?

Sally Holewa: Right.

Representative Boehning: What is the estimated ongoing cost after the \$2.1 million in the future?

Chairman Thoreson: If it's an offsite facility are you planning to contract with someone to operate it or would it be a court employee who's housed in a different location?

Sally Holewa: What we would intend to is rent from a commercial data warehouse.

Chairman Thoreson: There would be a third party that you would contract with to provide services.

Sally Holewa: There would be ongoing rent, ongoing software licenses to run that equipment, some replacement cost four or five years down the road.

Don Wolf, Finance Director, ND Supreme Court: The rental is \$88,000.00 for the biennium.

Chairman Thoreson: So \$44,000.00 per year.

Don Wolf: Right. The network connectivity would be \$480,000.00 per biennium. That would be an ongoing cost. We have budgeted \$500,000.00 for software licenses; but I'm not sure how many years those licenses would be enacted; and that would be ongoing.

Chairman Thoreson: Would those licenses include maintenance for the software? With a third party their staff would be the ones maintaining this and making sure the backup is occurring? Correct?

Sally Holewa: Right. Our IT director has investigated it thoroughly. My understanding is that most of our stuff would be monitored by us remotely on a real time basis. There are also certain alerts that the center would give if problems were occurring. Part of the rent would allow for some emergency onsite repair by their person or to safely shut down equipment until our people could get there.

Representative Skarphol: I think we ought to give the Supreme Court the opportunity to provide us with what would likely suffer in the event of this move on our part. Give us an idea of what would be on the block if we did this.

Chairman Thoreson: You're ok with more flexibility with budgeting? The chief will be back tomorrow. Is that correct?

Sally Holewa: Yes.

Representative Skarphol: Bring back a little more specificity about the remodel. My understanding is that the one room was going to be much larger that you're referring to.

Sally Holewa: The bigger room could hold 75 to 80 at tables or seated. The standing room would accommodate up to 250, we were told by facility management that that tunnel would be required.

Representative Skarphol: Please have a conversation again about the tunnel with facility management. Maybe you could give us some information about the square footage of that room also.

Sally Holewa: I will.

Don Wolf: The judge's retirement is 91% funded.

Chairman Thoreson: Closed the discussion.

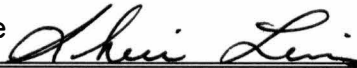
2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

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Recording Job# 23880

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

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Minutes:

See attachments A and B

Chairman Thoreson: Opened the discussion on HB1002.

Sally Holewa, Court Administrator, ND Supreme Court: See attachment A.

Chairman Thoreson: So this one large room in the upper left hand side; the other meeting rooms next to it, would they be completely separate or would the walls indicated on here be able to open for more space. Are they just three completely separated rooms?

Sally Holewa: They could be remodeled. The walls aren't permanent.

Vice Chairman Brandenburg: Which side is north on this piece of paper?

Sally Holewa: The part that's crossed out is the window space.

Sally Holewa continued with her presentation

Chairman Thoreson: The exit tunnel would go where on this?

Larry Zubke, Technology Director, ND Supreme Court: Explained attachment A.

Representative Skarphol: Is that north of the smoking deal on the east side?

Larry Zubke: That's right.

Representative Skarphol: So the tunnel will point to the east?

Larry Zubke: That's correct.

Larry Zubke continued with his presentation.

Chairman Thoreson: Is this space accessible at this time to take a look at?

Larry Zubke: Yes.

Representative Skarphol: For comparison I had an email from Lori Laschkewitsch and she says the code on that is 640 people standing room only, 450 chairs only and 210 table and chairs.

Chairman Thoreson: You said this was locked. Would there be a possibility of getting in there?

Larry Zubke: We can contact facilities.

Representative Kempenich: We're going to have to do something with this.

Representative Skarphol: I am curious about the miscellaneous fees. Do you have to hire an architect or engineer to do this or can the state architect design and do this?

Sally Holewa: I don't know if they have to hire someone else to do it. This came from facilities management. We took out all of the structural pieces of that project in our budget; the \$618,168.00.

Vice Chairman Brandenburg: What did you take out of there?

Sally Holewa: If you look at the budget for this project; everything from mechanical controls down.

Chairman Thoreson: So those items would be removed?

Sally Holewa: Yes.

Vice Chairman Brandenburg: There were steel partitions, folding partitions, some furniture.

Sally Holewa: Those were zero in the estimate.

Vice Chairman Brandenburg: This is the structural for what you want to do with the rooms.

Sally Holewa: What this would do is these rooms would be non-conforming.

Chairman Thoreson: The office spaces in here; is that relocation of current offices into this area?

Sally Holewa: We haven't designated for sure. We're thinking it may be a self-help center; also some office and work space for education department.

Chairman Thoreson: They're currently at home employees?

Sally Holewa: Yes.

Chairman Thoreson: Would they come in full-time?

Sally Holewa: Yes.

Chairman Thoreson: How many do you have working from home?

Sally Holewa: We have 2 that work from home and a 3rd that will continue to work from home; but she works very sporadically.

Vice Chairman Brandenburg: Before we do anything with these rooms, I really want to look at them.

Representative Skarphol: If we do what Sally's recommending, we'll have the facility management budget in the second half.

Vice Chairman Brandenburg: You moved some of the budget already.

Chairman Thoreson: We talked about having a set amount of money. This is the worksheet.

Representative Skarphol: If facilities management were to take the full responsibility for the remodel and provide the same design that's being recommended; do you see that you'd be able to reduce the cost of doing this?

John Boyle, Director, ND Facilities Management: I would assume that we're going to be doing the remodeling project; even though the money is in the Supreme Court's budget.

Representative Skarphol: So the architectural and engineering fees of \$90,000.00; they'd have to hire an outside architect and engineer to do the work or is that the cost that you would build it for?

John Boyle: Any time a public improvement project is over \$100,000.00 we have to hire a architect and engineer; even though our in house state architect did the original schematic drawing.

Sally Holewa continued with her presentation. See attachment B.

Representative Kempenich: The only thing I'm interested in is the bottom line. Is the \$4.890 million the total or is that \$302,000.00 at the bottom. How is that breaking out?

Sally Holewa: The bottom line reduction \$4,890,378.00; the other is showing you our math.

Representative Hogan: It looks like you're requesting continuation of all 28 FTE's that were in your budget?

Sally Holewa: That's correct.

Representative Kempenich: I think the courts did what they were requesting.

Representative Boehning: The judges are going to stick with the 5% and 5% and 4% and 4%?

Sally Holewa: No. They're going to go with the 4% and 4%. The other is showing you the difference.

Representative Kempenich: I'll move the 4 judges.

Representative Boehning: I'd like to stay with the 3 because I think there's one more out in a bill some other place for a 5th.

Sally Holewa: The 5th one is not in a bill. I came forward with the letter from Williams county indicating that they were willing to build a courtroom and chambers if we were to get another judge. We requested that our bill be amended to include that 5th.

Representative Kempenich: I'll move to include the \$4,890,378.00 and 3 judges. We can move the base.

Sally Holewa: If you were to cut another judge that would be about \$640,000.00; could we have that money back? Would that be cutting \$5 million plus a judge?

Representative Boehning: I think our intent was with the 3 judges and removing \$5 million we'd have to rework that.

Representative Kempenich: We had the discussion the other day and I was reflecting what we were asking for the other day.

Chairman Thoreson: It's a significant change to the budget.

Representative Kempenich: With the proposed budget it was a 20% increase over the last biennium; even 15% is a healthy increase.

Vice Chairman Brandenburg: This isn't over and we have to start somewhere. I think it sounds like a fair proposal.

Representative Hogan: Can we get an amendment to adopt the recommendations that were proposed this morning?

Chairman Thoreson: Closed the discussion.

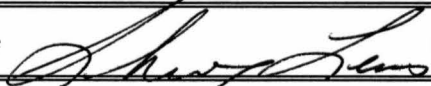
2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1002
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- Subcommittee
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Minutes:

See attachment A.

Chairman Thoreson: Opened the discussion on HB1002.

Don Wolf, Finance Director, ND Supreme Court: On the second page where it says supreme court and district judges salaries; the numbers say it was changed from 5% to 4%; but the dollar amounts reflect the 3% increase instead of the 4% increase.

Chairman Thoreson: So the amounts in green that say \$152,436.00; that would be 3%?

Don Wolf: It should be \$153,916.00.

Chairman Thoreson: Was this supposed to reflect the same compensation?

Representative Kempenich: The judges stayed at 4%. The 3% and 3% was for the employees.

Chairman Thoreson: The language is correct but the dollar amount isn't .

Don Wolf: It should be \$153,916.00, \$157,009.00 and \$160,072.00 the increase for the chief should be \$4,420.00 and the second year increase should be 4,567.00. For the judges the \$139,679.00 should be \$141,035.00 and the \$143,870 should be \$146,677.00. For the presiding judges the first year increase the \$4,035.00 should be \$4,074.00 and the second year \$4,155.00 should be \$4,236.00.

Representative Boehning: I thought we agreed to 3 judges and the \$5 million.

Vice Chairman Brandenburg: Section 5 there's 2 judges in south central, 1 in the southwest and 1 in the northwest. What happened?

Representative Hogan: They asked for the 5th judge and we said no to the 5th; but I thought we left 4 at the end.

Sally Holewa, Court Administrator, ND Supreme Court: Our proposal was to keep all 4 judges and to cut all the structural changes to the IT space; with the idea that we would use it as a nonconforming space or try to amend the OMB budget later on. In section 5 one of the things that was supposed to be amended but wasn't was the reference to specific jurisdictions.

Representative Skarphol: I was going to mention the ability of the chief justice to rearrange the justices within the state as far as workload. The reason for one in the northwest is there are no facilities to house the second one. Is that correct?

Sally Holewa: That's correct.

Representative Boehning: I think we should go with the 3 judges and then it can go to conference. If we put it in OMB's budget for the room, I think it should be the capitol's and not the judiciary.

Vice Chairman Brandenburg: You're saying let's go with the 3 judges and fix the room; or if we go with 4 judges, let's take the room out.

Representative Boehning: Let's go with the 4 judges and take the room out and make it a capitol room.

Representative Skarphol: I would agree with that. I would think the judges are more important than the facility.

Representative Kempenich: Are we going to take the \$700,000.00 out that they left in for the room?

Vice Chairman Brandenburg: That comes out also.

Representative Glassheim: We asked them to cut \$5 million and they did; and now you're asking them to cut more.

Vice Chairman Brandenburg: Let's give them the 4 judges and take the room that they wanted and put it in OMB's budget. This is the way I understand it.

Representative Vigesaa: Made a motion to remove the entire amount for the Supreme Court expansion.

Representative Kempenich: \$790,327.00 is what we have here.

Representative Glassheim: I get \$489,059.00.

Vice Chairman Brandenburg: What is the correct number?

Sally Holewa: We had originally asked \$1,107,227.00 for that space remodeling. When we came back with our proposed cuts, we had taken \$618,168.00 out; and that was for the structural changes to the building. What was left was the equipment and furnishings for that room for a total of \$489,059.00.

Representative Hogan: Do we also want to remove section 5?

Representative Skarphol: I think we'd let council give us some advice on that. If we remove the section, they still have the ability to assign the judges as they see fit?

Sean Smith, Fiscal Analyst, ND Legislative Council: I believe so. I will have to look at it just to make sure.

Representative Skarphol: Based on the dollars appropriated, we're implying that they can have 4 judges or do we need to state that? If we need to state that, I would suggest we need to state that somewhere.

Vice Chairman Brandenburg: I think we want to put something in their to say where these judges are going.

Voice vote made. Motion carried.

Representative Boehning: Made a motion for a "Do Pass as Amended".

Representative Skarphol: Seconded the motion.

Roll call vote: 7 Yeas 0 Nays 1 Absent.

Vice Chairman Brandenburg carried the bill.

Vice Chairman Brandenburg: Closed the discussion.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

HB 1002
2/19/2015
24165

- Subcommittee
 Conference Committee

Committee Clerk Signature

Donna Whelan

Explanation or reason for introduction of bill/resolution:

Provide an appropriation for defraying the expenses of the judicial branch

Minutes:

Chairman Jeff Delzer: opened the hearing on HB 1002.

Representative Brandenburg: We are dealing with the Supreme and Judicial Branch and there is a \$20 million dollar increase and we asked them to take \$15 million dollars and budget for that. Spoke on the amendment 015.8107.01001 to HB 1002. The detail the house changes we had funding for \$721,000 and funding for salary and benefit increases of \$517,000. The base payroll changes of \$388,000, new positions \$382,000, increases of operating expenses of \$225,000, funding of IT \$59,000 for the total house changes of \$1,584 379. Moving on to changes of district courts base payroll changes of \$970,000, funding for salary and benefit increases of \$3 million dollars, 26 new positions, 9 of those positions are out in the counties, payments to the counties \$381,000, increases funding for juvenile court programs at \$232,000, adds funding for IT \$162,000, operating expenses of \$720,000 and one time funding for \$3.1 million for the district courts.

Chairman Jeff Delzer: Why would that be one time funding?

Representative Brandenburg: The way the Supremes were given \$15 million to figure out how to do it and that is what they came back with.

Chairman Jeff Delzer: I can't see how district courts can have one time funding. One time funding at \$3.5 million dollars?

Representative Brandenburg: The #3.1 on page 5

Chairman Jeff Delzer: On page 5 right up on the top it splits them out. It deals with the district courts but it's all technology. There is four new district judges in this for them and each district judge brings 4 people?

Representative Brandenburg: Yes, and it is only 2 people that come with them. One clerk and one recorder. It is \$640,000 for one judge, a clerk and a recorder.

Chairman Jeff Delzer: On the salary for base you did the health insurance and a four and four is that right?

Representative Brandenburg: That is correct, they came back with a four and four and we need further discussion with that.

Chairman Jeff Delzer: We cannot let that go out like that, it's not right to say that one branch gets treated different than the executive or legislative branch. If we are doing a budget it has to be the same. If you want to give them money somewhere else, ok. But the salary line needs to be 3 and 3. I want us to have a discussion on 3 and 3 and I want to know if we want 3 or 4 district judges. I would ask is that we will amend with this but then have motions to further amend to bring those two issues before us.

Representative Brandenburg: Moving on you can see where all the new positions are and how they fit into this budget. In Department 183 you can see where we added the funding for base payroll, \$57,000. You see salaries and benefits \$47,000 and operating expenses of \$42,000. There should be explanation for all of those there. I move the amendments .01001 to HB 1002 and with the 3 and 3 on the pay.

Representative Boehning: seconded.

Chairman Jeff Delzer: Any discussion? When we are adopting this it is with the higher numbers in there and we will have to further amend this or we split those. Would you consider making this motion with the adjustment with the 3 and 3 on the pay. The motion we have before us is to amend HB 1002 with .01001 with the adjustment to the 3 and 3 on the pay.

Representative Nelson: I have some questions about the 26 new FTE's. If we are talking 4 judgeships we are looking at the reporters and clerks. That is 12 positions. Can you explain the other FTE's and where they will be positions and did you look at them and prioritize with the need for those positions? We have been asked with our budgets to look very hard at the new FTE positions and we have made revisions in every one of those budgets. Did they ask for more than 26 or was that the request that you received?

Representative Brandenburg: They did ask for 30 positions and 9 of those are actually being taken over by the state. So that brought it down to 21. Then you could take the 4 judges times 3 which is 12. Then they added 3 positions in Williams county and these are part of the total of 30 positions. 8 in McKenzie county, 6 of those are the state taken over county positions. 3 in Stark, 1 in Ward, 7 in Burleigh, then 3 in the Tower, 3 in Barnes county and again these were taken over by the state. We were talking 3 judges they came back with 4.

Chairman Jeff Delzer: Those are because of when we did the Corp unification way back in 1991. These had not made the transfer yet. I do not know why. I think it was at the request of the counties.

Representative Nelson: That would fall under the per view of the state offering some relief for counties; do we have a number that would be transferred?

Chairman Jeff Delzer: You can probably figure \$1 million dollars.

Representative Brandenburg: I think it is in there, the dollar amount for those positions. With the new positions you see \$382,000 in the Supreme court.

Representative Nelson: The new positions you funded was that based on court filings or what kind of criteria did you use to choose which ones to fund?

Representative Brandenburg: Judiciary came in and they are anywhere from a year to a year and one-half behind in court proceedings and they wanted 5 judges and in here they got four and with the judges comes two other positions.

Representative Skarphol: The courts have a process for evaluating judge needs and they have gone through the process almost annually. Their evaluation in the last rounds have been in the northwest they needed 3.88 more judges. In the south central they needed 2.72 more judges, in the southwest it was 1.48 more judges. The need is there. People have to wait for justice the need is there.

Chairman Jeff Delzer: Did you have discussion that even if we did go forward with this many that if the cases get caught up they need to reduce?

Representative Thoreson: We had that discussion with the Chief Justice. The concern with the downturn and there may be a greater demand in the future. If there is a catch up then that needs to be adjusted.

Chairman Jeff Delzer: The one thing we do know is where we are with the budget today and that's the concern I have with the number of judges. This is just the first half and for us to support their desires gives us very little room to work in the second half if we have to. The 3 and 3 is logical everyone needs to be treated the same. The issue if we want to fund all the positions we will take up as soon as we are done with this amendment.

Representative Hogan: In response to the question about the clerks in the county, those positions are county employees but are fully funded by state funds so there is no county savings at all.

Chairman Jeff Delzer: Why was there a cost for us to do it then?

Representative Hogan: I think it was a transfer it was just adding the FTE's. So I think that is already a line item in the budget.

Representative Glassheim: They wanted \$20 million more than their base budget. They came in and cut \$5 million dollars, and that is 25 % cut from what they wanted. As we are discussing individual items we should remember they gave up \$5 million dollars worth of wants and needs.

Chairman Jeff Delzer: I understand the desire to work that way with another branch but I don't know if I agree with it.

Representative Sanford: Two years ago the chief justice; he had the authority to transfer and to reduce?

Chairman Jeff Delzer: They have the flexibility if they so desire. Maybe we should say there is a point where we expect them to.

Representative Skarphol: I can understand what you are getting at but I am not sure how we gauge that. They gave us good information on the needs that every district has. I don't think the citizens of this state should have to be waiting for their day in court.

Representative Brandenburg: This is a \$99million dollar base budget from last session They requested \$120 million and we gave them \$15,300,000. We did not cut them off. We are giving them another \$15 million dollars to their budget.

Representative Nelson: We add 4 new judgeships, we are going to see some number in the next budget that is only going to get worse. With growth of population also prison population is going to grow.

Vice Chairman Keith Kempenich: We have increased our population they are not all what we want here and there will be another budget coming along that will be worse, but we have to deal with it.

Chairman Jeff Delzer: We will adopt this and then further amend. All those in favor of amending HB 1002 with .01001 with 3 and 3 across the board.

Voice Vote taken. All Ayes. Motion Carries.

Representative Boehning: I move that we remove 1 judge, 1 clerk, and 1 recorder.

Representative Brandenburg: seconded.

Chairman Jeff Delzer: We have a motion to further amend the bill to remove 1 judge, 1clerk and 1 recorder, basically \$640,000 from what I understand. Any discussion? I am going to support this for the first half to get us into position with the overall budget that we have because we have other adjustments to make.

Representative Skarphol: Having less judges will not reduce crime, it will only provide for the prisoners to spend more time in county jails waiting for trial. I would hope this committee would resist this motion. Justice delayed is justice denied.

Representative Holman: I will resist this motion because we had a committee that made recommendations and I don't think this is the appropriate precedent to set.

Chairman Jeff Delzer: The full committee has always had the opportunity to adjust the amendments. That is our priority.

Representative Nelson: I feel a little uncomfortable with this because the section committee heard the testimony and they heard the case filing needs, we are making this decision on the fly, we are only making it on the fact that it would cut x many dollars.

Repr. Representative Boe: I want to be on the record as supporting judges.

Chairman Jeff Delzer: Clerk will take the roll on the motion to remove 1 judge, 1 clerk and 1 recorder from HB 1002.

A Roll Call Vote was taken. Yes: 7 No: 15 Absent: 1. Motion failed.

Representative Boehning: I move to reduce HB 1002 \$640,000 and let them decide where to take it out of the budget.

Representative Brandenburg: seconded.

Chairman Jeff Delzer: I will support this and we simply need that and this allows them total flexibility. The clerk will call the roll on reducing it by \$640,000.

A Roll Call Vote was taken. Yes: 17 No: 5 Absent: 1. Motion Carried.

Representative Brandenburg: I move for a Do Pass as Amended on HB 1002

Representative Kempenich: seconded.

Representative Bellew: By passing the bill as it is you can expect the DOCR to come in for a deficiency appropriation of at least \$5 million dollars next biennium so what you took out of here is not going to do the trick.

Representative Jeff Delzer: I'm not sure the number of judges totally speeds up coming in. It does speed up on the civil side the speed up the opportunities but I am not sure it changes the total number of what is going to happen on the DOCR side. I understand your concern and we share those concerns.

A Roll Call Vote was taken. Yes: 19 No: 3 Absent: 1. Motion carried.

Representative Brandenburg: will carry the bill.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1002

Page 1, replace lines 15 through 21 with:

"Salaries and wages	\$9,851,552	\$1,622,048	\$11,473,600
Accrued leave payments	531,696	(531,696)	0
Operating expenses	2,754,254	253,745	3,007,999
Judges retirement	75,017	5,740	80,757
Guardianship monitoring program	<u>70,000</u>	<u>234,542</u>	<u>304,452</u>
Total general fund	\$13,282,519	\$1,584,379	\$14,866,898"

Page 2, replace lines 3 through 11 with:

"Salaries and wages	\$61,177,621	\$11,766,210	\$72,943,831
Accrued leave payments	2,399,277	(2,399,277)	0
Operating expenses	20,847,479	2,852,512	23,699,991
Capital assets	0	1,748,460	1,748,460
Judges retirement	500,936	(86,250)	414,686
UND central legal research	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Total all funds	\$85,005,313	\$13,881,655	\$98,886,968
Less estimated income	<u>1,808,090</u>	<u>114,060</u>	<u>1,922,150</u>
Total general fund	\$83,197,223	\$13,767,595	\$96,964,818"

Page 2, replace lines 16 through 20 with:

"Judicial conduct commission and disciplinary board	<u>\$1,020,874</u>	<u>\$109,625</u>	<u>\$1,130,499</u>
Total all funds	\$1,020,874	\$109,625	\$1,130,499
Less estimated income	<u>367,499</u>	<u>77,157</u>	<u>444,656</u>
Total general fund	\$653,375	\$32,468	\$685,843"

Page 2, replace lines 25 through 28 with:

"Grand total general fund	\$97,133,117	\$15,384,442	\$112,517,559
Grand total special funds	<u>2,175,589</u>	<u>191,217</u>	<u>2,366,806</u>
Grand total all funds	\$99,308,706	\$15,575,659	\$114,884,365
Full-time equivalent positions	363.00	28.00	391.00"

Page 3, replace lines 8 through 19 with:

"Office equipment and furniture		\$331,470	\$0
Information technology equipment		516,556	924,460
Juvenile case management system replacement study		90,000	0
Disaster recovery planning		95,000	0
Criminal justice information sharing publisher project		139,850	0
Disaster recovery project		0	2,171,672
Criminal case eFile initiation		<u>0</u>	<u>99,000</u>
Total general fund		\$1,172,876	\$3,195,132"

Page 4, line 13, replace "fifty-five" with "fifty-three"

Page 4, line 14, replace "three" with "nine"

Page 4, line 14, replace "ninety-six" with "sixteen"

Page 4, line 15, replace "sixty-three" with "sixty"

Page 4, line 15, remove "one hundred"

Page 4, line 15, replace "sixty-six" with "seventy-two"

Page 4, line 17, replace "sixty-two" with "twenty"

Page 4, line 18, replace "six" with "five"

Page 4, line 18, replace "eighty-five" with "ninety-seven"

Page 4, line 22, replace "forty-two" with "forty-one"

Page 4, line 23, remove "three" and overstrike "hundred"

Page 4, line 23, replace "ninety-two" with "thirty-five"

Page 4, line 24, replace "forty-nine" with "forty-six"

Page 4, line 24, replace "five" with "six"

Page 4, line 24, overstrike "eleven" and insert immediately thereafter "seventy-six"

Page 4, line 28, remove "one" and overstrike "hundred"

Page 4, line 28, replace "thirteen" with "seventy-four"

Page 4, line 29, replace "three" with "two"

Page 4, line 30, replace "nineteen" with "thirty-seven"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of House Action

	Base Budget	House Changes	House Version
Supreme Court			
Total all funds	\$13,282,519	\$1,584,379	\$14,866,898
Less estimated income	0	0	0
General fund	\$13,282,519	\$1,584,379	\$14,866,898
District Courts			
Total all funds	\$85,005,313	\$13,881,655	\$98,886,968
Less estimated income	1,808,090	114,060	1,922,150
General fund	\$83,197,223	\$13,767,595	\$96,964,818
Judicial Conduct Commission			
Total all funds	\$1,020,874	\$109,625	\$1,130,499
Less estimated income	367,499	77,157	444,656
General fund	\$653,375	\$32,468	\$685,843
Bill total			
Total all funds	\$99,308,706	\$15,575,659	\$114,884,365
Less estimated income	2,175,589	191,217	2,366,806
General fund	\$97,133,117	\$15,384,442	\$112,517,559

House Bill No. 1002 - Supreme Court - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$9,851,552	\$1,622,048	\$11,473,600
Operating expenses	2,754,254	253,745	3,007,999
Judges' retirement	75,017	5,740	80,757
Guardianship training	70,000	234,542	304,542
Accrued leave payments	531,696	(531,696)	
Total all funds	\$13,282,519	\$1,584,379	\$14,866,898
Less estimated income	0	0	0
General fund	\$13,282,519	\$1,584,379	\$14,866,898
FTE	45.00	2.00	47.00

Department No. 181 - Supreme Court - Detail of House Changes

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds New Positions ³	Increases Operating Expenses ⁴	Adds Funding for Maintenance Costs for Information Technology ⁵	Total House Changes
Salaries and wages	\$721,531	\$517,769	\$382,748			\$1,622,048
Operating expenses				194,262	59,483	253,745
Judges' retirement	6,916	(1,176)				5,740
Guardianship training	191,374	11,924		31,244		234,542
Accrued leave payments	(531,696)					(531,696)
Total all funds	\$388,125	\$528,517	\$382,748	\$225,506	\$59,483	\$1,584,379
Less estimated income	0	0	0	0	0	0
General fund	\$388,125	\$528,517	\$382,748	\$225,506	\$59,483	\$1,584,379
FTE	0.00	0.00	2.00	0.00	0.00	2.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year for employees and 4 percent annual increases for Supreme Court Justices and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$321,263		\$321,263
Health insurance increase	207,254		207,254
Total	\$528,517	\$0	\$528,517

³ The following funding and FTE are added:

	General Fund	Other Funds	Total
1 FTE guardian-related position	\$191,374		\$191,374
1 FTE account analyst position	191,374		191,374
Total	\$382,748	\$0	\$382,748

⁴ Funding is added for increased operating expenses.

⁵ Funding is added for increased information technology maintenance costs.

This amendment also adds or changes sections providing:

- Line item transfers as requested by the judicial branch
- Four percent annual salary increases for Supreme Court Justices

House Bill No. 1002 - District Courts - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$61,177,621	\$11,766,210	\$72,943,831
Operating expenses	20,847,479	2,852,512	23,699,991
Capital assets		1,748,460	1,748,460
Judges' retirement	500,936	(86,250)	414,686
UND central legal research	80,000		80,000
Accrued leave payments	2,399,277	(2,399,277)	
Total all funds	\$85,005,313	\$13,881,655	\$98,886,968
Less estimated income	1,808,090	114,060	1,922,150
General fund	\$83,197,223	\$13,767,595	\$96,964,818
FTE	314.00	26.00	340.00

Department No. 182 - District Courts - Detail of House Changes

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds New Positions ³	Adds Funding for Increased Payments to Counties ⁴	Increases Funding for Juvenile Court Program Services ⁵	Adds Funding for Information Technology Costs ⁶
Salaries and wages	\$3,652,095	\$3,087,979	\$5,026,136			
Operating expenses				381,748	232,340	162,417
Capital assets						
Judges' retirement	(80,173)	(6,077)				
UND central legal research						
Accrued leave payments	(2,399,277)					
Total all funds	\$1,172,645	\$3,081,902	\$5,026,136	\$381,748	\$232,340	\$162,417
Less estimated income	201,737	3,239	0	0	0	0
General fund	\$970,908	\$3,078,663	\$5,026,136	\$381,748	\$232,340	\$162,417
FTE	0.00	0.00	26.00	0.00	0.00	0.00

	Adds Funding for Operating Expenses ⁷	Adds One-time Funding ⁸	Total House Changes
Salaries and wages			\$11,766,210
Operating expenses	629,335	1,446,672	2,852,512
Capital assets		1,748,460	1,748,460
Judges' retirement			(86,250)
UND central legal research			
Accrued leave payments			(2,399,277)
Total all funds	\$629,335	\$3,195,132	\$13,881,655
Less estimated income	(90,916)	0	114,060
General fund	\$720,251	\$3,195,132	\$13,767,595
FTE	0.00	0.00	26.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year for employees and 4 percent annual salary increases for judges and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$1,589,007	\$3,239	\$1,592,246
Health insurance increase	1,489,656		1,489,656
Total	\$3,078,663	\$3,239	\$3,081,902

³ The following funding and FTE positions are added:

	General Fund	Other Funds	Total
2 FTE clerk of district court I positions	\$422,059		\$422,059
13 FTE clerk of district court II positions	1,851,480		1,851,480
4 FTE district judge positions	1,603,148		1,603,148
4 FTE court reporter positions	669,951		669,951
1 FTE paralegal position	161,962		161,962
1 FTE law clerk position	175,114		175,114
1 FTE electronic court recorder position	142,422		142,422
Total	\$5,026,136	\$0	\$5,026,136

⁴ Funding is added for increasing payments to counties for providing clerk of court services.

⁵ Funding is added for juvenile court program services.

⁶ Funding is added for increased information technology costs.

⁷ Funding is added for increases in operating expenses.

⁸ One-time funding is added for the following:

	General Fund	Other Funds	Total
Information technology disaster recovery site	\$2,171,672		\$2,171,672
Information technology equipment over \$5,000	924,460		924,460
Criminal case eFiling initiation project	99,000		99,000
Total	\$3,195,132	\$0	\$3,195,132

This amendment also adds or changes sections providing:

- Two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District.
- Four percent annual salary increases for district court judges.

House Bill No. 1002 - Judicial Conduct Commission - House Action

	Base Budget	House Changes	House Version
Judicial conduct commission	\$1,020,874	\$109,625	\$1,130,499
Total all funds	\$1,020,874	\$109,625	\$1,130,499
Less estimated income	367,499	77,157	444,656
General fund	\$653,375	\$32,468	\$685,843
FTE	4.00	0.00	4.00

Department No. 183 - Judicial Conduct Commission - Detail of House Changes

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increase ²	Adds Funding for Operating Expenses ³	Total House Changes
Judicial conduct commission	(\$28,843)	\$47,703	\$90,765	\$109,625
Total all funds	(\$28,843)	\$47,703	\$90,765	\$109,625
Less estimated income	28,660	0	48,497	77,157
General fund	(\$57,503)	\$47,703	\$42,268	\$32,468
FTE	0.00	0.00	0.00	0.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent

per year and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$30,431		\$30,431
Health insurance increase	17,272		17,272
Total	<u>\$47,703</u>	\$0	<u>\$47,703</u>

3 Funding is added for operating expense increases.

4/21/19
 1/6

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1002

Page 1, replace lines 15 through 21 with:

"Salaries and wages	\$9,851,552	\$1,593,693	\$11,445,245
Accrued leave payments	531,696	(531,696)	0
Operating expenses	2,754,254	253,745	3,007,999
Judges retirement	75,017	4,571	79,588
Guardianship monitoring program	<u>70,000</u>	<u>234,542</u>	<u>304,452</u>
Total general fund	\$13,282,519	\$1,554,855	\$14,837,374"

Page 2, replace lines 3 through 11 with:

"Salaries and wages	\$61,177,621	\$10,851,454	\$72,029,075
Accrued leave payments	2,399,277	(2,399,277)	0
Operating expenses	20,847,479	2,852,512	23,699,991
Capital assets	0	1,748,460	1,748,460
Judges retirement	500,936	(92,287)	408,649
UND central legal research	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Total all funds	\$85,005,313	\$12,960,862	\$97,966,175
Less estimated income	<u>1,808,090</u>	<u>114,060</u>	<u>1,922,150</u>
Total general fund	\$83,197,223	\$12,846,802	\$96,044,025"

Page 2, replace lines 16 through 20 with:

"Judicial conduct commission and disciplinary board	<u>\$1,020,874</u>	<u>\$109,625</u>	<u>\$1,130,499</u>
Total all funds	\$1,020,874	\$109,625	\$1,130,499
Less estimated income	<u>367,499</u>	<u>77,157</u>	<u>444,656</u>
Total general fund	\$653,375	\$32,468	\$685,843"

Page 2, replace lines 25 through 28 with:

"Grand total general fund	\$97,133,117	\$14,434,125	\$111,567,242
Grand total special funds	<u>2,175,589</u>	<u>191,217</u>	<u>2,366,806</u>
Grand total all funds	\$99,308,706	\$14,625,342	\$113,934,048
Full-time equivalent positions	363.00	28.00	391.00"

Page 3, replace lines 8 through 19 with:

"Office equipment and furniture		\$331,470	\$0
Information technology equipment		516,556	924,460
Juvenile case management system replacement study		90,000	0
Disaster recovery planning		95,000	0
Criminal justice information sharing publisher project		139,850	0
Disaster recovery project		0	2,171,672
Criminal case eFile initiation		<u>0</u>	<u>99,000</u>
Total general fund		\$1,172,876	\$3,195,132"

Page 4, line 13, replace "fifty-five" with "fifty-two"

2/6

- Page 4, line 14, replace "three" with "four"
 - Page 4, line 14, replace "ninety-six" with "thirty-six"
 - Page 4, line 15, replace "sixty-three" with "fifty-seven"
 - Page 4, line 15, remove the overstrike over "nine"
 - Page 4, line 15, remove "one"
 - Page 4, line 15, overstrike "hundred"
 - Page 4, line 15, remove "sixty-six"
 - Page 4, line 16, replace "four" with "three"
 - Page 4, line 17, replace "sixty-two" with "seventy-seven"
 - Page 4, line 18, replace "six" with "five"
 - Page 4, line 18, replace "eighty-five" with "eight"
 - Page 4, line 22, replace "forty-two" with "thirty-nine"
 - Page 4, line 23, remove the overstrike over "six"
 - Page 4, line 23, remove "three"
 - Page 4, line 23, replace "ninety-two" with "seventy-nine"
 - Page 4, line 24, replace "forty-nine" with "forty-three"
 - Page 4, line 24, replace "five" with "eight"
 - Page 4, line 24, overstrike "eleven" and insert immediately thereafter "sixty-nine"
 - Page 4, line 28, remove "one"
 - Page 4, line 28, overstrike "hundred"
 - Page 4, line 28, replace "thirteen" with "thirty-five"
 - Page 4, line 29, replace "three" with "one"
 - Page 4, line 30, replace "nineteen" with "fifty-six"
- Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of House Action

	Base Budget	House Changes	House Version
Supreme Court			
Total all funds	\$13,282,519	\$1,554,855	\$14,837,374
Less estimated income	0	0	0
General fund	\$13,282,519	\$1,554,855	\$14,837,374
District Courts			
Total all funds	\$85,005,313	\$12,960,862	\$97,966,175
Less estimated income	1,808,090	114,060	1,922,150
General fund	\$83,197,223	\$12,846,802	\$96,044,025
Judicial Conduct Commission			
Total all funds	\$1,020,874	\$109,625	\$1,130,499

Less estimated income	367,499	77,157	444,656
General fund	\$653,375	\$32,468	\$685,843
Bill total			
Total all funds	\$99,308,706	\$14,625,342	\$113,934,048
Less estimated income	2,175,589	191,217	2,366,806
General fund	\$97,133,117	\$14,434,125	\$111,567,242

House Bill No. 1002 - Supreme Court - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$9,851,552	\$1,593,693	\$11,445,245
Operating expenses	2,754,254	253,745	3,007,999
Judges' retirement	75,017	4,571	79,588
Guardianship training	70,000	234,542	304,542
Accrued leave payments	531,696	(531,696)	
Total all funds	\$13,282,519	\$1,554,855	\$14,837,374
Less estimated income	0	0	0
General fund	\$13,282,519	\$1,554,855	\$14,837,374
FTE	45.00	2.00	47.00

Department No. 181 - Supreme Court - Detail of House Changes

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds New Positions ³	Increases Operating Expenses ⁴	Adds Funding for Maintenance Costs for Information Technology ⁵	Total House Changes
Salaries and wages	\$721,531	\$489,414	\$382,748			\$1,593,693
Operating expenses				194,262	59,483	253,745
Judges' retirement	6,916	(2,345)				4,571
Guardianship training	191,374	11,924		31,244		234,542
Accrued leave payments	(531,696)					(531,696)
Total all funds	\$388,125	\$498,993	\$382,748	\$225,506	\$59,483	\$1,554,855
Less estimated income	0	0	0	0	0	0
General fund	\$388,125	\$498,993	\$382,748	\$225,506	\$59,483	\$1,554,855
FTE	0.00	0.00	2.00	0.00	0.00	2.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year for employees and 4 percent annual increases for Supreme Court Justices and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Health insurance increase	\$287,421		\$287,421
Salary increase - Performance	211,572		211,572
Total	\$498,993	\$0	\$498,993

³ The following funding and FTE are added:

	General Fund	Other Funds	Total
1 FTE guardian-related position	\$191,374		\$191,374
1 FTE account analyst position	191,374		191,374
Total	\$382,748	\$0	\$382,748

⁴ Funding is added for increased operating expenses.

4/6

⁵ Funding is added for increased information technology maintenance costs.

This amendment also adds or changes sections providing:

- Line item transfers as requested by the judicial branch.
- Four percent annual salary increases for Supreme Court Justices.

House Bill No. 1002 - District Courts - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$61,177,621	\$10,851,454	\$72,029,075
Operating expenses	20,847,479	2,852,512	23,699,991
Capital assets		1,748,460	1,748,460
Judges' retirement	500,936	(92,287)	408,649
UND central legal research	80,000		80,000
Accrued leave payments	2,399,277	(2,399,277)	
Total all funds	\$85,005,313	\$12,960,862	\$97,966,175
Less estimated income	1,808,090	114,060	1,922,150
General fund	\$83,197,223	\$12,846,802	\$96,044,025
FTE	314.00	26.00	340.00

Department No. 182 - District Courts - Detail of House Changes

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds New Positions ³	Adds Funding for Increased Payments to Counties ⁴	Increases Funding for Juvenile Court Program Services ⁵	Adds Funding for Information Technology Costs ⁶
Salaries and wages	\$3,652,095	\$2,823,223	\$5,026,136			
Operating expenses				381,748	232,340	162,417
Capital assets						
Judges' retirement	(80,173)	(12,114)				
UND central legal research						
Accrued leave payments	(2,399,277)					
Total all funds	\$1,172,645	\$2,811,109	\$5,026,136	\$381,748	\$232,340	\$162,417
Less estimated income	201,737	3,239	0	0	0	0
General fund	\$970,908	\$2,807,870	\$5,026,136	\$381,748	\$232,340	\$162,417
FTE	0.00	0.00	26.00	0.00	0.00	0.00

	Adds Funding for Operating Expenses ⁷	Reduces Funding for Salaries and Wages ⁸	Adds One-Time Funding ⁹	Total House Changes
Salaries and wages		(\$650,000)		\$10,851,454
Operating expenses	629,335		1,446,672	2,852,512
Capital assets			1,748,460	1,748,460
Judges' retirement				(92,287)
UND central legal research				
Accrued leave payments				(2,399,277)
Total all funds	\$629,335	(\$650,000)	\$3,195,132	\$12,960,862
Less estimated income	(90,916)	0	0	114,060
General fund	\$720,251	(\$650,000)	\$3,195,132	\$12,846,802
FTE	0.00	0.00	0.00	26.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

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² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year for employees and 4 percent annual salary increases for judges and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$1,318,214	\$3,239	\$1,321,453
Health insurance increase	1,489,656		1,489,656
Total	\$2,807,870	\$3,239	\$2,811,109

³ The following funding and FTE positions are added:

	General Fund	Other Funds	Total
2 FTE clerk of district court I positions	\$422,059		\$422,059
13 FTE clerk of district court II positions	1,851,480		1,851,480
4 FTE district judge positions	1,603,148		1,603,148
4 FTE court reporter positions	669,951		669,951
1 FTE paralegal position	161,962		161,962
1 FTE law clerk position	175,114		175,114
1 FTE electronic court recorder position	142,422		142,422
Total	\$5,026,136	\$0	\$5,026,136

⁴ Funding is added for increasing payments to counties for providing clerk of court services.

⁵ Funding is added for juvenile court program services.

⁶ Funding is added for increased information technology costs.

⁷ Funding is added for increases in operating expenses.

⁸ Funding for salaries and wages is reduced in anticipation of savings resulting from employee vacancies and turnover.

⁹ One-time funding is added for the following:

	General Fund	Other Funds	Total
Information technology disaster recovery site	\$2,171,672		\$2,171,672
Information technology equipment over \$5,000	924,460		924,460
Criminal case eFiling initiation project	99,000		99,000
Total	\$3,195,132	\$0	\$3,195,132

This amendment also adds or changes sections providing:

- Two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District.
- Four percent annual salary increases for district court judges.

House Bill No. 1002 - Judicial Conduct Commission - House Action

	Base Budget	House Changes	House Version
Judicial conduct commission	\$1,020,874	\$109,625	\$1,130,499
Total all funds	\$1,020,874	\$109,625	\$1,130,499
Less estimated income	367,499	77,157	444,656
General fund	\$653,375	\$32,468	\$685,843
FTE	4.00	0.00	4.00

Department No. 183 - Judicial Conduct Commission - Detail of House Changes

6/p

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increase ²	Adds Funding for Operating Expenses ³	Total House Changes
Judicial conduct commission	(\$28,843)	\$47,703	\$90,765	\$109,625
Total all funds	(\$28,843)	\$47,703	\$90,765	\$109,625
Less estimated income	28,660	0	48,497	77,157
General fund	(\$57,503)	\$47,703	\$42,268	\$32,468
FTE	0.00	0.00	0.00	0.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$30,431		\$30,431
Health insurance increase	17,272		17,272
Total	\$47,703	\$0	\$47,703

³ Funding is added for operating expense increases.

Date: April 18, 2015
Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. AB1002

House Appropriations - Government Operations Division Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Rep Vigusaa Seconded By None

Representatives	Yes	No	Representatives	Yes	No
<u>VOICE VOTE</u>					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
To remove the entire amount for the Supreme Court expansion - motion carried

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. HB1002**

House Appropriations - Government Operations Divison Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Representative Boehning Seconded By Representative Skarphol

Representatives	Yes	No	Representatives	Yes	No
Chairman Thoreson			Representative Hogan	X	
Vice Chairman Brandenburg	X		Representative Glassheim	X	
Representative Kempenich	X				
Representative Vigesaa	X				
Representative Boehning	X				
Representative Skarphol	X				

Total (Yes) 7 No 0

Absent 1

Floor Assignment Vice Chairman Brandenburg

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

Date: 2/19/15

Roll Call Vote #: 1

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1002

House Appropriations Committee

Subcommittee

Amendment LC# or Description: 15.8107.01001

Recommendation: Adopt Amendment

Do Pass Do Not Pass Without Committee Recommendation

As Amended Rerefer to Appropriations

Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By: Rep. Brandenburg Seconded By: Rep. Boehning

Representatives	Yes	No	Absent	Representatives	Yes	No	Absent	Representatives	Yes	No	Absent
Chairman Jeff Delzer				Representative Nelson				Representative Boe			
Vice Chairman Keith Kempenich				Representative Pollert				Representative Glassheim			
Representative Bellew				Representative Sanford				Representative Guggisberg			
Representative Brandenburg				Representative Schmidt				Representative Hogan			
Representative Boehning				Representative Silbernagel				Representative Holman			
Representative Dosch				Representative Skarphol							
Representative Kreidt				Representative Streyle							
Representative Martinson				Representative Thoreson							
Representative Monson				Representative Vigesaa							

Totals	
Yes)	
No	
Absent	
Grand Total	

Motion
Voice Vote

Floor Assignment: _____

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

- With the adjustment to 3 + 3 on the pay

Date: 2/19/15

Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1002

House Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment

Do Pass Do Not Pass Without Committee Recommendation

As Amended Rerefer to Appropriations

Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By: Boening Seconded By: Brandenburg

Representatives	Yes	No	Absent	Representatives	Yes	No	Absent	Representatives	Yes	No	Absent
Chairman Jeff Delzer	✓			Representative Nelson		✓		Representative Boe		✓	
Vice Chairman Keith Kempenich		✓		Representative Pollert	✓			Representative Glassheim		✓	
Representative Bellev	✓			Representative Sanford		✓		Representative Guggisberg			—
Representative Brandenburg	✓			Representative Schmidt		✓		Representative Hogan		✓	
Representative Boehning	✓			Representative Silbernagel		✓		Representative Holman		✓	
Representative Dosch		✓		Representative Skarphol		✓					
Representative Kreidt	✓			Representative Streyle		✓					
Representative Martinson		✓		Representative Thoreson		✓					
Representative Monson		✓		Representative Vigasaa	✓						
	<u>5</u>	<u>4</u>	<u>0</u>		<u>2</u>	<u>7</u>	<u>0</u>			<u>4</u>	<u>1</u>

Totals

(Yes)	<u>7</u>
No	<u>15</u>
Absent	<u>1</u>
Grand Total	<u>23</u>

Motion Failed

Floor Assignment: _____

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

Remove one judge, one court, one clerk
Recorder!

Date: 2/19/15

Roll Call Vote #: 3

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1002

House Appropriations Committee

Subcommittee

Amendment LC# or Description: 15, 8107, 01002

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By: Boening Seconded By: Brandenburg

Representatives	Yes	No	Absent	Representatives	Yes	No	Absent	Representatives	Yes	No	Absent
Chairman Jeff Delzer	✓			Representative Nelson	✓			Representative Boe		✓	
Vice Chairman Keith Kemperich	✓			Representative Pollert	✓			Representative Glassheim		✓	
Representative Bellew	✓			Representative Sanford	✓			Representative Guggisberg			✗
Representative Brandenburg	✓			Representative Schmidt	✓			Representative Hogan		✓	
Representative Boehning	✓			Representative Silbernagel	✓			Representative Holman		✓	
Representative Dosch	✓			Representative Skarphol	✓						
Representative Kreidt	✓			Representative Streyle	✓						
Representative Martinson		✓		Representative Thoreson	✓						
Representative Monson	✓			Representative Vigesaa	✓						
	<u>8</u>	<u>1</u>	<u>0</u>		<u>9</u>	<u>0</u>	<u>0</u>		<u>0</u>	<u>4</u>	<u>1</u>

Totals	
Yes)	<u>17</u>
No	<u>5</u>
Absent	<u>1</u>
Grand Total	<u>23</u>

Motion Carries

Floor Assignment: _____

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

Reduce \$650,000

Date: 2/19/15

Roll Call Vote #: 4

2015 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1002

House Appropriations Committee

Subcommittee

Amendment LC# or Description: 15. 8107.01002

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By: Brandenburg Seconded By: Kempenich

Representatives	Yes	No	Absent	Representatives	Yes	No	Absent	Representatives	Yes	No	Absent
Chairman Jeff Delzer		✓		Representative Nelson	✓			Representative Boe	✓		
Vice Chairman Keith Kempenich	✓			Representative Pollert	✓			Representative Glassheim	✓		
Representative Bellev		✓		Representative Sanford	✓			Representative Guggisberg			—
Representative Brandenburg	✓			Representative Schmidt	✓			Representative Hogan	✓		
Representative Boehning	✓			Representative Silbernagel	✓			Representative Holman	✓		
Representative Dosch	✓			Representative Skarphol	✓						
Representative Kreidt		✓		Representative Streyle	✓						
Representative Martinson	✓			Representative Thoreson	✓						
Representative Monson	✓			Representative Vigesaa	✓						
	<u>6</u>	<u>3</u>			<u>9</u>				<u>4</u>		<u>1</u>

Totals

Yes)	<u>19</u>
No	<u>3</u>
Absent	<u>1</u>
Grand Total	<u>23</u>

Motion Carries

Floor Assignment: Brandenburg

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

REPORT OF STANDING COMMITTEE

HB 1002: Appropriations Committee (Rep. Delzer, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (19 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1002 was placed on the Sixth order on the calendar.

Page 1, replace lines 15 through 21 with:

"Salaries and wages	\$9,851,552	\$1,593,693	\$11,445,245
Accrued leave payments	531,696	(531,696)	0
Operating expenses	2,754,254	253,745	3,007,999
Judges retirement	75,017	4,571	79,588
Guardianship monitoring program	<u>70,000</u>	<u>234,542</u>	<u>304,452</u>
Total general fund	\$13,282,519	\$1,554,855	\$14,837,374"

Page 2, replace lines 3 through 11 with:

"Salaries and wages	\$61,177,621	\$10,851,454	\$72,029,075
Accrued leave payments	2,399,277	(2,399,277)	0
Operating expenses	20,847,479	2,852,512	23,699,991
Capital assets	0	1,748,460	1,748,460
Judges retirement	500,936	(92,287)	408,649
UND central legal research	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Total all funds	\$85,005,313	\$12,960,862	\$97,966,175
Less estimated income	<u>1,808,090</u>	<u>114,060</u>	<u>1,922,150</u>
Total general fund	\$83,197,223	\$12,846,802	\$96,044,025"

Page 2, replace lines 16 through 20 with:

"Judicial conduct commission and disciplinary board	<u>\$1,020,874</u>	<u>\$109,625</u>	<u>\$1,130,499</u>
Total all funds	\$1,020,874	\$109,625	\$1,130,499
Less estimated income	<u>367,499</u>	<u>77,157</u>	<u>444,656</u>
Total general fund	\$653,375	\$32,468	\$685,843"

Page 2, replace lines 25 through 28 with:

"Grand total general fund	\$97,133,117	\$14,434,125	\$111,567,242
Grand total special funds	<u>2,175,589</u>	<u>191,217</u>	<u>2,366,806</u>
Grand total all funds	\$99,308,706	\$14,625,342	\$113,934,048
Full-time equivalent positions	363.00	28.00	391.00"

Page 3, replace lines 8 through 19 with:

"Office equipment and furniture	\$331,470	\$0
Information technology equipment	516,556	924,460
Juvenile case management system replacement study	90,000	0
Disaster recovery planning	95,000	0
Criminal justice information sharing publisher project	139,850	0
Disaster recovery project	0	2,171,672
Criminal case eFile initiation	0	99,000
Total general fund	\$1,172,876	\$3,195,132"

Page 4, line 13, replace "fifty-five" with "fifty-two"

Page 4, line 14, replace "three" with "four"

Page 4, line 14, replace "ninety-six" with "thirty-six"

- Page 4, line 15, replace "sixty-three" with "fifty-seven"
 - Page 4, line 15, remove the overstrike over "nine"
 - Page 4, line 15, remove "one"
 - Page 4, line 15, overstrike "hundred"
 - Page 4, line 15, remove "sixty-six"
 - Page 4, line 16, replace "four" with "three"
 - Page 4, line 17, replace "sixty-two" with "seventy-seven"
 - Page 4, line 18, replace "six" with "five"
 - Page 4, line 18, replace "eighty-five" with "eight"
 - Page 4, line 22, replace "forty-two" with "thirty-nine"
 - Page 4, line 23, remove the overstrike over "six"
 - Page 4, line 23, remove "three"
 - Page 4, line 23, replace "ninety-two" with "seventy-nine"
 - Page 4, line 24, replace "forty-nine" with "forty-three"
 - Page 4, line 24, replace "five" with "eight"
 - Page 4, line 24, overstrike "eleven" and insert immediately thereafter "sixty-nine"
 - Page 4, line 28, remove "one"
 - Page 4, line 28, overstrike "hundred"
 - Page 4, line 28, replace "thirteen" with "thirty-five"
 - Page 4, line 29, replace "three" with "one"
 - Page 4, line 30, replace "nineteen" with "fifty-six"
- Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of House Action

	Base Budget	House Changes	House Version
Supreme Court			
Total all funds	\$13,282,519	\$1,554,855	\$14,837,374
Less estimated income	0	0	0
General fund	\$13,282,519	\$1,554,855	\$14,837,374
District Courts			
Total all funds	\$85,005,313	\$12,960,862	\$97,966,175
Less estimated income	1,808,090	114,060	1,922,150
General fund	\$83,197,223	\$12,846,802	\$96,044,025
Judicial Conduct Commission			
Total all funds	\$1,020,874	\$109,625	\$1,130,499
Less estimated income	367,499	77,157	444,656
General fund	\$653,375	\$32,468	\$685,843

Bill total			
Total all funds	\$99,308,706	\$14,625,342	\$113,934,048
Less estimated income	2,175,589	191,217	2,366,806
General fund	\$97,133,117	\$14,434,125	\$111,567,242

House Bill No. 1002 - Supreme Court - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$9,851,552	\$1,593,693	\$11,445,245
Operating expenses	2,754,254	253,745	3,007,999
Judges' retirement	75,017	4,571	79,588
Guardianship training	70,000	234,542	304,542
Accrued leave payments	531,696	(531,696)	
Total all funds	\$13,282,519	\$1,554,855	\$14,837,374
Less estimated income	0	0	0
General fund	\$13,282,519	\$1,554,855	\$14,837,374
FTE	45.00	2.00	47.00

Department No. 181 - Supreme Court - Detail of House Changes

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds New Positions ³	Increases Operating Expenses ⁴	Adds Funding for Maintenance Costs for Information Technology ⁵	Total House Changes
Salaries and wages	\$721,531	\$489,414	\$382,748			\$1,593,693
Operating expenses				194,262	59,483	253,745
Judges' retirement	6,916	(2,345)				4,571
Guardianship training	191,374	11,924		31,244		234,542
Accrued leave payments	(531,696)					(531,696)
Total all funds	\$388,125	\$498,993	\$382,748	\$225,506	\$59,483	\$1,554,855
Less estimated income	0	0	0	0	0	0
General fund	\$388,125	\$498,993	\$382,748	\$225,506	\$59,483	\$1,554,855
FTE	0.00	0.00	2.00	0.00	0.00	2.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year for employees and 4 percent annual increases for Supreme Court Justices and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Health insurance increase	\$287,421		\$287,421
Salary increase - Performance	211,572		211,572
Total	\$498,993	\$0	\$498,993

³ The following funding and FTE are added:

	General Fund	Other Funds	Total
1 FTE guardian-related position	\$191,374		\$191,374
1 FTE account analyst position	191,374		191,374
Total	\$382,748	\$0	\$382,748

⁴ Funding is added for increased operating expenses.

⁵ Funding is added for increased information technology maintenance costs.

This amendment also adds or changes sections providing:

- Line item transfers as requested by the judicial branch.
- Four percent annual salary increases for Supreme Court Justices.

House Bill No. 1002 - District Courts - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$61,177,621	\$10,851,454	\$72,029,075
Operating expenses	20,847,479	2,852,512	23,699,991
Capital assets		1,748,460	1,748,460
Judges' retirement	500,936	(92,287)	408,649
UND central legal research	80,000		80,000
Accrued leave payments	2,399,277	(2,399,277)	
Total all funds	\$85,005,313	\$12,960,862	\$97,966,175
Less estimated income	1,808,090	114,060	1,922,150
General fund	\$83,197,223	\$12,846,802	\$96,044,025
FTE	314.00	26.00	340.00

Department No. 182 - District Courts - Detail of House Changes

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adds New Positions ³	Adds Funding for Increased Payments to Counties ⁴	Increases Funding for Juvenile Court Program Services ⁵	Adds Funding for Information Technology Costs ⁶
Salaries and wages	\$3,652,095	\$2,823,223	\$5,026,136			
Operating expenses				381,748	232,340	162,417
Capital assets						
Judges' retirement	(80,173)	(12,114)				
UND central legal research						
Accrued leave payments	(2,399,277)					
Total all funds	\$1,172,645	\$2,811,109	\$5,026,136	\$381,748	\$232,340	\$162,417
Less estimated income	201,737	3,239	0	0	0	0
General fund	\$970,908	\$2,807,870	\$5,026,136	\$381,748	\$232,340	\$162,417
FTE	0.00	0.00	26.00	0.00	0.00	0.00

	Adds Funding for Operating Expenses ⁷	Reduces Funding for Salaries and Wages ⁸	Adds One-Time Funding ⁹	Total House Changes
Salaries and wages		(\$650,000)		\$10,851,454
Operating expenses	629,335		1,446,672	2,852,512
Capital assets			1,748,460	1,748,460
Judges' retirement				(92,287)
UND central legal research				
Accrued leave payments				(2,399,277)
Total all funds	\$629,335	(\$650,000)	\$3,195,132	\$12,960,862
Less estimated income	(90,916)	0	0	114,060
General fund	\$720,251	(\$650,000)	\$3,195,132	\$12,846,802
FTE	0.00	0.00	0.00	26.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year for employees and 4 percent annual salary increases for judges and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$1,318,214	\$3,239	\$1,321,453
Health insurance increase	1,489,656		1,489,656
Total	\$2,807,870	\$3,239	\$2,811,109

³ The following funding and FTE positions are added:

	General Fund	Other Funds	Total
2 FTE clerk of district court I positions	\$422,059		\$422,059
13 FTE clerk of district court II positions	1,851,480		1,851,480
4 FTE district judge positions	1,603,148		1,603,148
4 FTE court reporter positions	669,951		669,951
1 FTE paralegal position	161,962		161,962
1 FTE law clerk position	175,114		175,114
1 FTE electronic court recorder position	142,422		142,422
Total	\$5,026,136	\$0	\$5,026,136

⁴ Funding is added for increasing payments to counties for providing clerk of court services.

⁵ Funding is added for juvenile court program services.

⁶ Funding is added for increased information technology costs.

⁷ Funding is added for increases in operating expenses.

⁸ Funding for salaries and wages is reduced in anticipation of savings resulting from employee vacancies and turnover.

⁹ One-time funding is added for the following:

	General Fund	Other Funds	Total
Information technology disaster recovery site	\$2,171,672		\$2,171,672
Information technology equipment over \$5,000	924,460		924,460
Criminal case eFiling initiation project	99,000		99,000
Total	\$3,195,132	\$0	\$3,195,132

This amendment also adds or changes sections providing:

- Two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District.
- Four percent annual salary increases for district court judges.

House Bill No. 1002 - Judicial Conduct Commission - House Action

	Base Budget	House Changes	House Version
Judicial conduct commission	\$1,020,874	\$109,625	\$1,130,499
Total all funds	\$1,020,874	\$109,625	\$1,130,499
Less estimated income	367,499	77,157	444,656
General fund	\$653,375	\$32,468	\$685,843
FTE	4.00	0.00	4.00

Department No. 183 - Judicial Conduct Commission - Detail of House Changes

	Adds Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increase ²	Adds Funding for Operating Expenses ³	Total House Changes
Judicial conduct commission	(\$28,843)	\$47,703	\$90,765	\$109,625
	(\$28,843)	\$47,703	\$90,765	\$109,625

Total all funds				
Less estimated income	28,660	0	48,497	77,157
General fund	(\$57,503)	\$47,703	\$42,268	\$32,468
FTE	0.00	0.00	0.00	0.00

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

	General Fund	Other Funds	Total
Salary increase - Performance	\$30,431		\$30,431
Health insurance increase	17,272		17,272
Total	\$47,703	\$0	\$47,703

³ Funding is added for operating expense increases.

2015 SENATE APPROPRIATIONS

HB 1002

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1002
3/10/2015
Job # 24536

- Subcommittee
 Conference Committee

Committee Clerk Signature

Katie Oliver for Alice Dedzer

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to defray the expenses of the Judicial Branch of government

Minutes:

Attachments 1- 3

Chairman Holmberg called the committee to order on Tuesday, March 10, 2015, at 8:30 am in regards to HB 1002. Roll Call was taken. All committee members were present. Sean Smith of Legislative Council and Becky Deichert, OMB was also present.

Chairman Holmberg stated the subcommittee is as follows: Senator Kilzer, Chairman; Senator Sorvaag and Senator Heckaman.

Chief Justice Jerry VandeWalle: This is a people's budget. Our case load is growing and we simply have to have more judges and more people. We cut out of operations not the FTE's. Nine of the new FTE's not our action, it was a county option, if they didn't we would contract with them. McKenzie must come on; Barnes County chose to come in. 9 of those are people that came on according to statute. The House gave a choice what to cut, most operations. They made a couple of changes we did not recommend. The 3% salary and the money for the renovation out the \$40,000,000 in OMB budget, we are land locked, there is no other space for the court in the building. (4.59)

Chairman Holmberg: The request that you had presented was 28 FTE, the House did fund your requests. That was correct.

Chief Justice VandeWalle: The extreme we had no choice. This is a people budget.

Judge Cynthia Feland, District Court Judge testified in favor of HB 1002 and provided written Testimony Attached # 1 - a request for a pilot project to provide monitoring of guardianship and conservatorship cases. (12.09)

Chairman Holmberg was this presented in the House? He was told yes. The cost is \$304,000.00.

Senator Mathern: I am concerned there is no mechanism for providing review of the annual report. Doesn't the court issue the order for guardianship? I think the people assume the judge looks at the annual report, don't they?

Judge Feland: The Court looks at the part of the problem is there isn't really any type of statutory mechanism. The court accepts that annual report, there is no mechanism for the court to go through, to look at it, and do an audit.

Senator Mathern: I think judges have abilities beyond reading a report. Most of them have a background where they were council to guardians or families. I think they have some of those skills but, let's assume we have to fund this pilot project, it seems close to social work. We were talking about doing some of these things that this pilot project is talking about, we should have counties, or whoever is doing these services, monitoring, auditing, making visits so I am wondering how this would work with adult protective services. Are we doing it both or are we not doing it correctly in human services so now we are beefing it up in the judicial system.

Judge Feland: I can't speak what they are doing in the other agency. All I can tell you is based on what I have seen and what was raised as concerns during the workgroup, which does involve a multidisciplinary group as you can see from the list on the third page. The problem is I think you're correct, I think the public thinks the court can do more than they can do. If you look at them I don't have the authority to order a financial audit be conducted. I don't have a mechanism to do that. Our thought process behind the pilot project was to create a mechanism which could then be replicated on a statewide basis. Ultimately it would be taken under the umbrella of the Court, but we need a mechanism to start this process and currently there doesn't seem to be this kind of process.

Senator Gary Lee: In terms of cost, \$304,000 listed, but there is also 2 new FTE's , it looks like they would be an addition.

Sally Holewa: State Court Administrator. That is not a duplicate amount it is one FTE. The \$304,000 encompasses that FTE.

Senator Gary Lee: One guardian position and one account analysis position. Are they both in the program?

Sally Holewa: No they are not. One accountant would be strictly an accountant for the Court.

Senator Wanzek: What is the difference between a guardianship and a conservatorship?

Judge Feland: Conservatorships strictly taking care of the financial assets of another and when we deal with guardianship they are making legal, residence, medical determinations. Potential areas in which authority can be granted full or limited, in some of those cases a separate conservatorship isn't addressed so the guardian, in essence, becomes both the conservator and the guardian. (20.18)

Senator Mathern: What would be happening in those areas where there is no pilot study activity? I am concerned with the pilot goes forever, so certain areas get a better service than others. It takes 10 or 12 years. Let's assume this is all correct and needs to be done.

Judge Feland: We looked at a state wide process the problems with that are we took a look at the finances, since we don't know if the estimate for the number of well-being checks and financial audits is sufficient if it is more than what would be needed. It felt to the committee the most prudent and appropriate way of addressing the issue, would be to do it in the form of a pilot project, over the two year.

Senator Mathern: This sort of says injustice someplace and justice someplace else.

Judge Feland: Right now we have no process and so there is no mechanism that can be used throughout the state process at all. While I agree with you that the ideal would be to do it on a statewide basis initially we couldn't find a cost effective way to do that.

Senator Mathern: Some other sort of policy change.

Judge Feland: That started in the Senate to modify guardianship and conservatorship statues to make some changes and within there was a proposal limiting the length of time. Unless if someone comes in and asks for your removal, or you request to be removed, it was a perpetual appointment. Now what are proposing hold hearings every 5 years and that will end, that alleviates some of the concern of the court, the court can request the ad litem and guardian can be reappointed. The problem will still be the financial assets, are they being properly protected.

Judy Vetter, State President, Guardianship Association of North Dakota. For protection and services, nonprofit, we are here to ask support for this funding. We see it as the right thing and make our guardianship laws the best in the nation. We believe that the wards that we serve deserve to have somebody with expertise.

V. Chairman Krebsbach: How are we doing on guardianship, what requirements does a person have to have to become a guardian?

Judy Vetter: There is a lack of guardians statewide; we are a resource for the court. When you work with vulnerable adults, sometimes you don't have the people that have the ward's interests at best. Our credentials: take a test, education credits every two year period supporting that you have continued your education and staying current with all the things that are happening. I know when we file our annual reports, we would love to know they have been looked at, reviewed and approved. If we are appointed conservatorship for an individual and they have substantial assets we hire an attorney to file a 3.2 motion and ask for the court to review and approve our actions on the case. The difference between this program and human services is doing through adult protective services those are 2 separate programs. This court monitoring program, look at two sides, but when it comes to the accounting piece, it takes an accountant to know?

Senator Heckaman asked for the Bill number Judge Feland had referred to. She was told it is SB 2168.

Sally Holewa, State Court Administrator testified in favor of HB 1002 and provided written Testimony Attached # 2 - a general overview of the Judicial Branch budget request. (49.52)

Chairman Holmberg one of the challenges in the northeast central part of the state is that we have had a lot of new judges. Do they go to a school?

Sally Holewa: They go to a school in Reno for a weeklong; otherwise it is on the job training.

V.Chairman Bowman: What is the ability to fill those positions in North Dakota?

Sally Holewa: The availability is question as we have seen statewide. In general, about judges, it is a career move for people. We are noticing extremes on both ends, not on the quality, we are getting it as people as a last stop before retirement, on the other end we are looking at people with 10 years' experience. With the other staff, people want to work for the court, a chance to work for justice.

Senator Heckaman: Going back to disaster recovery site outside of Bismarck Mandan, What is the current level of recovery are you are doing?

Sally Holewa: In general a tape back-up and storing them offsite within Bismarck.

Don Wolf, Director of Finance For the court system testified in favor of HB 1002 and provided written Testimony Attached # 3 - which provides the details regarding the judicial Branch budget request. (55.00 - 1.02.02)

Senator Heckaman: On the office equipment, is that for new or just replacement?

Don Wolf: Most of it is replacement. He continued with testimony. (1.06.38)

Chairman Holmberg: The use, the executive recommendation, in essence OMB doesn't touch the recommendation they just go automatically to us.

Jack McDonald President of the State Bar Association of North Dakota: Supported the budget, we ask you support it as well, and consider reinstating the cuts made by the House, particularly the cuts to the judges' salaries.

Dale Sandstrom, Supreme Court judge, Justice Crothers explain in more detail why disaster recovery is so important. On April 11, 2011 we became the first state to have our entire trial court record on electronic record with transactions being entered every minute. Now we have one set of servicers being back up on a daily basis, if something happens at the Capitol, natural disaster, accident, or an intentional act aimed at this complex, what happens to the court systems without a disaster recovery program. We can't run tapes if you don't have computers with programs on them. Consider how many transactions are

happening in Grand Forks, Fargo, and Bismarck. We are asking for active passive the data would be stored to another location but we wouldn't be having duplicate licensing fees to run it which would add a substantial amount to it. With this system we could back in business in a day, with the tape system it would take several days.

Senator Heckaman: When you have it down to \$627 exactly what would be the time to get it up and running?

Larry Zubke, Director of Technology for the Courts: we establish 6 months' time frame, depend on the vendors we use.

Senator Heckaman: Is this something you are building from scratch.

Larry Zubke: It is based on ITD that executive branch uses, they have a facility outside of Bismarck, and they are doing the same thing.

Senator Kilzer: In the last page of Don's testimony, \$700,000 of general funds for investigating of attorneys and judges, what is the rational for that funding coming from the general fund rather than licensing fees?

Chief Justice VandeWalle: Half of the money does come from licensing fees. We have 3 new judges on the bench; one is a former law clerk that retired, now is a judge. One is retired we are very lucky to have them. Most of them are doing it because they want to. I am an accountant, and I can't establish, you need forensic accountants to look at the reports. I am hopeful that we can develop a profile that some of our clerks could look at. 95% are fine, it's the other 5% that aren't. Usually they come to play when there is no longer any money to pay the nursing home costs, and then we see what happened.

Senator Erbele: The Judicial conduct commission, who makes that up, where are they located and what is the process for someone filing a complaint?

Chief Justice VandeWalle: The commission is made up of one judge, and lay people appointed, they are not full time. The disciplinary council of the Bar Association also is the disciplinary council for the judicial conduct commission, they are two separate commissions but they staff both of them. The complaints are made through them, very often the complaints will come to the clerk of courts office and she automatically refers them to the disciplinary council.

Senator Erbele: So they would contact who first?

Chief Justice VandeWalle: Disciplinary council would be the one to contact fist and file the complaint. We don't call them; we have to rule on them one way or another. If they call a lawyer, they would refer them to the disciplinary board. I have been the subject of several complaints, most of the complainants are in the penitentiary and are not happy with the decision but there are some that are meritorious.

Chairman Holmberg closed the hearing on HB 1002.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1002
3/26/2015
Job # 25508

- Subcommittee
 Conference Committee

Committee Clerk Signature

Carie Winings for Rose Lanning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to defray the expenses of the Judicial Branch of government

Minutes:

No Attachments

Legislative Council - Sean Smith
OMB - Becky Keller

Senator Kilzer called the sub-committee to order on HB 1002. **Senator Sorvaag** and **Senator Heckaman** were also present. Asked Sally Holewa to go over changes.

Sally Holewa, State Court Administrator: The House reduced our request by \$6.3 million. Most of that request the House did allow us to make it but there were two pieces where they did not. One of them was the salaries. We had asked for a 5 and 5 for the judges and justices and a 4 and 4 for employees. They reduced all of those to 3-3. The other one had to do with this former ITD space that we want to remodel. We had asked for a little over one million dollars for that and they reduced all of that and took it out.

Donald Wolf, ND Supreme Court: The \$650,000 was a general reduction to salary increases.

Sally Holewa: The rest of those cuts came from operating funds and from capital assets. When we met with the full committee we asked for some back. The first thing that we asked for was partial refunding of the one-time funding; that would be \$220,500 to be re-instated primarily because right now that line item has been zeroed out. We are concerned that there are going to be at least 4 new court rooms built during the next biennium and the court system funds our specialized equipment and some of our special furniture and things in there. If those four court rooms are built we are concerned that we would not have the money to furnish those. That is primarily it. We were asking for reinstatement of \$100,000 for intensive in-home therapy for juveniles and their families. We also asked to reinstate the funding for the former ITD space. That is \$1.1 million.

Senator Heckaman: Did they give a reason why they took it out? Does it have anything to do with the consideration of renovating the other space at the memorial library?

Sally Holewa: No. They were concerned with the way we were going to use it. If we get that space, what we intend to use it for is training and conference space. That in turn affects the fire code for that. It would require the building of a tunnel to make an outside exit as well as soundproofing etc. It would be about \$780,000 of actual construction to buildings that would be required.

Senator Heckaman: Did you revise your plan at all due to the tunnel issue?

Sally Holewa: No we did not because that is primarily our need. The only other thing that we asked is for the Senate appropriates to consider is for the judge and justice salaries to be reinstated to a 4 and 4.

Senator Kilzer: So you got a double whammy when leadership decided that everyone was going to go to a 3 and 3 and there was going to be no new buildings or renovations done. That hit you hard?

Sally Holewa: Yes, exactly.

Senator Kilzer: Can we talk a little bit about the new judge's numbers?

Sally Holewa: We had asked for 4 new judges and that would be 2 in the South Central, which is the Bismarck area (there are 8 already), 1 in the Northwest in Watford City, and 1 in the Southwest in Dickinson. We broke all the rules when we came over to the Senate and we asked for a 5th judge to be added. We did ask for that in the House but they did not give it to us. That one would be another one in Williston.

Senator Kilzer: Can you tell me how many are already in each one of these regions or districts.

Donald Wolf: There are 3 in Dickinson now. In Watford City there is 1. And in Williston there are 3.

Senator Kilzer: Do they cover for one another?

Sally Holewa: Within their own district they cover because they can because they are all elected to the same district. In the event that someone is out for an extended absence or if there would be a conflict the Chief Justice can temporarily assign someone who can take cases. We also have surrogate judges who are retired judges that can take cases that the court assigns them in there.

Sally Holewa: Our surrogate judges seem to have good work ethic because 2 of our very good ones just went back to work.

Chief Justice: I make assignments out of district for the judges probably 2-3 times a week because of conflicts within the district. We have assign judges in the NE district into Grand Forks because of illness and death in that district. They have been short for about 3 years. Now they have another resignation in that district. Their work at home has to be done

before they are doing someone else's work. With regard to Watford City, we had moved a judge to Minot and if I had of known about the oil development I would not have done that. We put on back into Watford City and when we did that there was a backlog of cases because they only had 2 judges in Williston at that time with around 300 cases. We now have a surrogate judge up there trying to reduce the backlog. We try the federal and criminal cases first. We are starting to face some of the same problems here in Bismarck too. Bismarck is one of the fastest growing cities for it's' size. This is really a people oriented budget. We have to get along without supplies but we have to have some of these people. I can take judges and assign them to other districts but then the whole state is in a delay and downward spiral as far as cases are concerned. I am trying to prevent that from happening because it becomes chronic after a while.

Senator Heckaman: I think most of your requests were filled weren't they? Except for the two additional requests that you are asking for now and that is 1 judge and 1 court recorder correct?

Sally Holewa: (Reviewed all the positions requested.)

Senator Heckaman: To get you to the most efficiency is to add that judge and recorder and then return the \$650,000. Without the \$650,000 you would have to cut more.

Sally Holewa: Without the \$650,000, we'd have to delay hiring those positions. Probably because judges have a much higher salaries than other we would have to delay filling those. It's operating in a better late than not.

Senator Kilzer: BSC President said new graduates \$35,000-126,000, and there are not too many people in state government that make more than \$126,000.

Chief Justice: We did not request in budget because Williston doesn't have a court room. The county commissioners have written and they have assured us that the courtroom space will be there. Not all judicial duties involve a court room but that is definitely a master calendar environment.

Senator Sorvaag: You had said that you want to restore the juvenile services, were you talking of the case management? The \$1.7 million or this \$100,000 reduction in the court program services.

Sally Holewa: That's just the \$100,000 in the juvenile services line. We would like our juvenile case management system but it is not on its last leg yet. It's an older system, but using it for two more years is not going to break us.

Senator Kilzer: Asked Sally Holewa to talk about guardianship.

Sally Holewa: We are asking to start a guardianship monitoring program which would include one FTE and that would be an accountant to run it and supervise it. Essentially what it is that we set it up guardianships now and we don't have any really good way to monitor whether the guardian is doing a good job or not. They file annual reports but due to a little quirk in our law they only have to serve it on the person that they are the guardian

over. The way things are set up now is if you happen to have a concern, the only way to get it to the court is to file a letter or a motion asking for a hearing on it. It is time consuming and difficult and a little bit intimidating. This program would allow us to do 20 in depth evaluations of the reports coming in and it would allow us to do some random checking on these. We would use operating funds to contract with court visitors to go back in a couple of years after the guardianship is in place to make sure that the health and well-being are being watched out appropriately. The court doesn't have a good way to monitor now.

Senator Kilzer: So this would be for several hundred cases and would it be a pilot project?

Sally Holewa: It would be several thousand and it would be a pilot project for 2 districts out of 8.

Chief Justice: The pilot project would tell us if there are a lot of problems out there. (Gave an example of how it works in Nebraska.) I do not know that it would work in North Dakota and I would like to see if the pilot project could help us to determine that. We do not have extra clerks to do this though.

Sally Holewa: Nebraska pays their clerks full-time and the excess time that they have was used. We only fund those county clerks for how many hours we think we need them. It would be a matter of buying more time from the counties if they are willing to upfront the FTE for us or bring in other people. It could be done. They would still need a central person that is an experienced accountant who they could refer issues to.

Senator Kilzer: In Nebraska the county clerks are state employees like they are here.

Chief Justice: They are all state employees. Most of our counties are contracted. We only pay for the clerking they do on our weighted caseload system so they presumably don't have any extra time. We are asking for more clerks because they are swamped.

Senator Kilzer: Do some of the county clerks around the state have other jobs?

Chief Justice: It is usually the combination of clerk and court registrar.

Sally Holewa: Two are the auditor, the register, and the treasurer.

Chief Justice: But we only pay for those duties that relate the duties of the clerk of court. In going back to the 9 employees, if I had my way when this was set up they all would have been made state employees right away rather than an option but that was not up to me. Once they hit five they have to come on.

Senator Kilzer: This present legislature is probably adding more county employees to the state. At the present time all of our child support enforcement people are all state employees and quite a bit of the community based and home service are becoming state employees. As long as the oil is flowing there will be more state employees but that may shut down if that changes.

Senator Heckaman: On the facility, and I don't know what it looks like currently, if there's not any money to renovate that is there any usable space for you at all in there right now or not?

Sally Holewa: It really isn't useable because it is set up for cubicles and we do not have a need for a lot of extra offices. If we had the space we would use it for a non-conforming space.

Chief Justice: If we got the building I thought an appropriate name would be the legislative annex.

Senator Heckaman: When we look at all the budgets we have before us we know that not 100% of everything is going to get funded and we have to look at what we can make out of what we have.

Chief Justice: My concern is that the court needs more space and if we don't get the building and the space gets used for something else, there is no other space available on campus.

Senator Heckaman: When we talked on the industrial commission this morning and the possibility of building the complex at BND is not dead yet and it would open up some space. Don't know now many of their FTEs are in the capital but that is not immediate either.

Senator Kilzer: I think in regards to the Bank of North Dakota, the sister financial situations will eventually occupy that whole area over there. Closed the conference committee discussion on HB 1002.

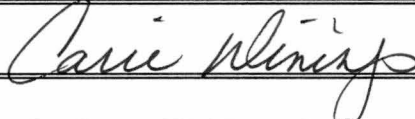
2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1002
3/31/2015
Job # 25671

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to defray the expenses of the Judicial Branch of government.

Minutes:

Green Sheets

Legislative Council - Sean Smith
OMB - Sheila Peterson

Senator Kilzer called the sub-committee to order on HB 1002. **Senator Sorvaag** and **Senator Heckaman** were also present.

Senator Kilzer: Asked the subcommittee members if they had any questions that they needed answered. We had a very good discussion last time. I went through everything and wrote down some ideas of my personal approach to the things that we talked about. I know judiciary has asked that the emphasis and consideration be for FTEs over other things. Of course everything is priority or we would not even hear about it.

Senator Sorvaag: On \$1.1 million for your facility expansion, is there any way that you can get in there for less money? I am not saying you over did it.

Sally Holewa, Court Administrator, ND Supreme Court: No, not really. We have looked at that and for the purpose that we want it for, it does have to have an exterior exit. There is really no way around that. The only way is to use it as a non-conforming room.

Senator Kilzer: Most of us realize that the \$40 million new building will sooner or later come to fruition. What about the \$2 million IT situation in your requests? Is that an all or nothing type of situation also?

Sally Holewa: Yes, provisionally. The \$2.1 million for the disaster recovery is based on a "best estimate" based on what we know about this space and what the rental costs will be. The unknown part is the actual cost for the maintenance licenses for the software we put in there when we put those items in. There may also be a chance to get a slightly less bandwidth cost but we won't know until we are in.

Senator Kilzer: You had two items and each one of them was for \$2.17 million. One for a remote site and the other one was for IT or are they the same thing?

Sally Holewa: We had one for \$2.1 million for the one-time funding. We had a juvenile case management system for \$1.78 million that the House took out. We did not ask to have that restored.

Senator Kilzer: I had in my notes that it was \$2.17 million for your remote site. How much was the IT project?

Sally Holewa: The IT project was \$1.78 million.

Senator Sorvaag: You also have the information technology equipment at \$1 million and they took it down to \$924,000. (Referred to green sheets)

Sally Holewa: On line 14 of the green sheets?

Senator Sorvaag: Yes.

Sally Holewa: That's district court IT capital assets so it is things like the IVAN System.

Don Wolf, Finance Director, ND Supreme Court: We have some interactive television evidence presentation equipment that we have going into the courtrooms. A big item of that is \$620,000 for disk and server expansion that is to back up everything that we have.

Senator Sorvaag: The House took out \$100,000. Was that arbitrary or was that a specific item?

Don Wolf: That was arbitrary 10% figure that they took out.

Senator Heckaman: In that same line on the equipment over \$5,000 they took all of that out and was that in the same vein?

Don Wolf: Correct. That includes items like a lot of copy machines, folding machine, work station system in Grand Forks, and steno machines for the dictation. That was something we agreed to when they asked us to come up with a reduction amount.

Senator Heckaman: Is there a way that we can get all the lists that you provided that you agreed to? It would be easier for us to know what you eliminated.

Sally Holewa: We don't have an exact list. Essentially what happened on the House side is that they asked us to make our own cuts within a certain budgetary amount on top of that then there were the things that they cut that we didn't have any input into. They cut an arbitrary \$650,000 out of it. They also took the judge and employee salaries down, and they took the ITD space out. We actually came up with a proposal to cut what we needed to meet what they had told us. First they said to cut \$5 million and then they came back and told us to cut another \$650,000. Then they came back and told us to cut another \$650,000, and then on top of those cuts, they reduced to more.

(8:10)Senator Kilzer: So that is \$6.3 million that you had in your testimony?

Sally Holewa: Exactly.

Senator Sorvaag: I had written that you would like to have the \$100,000 that went out of juvenile court programs.

Sally Holewa: In testimony that I provided I asked for a few things back. I asked for \$220,500 for onetime funding for equipment.

Senator Kilzer: Is that an all or nothing?

Sally Holewa: That amount could be adjusted somewhat. We are mostly concerned because we know that Gregg's, McKenzie, Mercer, and Williams Counties are all building or expanding new courthouses and we will need to put in our share of the equipment in those courtrooms. The \$100,000 for juvenile was for intensive in home therapy for kids that are going out of home or being returned to the home. It allows the therapist to come in and observe and work with the family right on site. We had asked for the reinstatement of the former ITD space and also for the judges and justices salaries to raise that from the 3 and 3 that the House left it at to the 4 and 4.

Senator Heckaman: What about that other position in Williston? The judgeship and the clerk?

Sally Holewa: Thank you for reminding me. Yes, we did ask for that 5th judge and court recorder position. We did ask for that in the House but we were met with a polite silence.

Senator Heckaman: I think that position is critical for us to restore that. I think that we need to address the lack of staffing in the western part of the state or we are going to be in trouble. Not only in trouble for the people that are not getting served but there could be a federal lawsuit over it. I think that addition is really important and I would like to see that in our amendments.

Senator Kilzer: I agree with that because in the Attorney General's budget or in some other budget there will be more law enforcement individuals. They will catch more criminals and the judges will be seeing them. One of the highest priorities is to put in all of the 5 judges that were in your testimony. We have to find the money for them.

Senator Heckaman: I think that you had a facility in Williston available for that judgeship out there correct?

Sally Holewa: The county has committed to remodeling and in the meantime the county purchased another building so it is going to be part of a comprehensive restructuring of how they have their county offices located. They did say that it would be a priority and as soon as it passed they would begin the remodeling.

Senator Kilzer: We need to talk about the Supreme Court. You are asking for accountant analyst. Was there one other person too?

Sally Holewa: At the Supreme Court level we've asked for 2 people. Those are specifically one accountant to work in our finance department and then we have also asked for money for a new guardianship monitoring program and that person is also an accountant that would be located in the Supreme Court.

Senator Kilzer: I think the case has been made for the accountant analyst due to the amount of money that is handled. How big of a staff is in the Supreme Court now? (45 FTEs - Don Wolf)

Senator Heckaman: I am really stymied as to what to do with the expansion and renovation of the IT department because I don't know if it is useable right now and I do not know if anyone is in it. I don't know what's going on with it. Somehow, somewhere along the way it is going to have to be renovated whether the Supreme Court uses it or someone else does. Have you visited that portion that they vacated?

Chief Justice Gerald VandeWalle, ND Supreme Court: No I have not seen it.

Don Wolf: There are partitions and things like that.

Senator Heckaman: I would like Sally to go down there with me to look at it. Even if the Supreme Court doesn't use it somehow along the way we are going to have to provide funding to make that useable space.

Senator Kilzer: Can you take use down there sometime Don?

Don Wolf: We can work on that.

Sally Holewa: This was space that IDT was using that basically a cubicle farm (30 - 40 spaces). Our main space need is not office space.

Senator Heckaman: Has anyone been bidding for this space. What is OMB's position on this?

Sheila Peterson, OMB: A number of agencies have relocated over into the space vacated by ITD when they moved to their new building. The entire labor department moved in there, offices from the Secretary of State moved in there, and the Indian Affairs Commission picked up some space. Space has been provided to agencies that were really very cramped and out of space in their existing locations in the capitol. I am not familiar with all of the details but I do know most of it is occupied.

Chief Justice: The space that we were looking at is the programmer's space. That was a very secure place in there. It goes into the wall so there are no windows in there and that's why they need the tunnel I believe.

Senator Heckaman: So the space they want is not occupied and is the Supreme Court the only one asking for that space.

Sheila Peterson: Correct. It was in the re-alignment of all the agencies that needed additional space. That was designated for the court. It was a prioritization of who needed to move and who needed more square footage.

Senator Heckaman: So the rest does not need renovating?

Sheila Peterson: There are some renovations that have been done by facility management staff themselves and I do believe that there are some very small amounts of money that may be, for example, in the Labor Department's budget to finish off what facility management could not do.

Senator Heckaman: Is there any money in the OMB budget for renovations that would pay part of this?

Sheila Peterson: Not to my knowledge. There is a general renovation and maintenance but I think that they have selected specific areas, tiles, carpeting and those types of things that need to be replaced.

Chief Justice: The main expense is the \$600,000 for the tunnel because it is a public space correct?

Sally Holewa: Correct. My concern is that if someone is going to use it you would need to have an exit.

Senator Heckaman: Someone is going to be using it so it needs to be fixed up.

Senator Kilzer: So the \$1.1 million is a pretty accurate figure for renovation?

Sally Holewa: Yes, it comes from facility management architect.

Senator Kilzer: On guardianship, did the House leave that in or did they remove it?

Sally Holewa: That was left in. Most of the cost for that monitoring program is the one FTE.

Senator Kilzer: Would they be full time?

Sally Holewa: Full time, it would be 20 full audits which would entail extensive auditing and record gathering and review. It would also encompass at least 10 basic random scanning of cases per month. It's much less in-depth, and it would also be the contract management with the court visitors.

Senator Kilzer: I know that there are 2 counties that have chosen to come under the state. Is that going to be widespread in the coming few years. I know it has not been that long

ago that the clerks of court were given the option to become state employees or to remain under contract with their counties.

Sally Holewa: As a gut instinct, I think it will become more familiar. There are quite a number of counties that could come across. I am seeing that the clerks that were here before the clerk take over in 1995 were much more resistant to the idea of becoming state funded. The newer ones are less resistant. I think the counties themselves, now that this has been in place for this long, are much less likely to see this as a county function and wondering why the state is not paying more for it.

Senator Kilzer: Aren't some of the county clerks of court also the county auditor?

Sally Holewa: Yes.

Senator Kilzer: Can they become state employees if they are still the county auditor?

Sally Holewa: No they cannot.

Chief Justice: If you have less than one full FTE need for clerk services in the county they can take them under the state. That is the contract. If you have a ½ clerk of court, we pay for that. They probably have the other half used as an auditor or county superintendent of schools or any number of things. It is limited to those counties that have less than one full FTE. My county is now up to 5 but that's because it's an oil producing county. If they have 5 or over they have to come on.

Senator Kilzer: So anytime a county has 5 clerks or more they have to become state employees.

Chief Justice: Under that current statute.

Senator Heckaman: I just want to clarify if the judicial conduct commission and disciplinary board is ok?

Sally Holewa: That is fine. The increase in the judicial conduct commission and disciplinary board is primarily because they're renting more space now.

Chief Justice: We have a report that was done by the Center for Professional Responsibility from the ABA and it is currently under consideration and study by our attorney standards committee. It does recommend more space and some additional staff. We have not asked for that because we are not there yet. Don't want to mislead the committee by thinking that there might not be some changes in that in the future. We have gone from 1800 to 3000 lawyers that have been admitted in the state.

Senator Kilzer: Discussed scheduling a tour. Closed the conference committee discussion on HB 1002.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1002
4/7/2015
Job # 25861

Subcommittee
 Conference Committee

Committee Clerk Signature

None for Rose Lanning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to defray the expenses of the Judicial Branch of government.

Minutes:

Legislative Council - Alex Cronquist
OMB - Becky Keller

Senator Kilzer called the sub-committee to order on HB 1002. **Senator Sorvaag** and **Senator Heckaman** were also present.

All three have seen the expansion area that they want to build or add on.

Senator Heckaman: Somewhere along the way, whether we work on the Memorial Building for the Judiciary in the future, this is still going to have to be retrofitted for whoever is going to use it. When we look at the codes and the way there changing we don't have any way to change back. That is the way it is. So I guess we would, I would certainly support the renovation of it, and if they do move out sometime, it can be used by another department here. So I would that we could include that in this bill as we go along as one of our amendments.

Senator Kilzer: Do you have anything in addition to add to Sally especially the observation that was obviously another agency floor plans laying on the floor as we visited the area.

Sally Holewa, Court Administrator, ND Supreme Court: We need the space. We will take whatever space we can get but we do need to have it be space that we can use.

Senator Kilzer: How much square footage do you have now and how much additional would this be, do you have any idea?

Sally: We have around 21,000 square feet in the capital, another just over 11,000 downtown and we're looking for an additional 24,000 is what our need is. This would bring in approximately 6,000 gross square footage so after the renovations I am not real sure what the square footage would be.

Senator Kilzer: Those numbers you said, you have 21,000 plus 11, 000 now, and this would be another 6,000.

Sally: Another 6,000 and were looking for 24,000.

Senator Kilzer: So you would still be looking for. If this were to come you would still be looking for 18,000 then?

Sally: Exactly what it would do is supply some of our need. This expansion space is still too small to close our downtown office and bring those people back because we would losing the little training and conference space we do have if we did that plus downsizing those facilities, but it is too small for that. It's too small to meet all our needs but it does meet some of our needs.

Senator Kilzer: The proposed new structure is the \$40M building that was proposed, how many square foot is that do you know?

Sally: I know that the addition would be about 40,000 square feet, if they put the addition on and then the usable space inside that building is very small.

Senator Heckaman: One thing I was very aware of when we met, Sally mentioned about the training opportunities that this remodeling and renovation would bring to them, because right now they are training 10 people at a time, out at motels because that is all the motel capacity has for their WiFi and so this would allow them better training opportunities and she also mentioned that it would allow other agencies to come in and use that facility for training. So when I think when we look at the big picture here, it is not only going to be isolated and singly used by the court, it can be used by other agencies on a scheduled basis. I don't know if the Supreme Court would be the scheduling facility but I sure would hope it would because you would have the first dibs at everything and then everyone would schedule through you. The other thing that happened is that I have worked with Chief Justice VanderWalle on another initiative that we tried to start in North Dakota. He asked me to come in and tour the current space they are using, and the one observation that I made is that just about every office that I saw had documents stored on the floor. I just don't know that that what I would consider a very secure atmosphere for storing things on the floor. Not that we're looking at this renovation as a storage facility, but it certainly takes away from space from each of the offices that were there. So I think that we could look at the big picture here and say this would benefit other agencies with the training and the meeting rooms they would have.

Senator Kilzer: Start with #1 priority - the personnel or FTEs. For these purposes I would like to start putting together the Senate Amendments for 1002. We would like to propose all 5 new judges plus additional one in NW district where the county is in the process of providing quarters.

Senator Heckaman: I visited with district judge and he'd take a decrease in salary to get another FTE because how important it was to the state to have that 5th judge out in Williston and so the whole system is aware of the importance of that.

Senator Sorvaag: I'm looking at green sheet - bottom of front page. Two with the Supreme Court, Guardian position and account analyst. The House left both those in, and I hope we'd leave them in for the Supreme Court, the Guardian.

Senator Kilzer: Which page of the green sheet?

Senator Sorvaag: If you start at right on the bottom of the very front page, it's the Guardian one for the Supreme Court, and the on the 2nd page, it is the account analyst. I think they were very high priorities from my understanding. I would hope to leave them in. Then if you go down to the District Court, on that 2nd page, maybe Sally could review them again for us and their priorities.

Sally: On line 7, the first bullet point:

- * 2 clerk of district court - Barnes and McKenzie County (mandated) 2 full time FTE's
- * 13 Deputy clerks of District Court - 2 Barnes, 5 McKenzie and rest new. 2 Burleigh, 2 Williston, 1 Minot, 1 Stark Co. (Dickinson)
- * District judges- 4 districts
- * 1 court recorders - goes up to 5.
- * Para-legal in law library - the target population - people who don't qualify for free services, but make too much and can't afford an attorney. We right now have one person who works in there, an attorney, that person spends about 6 hours a day just on the phone but we're looking for a para-legal to help some with the phone calls but also to help develop forms and get more information out.

Senator Heckaman: Is that position in Bismarck or could that be anyplace in the state?

Sally: It's here in Bismarck we have connected to the law library.

Senator Kilzer: Are you talking about the para-legal you're requesting or are you talking about para-legal or one on staff?

Senator Heckaman: No the one they are requesting.

Senator Kilzer: You said the one that is on staff is an attorney?

Sally: We currently have 1 full time attorney who works for that department.

- Law clerk up in Williston. We have our own internal standard of one law clerk for every 3 judges, right now the Williston doesn't have any. They have 4 judges there looking for a fifth.
- Electronic court recorder - downtown in Bismarck - have two referees. Right now we have 2 full time referees who share one recorder. The difference between a recorder uses that steno-machine that everybody thinks is real cool because it is. They use the steno-machine but the recorder uses a tape recorder in its lessons. This records hearings and transcribes them. That is the position.

Senator Sorvaag: The 13 Deputy Clerks, there was 7 already, 2 Barnes, 2 McKenzie, the 6 new I had was 2 for Burleigh, 1 Williston, 1 Minot, where were the other ones?

Sally: 2 for Williston. 1 Minot, 1 Dickinson

Senator Heckaman: The House took out \$650,000 and what or why, where was that taken out of, and what would that take away from you?

Sally: The \$650,000 was a miscellaneous cut on the way out of the door. Essentially it is the equivalent for new judge and court reporter for a biennium. Basically they just asked us to cut and we took it out of salaries and the idea was that we would delay filling positions or delay hiring some of these if we had to, but we really didn't want to cut one of the judgeships.

Senator Heckaman: I'd like to have that back in and want to cover it. I would ask Alex to drop that in, but considering your chairman I would like your comments on it too.

Senator Kilzer: Yes we can discuss it now. I can see the \$650,000 is really both areas.

Senator Heckaman: That's why I brought it up because I want to make sure that we covered that while we are talking about the FTE's.

Senator Kilzer: It certainly does fit and I appreciate your question and the answer.

Senator Sorvaag: I think we covered all FTEs now. Is there any prioritizing anywhere in this? I know the House got them but just for our information.

Sally: We think they are essential. But if we had to lose some, what order would we let them go. 1st one would be law clerk if we had too.

Senator Sorvaag: I'd rather you choose than us choosing.

Sally: We would cut of the Williston and one deputy clerk in Bismarck. Even though they have a greater need (Bismarck is 6 clerks short) as compared to being 3 short in Stark Co. Instinctively you would think they would want to keep both for Bismarck, but what essentially happens though has a much larger staff so if you divide that shortage across 13 people, it is a little easier to carry the load as compared to Stark County where they have 4, and are trying to divide 3 person shortage over them. So it would be the loss of 2 deputy clerks there that would be our next priority.

Senator Sorvaag: After that would you hit a brick wall?

Sally: Our para-legal in the Supreme Court, but that would be hard because of the lack of staff. The other person on the list would be the:

- Electronic court recorder for the South Central Judicial District, and the only reason they would fall next is because they already schedule around that person. They've been struggling for 4-5 years.

Senator Sorvaag: From my standpoint I think that is far enough down. I think we are all pretty committed to that new judge in Williston unless the Chairman wanted more prioritizing.

Senator Kilzer: The \$220,000 for furniture in addition to the \$1.1M for capitol space. Is the remote site - \$2.17M, how high of a priority? How long on the radar screen? Many years or what?

Sally: That's #1 priority under operations is that remote site. It's been on the radar for at least 4 years. Two years ago we asked for it and didn't get it. I talked to IT staff about price

tag. He suggested we could go down if we switched from. Right now we are talking about a 10 megabit or watt line or essentially going between the two sites. The cost for that is \$20,000/month for a line between the two places. He has been talking to IT again about what we could do short of that, and the ideas we could maybe put in two smaller lines and cut that cost down. He thought maybe about \$150,000 off the total price tag if we did that.

Senator Kilzer: Who is he? : He is our director of technology. He might as well be finance that is where all the money goes. The Director of Technology, Larry Sepke. **Senator Kilzer:** Would this be something that would have to be enlarged in the future then? **Sally:** No, the only change would be bandwidth at some time.

Senator Kilzer: Yes because you know there. It seems like the demands of everything like that increase as the years go by and that would be one of the things that we would be running out of.

Senator Sorvaag: You're talking your own secure, isolated site? This isn't renting space on a site and just lines to get there. It is a site secure of course?

Sally: We're talking about renting a secure site from one of the commercial carriers in the state. It is renting the space and then putting our equipment in the lines.

Senator Sorvaag: There will be ongoing expenses. **Sally:** There is a big on-going expense. You have to pay bandwidth costs and rent. Three to five years into it you have to replace equipment because your running duplicate equipment and you also have annual license fees on software to run it. So the cost, estimated on- going cost for the biennium is \$567,672.

Senator Sorvaag: Approximately a quarter million dollars a year, going up a little bit very year. **You would have on-going expenses.**

Sally: We have this as top priority. As a unified state, all of the court data for every court in the state is coming in to our servers. It is electronic now. We haven't had any kind of paper file since April 2011. So if something were to happen it is just gone.

Senator Sorvaag: Senator Heckaman brought the fact that she saw paper files. Are you converting over to electronic too as much as possible?

Sally: No we're not converting the storage costs, it costs a lot of money to store images. So we're not converting any of the old stuff at all.

Senator Sorvaag: It is just moving forward. **Sally:** It is going forward and a lot of the papers. At the District Court there paper free in the courts. Up at the Supreme Court and in the administrative office we are not paper free.

Senator Kilzer: So is the \$2.17M still accurate?

Sally: I would be comfortable if you put it to \$2M, anything less than that I would be a little less uncomfortable, not that you need to be concerned with my comfort level.

Senator Heckaman: Does that include any of the ongoing upkeep for this biennium?

Sally: It includes the upkeep for this biennium.

Senator Heckaman: So really the equipment then is probably about \$1.5 and then your upkeep is about \$5.

Sally: That is correct.

Senator Kilzer: We can still label it a one- time funding. **Sally:** that's correct.

Senator Kilzer: Committee are you okay with putting that in?

Alex Cronquist: Was the intent to reduce that to \$2 million or do you want to leave it in at the \$2 Million, can you do that Alex?

Senator Sorvaag: Could I ask just questions on two more items since our time is short. I think the other one that I had important to your court was the Juvenile Court Program services. Do you want it at \$100,000 that was a priority?

Sally: That's the priority for the juvenile court. **Senator Sorvaag:** But then let's go to the juvenile management system which the House took out. My understanding that isn't a priority, you could go another biennium without that.

Sally: Exactly. We could defer that for a biennium.

Senator Kilzer: Okay we will leave that one out for the present time; and the guardianship monitoring system your accountant that is for \$304,000 and is a very successful program.

Sally: It's new and I hope it works out. It is modeled after what some other states are doing.

Senator Kilzer: I would prefer to leave that one in if it okay with the other committee members. Does that finish up our hot topics in front of us? Any questions from Alex or Becky or anybody?

Alex: I thought there was the one additional judge; did you say that there was an additional court reporter?

Senator Kilze: Yes I guess you can't have one without the other.

Sally: You can but one would have to be sitting by themselves.

Senator Kilzer: Well it's like a wedding with a bride and no groom or something.

Senator Sorvaag So we're leaving all the FTEs as they are the intent now?

Senator Kilzer: As you talked about them there, yes. We will meet when the amendments are ready and hopefully we'll pass on them and that will be it for the sub-committee's work.

2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1002
4/9/2015
Job # 25963

Subcommittee
 Conference Committee

Committee Clerk Signature

Dous & Peery for Rose Doring

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to defray the expenses of the Judicial Branch of government.

Minutes:

Attachment # 1

Legislative Council - Sean Smith
OMB - Sheila Peterson

Senator Kilzer called the sub-committee to order on HB 1002. Senator Sorvaag and **Senator Heckaman** were also present.

Senator Kilzer thanked Sean Smith for preparing the amendments -15.8107.02001- Attachment 1

Sean Smith, Legislative Council: for the Supreme Court the only adjustments were the health adjustment and the facility expansion. For the district court it was the health adjustment , adding a judge and a court reporter, increasing the funding for the juvenile court program and reducing the onetime funding for the disaster recovery site. For judicial conduct commission the only change is the health adjustment.

Senator Kilzer an item of \$650,000 - please expand on that.

Sean Smith: The \$650,000 was removed on the House side. We kept that in this amendment - tied to the judges being added. A judge and court reporter were added.

Senator Heckaman it's still in there, the reduction?

Sean Smith the \$650 is still in there.

Senator Sorvaag: We are leaving it with their \$650,000, but adding the judge and reporter.

Sally Holewa, Court Administrator, ND Supreme Court: Clever strategy.

Don Wolf, CFO, ND Supreme Court: for office equipment - \$220,000 that we were to add back for capital assets and furniture over \$5K.

Senator Sorvaag We agreed to add the \$220K back in, it was the intent of the committee.

Senator Heckaman just needs to go in the district court, under operating or under capital assets? (Was told under capital assets) I agree with that, I think that was their intention.

Senator Kilzer can you make that change?

Sean Smith yes, \$220,000.

Senator Heckaman: is there a need for an emergency clause on the renovation project?

Don Wolf: no we're fine

Senator Kilzer: for them the number 1 item is FTEs, these things are secondary. How soon can you make the change? Can we get it thru today?

Sean Smith I'll try to get it this afternoon.

Senator Kilzer in appropriations

Senator Heckaman moved that we adopt this amendment 15.8017.0200, with addition of the \$220K in district court capital assets.

Senator Kilzer: I agree - so that's 3 - 0 vote. Will the new version be 02002? (Was told yes) We will present the 02002 before the appropriations committee hopefully later this afternoon. I am sure it will pass, and then we'll ask Senator Heckaman to carry the bill on the floor.

Meeting adjourned.

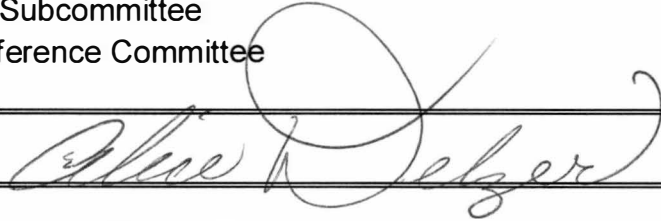
2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

HB 1002
4/9/2015
Job # 25984

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Act to defray the expenses of the Judicial Branch. (Do Pass as Amended)

Minutes:

Amendment # 15.8107.02002

Chairman Holmberg called the committee to order on Thursday, April 09, 2015 at 2:20 p.m. All committee members were present. Sheila M. Sandness, Legislative Council and Nick Creamer, OMB, were also present. He talked about HB 1003 at the beginning of this job. (00.0 - 3.33) (See minutes in HB 1003 - NDUS)

Senator Kilzer (3.33) presented Attachment # 1 - Amendment # 15.8107.02002 and I defer to Senator Heckaman to tell about what is in the amendments.

Senator Heckaman explained the amendments. On top of page 3- is reduction for health insurance premiums. We toured the ITD cavern and we decided to put the one-time funding in for that expansion and renovation project because the Supreme Court assured us that not only would they be using that facility but others could be using that for training purposes also. It seems like a good idea to get it done at this time rather than wait until the costs increase. We added \$220,000 for capital assists for equipment. As we increased FTE's going out to the Court system, for the District Courts and a total of 28 new FTE's will be going out. When the Court System came before us they asked 2 additional FTEs over what they had asked the House. The reason they didn't ask for these earlier is because they didn't have a place to place another judge in Williston and now a place has become available. They certainly need that other judge in Williston. So we added another judge and the court reporter. The \$220,000 will also provide for all the equipment that's needed for the other 4 additional judges that they asked for. In the district courts, a similar thing with the health insurance goes down, and that's where the funding for the new judge and court reporter in the northwest district goes. We increased some funding for intensive in-home programs for the youth and one time funding is reduced for the Information Technology Disaster Recovery Site. They had asked for a total of \$2.17M and we dropped that 1.7 down. So they will get \$2M for Disaster Recovery systems and that's for all of their court documents. They're very concerned about, whether its hackers, whether its disaster with weather, or whatever, that they have no way to recover their documents. Senator Kilzer, did I catch everything? (8.19)

Senator Kilzer: I think that is it.

Senator Heckaman moved the amendment # 15.8107.02002. 2nd by Senator Sorvaag.

Chairman Holmberg: All in favor of the amendment say aye. It carried.

Senator Heckaman moved a Do Pass as Amended on 1002. 2nd by Senator Kilzer.

Chairman Holmberg: Call the roll on a Do Pass as Amended on 1002.

A Roll Call vote was taken. Yea: 13; Nay: 0; Absent: 0.

Senator Heckaman will carry the bill. The hearing was closed on HB 1002.

April 8, 2015

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1002

Page 1, replace lines 15 through 20 with:

"Salaries and wages	\$9,851,552	\$1,557,557	\$11,409,109
Accrued leave payments	531,696	(531,696)	0
Operating expenses	2,754,254	390,745	3,144,999
Capital assets	0	970,227	970,227
Judges retirement	75,017	4,571	79,588
Guardianship monitoring program	<u>70,000</u>	<u>233,789</u>	<u>303,789</u>
Total general fund	\$13,282,519	\$2,625,193	\$15,907,712"

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$61,177,621	\$11,167,914	\$72,345,535
Accrued leave payments	2,399,277	(2,399,277)	0
Operating expenses	20,847,479	2,815,008	23,662,487
Capital assets	0	1,748,460	1,748,460
Judges retirement	500,936	(92,287)	408,649
UND central legal research	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Total all funds	\$85,005,313	\$13,239,818	\$98,245,131
Less estimated income	<u>1,808,090</u>	<u>114,060</u>	<u>1,922,150</u>
Total general fund	\$83,197,223	\$13,125,758	\$96,322,981"

Page 2, replace lines 14 through 18 with:

"Judicial conduct commission and disciplinary board	<u>\$1,020,874</u>	<u>\$106,613</u>	<u>\$1,127,487</u>
Total all funds	\$1,020,874	\$106,613	\$1,127,487
Less estimated income	<u>367,499</u>	<u>77,157</u>	<u>444,656</u>
Total general fund	\$653,375	\$29,456	\$682,831"

Page 2, replace lines 23 through 26 with:

"Grand total general fund	\$97,133,117	\$15,780,407	\$112,913,524
Grand total special funds	<u>2,175,589</u>	<u>191,217</u>	<u>2,366,806</u>
Grand total all funds	\$99,308,706	\$15,971,624	\$115,280,330
Full-time equivalent positions	363.00	30.00	393.00"

Page 3, replace line 13 with:

"Disaster recovery project	0	2,000,000
Facility space expansion	0	1,107,227"

Page 3, replace line 15 with:

"Total general fund	\$1,172,876	\$4,130,687"
---------------------	-------------	--------------

Page 3, line 27, replace the second "one" with "two"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Supreme Court				
Total all funds	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
Less estimated income	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
District Courts				
Total all funds	\$85,005,313	\$97,966,175	\$278,956	\$98,245,131
Less estimated income	1,808,090	1,922,150	0	1,922,150
General fund	\$83,197,223	\$96,044,025	\$278,956	\$96,322,981
Judicial Conduct Commission				
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Less estimated income	367,499	444,656	0	444,656
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831
Bill total				
Total all funds	\$99,308,706	\$113,934,048	\$1,346,282	\$115,280,330
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General fund	\$97,133,117	\$111,567,242	\$1,346,282	\$112,913,524

House Bill No. 1002 - Supreme Court - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,851,552	\$11,445,245	(\$36,136)	\$11,409,109
Operating expenses	2,754,254	3,007,999	137,000	3,144,999
Capital assets			970,227	970,227
Judges' retirement	75,017	79,588		79,588
Guardianship training	70,000	304,542	(753)	303,789
Accrued leave payments	531,696			
Total all funds	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
Less estimated income	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
FTE	45.00	47.00	0.00	47.00

Department No. 181 - Supreme Court - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases¹	Adds Funding for Supreme Court Facility Expansion²	Total Senate Changes
Salaries and wages	(\$36,136)		(\$36,136)
Operating expenses		137,000	137,000
Capital assets		970,227	970,227
Judges' retirement			
Guardianship training	(753)		(753)
Accrued leave payments			
Total all funds	(\$36,889)	\$1,107,227	\$1,070,338
Less estimated income	0	0	0
General fund	(\$36,889)	\$1,107,227	\$1,070,338
FTE	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² One-time funding is provided for Supreme Court facility expansion to renovate a portion of the former Information Technology Department space within the Capitol.

House Bill No. 1002 - District Courts - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$61,177,621	\$72,029,075	\$316,460	\$72,345,535
Operating expenses	20,847,479	23,699,991	(37,504)	23,662,487
Capital assets		1,748,460		1,748,460
Judges' retirement	500,936	408,649		408,649
UND central legal research	80,000	80,000		80,000
Accrued leave payments	2,399,277			
Total all funds	\$85,005,313	\$97,966,175	\$278,956	\$98,245,131
Less estimated income	1,808,090	1,922,150	0	1,922,150
General fund	\$83,197,223	\$96,044,025	\$278,956	\$96,322,981
FTE	314.00	340.00	2.00	342.00

Department No. 182 - District Courts - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases¹	Adds New Judge and Court Reporter²	Increases Funding for Juvenile Court Program Services³	Reduces One-time Funding for the Information Technology Disaster Recovery Site⁴	Total Senate Changes
Salaries and wages	(\$252,615)	\$569,075			\$316,460
Operating expenses		34,168	100,000	(171,672)	(37,504)
Capital assets					
Judges' retirement					
UND central legal research					
Accrued leave payments					
Total all funds	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$278,956
Less estimated income	0	0	0	0	0
General fund	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$278,956
FTE	0.00	2.00	0.00	0.00	2.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding is provided for a new judge and court reporter (\$547,772) and related operating expense (\$34,168) and salary increase (\$21,303) for the Northwest Judicial District.

³ Funding is increased to expand intensive in-home programs and to provide additional youth cultural achievement programs in addition to the current juvenile court program services.

⁴ One-time funding is reduced for the information technology disaster recovery site.

Section 5 is changed to reflect an additional judge in the Northwest Judicial District to be assigned pursuant to Article VI, Section 10, of the Constitution of North Dakota and to be assigned to chambers by the Supreme Court.

House Bill No. 1002 - Judicial Conduct Commission - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Judicial conduct commission	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Less estimated income	367,499	444,656	0	444,656
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831
FTE	4.00	4.00	0.00	4.00

Department No. 183 - Judicial Conduct Commission - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases¹	Total Senate Changes
Judicial conduct commission	(\$3,012)	(\$3,012)
Total all funds	(\$3,012)	(\$3,012)
Less estimated income	0	0
General fund	(\$3,012)	(\$3,012)
FTE	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

April 9, 2015

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PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1002

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Capital assets	0	970,227	970,227
Judges retirement	75,017	4,571	79,588
Guardianship monitoring program	<u>70,000</u>	<u>233,789</u>	<u>303,789</u>
Total general fund	\$13,282,519	\$2,625,193	\$15,907,712"

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$61,177,621	\$11,167,914	\$72,345,535
Accrued leave payments	2,399,277	(2,399,277)	0
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Capital assets	0	1,968,460	1,968,460
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UND central legal research	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Total all funds	\$85,005,313	\$13,459,818	\$98,465,131
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Grand total special funds	<u>2,175,589</u>	<u>191,217</u>	<u>2,366,806</u>
Grand total all funds	\$99,308,706	\$16,191,624	\$115,500,330
Full-time equivalent positions	363.00	30.00	393.00"

Page 3, replace line 6 with:

"Office equipment and furniture		\$331,470	\$220,000
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Page 3, replace line 13 with:

"Disaster recovery project		0	2,000,000
Facility space expansion		0	1,107,227"

Page 3, replace line 15 with:

"Total general fund		\$1,172,876	\$4,350,687"
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2/2/15

Page 3, line 27, replace the second "one" with "two"

Page 3, line 28, replace "judge" with "judges"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
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Total all funds	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
Less estimated income	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
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Total all funds	\$85,005,313	\$97,966,175	\$498,956	\$98,465,131
Less estimated income	1,808,090	1,922,150	0	1,922,150
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Bill total				
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General fund	\$97,133,117	\$111,567,242	\$1,566,282	\$113,133,524

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	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,851,552	\$11,445,245	(\$36,136)	\$11,409,109
Operating expenses	2,754,254	3,007,999	137,000	3,144,999
Capital assets			970,227	970,227
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Guardianship training	70,000	304,542	(753)	303,789
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Department No. 181 - Supreme Court - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds Funding for Supreme Court Facility Expansion ²	Total Senate Changes
Salaries and wages	(\$36,136)		(\$36,136)
Operating expenses		137,000	137,000
Capital assets		970,227	970,227
Judges' retirement			
Guardianship training	(753)		(753)
Accrued leave payments			
Total all funds	(\$36,889)	\$1,107,227	\$1,070,338
Less estimated income	0	0	0
General fund	(\$36,889) 0.00	\$1,107,227 0.00	\$1,070,338 0.00

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² One-time funding is provided for Supreme Court facility expansion to renovate a portion of the former Information Technology Department space within the Capitol.

House Bill No. 1002 - District Courts - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$61,177,621	\$72,029,075	\$316,460	\$72,345,535
Operating expenses	20,847,479	23,699,991	(37,504)	23,662,487
Capital assets		1,748,460	220,000	1,968,460
Judges' retirement	500,936	408,649		408,649
UND central legal research	80,000	80,000		80,000
Accrued leave payments	2,399,277			
Total all funds	\$85,005,313	\$97,966,175	\$498,956	\$98,465,131
Less estimated income	1,808,090	1,922,150	0	1,922,150
General fund	\$83,197,223	\$96,044,025	\$498,956	\$96,542,981
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Department No. 182 - District Courts - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds New Judge and Court Reporter ²	Increases Funding for Juvenile Court Program Services ³	Reduces One-Time Funding for the Information Technology Disaster Recovery Site ⁴	Adds One-Time Funding for Equipment over \$5,000 ⁵	Total Senate Changes
Salaries and wages	(\$252,615)	\$569,075				\$316,460
Operating expenses		34,168	100,000	(171,672)		(37,504)
Capital assets					220,000	220,000
Judges' retirement						
UND central legal research						
Accrued leave payments						
Total all funds	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$220,000	\$498,956
Less estimated income	0	0	0	0	0	0
General fund	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$220,000	\$498,956
FTE	0.00	2.00	0.00	0.00	0.00	2.00

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² Funding is provided for a new judge and court reporter (\$547,772) and related operating expense (\$34,168) and salary increase (\$21,303) for the Northwest Judicial District.

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Section 5 is changed to reflect an additional judge in the Northwest Judicial District to be assigned pursuant to Article VI, Section 10, of the Constitution of North Dakota and to be assigned to chambers by

402
HB

the Supreme Court.
House Bill No. 1002 - Judicial Conduct Commission - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Judicial conduct commission	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Less estimated income	367,499	444,656	0	444,656
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831
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Department No. 183 - Judicial Conduct Commission - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Total Senate Changes
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Date: 4-9-15
Roll Call Vote #: 1

2015 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1002

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: 15.8107.02002

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Heckaman Seconded By Sorvaag

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg			Senator Heckaman		
Senator Bowman			Senator Mathern		
Senator Krebsbach			Senator O'Connell		
Senator Carlisle			Senator Robinson		
Senator Sorvaag					
Senator G. Lee					
Senator Kilzer					
Senator Erbele					
Senator Wanzek					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

voice vote passed

Date: 4-9-15
 Roll Call Vote #: 2

**2015 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 1002**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Heckaman Seconded By Kilzer

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Heckaman	✓	
Senator Bowman	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator O'Connell	✓	
Senator Carlisle	✓		Senator Robinson	✓	
Senator Sorvaag	✓				
Senator G. Lee	✓				
Senator Kilzer	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Heckaman

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, 0 ABSENT AND NOT VOTING). Engrossed HB 1002 was placed on the Sixth order on the calendar.

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Renumber accordingly

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Less estimated income	2,175,589	2,366,806	0	2,366,806
General fund	\$97,133,117	\$111,567,242	\$1,566,282	\$113,133,524

House Bill No. 1002 - Supreme Court - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,851,552	\$11,445,245	(\$36,136)	\$11,409,109
Operating expenses	2,754,254	3,007,999	137,000	3,144,999
Capital assets			970,227	970,227
Judges' retirement	75,017	79,588		79,588
Guardianship training	70,000	304,542	(753)	303,789
Accrued leave payments	531,696			
Total all funds	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
Less estimated income	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
FTE	45.00	47.00	0.00	47.00

Department No. 181 - Supreme Court - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds Funding for Supreme Court Facility Expansion ²	Total Senate Changes
Salaries and wages	(\$36,136)		(\$36,136)
Operating expenses		137,000	137,000
Capital assets		970,227	970,227
Judges' retirement			
Guardianship training	(753)		(753)
Accrued leave payments			
Total all funds	(\$36,889)	\$1,107,227	\$1,070,338
Less estimated income	0	0	0
General fund	(\$36,889)	\$1,107,227	\$1,070,338
FTE	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² One-time funding is provided for Supreme Court facility expansion to renovate a portion of the former Information Technology Department space within the Capitol.

House Bill No. 1002 - District Courts - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$61,177,621	\$72,029,075	\$316,460	\$72,345,535
Operating expenses	20,847,479	23,699,991	(37,504)	23,662,487
Capital assets		1,748,460	220,000	1,968,460
Judges' retirement	500,936	408,649		408,649
UND central legal research	80,000	80,000		80,000
Accrued leave payments	2,399,277			
Total all funds	\$85,005,313	\$97,966,175	\$498,956	\$98,465,131
Less estimated income	1,808,090	1,922,150	0	1,922,150
General fund	\$83,197,223	\$96,044,025	\$498,956	\$96,542,981
FTE	314.00	340.00	2.00	342.00

Department No. 182 - District Courts - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds New Judge and Court Reporter ²	Increases Funding for Juvenile Court Program Services ³	Reduces One-Time Funding for the Information Technology Disaster Recovery Site ⁴	Adds One-Time Funding for Equipment over \$5,000 ⁵	Total Senate Changes
Salaries and wages	(\$252,615)	\$569,075				\$316,460
Operating expenses		34,168	100,000	(171,672)		(37,504)
Capital assets					220,000	220,000
Judges' retirement						
UND central legal research						
Accrued leave payments						
Total all funds	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$220,000	\$498,956
Less estimated income	0	0	0	0	0	0
General fund	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$220,000	\$498,956
FTE	0.00	2.00	0.00	0.00	0.00	2.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding is provided for a new judge and court reporter (\$547,772) and related operating expense (\$34,168) and salary increase (\$21,303) for the Northwest Judicial District.

³ Funding is increased to expand intensive in-home programs and to provide additional youth cultural achievement programs in addition to the current juvenile court program services.

⁴ One-time funding is reduced for the information technology disaster recovery site.

⁵ One-time funding is provided for equipment over \$5,000.

Section 5 is changed to reflect an additional judge in the Northwest Judicial District to be assigned pursuant to Article VI, Section 10, of the Constitution of North Dakota and to be assigned to chambers by the Supreme Court.

House Bill No. 1002 - Judicial Conduct Commission - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Judicial conduct commission	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Less estimated income	367,499	444,656	0	444,656
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831
FTE	4.00	4.00	0.00	4.00

Department No. 183 - Judicial Conduct Commission - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Total Senate Changes
Judicial conduct commission	(\$3,012)	(\$3,012)
Total all funds	(\$3,012)	(\$3,012)
Less estimated income	0	0
General fund	(\$3,012)	(\$3,012)
FTE	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

2015 CONFERENCE COMMITTEE

HB 1002

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1002
4/16/2015
Recording Job# 26153

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch; to provide for the establishment of additional district court judgeships; and to amend and reenact sections 27-02-02 and 27-05-03 of the North Dakota Century Code, relating to salaries of supreme and district court judges.

Minutes:

"Click to enter attachment information."

Chairman Brandenburg: Opened the conference committee on HB1002.

Senator Heckaman: Explained the changes made by the Senate.

Representative Thoreson: We also toured the space. You said there was a needs based assessment that you received. Is that correct?

Senator Heckaman: No. We heard from facilities management and OMB that supreme court has the highest need for this space. I don't know whether it was over assessment or whether it was just a determination by OMB and facilities. The supreme court has first access. If they didn't want that then it would go down the line to someone else; but, I can't say whether it's on a survey or needs based assessment.

Representative Thoreson: I know the situation and I wasn't certain if there was an assessment done. I would ask that of OMB; if there was anything done, I'd like to see a copy.

Senator Heckaman continued with her explanation of the changes

Chairman Brandenburg: The cost for that IT was \$1.1 million. Are you saying that \$700,000.00 of that cost is that exit to go outside?

Senator Heckaman: It is because they have to tunnel through dirt. It will go out to the east edge of the capitol; out to the east entrance. It has to go through all that dirt that's put up against the east side of the capitol.

Chairman Brandenburg: I didn't realize that out of that \$1.1 million that \$700,000.00 was that cost.

Senator Heckaman: I think it's slightly under \$700,000.00.

Senator Heckaman continued with her explanation of the changes.

Representative Thoreson: That's something that's a significant change from the House's position on this budget. That's an issue we'll need to have more discussion on.

Senator Heckaman: We understand that completely.

Chairman Brandenburg: Can you repeat those counties?

Senator Heckaman: Griggs. McKenzie, Mercer and Williams.

Senator Heckaman continued with her explanation of the changes.

Chairman Brandenburg: If we look at the differences between the House version and the Senate version. The supreme court facility expansion for \$1.1 million, adding a new judge in Williston, \$100,000.00 for juvenile court. There was a reduction dealing with the offsite disaster; you rounded off \$2 million, it was \$2.1 million. There's one time funding of \$220,000.00 for equipment over \$5,000.00. That's IT stuff?

Senator Heckaman: The staff is here and can explain,

Sally Holewa, State Court Administrator, ND Supreme Court: Counties are responsible overall for facilities; but, we do have an arrangement with them when we have specialized equipment, the court pays for that. That equipment is evidence projectors, interactive tv's, and audio systems for doing digital recording.

Chairman Brandenburg: So it's a cost share between the counties and the supreme court?

Sally Holewa: Yes.

Becky Keller, Fiscal Analyst, ND Office of Management and Budget: I have an answer regarding the space needs. When ITD moved out of the building, there were several different areas where they vacated and facilities management did a prioritization based on all the different agencies space needs; and judicial was probably the best fit for that space.

Representative Thoreson: Did that include the legislative assembly also?

Becky Keller: I doubt that.

Representative Thoreson: It did include the executive branch also?

Becky Keller: I will check further with John and get back to you.

Chairman Brandenburg: We could use another room once in awhile.

Senator Heckaman: There are some committee rooms that could use additional space; but we have to remember that we're here four months and they're here constantly. We have to consider that when we look at utilization of the space.

Representative Thoreson: We are here for four months but it's probably the most interactive with the public whose building it really is. We do need to accommodate them. Frankly, it comes down to a safety issue. My fear is if there ever were an emergency situation, there could be a case where someone is in this hallway where something could happen.

Chairman Brandenburg: If you had a second room like the Brynhild Haugland room; where you don't have to have the committee in there all time, that would be good.

Representative Thoreson: We can hold that discussion for now. The discussion will be on the FTE increase. At the next meeting, I would request the information presented to the Senate since you heard the budget after we had it; as to the space opening up that would allow this. We did not go with the number that you did.

Senator Kilzer: Those are the only changes that we made.

Chairman Brandenburg: We understand and we'll come back and have another conference committee.

Chairman Brandenburg: Closed the conference committee.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division Medora Room, State Capitol

HB1002
4/17/2015
Recording Job# 26220

Subcommittee
 Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch; to provide for the establishment of additional district court judgeships; and to amend and reenact sections 27-02-02 and 27-05-03 of the North Dakota Century Code, relating to salaries of supreme and district court judges.

Minutes:

See attachment A.

Chairman Brandenburg: Opened the conference committee on HB1002.

Senator Heckaman: See attachment A.

Representative Thoreson: On page 5 of the document. If this remodel were to go forward, the exit tunnel; the total amount we heard before was \$700,000.00. Here it shows \$95,200.00. I'd like a little explanation as to what the cost is for that and a quick rundown of some of these other extraordinary repairs.

Sally Holewa, State Court Administrator, ND Supreme Court: The exit tunnel is \$95,200.00. The \$786,577.00 is all the structural changes that would need to be made in addition to that tunnel. It includes the tunnel plus more. It would take it from being an open room to separate rooms to make sure they were adequately heated and lighted. The detail where it talks about licenses is for software and equipment that we would need.

Representative Thoreson: I notice that there are two items that aren't listed; the steel for partition and the folding partition. Do you know what the cost would be?

Sally Holewa: We had originally priced that. The cost for that is \$12,000.00 for the steel frames, \$29,250.00 for the doors; so a total of \$41,250.00 to put in those folding doors.

Representative Thoreson: If you go to the architectural schematic, this would be in this larger room. Is that correct?

Sally Holewa: That's correct.

Chairman Thoreson: It would be able to separate it into two smaller spaces?

Sally Holewa: I know we had originally planned to put that in there. We had planned that we would be able to close it off in case we wanted to hold two smaller trainings or meetings at the same time.

Chairman Brandenburg: There is interest about these rooms being shared. It looks like there are three rooms and three offices.

Sally Holewa: We use our meeting rooms all the time and our classrooms quite frequently. We usually wouldn't schedule the bigger room during the legislative session.

Chairman Brandenburg: That big room could be available for the legislature when we're here.

Senator Sorvaag: There was no discussion about legislative use.

Representative Thoreson: I'm not certain what some of these licenses are for.

Sally Holewa: These different things are software that runs on the equipment. They include some backup software and anti-virus software. Some things are very specific to us. The IVAN system and the sound system; those are things we specifically need for the court to do the work we want to do in there. The extraordinary repair are things we worked with OMB for things that would be necessary for a remodel.

Representative Thoreson: That wiring is that electrical or data and phone wiring in that line item?

Sally Holewa: That would be both.

Representative Thoreson: For the phones, that would be installation of the hardware. Is that correct?

Sally Holewa: Yes.

Representative Thoreson: Does that include purchase of the hardware?

Sally Holewa: I don't quite understand how the capitol phone system works. We don't buy our own.

Chairman Thoreson: This would be through ITD?

Sally Holewa: Yes.

Representative Thoreson: Under the very last item above total extraordinary repairs; the AE fees and miscellaneous for \$90,000.00. What falls under that category?

Sally Holewa: That's the architectural and engineering fees. There's a state statute that requires that if a project is over a certain dollar amount that the state has to hire an outside architect to oversee it.

Chairman Brandenburg: Is the salary increase still the same?

Sally Holewa: It's still the same. We would be open to increasing that.

Chairman Brandenburg: We gave you three judges and the Williston judge came in at the end. The request was for four.

Sally Holewa: You gave us four and the Senate gave us five.

Senator Sorvaag: That's why we added the extra jobs; because they had a courtroom finally. We thought we would add the extra judge to bring it into the discussion.

Chairman Brandenburg: With the judge, aren't there two people that go with that; one clerk and one court reporter?

Sally Holewa: It's two people; it's the court reporter and the judge.

Chairman Brandenburg: We did take over some of the reporters from the counties. I think there were six positions.

Sally Holewa: There were nine.

Chairman Brandenburg: There were six in one county; the total was 18 FTE's?

Sally Holewa: It's thirty total as you look at it today.

Chairman Brandenburg: If you take the county ones out it would be 21.

Sally Holewa: Right. If you set aside the five judges and their court reporters; that counts as 10 FTE's and the others are the assorted new positions.

Chairman Brandenburg: Closed the conference committee.

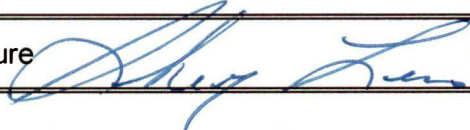
2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee - Government Operations Division
Medora Room, State Capitol

HB1002
4/21/2015
Recording Job# 26302

Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch; to provide for the establishment of additional district court judgeships; and to amend and reenact sections 27-02-02 and 27-05-03 of the North Dakota Century Code, relating to salaries of supreme and district court judges.

Minutes:

See attachments A and B

Chairman Brandenburg: Opened the conference committee on HB1002.

Representative Onstad: Substituted for Representative Glassheim.

Chairman Brandenburg: See attachment A.

Representative Thoreson: I believe the numbers which the courts brought us had removed the dollar amount for the temporary wall. If we go forward with this, my hope would be that we would add funding for that so the large room; you could do two nice size rooms that we could use for committees.

Chairman Brandenburg continued with attachment A.

Senator Heckaman: I think this is a great idea. Are there some specifics in sound systems that wouldn't be here that we would need for the legislative session that we haven't considered?

Chairman Brandenburg: I'm sure there is. I think this is just rooms right now and we're probably going to have to go from there.

Representative Thoreson: There is the document that was provided to us by Senator Heckaman. There is the breakdown of the various items and there is a sound system line item for \$20,000.00. I don't know if that would specifically accommodate what we need if a legislative committee would set up. I would assume we would have some type of a system like this where recording is available.

Senator Heckaman: I want to make sure we have that available when we come into the next session. If there does need to be \$10,000.00 or \$5,000.00; that we're aware of that and I don't what that would be.

Representative Thoreson: We did approve on the floor this morning the legislative budget and I know there's money in there for committee room improvements. I don't know if all that has been earmarked.

Scott Johnson, Assistant State Court Administrator, ND Supreme Court: The sound system and the IVEN systems would be able to be expanded. We can provide what the background is for that and we'll ask our IT staff to come up with that.

Chairman Brandenburg: This is a work in progress and I think it will work best for all of us.

Representative Thoreson: The numbers I wrote down for the partition wall is roughly a little over \$40,000.00. It was \$12,000.00 for the steel and about another \$29,250.00 for the folding partition itself. I would guess that it has some sound deadening capabilities so that if meetings were held on both sides of the wall you would be able to do so. Is the sound system split so you could have two separate meetings going on in those areas?

Scott Johnson: I would have to check on that. The sufficiency of the wall itself initially was meant to have sound deadening on it before we took it out. Additionally, we were putting in sound deadening material throughout the entire space.

Senator Sorvaag: The discussion is leading where we want. We can't expect them to go beyond their needs.

Representative Thoreson: If Sean could get us that information, we can probably proceed.

Chairman Brandenburg: We probably need hard numbers for the speaker system and the wall; but, we have to know so it serves both of us.

Scott Johnson: We're working with Joe Leopold the architect on that and he has provided us numbers.

Representative Thoreson: We need to know the numbers on what we're doing.

Chairman Brandenburg: I think this is something that will benefit the legislature and benefit the court.

Representative Thoreson: That's right.

Chairman Brandenburg: The other issue is the judge. We're not in favor of another judge.

Senator Heckaman: Scott has a proposal that he has for us to consider if we're not looking at that 5th judge.

Scott Johnson: See attachment B.

Senator Heckaman: Is there similar language to this already? I looked at one of the past sessions and we allowed the chief justice to do this.

Representative Thoreson: Last session we did make some changes about allowing changes for location.

Senator Kilzer: The county was planning on a judge; I don't know if they were promised a judge. They went to the extra work changing of their facility and updating. Now we're telling them no.

Jerry VandeWalle, Chief Justice, ND Supreme Court: The language added last session was language that allowed us to remove a judge when we no longer need a judge. There was concern that if the state goes the other way, we have all these judges we don't need. Senator Kilzer is right. We didn't promise them because they were too late to get it in. The issue was whether they could have a judge that was useful to them without the space. They didn't have the space at the time we prepared the budget. If it's only going to be four, that's why we need this new language; because they show the greatest need of all in the Williston chamber for this judgeship. That means we're probably going to have to take one from someone else in order to accommodate them.

Senator Kilzer: The people in this county still have hope?

Jerry VandeWalle: Yes. The degree of crime is increasing and the issue of human trafficking causes a lot of problems for the court system. We're willing to try to handle them, but we need the resources to do it. That's the reason for the change in the language. If the language remains as it is now, they probably would not get that judgeship in Williston.

Chairman Brandenburg: We do understand that and back when it came through the House there was no facility. You did express the desire for the judge but there wasn't a building; and then at crossover they came in and said there would be a building.

Senator Heckaman: We have capital assets of \$220,000.00; did you agree to that? It's for the four new courtrooms that are going to be out there where they need the specialty equipment and recording equipment?

Representative Thoreson: I think the House would be ok with that.

Chairman Brandenburg: I think the only issue is the court reporter and judge. I don't know at this point if we need to get a hard number on this room. I think we can come back and talk about the judge and the room.

Jerry VandeWalle: I have no idea of what those hard numbers are. I think we need to get our two IT divisions together.

Chairman Brandenburg: I think we do also; just so we're not missing something.

Senator Sorvaag: I think we need to get it to what they need.

Representative Onstad: That additional judge in the northwest is that the \$581,000.00?

Chairman Brandenburg: I believe it is.

Senator Kilzer: I don't think there's anything further that we need to change. I think on our side that we're ready to proceed.

Chairman Brandenburg: We do know that that retaining wall is going to be about \$40,000.00 to \$50,000.00 and the sound system is going to end up in our budget.

Representative Thoreson: That's something that both the courts and our IT staff are fully capable of figuring that out.

Senator Heckaman: Made a motion to recede from the Senate amendments and further amend.

Representative Thoreson: Seconded the motion.

Representative Thoreson: Will we need any language in there directing our legislative staff to work with the judicial branch staff to accommodate the sound system and other issues that might arise?

Sean Smith, Fiscal Analyst, ND Legislative Council: I'm not sure.

Representative Thoreson: I would request that if such language is necessary, that that be included in the motion and we can review it before taking it to the full assemblies.

Roll call vote: 6 Yeas 0 Nays 0 Absent

Chairman Brandenburg: Closed the conference committee.

36
 9/22/15
 1/4

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1002

That the Senate recede from its amendments as printed on pages 1546-1549 of the House Journal and pages 1335-1338 of the Senate Journal and that Engrossed House Bill No. 1002 be amended as follows:

Page 1, replace lines 15 through 20 with:

"Salaries and wages	\$9,851,552	\$1,557,557	\$11,409,109
Accrued leave payments	531,696	(531,696)	0
Operating expenses	2,754,254	390,745	3,144,999
Capital assets	0	1,012,377	1,012,377
Judges retirement	75,017	4,571	79,588
Guardianship monitoring program	<u>70,000</u>	<u>233,789</u>	<u>303,789</u>
Total general fund	\$13,282,519	\$2,667,343	\$15,949,862"

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$61,177,621	\$10,591,709	\$71,769,330
Accrued leave payments	2,399,277	(2,399,277)	0
Operating expenses	20,847,479	2,780,840	23,628,319
Capital assets	0	1,968,460	1,968,460
Judges retirement	500,936	(92,287)	408,649
UND central legal research	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Total all funds	\$85,005,313	\$12,849,445	\$97,854,758
Less estimated income	<u>1,808,090</u>	<u>114,060</u>	<u>1,922,150</u>
Total general fund	\$83,197,223	\$12,735,385	\$95,932,608"

Page 2, replace lines 14 through 18 with:

"Judicial conduct commission and disciplinary board	\$ <u>1,020,874</u>	\$ <u>106,613</u>	\$ <u>1,127,487</u>
Total all funds	\$1,020,874	\$106,613	\$1,127,487
Less estimated income	<u>367,499</u>	<u>77,157</u>	<u>444,656</u>
Total general fund	\$653,375	\$29,456	\$682,831"

Page 2, replace lines 23 through 26 with:

"Grand total general fund	\$97,133,117	\$15,432,184	\$112,565,301
Grand total special funds	<u>2,175,589</u>	<u>191,217</u>	<u>2,366,806</u>
Grand total all funds	\$99,308,706	\$15,623,401	\$114,932,107
Full-time equivalent positions	363.00	28.00	391.00"

Page 3, replace line 6 with:

"Office equipment and furniture	\$331,470	\$220,000"
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Page 3, replace line 13 with:

"Disaster recovery project	0	2,000,000
Facility space expansion	0	1,149,377"

Page 3, replace line 15 with:

"Total general fund \$1,172,876 \$4,392,837"

Page 3, line 26, replace "two" with "four"

Page 3, line 26, remove "in the south central judicial district,"

Page 3, remove line 27

Page 3, line 28, remove "court judge in the northwest judicial district"

Page 3, line 28, remove "section 10 of article VI of"

Page 3, line 29, replace "the Constitution of North Dakota," with "section 27-05-01"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Supreme Court						
Total all funds	\$13,282,519	\$14,837,374	\$1,112,488	\$15,949,862	\$15,907,712	\$42,150
Less estimated income	0	0	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,112,488	\$15,949,862	\$15,907,712	\$42,150
District Courts						
Total all funds	\$85,005,313	\$97,966,175	(\$111,417)	\$97,854,758	\$98,465,131	(\$610,373)
Less estimated income	1,808,090	1,922,150	0	1,922,150	1,922,150	0
General fund	\$83,197,223	\$96,044,025	(\$111,417)	\$95,932,608	\$96,542,981	(\$610,373)
Judicial Conduct Commission						
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487	\$1,127,487	\$0
Less estimated income	367,499	444,656	0	444,656	444,656	0
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831	\$682,831	\$0
Bill total						
Total all funds	\$99,308,706	\$113,934,048	\$998,059	\$114,932,107	\$115,500,330	(\$568,223)
Less estimated income	2,175,589	2,366,806	0	2,366,806	2,366,806	0
General fund	\$97,133,117	\$111,567,242	\$998,059	\$112,565,301	\$113,133,524	(\$568,223)

House Bill No. 1002 - Supreme Court - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$9,851,552	\$11,445,245	(\$36,136)	\$11,409,109	\$11,409,109	
Operating expenses	2,754,254	3,007,999	137,000	3,144,999	3,144,999	
Capital assets			1,012,377	1,012,377	970,227	42,150
Judges' retirement	75,017	79,588		79,588	79,588	
Guardianship training	70,000	304,542	(753)	303,789	303,789	
Accrued leave payments	531,696					
Total all funds	\$13,282,519	\$14,837,374	\$1,112,488	\$15,949,862	\$15,907,712	\$42,150
Less estimated income	0	0	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,112,488	\$15,949,862	\$15,907,712	\$42,150
FTE	45.00	47.00	0.00	47.00	47.00	0.00

Department No. 181 - Supreme Court - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds Funding for Supreme Court Facility Expansion ²	Total Conference Committee Changes
Salaries and wages	(\$36,136)		(\$36,136)
Operating expenses		137,000	137,000
Capital assets		1,012,377	1,012,377
Judges' retirement			
Guardianship training	(753)		(753)
Accrued leave payments			
Total all funds	(\$36,889)	\$1,149,377	\$1,112,488
Less estimated income	0	0	0
General fund	(\$36,889)	\$1,149,377	\$1,112,488
FTE	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month. Same as the Senate version.

² One-time funding of \$1,149,377 is provided for Supreme Court facility expansion to renovate a portion of the former Information Technology Department space within the Capitol complex for use by the legislative branch and the judicial branch. The funding includes \$42,150 for a partition to divide a legislative conference room. The Senate provided \$1,107,227 for the project for exclusive use by the judicial branch and did not include funding for the partition.

House Bill No. 1002 - District Courts - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$61,177,621	\$72,029,075	(\$259,745)	\$71,769,330	\$72,345,535	(\$576,205)
Operating expenses	20,847,479	23,699,991	(71,672)	23,628,319	23,662,487	(34,168)
Capital assets		1,748,460	220,000	1,968,460	1,968,460	
Judges' retirement	500,936	408,649		408,649	408,649	
UND central legal research	80,000	80,000		80,000	80,000	
Accrued leave payments	2,399,277					
Total all funds	\$85,005,313	\$97,966,175	(\$111,417)	\$97,854,758	\$98,465,131	(\$610,373)
Less estimated income	1,808,090	1,922,150	0	1,922,150	1,922,150	0
General fund	\$83,197,223	\$96,044,025	(\$111,417)	\$95,932,608	\$96,542,981	(\$610,373)
FTE	314.00	340.00	0.00	340.00	342.00	(2.00)

Department No. 182 - District Courts - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Increases Funding for Juvenile Court Program Services ²	Reduces One- Time Funding for the Information Technology Disaster Recovery Site ³	Adds One-Time Funding for Equipment over \$5,000 ⁴	Total Conference Committee Changes
Salaries and wages	(\$259,745)				(\$259,745)
Operating expenses		100,000	(171,672)		(71,672)
Capital assets				220,000	220,000
Judges' retirement					
UND central legal research					
Accrued leave payments					
Total all funds	(\$259,745)	\$100,000	(\$171,672)	\$220,000	(\$111,417)
Less estimated income	0	0	0	0	0
	(\$259,745)	\$100,000	(\$171,672)	\$220,000	(\$111,417)

General fund					
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding is increased to expand intensive in-home programs and to provide additional youth cultural achievement programs in addition to the current juvenile court program services, the same as the Senate version.

³ One-time funding is reduced for the information technology disaster recovery site, the same as the Senate version.

⁴ One-time funding is provided for equipment over \$5,000, the same as the Senate version.

Funding was not provided for a new judge and court reporter (\$547,772) and related operating expense (\$34,168) and salary increase (\$21,303) for the Northwest Judicial District, as included in the Senate version.

Section 5 is changed to remove language providing specific districts for the four additional judges and provides the judges will be assigned at the discretion of the Supreme Court chambers pursuant to North Dakota Century Code Section 27-05-01.

House Bill No. 1002 - Judicial Conduct Commission - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Judicial conduct commission	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487	\$1,127,487	
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487	\$1,127,487	\$0
Less estimated income	367,499	444,656	0	444,656	444,656	0
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831	\$682,831	\$0
FTE	4.00	4.00	0.00	4.00	4.00	0.00

Department No. 183 - Judicial Conduct Commission - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Total Conference Committee Changes
Judicial conduct commission	(\$3,012)	(\$3,012)
Total all funds	(\$3,012)	(\$3,012)
Less estimated income	0	0
General fund	(\$3,012)	(\$3,012)
FTE	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

**2015 HOUSE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. HB1002 as (re) engrossed

House Government Operations Committee

- Action Taken**
- HOUSE accede to Senate Amendments
 - HOUSE accede to Senate Amendments and further amend
 - SENATE recede from Senate amendments
 - SENATE recede from Senate amendments and amend as follows
 - Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Heckaman Seconded by: Representative Thoreson

Representatives	4-16	4-17	4-21	Yes	No	Senators	4-16	4-17	4-21	Yes	No
Mike Brandenburg	x	x	x	x		Ralph Kilzer	x	x	x	x	
Blair Thoreson	x	x	x	x		Ronald Sorvaag	x	x	x	x	
Eliot Glasheim	x	x				Joan Heckaman	x	x	x	x	
Kenton Onstad			x	x							
Total Rep. Vote				3		Total Senate Vote				3	

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier _____ Senate Carrier _____

LC Number 15.8107 . .02003 of amendment title # 4000

LC Number .04000 . _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment - To remove 5th judge.

REPORT OF CONFERENCE COMMITTEE

HB 1002, as engrossed: Your conference committee (Sens. Kilzer, Sorvaag, Heckaman and Reps. Brandenburg, Thoreson, Onstad) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1546-1549, adopt amendments as follows, and place HB 1002 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1546-1549 of the House Journal and pages 1335-1338 of the Senate Journal and that Engrossed House Bill No. 1002 be amended as follows:

Page 1, replace lines 15 through 20 with:

"Salaries and wages	\$9,851,552	\$1,557,557	\$11,409,109
Accrued leave payments	531,696	(531,696)	0
Operating expenses	2,754,254	390,745	3,144,999
Capital assets	0	1,012,377	1,012,377
Judges retirement	75,017	4,571	79,588
Guardianship monitoring program	<u>70,000</u>	<u>233,789</u>	<u>303,789</u>
Total general fund	\$13,282,519	\$2,667,343	\$15,949,862"

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$61,177,621	\$10,591,709	\$71,769,330
Accrued leave payments	2,399,277	(2,399,277)	0
Operating expenses	20,847,479	2,780,840	23,628,319
Capital assets	0	1,968,460	1,968,460
Judges retirement	500,936	(92,287)	408,649
UND central legal research	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Total all funds	\$85,005,313	\$12,849,445	\$97,854,758
Less estimated income	<u>1,808,090</u>	<u>114,060</u>	<u>1,922,150</u>
Total general fund	\$83,197,223	\$12,735,385	\$95,932,608"

Page 2, replace lines 14 through 18 with:

"Judicial conduct commission and disciplinary board	\$ <u>1,020,874</u>	\$ <u>106,613</u>	\$ <u>1,127,487</u>
Total all funds	\$1,020,874	\$106,613	\$1,127,487
Less estimated income	<u>367,499</u>	<u>77,157</u>	<u>444,656</u>
Total general fund	\$653,375	\$29,456	\$682,831"

Page 2, replace lines 23 through 26 with:

"Grand total general fund	\$97,133,117	\$15,432,184	\$112,565,301
Grand total special funds	<u>2,175,589</u>	<u>191,217</u>	<u>2,366,806</u>
Grand total all funds	\$99,308,706	\$15,623,401	\$114,932,107
Full-time equivalent positions	363.00	28.00	391.00"

Page 3, replace line 6 with:

"Office equipment and furniture		\$331,470	\$220,000"
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Page 3, replace line 13 with:

"Disaster recovery project		0	2,000,000
Facility space expansion		0	1,149,377"

Page 3, replace line 15 with:

"Total general fund		\$1,172,876	\$4,392,837"
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Page 3, line 26, replace "two" with "four"

Page 3, line 26, remove "in the south central judicial district,"

Page 3, remove line 27

Page 3, line 28, remove "court judge in the northwest judicial district"

Page 3, line 28, remove "section 10 of article VI of"

Page 3, line 29, replace "the Constitution of North Dakota," with "section 27-05-01"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Supreme Court						
Total all funds	\$13,282,519	\$14,837,374	\$1,112,488	\$15,949,862	\$15,907,712	\$42,150
Less estimated income	0	0	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,112,488	\$15,949,862	\$15,907,712	\$42,150
District Courts						
Total all funds	\$85,005,313	\$97,966,175	(\$111,417)	\$97,854,758	\$98,465,131	(\$610,373)
Less estimated income	1,808,090	1,922,150	0	1,922,150	1,922,150	0
General fund	\$83,197,223	\$96,044,025	(\$111,417)	\$95,932,608	\$96,542,981	(\$610,373)
Judicial Conduct Commission						
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487	\$1,127,487	\$0
Less estimated income	367,499	444,656	0	444,656	444,656	0
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831	\$682,831	\$0
Bill total						
Total all funds	\$99,308,706	\$113,934,048	\$998,059	\$114,932,107	\$115,500,330	(\$568,223)
Less estimated income	2,175,589	2,366,806	0	2,366,806	2,366,806	0
General fund	\$97,133,117	\$111,567,242	\$998,059	\$112,565,301	\$113,133,524	(\$568,223)

House Bill No. 1002 - Supreme Court - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$9,851,552	\$11,445,245	(\$36,136)	\$11,409,109	\$11,409,109	
Operating expenses	2,754,254	3,007,999	137,000	3,144,999	3,144,999	
Capital assets			1,012,377	1,012,377	970,227	42,150
Judges' retirement	75,017	79,588		79,588	79,588	
Guardianship training	70,000	304,542	(753)	303,789	303,789	
Accrued leave payments	531,696					
Total all funds	\$13,282,519	\$14,837,374	\$1,112,488	\$15,949,862	\$15,907,712	\$42,150
Less estimated income	0	0	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,112,488	\$15,949,862	\$15,907,712	\$42,150
FTE	45.00	47.00	0.00	47.00	47.00	0.00

Department No. 181 - Supreme Court - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds Funding for Supreme Court Facility Expansion ²	Total Conference Committee Changes
Salaries and wages	(\$36,136)		(\$36,136)

Operating expenses		137,000	137,000
Capital assets		1,012,377	1,012,377
Judges' retirement			
Guardianship training	(753)		(753)
Accrued leave payments			
Total all funds	(\$36,889)	\$1,149,377	\$1,112,488
Less estimated income	0	0	0
General fund	(\$36,889)	\$1,149,377	\$1,112,488
FTE	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month. Same as the Senate version.

² One-time funding of \$1,149,377 is provided for Supreme Court facility expansion to renovate a portion of the former Information Technology Department space within the Capitol complex for use by the legislative branch and the judicial branch. The funding includes \$42,150 for a partition to divide a legislative conference room. The Senate provided \$1,107,227 for the project for exclusive use by the judicial branch and did not include funding for the partition.

House Bill No. 1002 - District Courts - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$61,177,621	\$72,029,075	(\$259,745)	\$71,769,330	\$72,345,535	(\$576,205)
Operating expenses	20,847,479	23,699,991	(71,672)	23,628,319	23,662,487	(34,168)
Capital assets		1,748,460	220,000	1,968,460	1,968,460	
Judges' retirement	500,936	408,649		408,649	408,649	
UND central legal research	80,000	80,000		80,000	80,000	
Accrued leave payments	2,399,277					
Total all funds	\$85,005,313	\$97,966,175	(\$111,417)	\$97,854,758	\$98,465,131	(\$610,373)
Less estimated income	1,808,090	1,922,150	0	1,922,150	1,922,150	0
General fund	\$83,197,223	\$96,044,025	(\$111,417)	\$95,932,608	\$96,542,981	(\$610,373)
FTE	314.00	340.00	0.00	340.00	342.00	(2.00)

Department No. 182 - District Courts - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Increases Funding for Juvenile Court Program Services ²	Reduces One-Time Funding for the Information Technology Disaster Recovery Site ³	Adds One-Time Funding for Equipment over \$5,000 ⁴	Total Conference Committee Changes
Salaries and wages	(\$259,745)				(\$259,745)
Operating expenses		100,000	(171,672)		(71,672)
Capital assets				220,000	220,000
Judges' retirement					
UND central legal research					
Accrued leave payments					
Total all funds	(\$259,745)	\$100,000	(\$171,672)	\$220,000	(\$111,417)
Less estimated income	0	0	0	0	0
General fund	(\$259,745)	\$100,000	(\$171,672)	\$220,000	(\$111,417)
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding is increased to expand intensive in-home programs and to provide additional youth cultural achievement programs in addition to the current juvenile court program services, the same as the Senate version.

³ One-time funding is reduced for the information technology disaster recovery site, the same as the Senate version.

⁴ One-time funding is provided for equipment over \$5,000, the same as the Senate version.

Funding was not provided for a new judge and court reporter (\$547,772) and related operating expense (\$34,168) and salary increase (\$21,303) for the Northwest Judicial District, as included in the Senate version.

Section 5 is changed to remove language providing specific districts for the four additional judges and provides the judges will be assigned at the discretion of the Supreme Court chambers pursuant to North Dakota Century Code Section 27-05-01.

House Bill No. 1002 - Judicial Conduct Commission - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Judicial conduct commission	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487	\$1,127,487	
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487	\$1,127,487	\$0
Less estimated income	367,499	444,656	0	444,656	444,656	0
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831	\$682,831	\$0
FTE	4.00	4.00	0.00	4.00	4.00	0.00

Department No. 183 - Judicial Conduct Commission - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Total Conference Committee Changes
Judicial conduct commission	(\$3,012)	(\$3,012)
Total all funds	(\$3,012)	(\$3,012)
Less estimated income	0	0
General fund	(\$3,012)	(\$3,012)
FTE	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

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

2015 TESTIMONY

HB 1002

Department 180 - Judicial Branch
 House Bill No. 1002

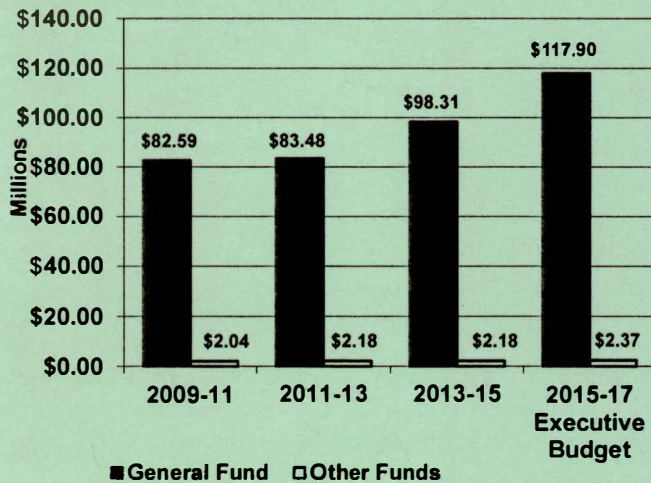
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	391.00	\$117,896,996	\$2,366,806	\$120,263,802
2013-15 Legislative Appropriations	363.00	98,305,993	2,175,589	100,481,582
Increase (Decrease)	28.00	\$19,591,003	\$191,217	\$19,782,220

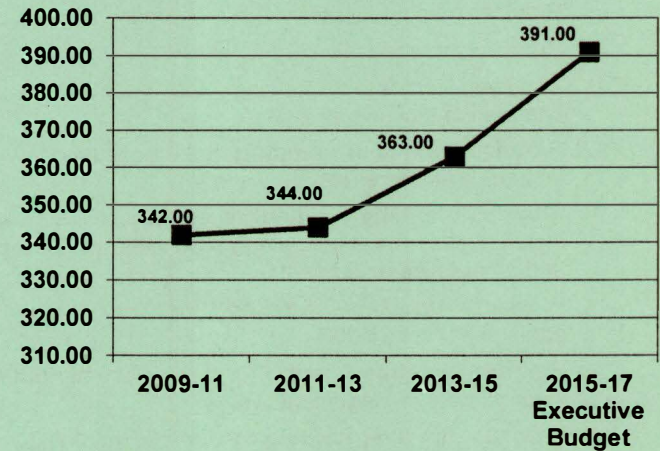
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 Executive Budget	\$111,352,687	\$6,544,309	\$117,896,996
2013-15 Legislative Appropriations	97,133,117	1,172,876	98,305,993
Increase (Decrease)	\$14,219,570	\$5,371,433	\$19,591,003

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2015-17 Executive Budget	\$117,896,996	\$2,366,806	\$120,263,802
2015-17 Base Level	97,133,117	2,175,589	99,308,706
Increase (Decrease)	\$20,763,879	\$191,217	\$20,955,096

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	General Fund	Other Funds	Total
Judicial Branch			
1. Provides funding for state employee salary and benefit increases, of which \$3,003,523 relates to performance increases, \$1,718,500 is for health insurance increases, and \$434,227 is for retirement contribution increases	\$5,153,011	\$3,239	\$5,156,250
Supreme Court			
2. Adds the following new FTE positions			
• 1 FTE guardian-related position	\$191,374	\$0	\$191,374
• 1 FTE account analyst position	191,374	0	191,374
Total	\$382,748	\$0	\$382,748
3. Provides funding for increase in operating expenses	\$229,106	\$0	\$229,106
4. Provides funding for increased maintenance costs for information technology	\$59,483	\$0	\$59,483

5. Provides one-time funding for the Supreme Court facility space expansion, which included renovating a portion of the former Information Technology Department space within the Capitol	\$1,107,227	\$0	\$1,107,227
6. Provides one-time funding for equipment over \$5,000, which includes copy machines, steno machines, workstation systems, and other office equipment	\$22,500	\$0	\$22,500
District Court			
7. Adds the following new FTE positions			
• 2 FTE clerk of district court I positions	\$422,059	\$0	\$422,059
• 13 FTE clerk of district court II positions	1,851,482	0	1,851,482
• 4 FTE district judge positions	1,603,148	0	1,603,148
• 4 FTE court reporter positions	669,951	0	669,951
• 1 FTE paralegal position	161,962	0	161,962
• 1 FTE law clerk position	175,114	0	175,114
• 1 FTE electronic court recorder position	142,422	0	142,422
Total	\$5,026,136	\$0	\$5,026,136
8. Provides funding for increases in payments to counties for providing clerk of court services	\$381,748	\$0	\$381,748
9. Provides funding for increases in operating expenses	\$887,110	(\$90,917)	\$796,193
10. Provides increased funding for juvenile court program services	\$332,340	\$0	\$332,340
11. Provides increased funding for maintenance costs for information technology	\$353,587	\$0	\$353,587
12. Provides one-time funding for a redundant information technology disaster recovery site	\$2,171,672	\$0	\$2,171,672
13. Provides one-time funding for equipment over \$5,000, which includes copy machines, steno machines, workstation systems, and other office equipment	\$338,500	\$0	\$338,500
14. Provides one-time funding for information technology equipment over \$5,000	\$1,023,000	\$0	\$1,023,000
15. Provides one-time funding for the replacement of the existing juvenile case management system	\$1,782,410	\$0	\$1,782,410
16. Provides one-time funding for the criminal justice information sharing criminal case efilng initiation project	\$99,000	\$0	\$99,000
Judicial Conduct Commission and Disciplinary Board			
17. Provides funding for increases in operating expenses	\$42,268	\$48,497	\$90,765

Other Sections in Bill

Line item transfers - Section 4 requires the Director of the Office of Management and Budget and the State Treasurer to 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.

District judges - Section 5 provides for two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District to be assigned pursuant to Article VI, Section 10, of the Constitution of North Dakota, and to be assigned to chambers by the Supreme Court.

Supreme Court justices' salaries - Section 6 provides the statutory changes increasing Supreme Court justices' salaries by 5 percent each year of the biennium. Supreme Court justices' annual salaries are increased from the current level of \$147,996 to \$155,396, effective July 1, 2015, and to \$163,166, effective July 1, 2016. The Chief Justice of the Supreme Court is entitled to receive an additional \$4,462 per annum effective July 1, 2015, and \$4,685 per annum effective July 1, 2016, an increase from the current additional amount for the Chief Justice of \$4,250 per annum.

District judges' salaries - Section 7 provides the statutory changes increasing district court judges' salaries by 5 percent each year of the biennium. District court judges' annual salaries are increased from the current level of \$135,611 to \$142,392, effective July 1, 2015, and \$149,511, effective July 1, 2016. A presiding judge of a judicial district is entitled to receive an additional \$4,113 per annum effective July 1, 2015, and \$4,319 per annum effective July 1, 2016, an increase from the current additional amount for presiding judges of \$3,917.

Continuing Appropriations

Restitution collection assistance fund - North Dakota Century Code Section 12.1-32-08 - This fund is used 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, not to exceed \$1,000.

Court facilities improvement and maintenance fund - Sections 27-05.2-08 and 29-26-22 - Funding from this fund may be used by the Court Facilities Improvement Advisory 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 additional collections are deposited equally into the two funds.

Court receivables fund - Section 27-05.2-04 - Any money 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 is 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.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1165 - Justice Reinvestment Study - Section 1 provides the Legislative Management shall study, in conjunction with representatives of the executive and judicial branches and other stakeholders, justice reinvestment reforms.

House Bill No. 1166 - District Court Chambers - Section 1 removes the limit providing a maximum of 70 percent of the chambers of district judges may be located in cities with a population of more than 10,000.

Senate Bill No. 2015 - Supreme Court Building - The bill provides one-time funding of \$40 million from the general fund for relocating the Supreme Court to the current Liberty Memorial Building.

Senate Bill No. 2116 - Pretrial Services Program Pilot Project - Section 1 provides the Department of Corrections and Rehabilitation may establish a pretrial services program pilot project in one or more judicial districts of the state during the 2015-17 biennium.

Senate Bill No. 2161 - Interdisciplinary Committee on Problem-Solving Courts - Section 1 provides for the creation of an interdisciplinary committee on problem-solving courts as a collaborative mechanism to acquire and analyze relevant information related to the need for and feasibility of establishing problem-solving courts.

Judicial Branch - Budget No. 180
House Bill No. 1002
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE			
	Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	363.00	\$97,133,117	\$2,175,589	\$99,308,706
2015-17 Ongoing Funding Changes				
Base payroll changes		\$1,372,073	\$230,398	\$1,602,471
Salary increase - Performance		3,000,284	3,239	3,003,523
Retirement increase		434,227		434,227
Health insurance increase		1,718,500		1,718,500
New FTE positions	28.00	5,408,844		5,408,844
Payments to contract counties for clerk of court services		381,748		381,748
Increases operating expense		1,158,484	(42,420)	1,116,064
Juvenile court program services		332,340		332,340
Information technology costs		413,070		413,070
Total ongoing funding changes	28.00	\$14,219,570	\$191,217	\$14,410,787
One-time funding items				
Information technology disaster recovery site		\$2,171,672		\$2,171,672
Equipment over \$5,000		361,000		361,000
Information technology equipment over \$5,000		1,023,000		1,023,000
Supreme Court facility space expansion		1,107,227		1,107,227
Juvenile case management system replacement		1,782,410		1,782,410
Criminal case e-filing initiation project		99,000		99,000
Total one-time funding changes	0.00	\$6,544,309	\$0	\$6,544,309
Total Changes to Base Level Funding	28.00	\$20,763,879	\$191,217	\$20,955,096
2015-17 Total Funding	391.00	\$117,896,996	\$2,366,806	\$120,263,802

Other Sections in House Bill No. 1002

Line item transfers

Executive Budget Recommendation
 Section 4 requires the Director of the Office of Management and Budget and the State Treasurer to 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.

District judges

Section 5 provides for two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District to be assigned pursuant to section 10 of Article VI of the Constitution of North Dakota, and to be assigned to chambers by the Supreme Court.

Executive Budget Recommendation

Supreme Court justices' salaries

Section 6 provides the statutory changes increasing Supreme Court justices' salaries by 5 percent each year of the biennium. Supreme Court justices' annual salaries are increased from the current level of \$147,996 to \$155,396, effective July 1, 2015, and to \$163,166, effective July 1, 2016. The Chief Justice of the Supreme Court is entitled to receive an additional \$4,462 per annum effective July 1, 2015, and \$4,685 per annum effective July 1, 2016.

District judges' salaries

Section 7 provides the statutory changes increasing district court judges' salaries by 5 percent each year of the biennium. District court judges' annual salaries are increased from the current level of \$135,611 to \$142,392, effective July 1, 2015, and \$149,511, effective July 1, 2016. A presiding judge of a judicial district is entitled to receive an additional \$4,113 per annum effective July 1, 2015, and \$4,319 per annum effective July 1, 2016.

Judicial Branch Budget Hearing

HB 1002

Government Operations Division

House Appropriations Committee

January 14, 2015

Medora Room

8:30 a.m.

Opening Remarks	Chief Justice Gerald W. VandeWalle
General Overview	Sally Holewa
Guardianship Pilot Project	Judge Cynthia Feland
Technology	Justice Daniel J. Crothers
Detailed Budget Presentation	Don Wolf

General Overview

2

House Bill 1002
Government Operations Division of the
House Appropriations Committee

Testimony Presented by Sally Holewa
State Court Administrator
January 14, 2015

Good morning, Chairman Thoreson and members of the Committee. For the record, my name is Sally Holewa. I am the State Court Administrator. I will be providing a general overview of the Judicial Branch budget request.

The Judicial Branch appropriation funds the personnel, programs, and operating costs of the Supreme Court, the district courts, and the Judicial Conduct Commission and Disciplinary Board. Our budget request for the 2015-2017 biennium is \$120,263,802. This is an increase of \$20,955,096 (or 21.1%) over our current base budget. Twenty-nine percent of the increase comes in the area of salaries and benefits, another 28% is the cost to add new judges and court staff, and 25% is funding for one-time projects. The remainder is increased costs for juvenile services and technology and incremental increases across other line items.

Capital Assets

We are requesting \$4,469,227 for the purchase of capital assets. The majority of that request, \$3,138,000 is for technology for our district courts and includes a replacement case management system for juvenile court, implementation of our disaster recovery plan, infrastructure upgrades, and expansion to store our electronic and digital audio records. The capital assets request also includes \$786,577 in extraordinary repairs and \$183,650

for furniture and equipment for remodeling a portion of the former ITD space into conference and training space. It also includes \$361,000 for furniture and equipment for the Supreme Court and district court courtrooms and offices throughout the state.

Disaster Recovery Project- \$2,171,672

We are requesting funding to establish a remote disaster recovery site based outside the Bismarck/Mandan area which will be capable of supporting our mission critical operations until actions can be taken to restore the main production site and return to normal operations. A remote site at a significant distance from our main site is necessary to mitigate the chances of an environmental disaster affecting both sites. The backup site will be capable of receiving and storing an up-to-date copy of production data and providing, within hours, replacement functionality for the primary IT infrastructure. Justice Daniel Crothers serves as a member of the Court Technology Committee. He is present today and will be providing additional information on this project as well as other major technology projects that the court will be undertaking.

Juvenile Case Management System - \$1,782,410

We are requesting funding to replace the existing Juvenile Case Management System (JCMS), which has been in production since 1997. By upgrading this system we expect to be able to move the juvenile court from a paper-intensive environment to an electronic document filing and storage environment. We also anticipate being able to incorporate some capabilities that are either deficient or do not exist in our current system.

Renovation of ITD Space - \$1,107,227

We are requesting \$1,107,227 to remodel approximately 6,100 square feet of the former ITD space into training, conference and office space for the courts. During the interim session, the court contracted with JLG Architects for a space needs study. The study showed that the Supreme Court has an unmet need of 24,660 square feet.

Technology

We are requesting \$413,070 for increased maintenance fees and software licenses; and \$99,000 for the court's portion of an electronic criminal case initiation project.

Electronic Criminal Case Initiation - \$99,000

We are requesting \$99,000 for the court's share of developing an electronic transfer from the state's attorney records management system (STARS) maintained by CJIS to the court's case management system. Electronic transfers increase the timeliness of the data while reducing the chance of data entry errors occurring. STARS is currently deployed in only 16 counties¹ but 59% of criminal case filings originate in those counties. The court averages 30,000 new criminal case filings per year.

¹ STARS is currently implemented in Cass, Grand Forks, Burleigh, Ward, McKenzie, Mountrail, Barnes, Mercer, Burke, Bowman, Hettinger, Slope, and Benson counties. Implementation is scheduled for Divide, LaMoure and Renville counties in 2015. Morton, Stutsman and Williams county have expressed interest in implementing the system but are unable to do so due to cost.

Court Services

We are requesting \$877,531 for court services. The increase includes clerk of court services for 39 counties and programs for juveniles and their families.

Clerk of Court Services - \$381,748

Since 2001, clerk of court services are delivered in two ways in North Dakota. In twelve counties,² the state employs the personnel for this office. In the remaining 41 counties, the state contracts with the county to perform those duties under NDCC 27-05.2-02. The contracts for those counties are calculated using the court's workload assessment formula. This formula determines the amount of work required based on number and types of cases filed using a two-year average. The \$381,748 increase in clerk of court services is due to increased case filings and increased county salaries over the past two years.

Juvenile Court Services for Delinquent Children - \$332,340

Intensive In-Home Therapy: Intensive in-home therapy is a program for families whose children are at risk of being placed out of the home or children who are returning home following out of home placement. The counselors meet regularly with the entire family in their own home and are also available 24/7 to respond to a family crisis. Counselors strengthen families by helping them find ways to work through crisis situations and

² The twelve counties where clerk offices are state employees are: Burleigh, Cass, Grand Forks, Morton, Ramsey, Richland, Rolette, Stark, Stutsman, Walsh, Ward and Williams. In 2014, McKenzie County FTE need exceeded the statutory threshold of 5 which mandated a transfer of clerk staff to state employment. Also, in 2014 Barnes County made the election to transfer clerk services to the state. Ten counties are eligible to transfer clerk services to the state but have elected to retain those services. Those ten counties are: Bottineau, Divide, Dunn, McHenry, McLean, Mercer, Mountrail, Pembina, Ransom and Traill.

become self-sufficient in handling future challenges. They do this by addressing behavior that can lead to juvenile delinquency charges, resolving parent-child conflicts, enhancing parenting and coping skills and preventing child abuse and neglect. Both juvenile court and the Division of Juvenile Services use this program. Since July 2013, a total of 111 families have been referred to the program which resulted in 88 percent of the children being retained in the home. Additionally, in the first six months of the current fiscal year, 64 families have been served by the program with 88 percent of those children remaining in the home. The court's total biennial cost for the program is \$500,000, which includes new funding of \$150,000 to expand the program into the Jamestown area.

Youth Cultural Achievement Program: The Youth Cultural Achievement Program (YCAP) is a program that was created in the South Central Judicial District in response to the over-representation of Native American youths being placed out of home. The program works with both the child and the family to keep children charged with a delinquent offense in their homes and communities. The position of Juvenile Court Minority Liaison for the YCAP program successfully worked with 53 youth in Fiscal Year 2013-2014. The average age of juveniles served in this program was 14. The successful results of these cases provided an impetus to expand the program to meet the needs of other areas in the state where we are aware of a disproportionate number of minority children being placed out of home. We are seeking an additional \$75,000 to recreate the YCAP program in Devils Lake to serve the Northeast Judicial District. In addition, we are seeking \$150,000 to create a similar program in Fargo that would serve the New American community in the East Central Judicial District. This program

will build off of the format and lessons learned from a similar program that is being run through Lutheran Social Services. The grant funding for that program is ending and it will cease operations in September. During the past year, the juvenile court in Cass County diverted twenty-eight children to the program and received successful outcomes for them. These outcomes included positive changes in family relationships, child and family satisfaction with the program and a low percentage of children being returned to the court for further services.

Juvenile Court Services for Abused and Neglected Children - \$163,443

Guardian ad litem services: North Dakota statute requires that a guardian *ad litem* be appointed for all children who are the subject of a petition alleging abuse or neglect. Guardians *ad litem* are persons appointed by the court to represent the best interests of a child. They are not attorneys and they do not represent the wishes of the child. Instead they advocate for what they think is best for the child. They are specially trained community members who stay with the child from the beginning to the end of the case. We contract with Youthworks to provide this service. The increased funding for the program is due to increased need for guardians *ad litem* because of more case filings and because we have found that it is most effective to keep the guardians *ad litem* assigned to cases until the child is permanently returned to the home or some other long-term living arrangement is reached.

Guardianship Pilot Project - \$308,159

A guardian is a person appointed by the court to oversee the well-being and personal affairs of another person who has been found incompetent to do this for his or her self. Most often, this also includes their financial affairs. Oversight of guardians is of great concern to the court. While annual reports are filed there is no mechanism in place for meaningful review. The pilot project we are proposing would encompass the SCJD and SEJD and involve both financial reviews and well-being checks. Judge Cynthia Feland is the chair of our Guardianship Workgroup. She is present today and will provide more details about the pilot project. The cost for the pilot project includes hiring one full-time accountant to manage the program and conduct the financial reviews.

Juvenile Drug Court: Drug courts have been proven to make permanent, positive changes in the lives of the children who complete the program. Our drug court program has been evaluated in the past and the studies have confirmed that our program is reducing drug and alcohol use and recidivism rates. We continue to expand the use of juvenile drug court throughout the state. We currently have drug courts in Bismarck, Grand Forks, Devils Lake, Fargo, Jamestown-Valley City, Minot and Williston.³ We are studying the feasibility of starting a juvenile drug court in Dickinson. Due to savings from not running the Williston drug court and the restructuring of the monitoring program, there will be no additional cost to add the Dickinson court this biennium.

³ The Williams County juvenile drug court is currently inactive and funding for it was removed in the current budget proposal. There are also adult drug courts operating in Bismarck, Grand Forks, Fargo and Minot. Adult drug courts are funded through the Department of Corrections and Rehabilitation. There is also an adult DWI court operating in Wahpeton.

Salaries and Wages

We are requesting \$2,428,399 to cover the increased costs of health and retirement benefits, \$2,318,293 for performance adjustments for employee salaries, and \$1,353,129 for a 5% per year salary increase for justice and judge salaries. In addition, we are requesting \$5,756,339 for new judge and staff positions.

New Judges and Court Reporters - \$2,355,104

The North Dakota court system utilizes a weighted caseload method to determine judge need and chamber location. Understood in its simplest form, a weighted caseload is a time and frequency study. To determine the base weights, judge activity is recorded for a period of time. The data is then used to assign "weights" to various case types based on how much judge time is needed to process the case. The weight is then multiplied by the frequency of cases filed. To determine judge need, the number that is reached by multiplying the weighted caseloads and number of cases filed, divided by the amount of judge time available in a year. We use the 2-year average of the weighted caseload as a factor in determining where judges are needed. Other factors we look at in making this decision include the size of the district, the amount of travel required between courthouses, the number of other judges within the district, and the anticipated growth or stagnation of communities within a geographic region.

Judge Shortages: 2012/2013	Judge Overages: 2012/2013
NWJD: 2.56	NEJD: .84
SCJD: 2.28	SEJD: .14
SWJD: 1.26	
NCJD: 1.15	
ECJD: .80	
NECJD: .84	

Court Reporters: Each new judge will require a court reporter. Court reporters take the verbatim record of court proceedings and also serve as a receptionist and secretary for their assigned judge.

11 New Full-time Employees -\$1,862,238

Accountant Analyst for Supreme Court: During the 2013-15 biennium the court system will process \$100 million in expenditures and account for \$30 million in revenues. We have not added a new accountant position since July 1994. Since that time there has been a significant increase in the finance department workload. These changes include an increased number of court system personnel, implementation of the tax intercept program, implementation of credit card processing, implementation of a new case management system that includes a full double entry accounting system, centralization of the juror payroll function, increased use of purchase cards and financial responsibility for the Courts Facility Maintenance and Improvement Fund. All of these changes have had a direct impact on our finance department.

Accountant Analyst for Guardianship Pilot Project: As mentioned earlier in this presentation, the guardianship pilot project will require one full-time staff member to run the program and conduct financial reviews.

Paralegal for Self-Help Center: In 2013, we implemented a self-help center staffed by a licensed attorney and operated as a division of our law library. The purpose of the center is to address the needs of the thousands of people in the state who are involved in a legal issue but are not represented by counsel. In 2013, that number was over 1,700 people who represented themselves in court in civil, family and juvenile cases, and another 6,500 who were self-represented in felony, misdemeanor and infraction cases. Most of these people fall in the middle where they don't make enough money to pay the retainer and hourly fees charged by attorneys but make too much money to qualify for reduced fee or free legal services programs. The self-help center is able to provide procedural advice and education to self-represented litigants through forms and brochures we have developed and posted on our website and personal contact by telephone and email. The Center does not provide legal advice or represent people in court. As you might imagine, just giving someone a form doesn't mean they understand why it is necessary, how to fill it out correctly, or what to do next with their case. The self-help center staff helps to fill in those gaps. The program is inundated with calls for assistance and has little time to develop new materials for distribution. A paralegal would assist with both of those duties.

Law Clerk for NWJD: We are requesting 1 law clerk for the Northwest Judicial District. Our weighted caseload study shows a 2.5 judge shortage in

the Northwest Judicial District. Because of space issues in the Williams County courthouse, we are not asking to add additional judgeships to be chambered there but we are requesting a law clerk position that will be located in Williston. Currently, we have 3 judges chambered in Williston and 1 in Watford City. In addition, the referee from Minot assists the district by hearing cases in Williston two days a month. This is a high volume court where the judges spend much of their time on the bench hearing cases. Law clerks can help alleviate the judgeship shortage by doing legal research and drafting documents. This can free up a considerable amount of judge time for hearing cases and writing decisions. The Northwest Judicial district does not currently have any law clerks. All other districts have at least one law clerk to assist the judges.

Court Recorder for SCJD: We are requesting 1 court recorder to work with the judicial referees in the South Central Judicial District. A court recorder is a person who operates a digital recorder to capture court proceedings. The court recorder is also responsible for providing transcripts from those recordings and for performing receptionist and secretarial duties for their assigned judicial officer. Right now, we have two full-time referees in Bismarck who share one court recorder. This arrangement has worked for several years, but as the caseload has grown in this district, the viability of this working arrangement has decreased. Delays in processing cases are occurring because there are times when a referee is available but can't be scheduled due to a lack of someone to record the proceedings. Adding this position would alleviate that issue.

Deputy Clerk of Court: We are requesting 6 deputy clerk of court positions. This is a front-line customer service position as well as the primary position for data entry and case management. An adequate number of deputy clerks is essential to the court being able to operate on a day-to-day basis. Our workload assessment for clerks of court shows we have a statewide shortage of 23 deputy clerks in our state-employed clerk of court offices. The positions we are requesting would be placed in 4 different offices throughout the state, as follows: 2 - Burleigh County; 2 - Williams County; 1 - Ward County and 1 - Stark County.

Clerk of Court Transfer from County to State Employment - \$1,538,997

This biennium, two counties, Barnes and McKenzie, have exercised the county option under NDCC 27-05.2-02 to transfer clerk of court services to the state. The cost to fund these positions is \$1,538,997. It should be noted that we have already been paying most of this cost already as contact costs so the actual dollar increase related to converting the position is \$210,000 for the biennium. It should also be noted that although these are not new positions to the court system, they are new positions to the state, so the conversion will be reflected as 9 new FTEs.

The judicial branch has always been frugal in requesting new staff. We utilize weighed workload formulas for judges, clerk of court staff and juvenile court officers to determine the need for additional judges and personnel. To better utilize our staff, we assign some district-wide work to staff and we send juvenile court officers to work in counties outside their district. We scrutinize every vacancy to determine if it should be re-filled, moved to another location, or eliminated altogether. When the state's

population was shrinking and caseloads were dropping, we found that the best way to address our needs, or at least to equalize the shortages across the state, was to transfer positions. Doing this over a long period of time has left us with no excess capacity to handle the changes that have come to North Dakota over the past several years.

Conclusion

The rest of the increases in the budget are attributable to incremental increases across a wide array of operating costs. As mentioned earlier, Justice Daniel Crothers will provide more information on our major IT projects, Judge Cynthia Feland will provide more information on our guardianship pilot project, and Don Wolf, our Director of Finance, will provide more detail about those in his presentation.

Thank you for your time this morning. I will be happy to answer any questions you may have.

House Bill 1002
Government Operations Division of the
House Appropriations Committee

Testimony Presented by Cynthia M. Feland
District Court Judge
January 14, 2015

Chairman Thoreson, members of the Government Operations Division of the House Appropriations Committee, I am Cynthia Feland, District Court Judge in the South Central Judicial District. I am here at the request of Chief Justice VandeWalle to provide background for the request for a pilot project to provide monitoring of guardianship and conservatorship cases.

In the fall of 2013, the Guardianship Workgroup, a multi-disciplinary group made up of stakeholders in the guardianship and conservatorship process, was created by Chief Justice VandeWalle and assigned the task of evaluating current guardianship and conservator statutes and procedures in light of the National Probate Standards. Of immediate concern to the Workgroup was the oversight of individuals or entities serving as guardians and conservators.

Currently, there are approximately 4,463 active guardianship and conservatorship cases in North Dakota including 492 filed in 2014. In 2012, 515 new cases of vulnerable adults in North Dakota who had been subjected to or were at risk of abuse or neglect were reported.¹ Approximately one-third of these new cases involved vulnerable adults ages 60 and older who were neglected, abused or financially exploited.¹

Under current North Dakota law, a guardian or conservator is required to file an annual report with the court. However, there is currently no mechanism providing for an appropriate review of those annual reports to ensure proper management of the ward's care and financial assets. Courts do not have the expertise to identify potential fraud or exploitation in

¹ North Dakota Department of Human Services, Vulnerable Adult Protective Services, Federal Fiscal Year 2012.

guardianship and conservatorship cases, and there is currently no mechanism to generate an audit when concerns are raised.

After lengthy and detailed discussions on this issue, the Workgroup recommended that the court initiate a pilot project creating a monitoring component in guardianship and conservatorship cases to assure that wards are receiving proper care and protection and are not being abused, neglected or financially exploited. The proposed pilot project would provide an independent review process involving well-being checks of the ward and audits of a ward's assets in guardianship and conservatorship cases.

Given the technical nature of the financial audits, one accountant would be hired, under the supervision of the Director of Finance, to conduct up to twenty (20) full audits of guardianship accounts per biennium. The majority of these audits would be triggered by referrals from judges or complaints filed with the court by interested parties. The remaining audits would be conducted in randomly selected cases and would include an audit of at least one account managed by guardianship providers who have been appointed as guardian for multiple wards. In addition to the twenty (20) full audits, it is anticipated that the accountant could provide a basic review of the annual reports filed in an additional 10-15 cases per month. These additional cases would be selected at random. In each of the audited cases, a report of the auditor's findings would be provided to the court.

The well-being checks would be conducted by the current court appointed visitors on a contract basis. It is anticipated that the court appointed visitors would perform up to 40 well-being checks per biennium to determine if the ward is being properly cared for. For each of the selected cases, a report from the visitor concerning their findings would be filed with the court.

These reports would in turn provide the court with the ability to properly evaluate information about the well-being and property of all those adjudicated legally incapacitated.

The South Central and Southeast Judicial Districts are proposed for the pilot project as they encompass the widest variety of jurisdictions and account for almost half of all of the cases filed.

The pilot project is the most cost effective way of establishing a mechanism for meaningful monitoring of guardianship and conservatorship cases. This monitoring mechanism would then be implemented on a statewide bases ensuring fulfillment of our legal obligation to protect and preserve the well-being and financial assets of the wards.

Respectfully Submitted:

Cynthia M. Feland
District Judge

Guardianship Workgroup Members: Judge **Cynthia M. Feland**, Chair; **Mel Webster**, Bismarck; **Roger Wetzel**, Bismarck; **Leo Ryan**, Jamestown; **Jim Fitzsimmons**, North Dakota Legal Services; **Aaron Birst**, North Dakota Association of Counties; **Donna Byzewski**, Catholic Charities; **Michelle Gayette**, N.D. Department of Human Services; **Judy Vetter**, Guardian and Protective Services; **Sally Holewa**, State Court Administrator; **Donna Wunderlich**, Trial Court Administrator, Unit 3.

House Bill 1002
Government Operations Division
House Appropriations Committee

Presented by Justice Daniel J. Crothers
January 14, 2015

Chairman Thoreson and members of the Appropriations-Government Operations committee, I am Daniel Crothers, one the Supreme Court Justices.

I am a member of the Court's Technology Committee and have been asked to testify on the financially significant judicial branch technology budget requests.

Juvenile Case Management System Replacement

We request one-time funding to replace our aging Juvenile Case Management System. The court is asking for one-time funding of \$1,782,410 to complete this project which is vital for maintaining information on current cases and preserving history for past cases.

The North Dakota Judiciary has four goals for using the adult case management system and we seek to implement those goals when acquiring and implementing a juvenile case management system. Those goals are:

1. Minimizing duplication of effort;
2. Minimizing the need for, and the use or retention of, paper documents;
3. Using computer processing for standard decision-making; and
4. Identifying and implementing best practices in business processes.

An additional implicit goal is to assure all judicial case management systems (whether for adults or juveniles) operate to improve access to data and to eliminate redundant data entry. The proposed juvenile court management system will move the judiciary to a modern software platform and further our stated goals for efficiency, access and data integrity.

The current Juvenile Case Management System was developed by a company called Case Management Systems in the mid-1990s and was deployed throughout the state in 1997. For the past 17 years, the Courts have continued to use this software to track and store juvenile case records. In the previous legislative session, the Courts received \$90,000 to review the current system's capabilities to determine how well it meets the functional standards or best practices for juvenile case management systems as adopted by the National Center for State Courts. The results of the study indicated that the system needs to be replaced for the following reasons:

First, the system is based on obsolete technology. When a system is approaching obsolescence like this one, it becomes increasingly expensive to maintain and more difficult to integrate with other technologies being used within the judiciary.

Second, the functional capabilities of the current system are very limited and do not meet current functional standards or best practices. Shortfalls in the current system include the lack of data validation and the lack of data fields, which requires entry of free form text in comment fields (in turn making it difficult to export to or interface data with other systems). The current system also lacks system generated forms and lacks built-in workflows for automating tasks. The practical result is that the current case management system has no electronic filing, no storage of electronic documents and no automated workflows. The current system also cannot perform basic functions such as generating necessary court documents or tracking conditions of probation.

Third (and related to the second), the current case management system is inefficient and error prone. The current software requires that staff perform too many manual steps. Repeating unnecessary manual steps degrades employee work effectiveness and introduces the opportunity for errors and inconsistency in the data.

Disaster Recovery

The court requests \$2,171,672 to establish a remote disaster recovery site in a location outside of the Bismarck/Mandan area.

Like the rest of North Dakota state government, the court system recognized early on the efficiencies to be gained through technology. In today's world, court records are entirely electronic and have been for several years. While this has made court processes more efficient, accessible and transparent, it also puts the courts in a precarious position: A single disaster in Bismarck could take down the entire court case management system for weeks.

We currently backup court data to magnetic tapes. If a disaster destroyed our servers, we would require weeks to purchase and install new equipment, and restore that data. Because we do not maintain backup paper documents once they are imaged, we cannot work from paper during the interim like we could have many years ago.

The past legislative assembly approved one-time funding of \$95,000 for the Courts to conduct a disaster recovery study on the court system's business processes and computer systems. The purpose of the study was to determine how vulnerable the courts are to natural and man-made disasters, and to explore ways to proactively mitigate the impact of such potential disasters. Sometimes we refer to Disaster Recovery Plans as Continuation of Government Plans (COG) or Continuity of Operations Plans (COOP).

The evaluation process included a vulnerability assessment, a business impact analysis and a service availability review that included a review of several options. Ultimately, the study concluded that an off-site disaster recovery location was the best solution for minimizing data loss while expediting a return to service in the event of a disaster.

The vendor that conducted the study recommended using a disaster recovery co-location facility to house a small subset of production software and equipment. This smaller subset of gear will be used to support only mission critical operations until actions can be taken to restore the main production site and return to normal operations.

ITD has a disaster recovery facility, meaning the executive and legislative branches agree the concept of a remote data backup site is prudent policy. However, we cannot co-locate our hardware within ITD's facility because its site has little or no available room, and certain federal regulations like the Health Insurance Portability and Accountability Act (known as HIPAA) prohibit ITD from permitting Court employee access to executive branch confidential data and physical locations. We have consulted with ITD during the planning process, seeking their input on location, network requirements and architecture of a recovery site. While I do not speak for ITD, I can say that they have not expressed any concerns to us regarding our plan.

Criminal Case eFiling Project

The District Court budget request includes one-time funding of \$99,000 for criminal case eFiling initiation. The project will enable initial criminal filings to be exported systematically from the States Attorney's Justware system and imported electronically into the Court's Case Management System.

Currently, sixteen counties are using the Justware States Attorney system. More are planning to use it. At this time, fifty nine percent of the State's criminal cases are initiated from within counties using the Justware system. In 2014, that number exceeded 16,000 cases—meaning all of the information was manually and repeatedly entered for each one of those cases.

Funding to allow completion of this project will eliminate manually and repeatedly entering the data into the Court's Case Management system, thereby saving countless hours of manual processing time for both the Courts and the States Attorney offices. It will also eliminate data entry errors and the creation, transmission and wasteful shredding of redundant paper documents.

Supreme Court Facility Remodeling and Fit-Up

We request \$1,107,227 for remodeling a portion of the former Information Technology Department (ITD) space within the Capitol complex. Importantly, only about \$320,000 of this amount is for remodeling costs, fit-up and technology. The remaining \$786,577 cost is due to building and fire code modifications that are required to be expended by any branch or agency occupying the space for anything other than low density office use.

The judiciary currently rents space for training judges and court personnel and holding meetings for the various Court committees. Training is typically held in hotels, which often have limited availability and must be booked months in advance. When conference rooms at the Supreme Court are too small or are not available, committee meetings are also held in hotel meeting

rooms. The Court is charged a daily rate for the use of these facilities. Using these offsite facilities have several disadvantages including not being able to access video conferencing systems, no network connectivity, limited teleconferencing availability and security issues. Presentation equipment has to be hauled and set up and often does not work properly in the various off-site locations.

The project remodeling costs will provide the Court System with necessary space for onsite meeting rooms, training rooms and additional office space. Technology costs will be included and will provide training room computers, projectors, telephones, video conferencing and sound equipment.

In addition to our current offerings, the remodeled space will allow us to provide hands-on skills training for judges and staff on the various technology systems used by the courts including Odyssey case management, jury management, child support and juvenile case management. The space also will allow us to offer stand-alone courses to address current issues and to partner with other agencies or organizations such the State Bar Association of North Dakota, Department of Corrections and the Department of Human Services.

Designated training space will be more efficient for staff, save money on room rentals, allow for expanded education opportunities and provide access to resources that are not available offsite.

Conclusion

In conclusion, we're asking your favorable consideration of our requests for the tools we need to continue to provide efficient, effective and timely judicial services to the people of North Dakota. I am accompanied here today by Larry Zubke, the Judicial Branch Director of Technology. Together, we are ready to address any questions you have.

**Detailed Budget
Presentation**

House Bill 1002
House Appropriations
 Don Wolf, Director of Finance
 January 14, 2015

Mr. Chairman, members of the committee, good morning. For the record my name is Don Wolf and I am the Director of Finance for the court system. I will be providing you with the details regarding the Judicial Branch budget request.

JUDICIAL BRANCH	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Total	\$100,481,582	\$120,263,802	\$19,782,220
2011-13 Biennium one-time funding items	(1,172,876)	0	1,172,876
Total base budget	\$99,308,706	\$120,263,802	\$20,955,096

The total **2013-15 biennium** appropriation for the Judicial Branch is \$100,481,582. Pursuant to Section 3 of 2013 Senate Bill No. 2002, the 2013-15 biennium one-time funding amounts were not included as part of the base budget for the 2015-17 biennium. The 2013-15 biennium one-time items included the Juvenile Case Management System (JCMS) replacement study (\$90,000), disaster recovery planning (\$95,000), Criminal Justice Information Sharing (CJIS) publisher project (\$139,850) and capital assets (\$848,026). The total 2013-15 biennium Judicial Branch base budget is **\$99,308,706**.

The **2015-17 biennium** Judicial Branch budget request is **\$120,263,802**, which is an increase of \$20,955,096 or 21.1 percent over the 2013-15 biennium base budget. The appropriation includes funding for the Supreme Court, District Courts and the Judicial Conduct Commission and Disciplinary Board.

Subdivision	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Supreme Court	\$13,282,519	\$16,226,817	\$ 2,944,298
District Court	85,005,313	102,892,020	17,886,707
JCC/DB	1,020,874	1,144,965	124,091
Total	\$99,308,706	\$120,263,802	\$20,955,096

The budget per funding source is as follows:

	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
General Fund	\$97,133,117	\$117,896,996	\$20,763,879
Special funds	\$367,499	\$444,656	\$77,157
Federal funds	\$1,808,090	\$1,922,150	\$114,060
Total	\$99,308,706	\$120,263,802	\$20,955,096

Major components of the 2015-17 biennium budget request include the following:

- Total salaries and wages, including payments for the old judges' retirement system, is **72.8 percent** of the total budget request.
- Items identified as one-time funding items for the 2015-17 biennium account for **5.4 percent** of the budget.
- Information technology costs, excluding one-time funding items, accounts for **5.3 percent** of the budget.
- Payments to counties for contract clerk of court services accounts for **4.3 percent** of the budget.

Highlights of the proposed Supreme Court Budget:

Line item	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Salaries and wages (including accrued leave)	\$10,383,248	\$11,695,399	\$1,312,151
Operating	\$2,754,254	\$3,148,599	\$394,345
Capital assets	\$0	\$992,727	\$992,727
Judges' retirement	\$75,017	\$81,933	\$6,916
Guardianship monitoring	\$70,000	\$308,159	\$238,159
Total Supreme Court	\$13,282,519	\$16,226,817	\$2,944,298

- **Justices salary increase** - The court system budget request includes salary increases of 5 percent per year for the justices. The cost of this proposed increase, including retirement, is **\$140,859**.

- **Employee salaries and benefits** - The executive budget recommendation added **\$707,463** for existing employee performance salary (\$378,136) and fringe benefit adjustments (\$329,327).
- **New positions** - The court system is requesting **2 new full-time equivalent (FTE) positions for the Supreme Court** as follows:
 - ❖ 1 FTE account analyst for the finance department, including funding for salaries and wages (\$206,979) and operating costs (\$7,334).
 - ❖ 1 FTE guardianship monitoring program manager for a new pilot program. (*See guardianship monitoring pilot program below*)
- **Supreme Court facility expansion project (one-time)** – The Supreme Court budget request includes funding for remodeling a portion of the former Information Technology Department space within the Capitol complex. The remodeling costs will provide the Court System with additional meeting rooms and office space. The total request of **\$1,107,227** includes funding for information technology equipment and office furniture over \$5,000 (\$183,650), extraordinary repairs (\$786,577) and other miscellaneous operating supplies and equipment (\$137,000).
- **Capital assets (one-time)** – Other capital assets requested include **\$22,500** for copy machines.
- **Guardianship Monitoring Pilot Program** – The Supreme Court budget includes **\$308,159** for a pilot program in the Southeast and South Central Judicial Districts to provide oversight of the financial and personal well-being of guardianship wards. The program includes a request to add one FTE guardianship monitoring program manager (\$206,979) to conduct financial audits of guardianship accounts and providers. In addition, well-being checks would be conducted by court appointed visitors on a contract basis.

Highlights of the proposed District Court Budget:

Line item	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Salaries and wages (including accrued leave)	\$63,576,898	\$74,211,324	\$10,634,426
Operating	\$20,847,479	\$24,649,429	\$3,801,950
Capital assets	\$0	\$3,476,500	\$3,476,500
Judges' retirement	\$500,936	\$474,767	(\$26,169)
UND grant	\$80,000	\$80,000	\$ 0
Total Supreme Court	\$85,005,313	\$102,892,020	\$17,886,707

- **Judges salary increase** - The court system budget request includes salary increases of 5 percent per year for the judges. The cost of this proposed increase, including retirement, is **\$1,212,270**.
- **Employee salaries** - The executive budget recommendation added **\$4,039,229** for existing employee performance salary (\$1,940,157) and fringe benefit adjustments (\$2,099,072).
- **New positions** - The court system is requesting **26 new FTE positions for the district courts** including salaries and wages (**\$5,342,381**) and operating costs (**\$228,184**) as follows:
 - ❖ Pursuant to North Dakota Century Code (NDCC) Section 27-05.2-02, based on the Workload Assessment Study for Clerks, counties with a clerk need of one or more FTEs may elect to have their clerk of court staff become employees of the North Dakota court system. Counties with a clerk need of at least five FTEs must elect to have their clerks become state employees or forfeit state funding for clerk of court services. The court system is obligated to request a total of **9 clerk of court positions** for Barnes County (3 FTEs) and McKenzie County (6 FTEs), which have made the election for the 2015-17 biennium.
 - ❖ The request includes **4 new judgeships** (2 in the South Central Judicial District, 1 in the Southwest Judicial District and 1 in the Northwest Judicial District) and **4 FTE court reporters**.

- ❖ A total of **6 FTE deputy clerks of court** are requested for Burleigh (2), Stark (1), Williams (2) and Ward (1) Counties.
- ❖ In addition, **1 FTE electronic court recorder** is requested for the South Central Judicial District, **1 FTE law clerk** for the Northwest Judicial District and **1 FTE paralegal** for the citizen access program.
- **Disaster recovery project (one-time)** – The District Court budget request includes funding of **\$2,171,672** to establish a remote disaster recovery site which in the event of a system failure would be capable of supporting the Court's mission critical operations until actions can be taken to restore the main production site and return to normal operations. The total funding request includes disk storage equipment (\$824,000) and operating costs (\$1,347,672) for network connection and software licenses.
- **Juvenile Case Management System (JCMS) replacement (one-time)** – The budget request includes **\$1,782,410** for replacement of the JCMS which tracks juvenile cases from the point of intake through disposition. It also serves as a repository for juvenile history. The request includes funding for software and IT equipment over \$5,000 (\$1,291,000) and other IT operating supplies and fees (\$491,410).
- **Criminal case eFiling project (one-time)** – The budget request includes **\$99,000** for criminal case eFiling initiation. This project will enable initial criminal filings to be exported systematically from the States Attorney's Justware system and sent to the Courts. This funding is dependent on the Criminal Justice Information Sharing (CJIS) being able to complete necessary changes to the Justware system.
- **Capital assets (one-time)** - Other capital assets requested includes **\$338,500** for equipment over \$5,000 including copy machines (\$150,000), steno machines (\$49,500), folding machine (\$7,000), workstation system (\$120,000) and composite wall (\$12,000). The total IT equipment over \$5,000 budget of **\$1,023,000** includes funding for evidence presentation equipment (\$44,000), disk and server expansion (\$620,000), blade server system upgrades (\$72,000), a cybernetics tape backup unit (\$50,000),

interactive television systems (\$168,100) and sound system equipment (\$68,900).

- **Payments to contract counties for clerk of court services** – After surveying county auditors for salary information and applying the workload assessment formula based on cases filed in each county, the amount budgeted for contract payments to counties for clerk services is **\$5,219,621** or an increase of **\$381,748**. This increase reflects changes in caseload since 2010 and salary increases given to county employees from January 2012 to January 2014. The contract clerks of court are county employees and their salaries are determined at the county level. Currently, 41 counties contract with the Supreme Court to provide for clerk of court services. With the addition of Barnes and McKenzie Counties, a total of 14 counties have made the election to have state judicial system employees for the 2015-17 biennium.
- **Juvenile Court services** – Juvenile Court contracts with both public and private entities to provide innovative programs designed to change behavior of delinquent, unruly, and deprived children. Additional funding of **\$332,340** is requested to allow for expansion of intensive in-home programs and additional youth cultural achievement programs in Units 1 and 2. The total budget request for contracted juvenile services programs is **\$1,742,156**.
- **Judges' Retirement (NDCC Chapter 27-17 Old Retirement System)** - The judges' retirement line item provides for the state's general fund portion of retirement payments to eligible retirees under the old retirement system. When the budget was submitted there were 8 remaining participants, including 1 within the Supreme Court budget and 7 within the district court budget. The budget request for judges' retirement is **\$556,700**, of which \$81,933 is for the Supreme Court and \$474,767 is for District Court. The average age of the recipients as of December 31, 2014 was 88. After the budget was submitted, one of the 7 remaining participants in the District Court judges' retirement system passed away. As a result, the District Court budget request **may be reduced by \$54,004** for an adjusted total of \$420,763.

**Highlights of the proposed Judicial Conduct Commission and
Disciplinary Board Budget:**

Line item	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Salaries and wages	\$794,128	\$827,454	\$33,326
Operating	\$226,746	\$317,511	\$90,765
Total Supreme Court	\$1,020,874	\$1,144,965	\$124,091

- **Judicial Conduct Commission and Disciplinary Board (JCC/DB)** - The Judicial Conduct Commission and Disciplinary Board is responsible for investigating complaints against North Dakota judges and attorneys. The total budget request for the JCC/DB is **\$1,144,965** of which \$700,309 is from the General Fund and \$444,656 are lawyer disciplinary funds. The request includes additional funding for office rent (\$46,500) and office furniture (\$19,000) as a larger office space is needed. No capital assets are being requested.

2013-15 Biennium appropriation and spending level comparison:

Supreme Court:

Line item	2013-15 Appropriation	Actual Expenditures as of 11/30/2014	Anticipated Expenditures	Estimated Ending Balance
Salaries and wages	\$9,851,552	\$7,034,510	\$3,024,000	(\$206,958)
Accrued leave	\$531,696	\$39,823	\$21,443	\$470,430
Operating	\$2,824,254	\$1,551,862	\$927,792	\$344,600
Capital assets	\$15,000	\$0	\$15,000	\$0
Judges' retirement	\$75,017	\$52,812	\$22,205	\$0
Total	\$13,297,519	\$8,679,007	\$4,010,440	\$608,072

Supreme Court budget savings include the following:

- Funding for market equity salary increases of \$204,988 was included in 2013-15 biennium appropriation but not implemented. The 2015-17 biennium Judicial Branch budget request does not include funding for market equity salary increases.
- There is an anticipated budget savings of approximately \$150,000 for operations of the Minority Justice Implementation Committee. The proposed 2015-17 program budget was reduced by \$114,250.
- Other miscellaneous operating savings are anticipated in software and hardware maintenance costs and IT equipment. A hybrid rate estimate for replacement computers of \$1,680 per machine was used for the 2013-15 budget. The hybrid rate was lowered to \$1,418 per machine for 2015-17.

District Court:

Line item	2013-15 Appropriation	Actual Expenditures as of 11/30/2014	Anticipated Expenditures	Estimated Ending Balance
Salaries and wages	\$60,969,494	\$42,181,139	\$18,025,000	\$763,355
Accrued leave	\$2,399,277	\$189,899	\$93,532	\$2,115,846
Operating	\$20,277,841	\$12,781,087	\$7,232,263	\$264,491
Capital assets	\$833,026	\$323,450	\$509,576	\$0
Mediation	\$1,102,615	\$767,267	\$327,908	\$7,440
Judges' retirement	\$500,936	\$345,661	\$113,974	\$41,301
UND grant	\$80,000	\$80,000	\$0	\$0
Total	\$86,163,189	\$56,668,503	\$26,302,253	\$3,192,433

District Court budget savings include the following:

- Funding for market equity salary increases of \$1,089,487 was included in the appropriation but not implemented.
- There is an anticipated savings in IT data processing costs of \$150,000 due to networking and line charges being slightly less than projected by ITD.

- Other miscellaneous operating savings are anticipated in professional development, IT equipment, office supplies and postage costs.

JCC/DB:

Line item	2013-15 Appropriation	Actual Expenditures as of 11/30/2014	Anticipated Expenditures	Estimated Ending Balance
JCC/DB	\$1,020,874	\$654,996	\$306,000	\$59,878

JCC/DB budget savings include the following:

- Market equity salary increase of \$19,281 included in appropriation but not implemented.

In conclusion, I would be happy to answer any questions.

**House Bill 1002
Government Operations Division of the
House Appropriations Committee**

**Testimony Presented by Sally Holewa
State Court Administrator
February 3, 2015**

Chairman Thoreson and members of the Committee, for the record, my name is Sally Holewa. I am the State Court Administrator.

As indicated in our initial budget presentation to the committee, the court system is currently short seven judges statewide. The greatest need is in the Northwest Judicial District, which is comprised of Williams, Burke and McKenzie Counties, and has a judge need of 2.56. HB 1002 includes a request for an additional judgeship in McKenzie County, but we were reluctant to ask for another judge in Williams County due to a lack of space for that judge to work. This is not a criticism of Williams County. We are well aware of the pressing needs of the county and the impact it has had on every county department. Rather, it is a reflection of the fact that a judge without a place to work is going to be of very limited use.

Since our initial presentation to you, there has been a significant change in circumstance in Williams County. The county has contracted with a national expert on courts and county government facility planning and has committed to creating a chambers, courtroom and office space for another judge and court reporter. Actual design and remodeling would begin upon legislative authority for

the court to add the positions. I have attached a copy of the letter we received from Williams County and a letter from Judge Nelson indicating his agreement with the Williams County plan.

Based on the commitment from the county, we are requesting an amendment to our appropriation bill in the amount of \$476,639. This is the operational costs and salary for a judge and court reporter with a starting date of January 1, 2016. Although the work needs are pressing, we believe a delayed start date is necessary to allow Williams County adequate time to complete their remodel project.

Because judges are counted as full-time employees, this amendment would increase our FTE request by two, for a total of 30 new FTEs.



January 22, 2015

Ms. Carolyn Probst
North Dakota Court System
Trial Court Administrator – Unit 4
Post Office Box 2047
Williston, ND 58802-2047

Dear Ms. Probst,

Williams County is aware of the significant criminal case backlog and over one year timeframe to schedule criminal trials. As you brought to our attention, the Northwest Judicial District is more than two (2) District Judges short of having the number of judicial resources required to meet the North Dakota weighted case load standard allocation. Although the Chief Justice of the Supreme Court and the Legislature are reluctant to authorize additional District Judges unless there is an available chambers and court or hearing room, Williams County can now indicate we have initiated a facility planning process to develop the required accommodations.

On January 13, 2015 the Williams County Board of County Commissioners had a presentation from a Facility Planning Consultant who outlined a four-month study to identify additional facility requirements to support the significant increases in court filings, detention bookings, law enforcement calls to service, and general government service levels that have resulted from the dramatic population and economic increases we have experienced in the past five years.

The Consultant testified the Court was in dire need of additional judicial and staffing resources and he would work with you to develop a long-range plan to support current and future court requirements. Given that Mr. Steinmann (Consultant) has experience in programming and planning more than thirty court facilities and has worked with the National Center for State Courts for twenty years, we have confidence that our investment in immediately providing space adjacent to the secured court spaces on Floor #2 of the Courthouse would be both a near-term solution to accommodating an additional District Judge and would be consistent with the long-term utilization of the entire County Government Complex.

At that meeting, the Williams County Board of County Commissioners voted in favor of providing accommodations for one additional District Judge, a judicial secretary, and a hearing room by August 2015 if an additional judge is authorized by the Legislature. We would relocate county administrative functions to a building we have recently acquired directly across the street. We will initiate that design and remodeling process immediately upon receiving notification that the Legislature approves the appointment. Additionally, it is our intent to extend the clerk's office into the space currently used as a county conference room to increase office space to immediately accommodate up to four additional clerk staff. We will retain a smaller conference room on the floor for all to use.

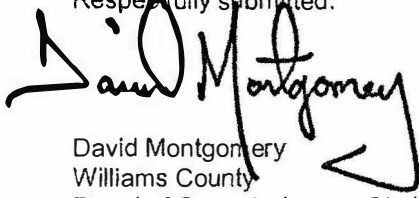
We look forward to hearing from you on this urgent matter and anticipate a very positive response from Judge Nelson. We also look forward to having our Consultant work with you to identify District Court (and States Attorney and Clerk of the Court) workload, staffing, and space needs to support continued county population increases to perhaps 80,000 by the end of our planning timeframe in 2035.

BOARD OF COMMISSIONERS

First District - Martin Hanson | Second District - Dan Kalil | Third District - Wayne Aberle
Fourth District - David Montgomery | Fifth District - Barry Ramberg

PO Box 2047 | 205 E. Broadway | Williston, ND 58802-2047 | Phone 701.577.4500 | Fax 701.577.4510 | www.williamsnd.com

Respectfully submitted:

A handwritten signature in black ink that reads "David Montgomery". The signature is written in a cursive style with a large, stylized initial "D".

David Montgomery
Williams County
Board of Commissioners, Chairman

DISTRICT JUDGES

WILLISTON:

David W. Nelson
Josh B. Rustad
Paul W. Jacobson

WATFORD CITY:

Robin A. Schmidt



DISTRICT COURT
& SCHEDULING

(701) 774-4367
PO Box 2047
205 East Broadway
Williston, ND 58802-2049

(701) 444-3616
201 5th St NW
Watford City, ND 58854

State of North Dakota

NORTHWEST JUDICIAL DISTRICT
DISTRICT JUDGES' CHAMBERS

Serving Williams, McKenzie and Divide Counties

January 23, 2015

Chief Justice Gerald W. Vandewalle
North Dakota Supreme Court
600 East Boulevard Avenue, Dept. 180
Bismarck, ND 58505-0530

RE: Northwest Judicial District Judges

Dear Chief Justice Vandewalle:

I was pleased to hear of the decision of the Williams County Commission to provide a courtroom plus chambers for another judge and staff.

I have reviewed the proposal, and it meets all of our needs.

Further, Williams County has expressed a desire to see to our expected needs in future construction as well.

Accordingly, I am asking that you supplement your budget request to the 2015 Legislature to ask for two judges in the Northwest District.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Nelson".

DAVID W. NELSON
Presiding Judge

DWN/jrb

2015-17 JUDICIAL BRANCH FTE REQUESTS

County	FTEs	Total Salaries*	County	FTEs	Total Salaries*	County	FTEs	Total Salaries*
<u>WILLIAMS CO.</u>			<u>WARD CO.</u>					
Deputy clerks of court	2	\$ 309,450	Deputy clerk of court	<u>1</u>	\$ 154,725			
Law clerk	<u>1</u>	\$ 189,622	Total Ward Co.	1	\$ 154,725			
Total Williams Co.	3	\$ 499,072						
<u>MCKENZIE CO.</u>			<u>BURLEIGH/MORTON CO.</u>			<u>BARNES CO.</u>		
Clerk of court/ <u>1</u>	1	\$ 227,960	Deputy clerks of court	2	\$ 309,450	Clerk of court/ <u>1</u>	1	\$ 227,960
Deputy clerks of court/ <u>1</u>	5	\$ 773,627	Court recorder	1	\$ 154,725	Deputy clerks of court/ <u>1</u>	<u>2</u>	\$ 309,450
Judge	1	\$ 407,294	Judges	2	\$ 814,589	Total Barnes Co.	3	\$ 537,410
Court reporter	<u>1</u>	\$ 181,482	Court reporters	<u>2</u>	\$ 362,963			
Total McKenzie Co.	8	\$ 1,590,363	Total Burleigh/Morton Co.	7	\$ 1,641,727			
<u>STARK CO.</u>			<u>DISTRICT COURT ADMIN</u>					
Deputy clerk of court	1	\$ 154,725	Citizen Access paralegal	<u>1</u>	\$ 175,583			
Judge	1	\$ 407,294	Total District Court admin	1	\$ 175,583			
Court reporter	<u>1</u>	\$ 181,482						
Total Stark Co.	3	\$ 743,501						
			<u>SUPREME COURT ADMIN</u>			<u>TOTAL JUDICIAL BRANCH</u>		
			Account analyst	1	\$ 206,979	Supreme Court	2	\$ 413,958
			Guardianship project manager	<u>1</u>	\$ 206,979	District Court	<u>26</u>	\$ 5,342,381
			Total Supreme Court admin	2	\$ 413,958	Total Judicial Branch	28	\$ 5,756,339

/1 County made election for their clerk of court staff to become state employees pursuant to NDCC Section 27-05.2-02.

* Total salaries include the executive budget recommendation for salary and fringe benefit increases.

HB 1002

February 10, 2015

Attachment A

Judicial Branch - Budget No. 180
House Bill No. 1002
Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2015-17 Biennium Base Level	363.00	\$97,133,117	\$2,175,589	\$99,308,706	363.00	\$97,133,117	\$2,175,589	\$99,308,706
2015-17 Ongoing Funding Changes								
Base payroll changes		\$1,372,073	\$230,398	\$1,602,471				\$0
Salary increase - Performance		3,000,284	3,239	3,003,523				0
Retirement increase		434,227		434,227				0
Health insurance increase		1,718,500		1,718,500				0
New FTE positions	28.00	5,408,844		5,408,844				0
Payments to contract counties for clerk of court services		381,748		381,748				0
Increases operating expense		1,158,484	(42,420)	1,116,064				0
Juvenile court program services		332,340		332,340				0
Information technology costs		413,070		413,070				0
Other change				0				0
Other change				0				0
Other change				0				0
Other change				0				0
Other change				0				0
Total ongoing funding changes	28.00	\$14,219,570	\$191,217	\$14,410,787	0.00	\$0	\$0	\$0
One-time funding items								
Information technology disaster recovery site		\$2,171,672		\$2,171,672				\$0
Equipment over \$5,000		361,000		361,000				0
Information technology equipment over \$5,000		1,023,000		1,023,000				0
Supreme Court facility space expansion		1,107,227		1,107,227				0
Juvenile case management system replacement		1,782,410		1,782,410				0
Criminal case e-filing initiation project		99,000		99,000				0
Other one-time funding item				0				0
Other one-time funding item				0				0
Other one-time funding item				0				0
Other one-time funding item				0				0
Total one-time funding changes	0.00	\$6,544,309	\$0	\$6,544,309	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	28.00	\$20,763,879	\$191,217	\$20,955,096	0.00	\$0	\$0	\$0
2015-17 Total Funding	391.00	\$117,896,996	\$2,366,806	\$120,263,802	363.00	\$97,133,117	\$2,175,589	\$99,308,706

Other Sections in House Bill No. 1002

Executive Budget Recommendation

House Version

Line item transfers

Section 4 requires the Director of the Office of Management and Budget and the State Treasurer to 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.

District judges

Section 5 provides for two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District to be assigned pursuant to section 10 of Article VI of the Constitution of North Dakota, and to be assigned to chambers by the Supreme Court.

Supreme Court justices' salaries

Section 6 provides the statutory changes increasing Supreme Court justices' salaries by 5 percent each year of the biennium. Supreme Court justices' annual salaries are increased from the current level of \$147,996 to \$155,396, effective July 1, 2015, and to \$163,166, effective July 1, 2016. The Chief Justice of the Supreme Court is entitled to receive an additional \$4,462 per annum effective July 1, 2015, and \$4,685 per annum effective July 1, 2016.

District judges' salaries

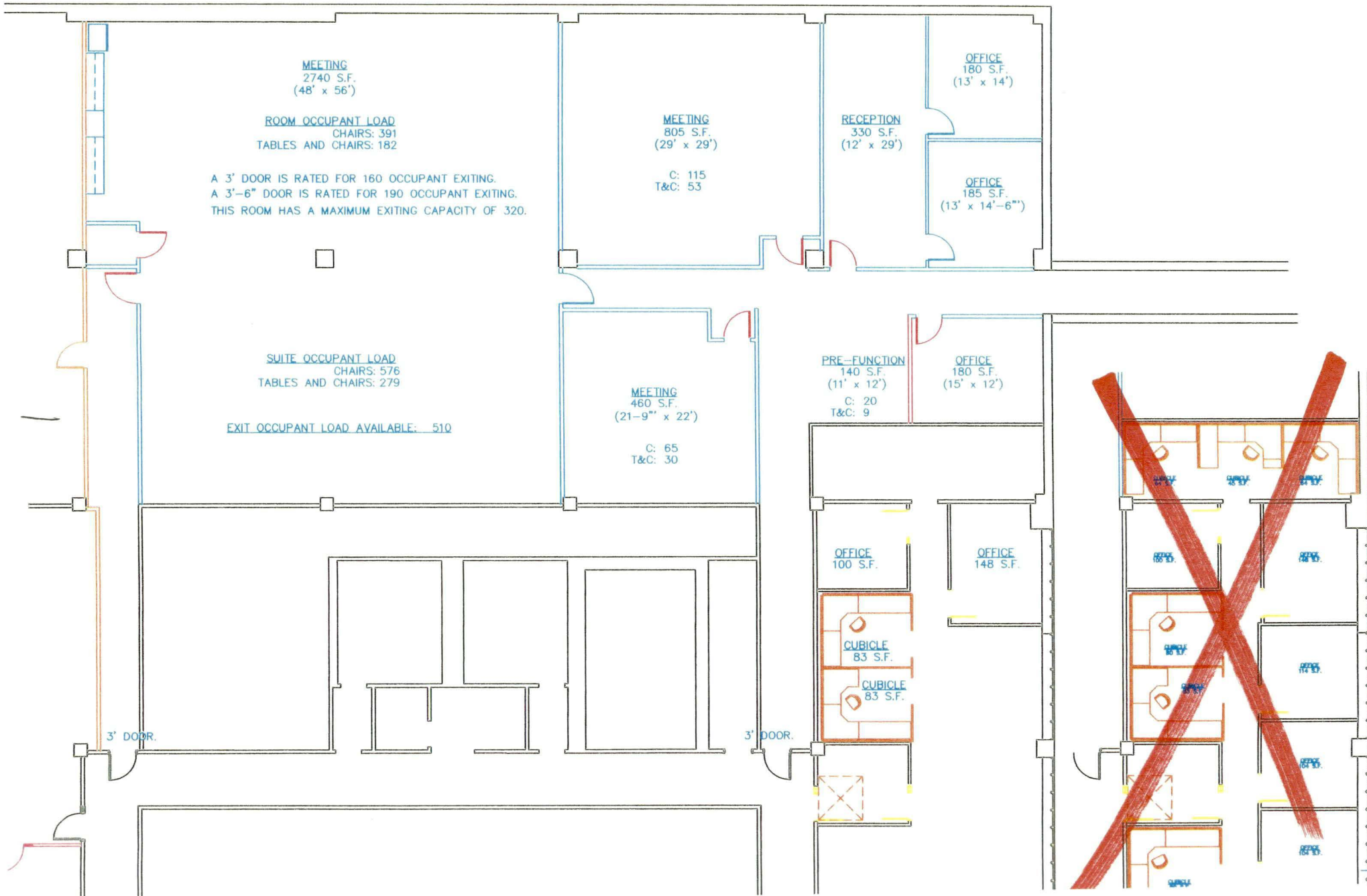
Section 7 provides the statutory changes increasing district court judges' salaries by 5 percent each year of the biennium. District court judges' annual salaries are increased from the current level of \$135,611 to \$142,392, effective July 1, 2015, and \$149,511, effective July 1, 2016. A presiding judge of a judicial district is entitled to receive an additional \$4,113 per annum effective July 1, 2015, and \$4,319 per annum effective July 1, 2016.

2

HB1002

February 16, 2015

Attachment A



Renovation of Former ITD Space for the Judicial Branch

9/10/2014

Rev. 10/7/2014

6,160 SF

Materials	Quantity	Unit Cost	Item Cost
Carpet	in and out	\$5/SF	\$30,800
Ceiling Tile	in and out	\$7.50/SF	\$50,820
Replace lights	103	\$350 ea.	\$36,050
Painting	7106 SF	\$1.50/SF	\$10,170
Entrance doors	8	\$3000 ea.	\$24,000
Walls	2367 SF	\$7/SF	\$16,569
Casework	16 LF	\$500/SF	\$8,000
Chair rail and base	263 SF	\$35/LF	\$9,205
Mechanical Controls	6,160 SF	\$12/SF	\$73,920
General Electrical/new panel	6,160 SF	\$6/SF	\$37,000
Steel for partition	0	\$6,000 ea	\$0
Folding partition	0	\$125/SF	\$0
Sound deadening material	1,359 SF	\$71.50/SF	\$97,000
Sound seal caulking	578 LF	\$3.06/LF	\$1,800
Glazing	160 SF	\$780/SF	\$124,800
HC operators	1	\$3,000 ea.	\$3,000
Fire extinguishers	5	\$750 ea.	\$3,750
Furnishings	Allowance		\$0
Plumbing	Allowance		\$10,000
Exit tunnel	136 LF	\$700/LF	\$95,200

<u>sub total</u>		\$632,084
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<u>Contingency</u>	10%	\$68,208
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<u>subtotal</u>		\$700,292
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<u>A/E fees and misc.</u>	12%	\$90,035
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<u>Total</u>		<u>\$790,327</u>
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Cost estimate does not include furniture and equipment

HB 1002

February 16, 2015 Attachment B
 JUDICIAL BRANCH BUDGET REDUCTION PROPOSAL

	Salaries	Operating	Capital Assets	Judge's Retirement	Guardian Program	Total
Supreme Court						
1 Retirement increase (1% not implemented)	\$ 59,710	\$ -	\$ -	\$ -	\$ 1,048	\$ 60,758
2 HR intern	\$ 16,500	\$ -	\$ -	\$ -	\$ -	\$ 16,500
3 Facility space expansion	\$ -	\$ -	\$ 618,168	\$ -	\$ -	\$ 618,168
4 Office equipment under \$5,000 (10%)	\$ -	\$ 3,600	\$ -	\$ -	\$ -	\$ 3,600
5 Copy machines	\$ -	\$ -	\$ 22,500	\$ -	\$ -	\$ 22,500
6 Justices to 4%/4%	\$ 28,545	\$ -	\$ -	\$ 1,176	\$ -	\$ 29,721
7 Employee salary to 3%/3%	\$ 117,044	\$ -	\$ -	\$ -	\$ 2,569	\$ 119,613
Total Supreme Court	\$ 221,799	\$ 3,600	\$ 640,668	\$ 1,176	\$ 3,617	\$ 870,860

	Salaries	Operating	Capital Assets	Judge's Retirement	Total
District Court					
8 Juvenile Case Management System	\$ -	\$ 491,410	\$ 1,291,000	\$ -	\$ 1,782,410
9 Judge's Retirement (1 participant passed away)	\$ -	\$ -	\$ -	\$ 54,004	\$ 54,004
10 Retirement increase (1% not implemented)	\$ 369,281	\$ -	\$ -	\$ -	\$ 369,281
11 Office equipment under \$5,000 (10%)	\$ -	\$ 30,530	\$ -	\$ -	\$ 30,530
12 Travel	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000
13 Steno machines	\$ -	\$ -	\$ 49,500	\$ -	\$ 49,500
14 Workstation system	\$ -	\$ -	\$ 120,000	\$ -	\$ 120,000
15 Copy machines	\$ -	\$ -	\$ 150,000	\$ -	\$ 150,000
16 Composite meeting room wall	\$ -	\$ -	\$ 12,000	\$ -	\$ 12,000
17 Folding machine	\$ -	\$ -	\$ 7,000	\$ -	\$ 7,000
18 Tablets	\$ -	\$ 69,700	\$ -	\$ -	\$ 69,700
19 ITV video upgrades and new installs	\$ -	\$ -	\$ 93,000	\$ -	\$ 93,000
20 XIV maintenance agreement	\$ -	\$ 191,170	\$ -	\$ -	\$ 191,170
21 Miscellaneous IT equipment under \$750 (10%)	\$ -	\$ 7,344	\$ -	\$ -	\$ 7,344
22 Miscellaneous IT equipment under \$5,000 (10%)	\$ -	\$ 9,284	\$ -	\$ -	\$ 9,284
23 Miscellaneous IT equipment over \$5,000 (10%)	\$ -	\$ -	\$ 5,540	\$ -	\$ 5,540
24 Juvenile Services (Intensive in-home)	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
25 Judges to 4%/4%	\$ 266,412	\$ -	\$ -	\$ 6,077	\$ 272,489
26 Employee salary to 3%/3%	\$ 631,800	\$ -	\$ -	\$ -	\$ 631,800
Total District Court	\$ 1,267,493	\$ 949,438	\$ 1,728,040	\$ 60,081	\$ 4,005,052

	Salaries	Operating	Total
JCCDB			
27 Retirement increase (1% not implemented)	\$ 4,188	\$ -	\$ 4,188
28 Employee salary to 3%/3%	\$ 10,278	\$ -	\$ 10,278
Total JCCDB	\$ 14,466	\$ -	\$ 14,466

Total reduction **\$ 1,503,758 \$ 953,038 \$ 2,368,708 \$ 61,257 \$ 3,617 \$ 4,890,378**

	Salaries	Fringes	Total
Justices/Judges (5%/5%)			
Chief	\$ 327,710	\$ 117,517	\$ 445,227
Justices (4)	\$ 1,274,248	\$ 461,248	\$ 1,735,496
Presiding Judges (8)	\$ 2,402,672	\$ 887,336	\$ 3,290,008
Judges (39+4 new)	\$ 12,551,829	\$ 4,682,012	\$ 17,233,841
Total	\$ 16,556,459	\$ 6,148,113	\$ 22,704,572

	Salaries	Fringes	Total	Savings
Justices/Judges (4%/4%)				
Chief	\$ 323,006	\$ 116,383	\$ 439,389	\$ 5,838
Justices (4)	\$ 1,255,952	\$ 456,837	\$ 1,712,789	\$ 22,707
Presiding Judges (8)	\$ 2,368,184	\$ 879,021	\$ 3,247,205	\$ 42,803
Judges (39+4 new)	\$ 12,371,659	\$ 4,638,573	\$ 17,010,232	\$ 223,609
Total salaries	\$ 16,318,801	\$ 6,090,814	\$ 22,409,615	\$ 294,957
Old Judges retirement -SC				\$ 1,176
Old Judges retirement -DC				\$ 6,077
Total				\$ 302,210

Judicial Branch - Budget No. 180
House Bill No. 1002
Base Level Funding Changes

	Executive Budget Recommendation				House Version				House Changes to Executive Recommendation			
	FTE	General Fund	Other Funds	Total	FTE	General Fund	Other Funds	Total	FTE	General	Other	Total
	Positions				Position				Positions	Fund	Funds	
2015-17 Biennium Base Level	363.00	\$97,133,117	\$2,175,589	\$99,308,706	363.00	\$97,133,117	\$2,175,589	\$99,308,706	0.00	\$0	\$0	\$0
2015-17 Ongoing Funding Changes												
Base payroll changes		\$1,372,073	\$230,398	\$1,602,471		\$1,301,569	\$230,398	\$1,531,967		(\$70,504)		(\$70,504)
Salary increase - Performance		3,000,284	3,239	3,003,523		1,936,383	3,239	1,939,622		(1,063,901)		(1,063,901)
Retirement increase		434,227		434,227				0		(434,227)		(434,227)
Health insurance increase		1,718,500		1,718,500		1,718,500		1,718,500				0
New FTE positions	28.00	5,408,844		5,408,844	28.00	5,408,844		5,408,844				0
Payments to contract counties for clerk of court services		381,748		381,748		381,748		381,748				0
Increases operating expense		1,158,484	(42,420)	1,116,064		1,074,354	(42,420)	1,031,934		(84,130)		(84,130)
Juvenile court program services		332,340		332,340		232,340		232,340		(100,000)		(100,000)
Information technology costs		413,070		413,070		135,572		135,572		(277,498)		(277,498)
Other change				0				0				0
Other change				0				0				0
Total ongoing funding changes	28.00	\$14,219,570	\$191,217	\$14,410,787	28.00	\$12,189,310	\$191,217	\$12,380,527	0.00	(\$2,030,260)	\$0	(\$2,030,260)
One-time funding items												
Information technology disaster recovery site		\$2,171,672		\$2,171,672		\$2,171,672		\$2,171,672		\$0		\$0
Equipment over \$5,000		361,000		361,000				0		(361,000)		(361,000)
Information technology equipment over \$5,000		1,023,000		1,023,000		924,460		924,460		(98,540)		(98,540)
Supreme Court facility space expansion		1,107,227		1,107,227		489,059		489,059		(618,168)		(618,168)
Juvenile case management system replacement		1,782,410		1,782,410				0		(1,782,410)		(1,782,410)
Criminal case e-filing initiation project		99,000		99,000		99,000		99,000		0		0
Other one-time funding item				0				0				0
Other one-time funding item				0				0				0
Total one-time funding changes	0.00	\$6,544,309	\$0	\$6,544,309	0.00	\$3,684,191	\$0	\$3,684,191	0.00	(\$2,860,118)	\$0	(\$2,860,118)
Total Changes to Base Level Funding	28.00	\$20,763,879	\$191,217	\$20,955,096	28.00	\$15,873,501	\$191,217	\$16,064,718	0.00	(\$4,890,378)	\$0	(\$4,890,378)
2015-17 Total Funding	391.00	\$117,896,996	\$2,366,806	\$120,263,802	391.00	\$113,006,618	\$2,366,806	\$115,373,424	0.00	(\$4,890,378)	\$0	(\$4,890,378)

Other Sections in House Bill No. 1002

	Executive Budget Recommendation				House Version			
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HB 1002
 #A
 2/18/2015

Executive Budget Recommendation

House Version

Line item transfers

Section 4 requires the Director of the Office of Management and Budget and the State Treasurer to 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 4 requires the Director of the Office of Management and Budget and the State Treasurer to 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.

District judges

Section 5 provides for two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District to be assigned pursuant to section 10 of Article VI of the Constitution of North Dakota, and to be assigned to chambers by the Supreme Court.

Section 5 provides for two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District to be assigned pursuant to section 10 of Article VI of the Constitution of North Dakota, and to be assigned to chambers by the Supreme Court.

Supreme Court justices' salaries

Section 6 provides the statutory changes increasing Supreme Court justices' salaries by 5 percent each year of the biennium. Supreme Court justices' annual salaries are increased from the current level of \$147,996 to \$155,396, effective July 1, 2015, and to \$163,166, effective July 1, 2016. The Chief Justice of the Supreme Court is entitled to receive an additional \$4,462 per annum effective July 1, 2015, and \$4,685 per annum effective July 1, 2016.

Section 6 provides the statutory changes increasing Supreme Court justices' salaries by ~~5 percent~~ 4 percent each year of the biennium. Supreme Court justices' annual salaries are increased from the current level of \$147,996 to ~~\$155,396~~ \$152,436, effective July 1, 2015, and to ~~\$163,166~~ 157,009, effective July 1, 2016. The Chief Justice of the Supreme Court is entitled to receive an additional ~~\$4,462~~ \$4,377 per annum effective July 1, 2015, and ~~\$4,685~~ \$4,509 per annum effective July 1, 2016.

District judges' salaries

Section 7 provides the statutory changes increasing district court judges' salaries by 5 percent each year of the biennium. District court judges' annual salaries are increased from the current level of \$135,611 to \$142,392, effective July 1, 2015, and \$149,511, effective July 1, 2016. A presiding judge of a judicial district is entitled to receive an additional \$4,113 per annum effective July 1, 2015, and \$4,319 per annum effective July 1, 2016.

Section 7 provides the statutory changes increasing district court judges' salaries by ~~5 percent~~ 4 percent each year of the biennium. District court judges' annual salaries are increased from the current level of \$135,611 to ~~\$142,392~~ \$139,679 effective July 1, 2015, and ~~\$149,511~~ \$143,870, effective July 1, 2016. A presiding judge of a judicial district is entitled to receive an additional ~~\$4,113~~ \$4,035 per annum effective July 1, 2015, and ~~\$4,319~~ \$4,155 per annum effective July 1, 2016.

2

Comparison of Judge Need (Based on 2-year average)

Judge Shortages			
District	2012/2013	2013/2014	Net Change
NWJD	2.56	3.88	Increased need of 1.32
SCJD	2.28	2.72	Increased need of .44
SWJD	1.26	1.48	Increased need of .22
NCJD	1.15	1.75	Increased need of .60
ECJD	.80	.72	Decreased need of .08
NECJD	.13	-----	Decreased need resulting in judge overage for 2013/2014
SEJD	-----	.14	Increased need of .28
Judge Overages			
NEJD	.84	.65	Increased need of .19
SEJD	.14	-----	Increased need resulting in judge shortage 2013/2014
NECJD	-----	.26	Decreased need of .39

2012/2013 Net Judge Shortage 7.20
2013/2014 Net Judge Shortage 9.79

Comparison of Clerk Need (State Offices only) (Based on 2-year average)

Clerk Shortages			
County	2012/2013	2013/2014	Net Change
Williams	5.68	6.88	Increased need of 1.20
Burleigh	5.52	6.71	Increased need of 1.19
Ward	3.52	4.81	Increased need of 1.29
Stark	2.86	3.54	Increased need of .68
Cass	2.90	2.40	Decreased need of .50
Grand Forks	2.72	1.99	Decreased need of .73
Morton	1.76	1.89	Increased need of .13
Rolette	.56	.39	Decreased need of .17
Stutsman	.10	.26	Increased need of .16
Clerk Overages			
Richland	1.26*	1.34*	Decreased need of .08
Ramsey	.56	.30	Increased need of .26
Walsh	.36	.39	Decreased need of .03

*Does not include offset for Richland County clerk of court offices providing jury services for Cass County

2012/2013 Net Clerk Shortage (state offices only) 23.44
2013/2014 Net Clerk Shortage (state offices only) 26.84

House Bill 1002
Senate Appropriations Committee

1
HB 1002
3:10-15

Testimony Presented by Cynthia M. Feland
District Court Judge
March 10, 2015

Chairman Holmberg, members of the Senate Appropriations Committee, I am Cynthia Feland, District Court Judge in the South Central Judicial District. I am here at the request of Chief Justice VandeWalle to provide background for the request for a pilot project to provide monitoring of guardianship and conservatorship cases.

In the fall of 2013, the Guardianship Workgroup, a multi-disciplinary group made up of stakeholders in the guardianship and conservatorship process, was created by Chief Justice VandeWalle and assigned the task of evaluating current guardianship and conservator statutes and procedures in light of the National Probate Standards. Of immediate concern to the Workgroup was the oversight of individuals or entities serving as guardians and conservators.

Currently, there are approximately 4,463 active guardianship and conservatorship cases in North Dakota including 492 filed in 2014. In 2012, 515 new cases of vulnerable adults in North Dakota who had been subjected to or were at risk of abuse or neglect were reported.¹ Approximately one-third of these new cases involved vulnerable adults ages 60 and older who were neglected, abused or financial exploited.¹

Under current North Dakota law, a guardian or conservator is required to file an annual report with the court. However, there is currently no mechanism providing for an appropriate review of those annual reports to ensure proper management of the ward's care and financial assets. Courts do not have the expertise to identify potential fraud or exploitation in

¹ North Dakota Department of Human Services, Vulnerable Adult Protective Services, Federal Fiscal Year 2012.

guardianship and conservatorship cases, and there is currently no mechanism to generate an audit when concerns are raised.

After lengthy and detailed discussions on this issue, the Workgroup recommended that the court initiate a pilot project creating a monitoring component in guardianship and conservatorship cases to assure that wards are receiving proper care and protection and are not being abused, neglected or financially exploited. The proposed pilot project would provide an independent review process involving well-being checks of the ward and audits of a ward's assets in guardianship and conservatorship cases.

Given the technical nature of the financial audits, one accountant would be hired, under the supervision of the Director of Finance, to conduct up to twenty (20) full audits of guardianship accounts per biennium. The majority of these audits would be triggered by referrals from judges or complaints filed with the court by interested parties. The remaining audits would be conducted in randomly selected cases and would include an audit of an at least on account managed by guardianship providers who have been appointed as guardian for multiple wards. In addition to the twenty (20) full audits, it is anticipated that the accountant could provide a basic review of the annual reports filed in an additional 10-15 cases per month. These additional cases would be selected at random. In each of the audited cases, a report of the auditor's findings would be provided to the court.

The well-being checks would be conducted by the current court appointed visitors on a contract basis. It is anticipated that the court appointed visitors would perform up to 40 well-being checks per biennium to determine if the ward is being properly cared for. For each of the selected cases, a report from the visitor concerning their findings would be filed with the court.

These reports would in turn provide the court with the ability to properly evaluate information about the well-being and property of all those adjudicated legally incapacitated.

The South Central and Southeast Judicial Districts are proposed for the pilot project as they encompass the widest variety of jurisdictions and account for almost half of all of the cases filed.

The pilot project is the most cost effective way of establishing a mechanism for meaningful monitoring of guardianship and conservatorship cases. This monitoring mechanism would then be implemented on a statewide bases ensuring fulfillment of our legal obligation to protect and preserve the well-being and financial assets of the wards.

Respectfully Submitted:

Cynthia M. Feland
District Judge

Guardianship Workgroup Members: Judge **Cynthia M. Feland**, Chair; **Mel Webster**, Bismarck; **Roger Wetzel**, Bismarck; **Leo Ryan**, Jamestown; **Jim Fitzsimmons**, North Dakota Legal Services; **Aaron Birst**, North Dakota Association of Counties; **Donna Byzewski**, Catholic Charities; **Michelle Gayette**, N.D. Department of Human Services; **Judy Vetter**, Guardian and Protective Services; **Sally Holewa**, State Court Administrator; **Donna Wunderlich**, Trial Court Administrator, Unit 3, **David Boeck**, Protection and Advocacy.

House Bill 1002
Senate Appropriations Committee

Testimony Presented by Sally Holewa
State Court Administrator
March 10, 2015

2
HB 1002
3-10-15

Good morning, Chairman Holmberg and members of the Committee. For the record, my name is Sally Holewa. I am the State Court Administrator. I will be providing a general overview of the Judicial Branch budget request.

The Judicial Branch appropriation funds the personnel, programs, and operating costs of the Supreme Court, the district courts, and the Judicial Conduct Commission and Disciplinary Board. Our initial budget request for the 2015-2017 biennium was \$120,263,802. The House reduced this request by \$6.3 million. With the exception of judge salaries and funds to remodel part of the former ITD space, the Court was allowed to identify where the cuts would come from. The House changes as contained in engrossed HB 1002 reflect an increase of \$14,625,342 over our base budget. Two-thirds of the increase, \$9,739,948, is to add more judges and staff, and to cover increases in health insurance, retirement, salaries and benefits. A major IT project accounts for an additional \$2,171,672. The rest of the increase is attributable to incremental increases across several line items.

Request to Reinstate Some Funding

We believe the \$6.3 million reduction of our appropriation request was too deep a cut. In order to get to that amount, we had to cut planned services and projects that we feel are necessary to operate effectively.

We are requesting reinstatement of \$220,500 in one-time funding for office equipment over \$5,000. This includes \$22,500 for the Supreme Court and \$200,000 for the District Court. We are especially concerned about having enough funding to provide the equipment that will be needed in the 4 new courtrooms that we expect to be built in the coming biennium. Those courtrooms will be in Griggs, McKenzie, Mercer and Williams Counties. Although the county is responsible for construction and maintenance of the courthouse as a whole, the court provides the equipment and some of the furnishings for the courtrooms.

We are requesting reinstatement of \$100,000 to expand our use of Intensive In-Home Therapy to the Jamestown area. Intensive in-home therapy is a program for families whose children are at risk of being placed out of the home or children who are returning home following out of home placement. Both juvenile court and the Division of Juvenile Services use this program which has an 88% success rate.

We are requesting reinstatement of \$1,107,227 to renovate approximately 6,100 square feet of the capitol space recently vacated by ITD. As you are aware, there was a \$40 million project in the OMB budget to renovate and expand the Liberty Memorial Building for the Supreme Court's use. That project was removed from SB 1015 and as of today's date its fate is unsettled. This past summer a space needs study done through JLG Architects determined that we need an additional 24,660 square feet. In the event that the building project does not go through this biennium, we want to have the funding required to remodel this ITD space to meet our training and conference needs. The \$1,107,227 includes \$137,000 for supplies and equipment, \$183,650 for IT equipment and office furniture, and \$786,577 for extraordinary repairs. The money needed for extraordinary repairs is for structural

changes, including adding a tunnel to provide an outside exit, that are required to convert the use of the space from business use to assembly use.

Although the House allowed the Court to identify most of our own cuts, they did not accept our recommendation to reduce the requested salary increases for judges from 5% to 4% each year. As part of general salary adjustments, they reduced the requested increase to 3% each year. We are asking you to consider raising the salary increase for judges to 4% each year. The biennial cost difference between 3% and 4% is \$300,318.

Support for Projects Included in Engrossed HB 1002

The House was supportive of our request for \$2,171,627 to establish a remote disaster recovery site and we are asking for your support as well. The disaster recovery site would be based outside the Bismarck/Mandan area and be capable of supporting our mission critical operations until the main production site can be restored and we can return to normal operations. A remote site at a significant distance from our main site is necessary to mitigate the chances of an environmental disaster affecting both sites. The backup site will be capable of receiving and storing an up-to-date copy of production data and providing replacement functionality for the primary IT infrastructure within hours of a disaster.

In the Chief's State of the Judiciary speech to the legislature, he discussed the need for a guardianship monitoring project. Engrossed HB 1002 contains \$304,542 to implement a pilot project. To understand the purpose of the project, let me first explain that a guardian is a person appointed by the court to oversee the well-being and personal affairs of another person who has been found incompetent to do this

for his or her self. Most often, this also includes their financial affairs. Oversight of guardians is of great concern to the court. While annual reports are filed there is no mechanism in place for meaningful review. The pilot project would encompass the SCJD and SEJD and involve both financial reviews and well-being checks. The cost for the pilot project includes hiring one full-time accountant to manage the program and conduct the financial reviews.

Salaries and Wages

The majority of the increase in our base budget is for additional judges and staff. Engrossed HB 1002 contains funding for 28 additional FTES. In addition to authorizing these FTES, we are asking you to consider adding 2 more FTES for a total of 30 new employees.

New Judges and Court Reporters (5 Judges and 5 Court Reporters)

The North Dakota court system utilizes a weighted caseload method to determine judge need and chamber location. Understood in its simplest form, a weighted caseload is a time and frequency study. To determine the base weights, judge activity is recorded for a period of time. The data is then used to assign “weights” to various case types based on how much judge time is needed to process the case. The weight is then multiplied by the frequency of cases filed. To determine judge need, we multiply the case weights and numbers of cases filed, and then divide it by the amount of judge time available in a year. Since the number and types of cases can vary widely by year, we rely on a 2-year average of the weighted caseload as a factor in determining where judges are needed. Other factors we look at in making these decisions include the size of the district, the amount of travel required between courthouses, the number of other judges within the district,

and the anticipated growth or stagnation of communities within a geographic region.

Judges: Section 5 of Engrossed HB 1002 contains an appropriation for 4 new judges, with 2 chambered in the South Central Judicial District, 1 in the Northwest Judicial District and 1 in the Southwest Judicial District. In addition to those 4 judges already in Engrossed HB 1002, we are requesting that you amend Section 5 to add one more judge for the Northwest Judicial District.

As indicated in the attached chart, the court system is currently short almost 10 judges statewide. The greatest need is in the Northwest Judicial District, which is comprised of Williams, Burke and McKenzie Counties, and has a judge need of 3.88. At the time HB 1002 was drafted, we included a request for one additional judge for the Northwest Judicial District to be chambered in McKenzie County. We did not request another judge for Williams County due to a lack of space for that judge to work. This is not a criticism of Williams County. We are well aware of the pressing needs of the county and the impact it has had on every county department. Rather, it is a reflection of the fact that a judge without a place to work is going to be of very limited use. Since the start of the legislative session, there has been a significant change in circumstance in Williams County. We received a letter from the county informing us that they have contracted with a national expert on courts and county government facility planning and are committed to creating a chambers, courtroom and office space for another judge and court reporter, with actual design and remodeling to begin upon legislative authority for the court to add the positions. Based on the commitment from the county, we are requesting an additional judge and court reporter for the Northwest Judicial District and an addition to our appropriation in the amount of \$610,373.

This is the operational costs and salary for a judge and court reporter for a full biennium. This addition would increase our FTE request by two, for a total of 30 new FTEs.

Court Reporters: Each new judge will require a court reporter. Court reporters take the verbatim record of court proceedings and also serve as a receptionist and secretary for their assigned judge.

Clerk of Court Transfer from County to State employment - (2 clerks of court and 7 deputy clerks of court)

In twelve counties,¹ the state employs the clerk of court personnel. In the remaining 41 counties, the state contracts with the county to perform those duties under NDCC 27-05.2-02. This biennium, two of those contract counties, Barnes and McKenzie, have exercised the county option under NDCC 27-05.2-02 to transfer clerk of court services to the state. The cost to fund these positions is \$1,538,997. It should be noted that we have already been paying most of this cost already as contract costs so the actual dollar increase related to converting the position is \$210,000 for the biennium. It should also be noted that although these are not new positions to the court system, they are new positions to the state, so the conversion will be reflected as 9 new FTEs.

¹ The twelve counties where clerk offices are state employees are: Burleigh, Cass, Grand Forks, Morton, Ramsey, Richland, Rolette, Stark, Stutsman, Walsh, Ward and Williams. In 2014, McKenzie County FTE need exceeded the statutory threshold of 5 which mandated a transfer of clerk staff to state employment. Also, in 2014 Barnes County made the election to transfer clerk services to the state. Ten counties are eligible to transfer clerk services to the state but have elected to retain those services. Those ten counties are: Bottineau, Divide, Dunn, McHenry, McLean, Mercer, Mountrail, Pembina, Ransom and Traill.

11 New Full-time Employees

Accountant Analyst for Supreme Court: During the 2013-15 biennium, the court system will process \$100 million in expenditures and account for \$30 million in revenues. We have not added a new accountant position since July 1994. Since that time there has been a significant increase in the finance department workload. These changes include an increased number of court system personnel, implementation of the tax intercept program, implementation of credit card processing, implementation of a new case management system that includes a full double entry accounting system, centralization of the juror payroll function, increased use of purchase cards, and financial responsibility for the Courts Facility Maintenance and Improvement Fund. All of these changes have had a direct impact on our finance department.

Accountant Analyst for Guardianship Pilot Project: As mentioned earlier in this presentation, the guardianship pilot project will require one full-time staff member to run the program and conduct financial reviews.

Paralegal for Self-Help Center: In 2013, we implemented a self-help center staffed by a licensed attorney and operated as a division of our law library. The purpose of the center is to address the needs of the thousands of people in the state who are involved in a legal issue but are not represented by counsel. In 2013, that number was over 1,700 people who represented themselves in court in civil, family and juvenile cases, and another 6,500 who were self-represented in felony, misdemeanor and infraction cases. Most of these people fall in the middle where they don't make enough money to pay the retainer and hourly fees charged by attorneys but make too much money to qualify for reduced fee or free legal

services programs. The self-help center is able to provide procedural advice and education to self-represented litigants through forms and brochures we have developed and posted on our website and personal contact by telephone and email. The Center does not provide legal advice or represent people in court. As you might imagine, just giving someone a form doesn't mean they understand why it is necessary, how to fill it out correctly, or what to do next with their case. The self-help center staff helps to fill in those gaps. The program is inundated with calls for assistance and has little time to develop new materials for distribution. A paralegal would assist with both of those duties.

Law Clerk for NWJD: We are requesting 1 law clerk for the Northwest Judicial District. Our weighted caseload study shows we are nearly 4 judges short in the Northwest Judicial District. Currently, we have 3 judges chambered in Williston and 1 in Watford City. In addition, the referee from Minot assists the district by hearing cases in Williston two days a month. This is a high volume court where the judges spend much of their time on the bench hearing cases. A law clerk will help alleviate the judge shortage by doing legal research and drafting documents. This will free up a considerable amount of judge time for hearing cases and writing decisions. The Northwest Judicial district does not currently have any law clerks. All other districts have at least one law clerk to assist the judges.

Court Recorder for SCJD: We are requesting 1 court recorder to work with the judicial referees in the South Central Judicial District. A court recorder is a person who operates a digital recorder to capture court proceedings. The court recorder is also responsible for providing transcripts from those recordings and for performing receptionist and secretarial duties for their assigned judicial officer. Right now, we have two full-time referees in Bismarck who share one court recorder. This

arrangement has worked for several years, but as the caseload has grown in this district, the viability of this working arrangement has decreased. Delays in processing cases are occurring because there are times when a referee is available but can't be scheduled due to a lack of someone to record the proceedings. Adding this position would alleviate that issue.

Deputy Clerk of Court: We are requesting 6 deputy clerk of court positions. This is a front-line customer service position as well as the primary position for data entry and case management. An adequate number of deputy clerks is essential to the court being able to operate on a day-to-day basis. Our workload assessment for clerks of court shows we have a statewide shortage of 27 deputy clerks in our state-employed clerk of court offices. The positions we are requesting would be placed in 4 different offices throughout the state, as follows: 2 - Burleigh County; 2 - Williams County; 1 - Ward County and 1 - Stark County.

I want to emphasize that the judicial branch has always been frugal in requesting new staff. We utilize weighed workload formulas for judges, clerk of court staff and juvenile court officers to determine the need for additional judges and personnel. We scrutinize every vacancy and have a track record of moving position locations, sharing positions between locations, and cutting positions altogether when the workload no longer justified them. When the state's population was shrinking and caseloads were dropping, we found that the best way to address our needs, or at least to equalize the shortages across the state, was to transfer positions. Doing this over a long period of time left us with no excess capacity to handle the growth that has come to North Dakota. We have invested heavily in new technology and revamped old practices to increase efficiency, but neither of these strategies are the complete answer to managing our workload. It

takes judges to analyze cases and make decisions, and it takes clerks and other staff to run the technology, understand what needs to be done with each document and hearing, and make decisions about how to perform the work required. Without additional judges and staff the court will fall further behind in providing the services we are required to do.

Judge Need (2-year Average Based on 2013/2014 Filing Data)

District	NEJD	NECJD	ECJD	SEJD	SCJD	SWJD	NCJD	NWJD
Judge Shortage			.72	.14	2.72	1.48	1.75	3.88
Judge Overage	.65	.26						

NEJD (Northeast Judicial District): Encompasses 11 counties; currently has 6 judges chambered in the cities of Bottineau, Cavalier/Pembina, Devils Lake, Grafton and Rugby

NECJD (Northeast Central Judicial District): Encompasses 2 counties; currently has 5 judges chambered in the city of Grand Forks

ECJD (East Central Judicial District): Encompasses 3 counties; currently has 9 judges chambered in the city of Fargo

SEJD (Southeast Judicial District): Encompasses 14 counties; currently has 7 judges chambered in the cities of Ellendale, Jamestown, New Rockford, Valley City and Wahpeton

SCJD (South Central Judicial District): Encompasses 9 counties; currently has 8 judges chambered in the cities of Bismarck and Mandan

SWJD (Southwest Judicial District): Encompasses 8 counties; currently has 3 judges chambered in the city of Dickinson

NCJD (North Central Judicial District): Encompasses 3 counties; currently has 5 judges chambered in the city of Minot

NWJD (Northwest Judicial District): Encompasses 3 counties; currently has 4 judges chambered in the cities of Watford City and Williston

Renovation of Former ITD Space for the Judicial Branch

9/10/2014

Rev. 10/7/2014

6,160 SF

Materials	Quantity	Unit Cost	Item Cost
Carpet	in and out	\$5/SF	\$30,800
Ceiling Tile	in and out	\$7.50/SF	\$50,820
Replace lights	103	\$350 ea.	\$36,050
Painting	7106 SF	\$1.50/SF	\$10,170
Entrance doors	8	\$3000 ea.	\$24,000
Walls	2367 SF	\$7/SF	\$16,569
Casework	16 LF	\$500/SF	\$8,000
Chair rail and base	263 SF	\$35/LF	\$9,205
Mechanical Controls	6,160 SF	\$12/SF	\$73,920
General Electrical/new panel	6,160 SF	\$6/SF	\$37,000
Steel for partition	0	\$6,000 ea	\$0
Folding partition	0	\$125/SF	\$0
Sound deadening material	1,359 SF	\$71.50/SF	\$97,000
Sound seal caulking	578 LF	\$3.06/LF	\$1,800
Glazing	160 SF	\$780/SF	\$124,800
HC operators	1	\$3,000 ea.	\$3,000
Fire extinguishers	5	\$750 ea.	\$3,750
Furnishings	Allowance		\$0
Plumbing	Allowance		\$10,000
Exit tunnel	136 LF	\$700/LF	\$95,200
<u>sub total</u>			\$632,084
<u>Contingency</u>	10%		\$68,208
<u>subtotal</u>			\$700,292
<u>A/E fees and misc.</u>	12%		\$90,035
<u>Total</u>			\$790,327

7.12

MEETING
2740 S.F.
(48' x 56')

ROOM OCCUPANT LOAD
CHAIRS: 391
TABLES AND CHAIRS: 182

A 3' DOOR IS RATED FOR 160 OCCUPANT EXITING.
A 3'-6" DOOR IS RATED FOR 190 OCCUPANT EXITING.
THIS ROOM HAS A MAXIMUM EXITING CAPACITY OF 320.

MEETING
805 S.F.
(29' x 29')

C: 115
T&C: 53

RECEPTION
330 S.F.
(12' x 29')

OFFICE
180 S.F.
(13' x 14')

OFFICE
185 S.F.
(13' x 14'-6")

SUITE OCCUPANT LOAD
CHAIRS: 576
TABLES AND CHAIRS: 279

EXIT OCCUPANT LOAD AVAILABLE: 510

MEETING
460 S.F.
(21-9" x 22')

C: 65
T&C: 30

PRE-FUNCTION
140 S.F.
(11' x 12')

C: 20
T&C: 9

OFFICE
180 S.F.
(15' x 12')

OFFICE
100 S.F.

OFFICE
148 S.F.

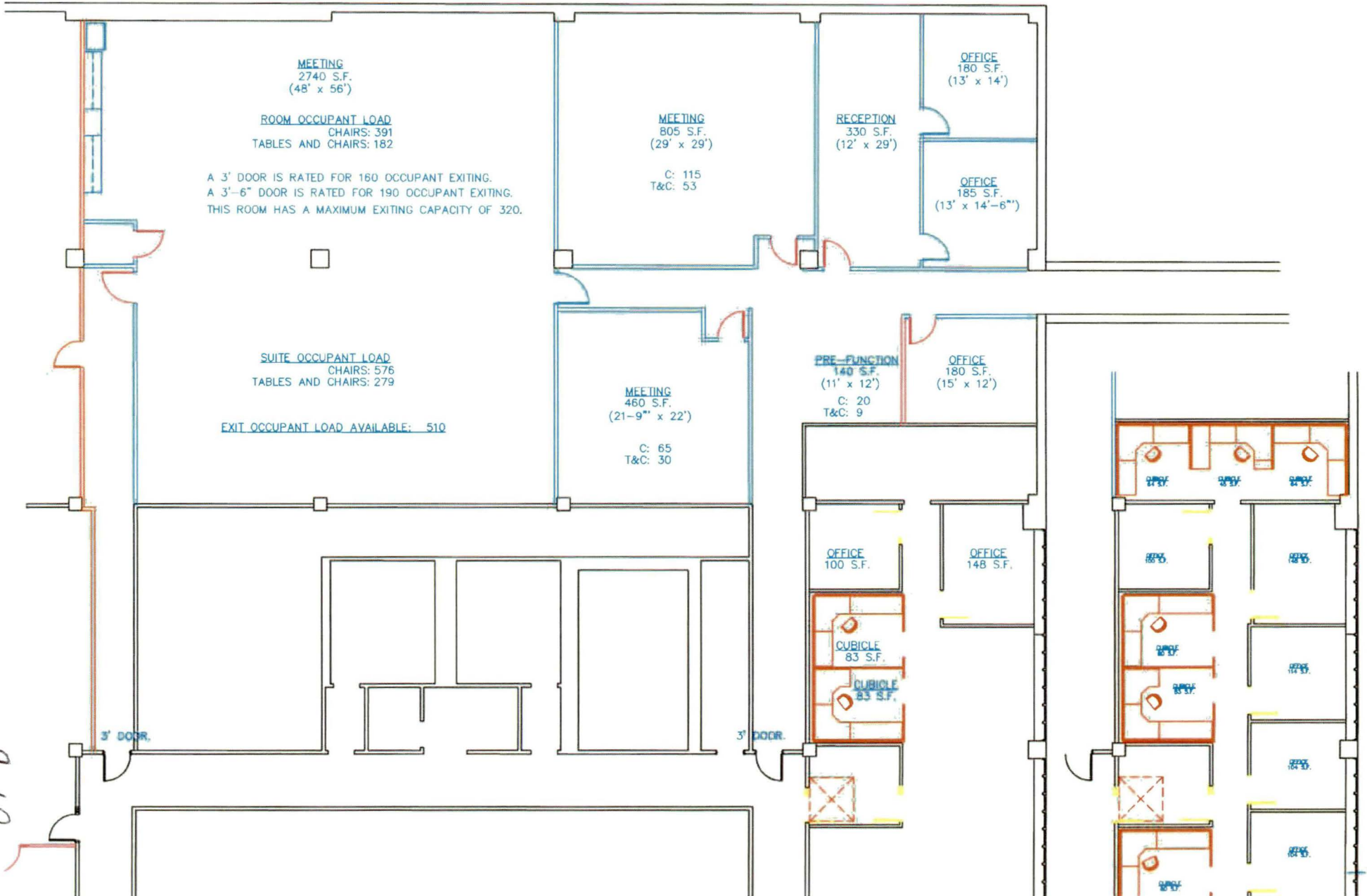
CUBICLE
83 S.F.

CUBICLE
83 S.F.

3' DOOR.

3' DOOR.

2.13



2015 House Bill 1002
Senate Appropriations
 Don Wolf, Director of Finance
 March 10, 2015

3
 HB 1002
 3-10-15

Mr. Chairman, members of the committee, good morning. For the record my name is Don Wolf and I am the Director of Finance for the court system. I will be providing you with the details regarding the Judicial Branch budget request.

JUDICIAL BRANCH	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Total	\$100,481,582	\$120,263,802	\$19,782,220
2013-15 Biennium one-time funding items	(1,172,876)	0	1,172,876
Total base budget & 2015-17 request	\$99,308,706	\$120,263,802	\$20,955,096
House changes	0	(6,329,754)	(6,329,754)
Engrossed 2015 HB 1002	\$99,308,706	\$113,934,048	\$14,625,342

The total **2013-15 biennium** appropriation for the Judicial Branch is \$100,481,582. Pursuant to Section 3 of 2013 Senate Bill No. 2002, the 2013-15 biennium one-time funding amounts were not included as part of the base budget for the 2015-17 biennium. The 2013-15 biennium one-time items included the Juvenile Case Management System (JCMS) replacement study (\$90,000), disaster recovery planning (\$95,000), Criminal Justice Information Sharing (CJIS) publisher project (\$139,850) and capital assets (\$848,026). The total 2013-15 biennium Judicial Branch base budget is **\$99,308,706**.

The **2015-17 biennium** Judicial Branch budget request with House amendments is **\$113,934,048**, which is an increase of \$14,625,342 or 14.7 percent over the 2013-15 biennium base budget. The appropriation includes funding for the Supreme Court, District Courts and the Judicial Conduct Commission and Disciplinary Board.

Subdivision	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Supreme Court	\$13,282,519	\$14,837,374	\$ 1,554,855
District Court	85,005,313	97,966,175	12,960,862
JCC/DB	1,020,874	1,130,499	109,625
Engrossed HB 1002	\$99,308,706	\$113,934,048	\$14,625,342

The budget per funding source is as follows:

	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
General Fund	\$97,133,117	\$111,567,242	\$14,434,125
Special funds	\$367,499	\$444,656	\$77,157
Federal funds	\$1,808,090	\$1,922,150	\$114,060
Engrossed HB 1002	\$99,308,706	\$113,934,048	\$14,625,342

Highlights of the proposed Supreme Court Budget:

Line item	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Salaries and wages (including accrued leave)	\$10,383,248	\$11,445,245	\$1,061,997
Operating	\$2,754,254	\$3,007,999	\$253,745
Capital assets	\$0	\$0	\$ 0
Judges' retirement	\$75,017	\$79,588	\$4,571
Guardianship monitoring	\$70,000	\$304,542	\$234,542
Total Supreme Court	\$13,282,519	\$14,837,374	\$1,554,855

The total budget request for the Supreme Court is **\$16,226,817**. The House amendment reduced the funding for the Supreme Court by \$1,389,443 for an adjusted appropriation of **\$14,837,374**. Major components of the budget request include the following:

- **Justices salary increase** – The court system budget request includes salary increases of 5 percent per year for the justices. The cost of this proposed increase, including retirement, is **\$140,859**. *The House reduced this salary increase to 3 percent per year and adjusted the salaries and wages line item by \$56,900.*

- **Employee salaries and benefits** – The executive budget recommendation added **\$738,609** for employee performance salary (\$466,279) and fringe benefit adjustments (\$272,330). *The House reduced the salary increase from 4 percent to 3 percent per year and removed the 1 percent retirement rate contribution increase for a total reduction of 180,371.*
- **New positions** – The court system is requesting **2 new full-time equivalent (FTE) positions for the Supreme Court** as follows:
 - ❖ 1 FTE account analyst for the finance department, including funding for salaries and wages (\$191,374) and operating costs (\$7,334).
 - ❖ 1 FTE guardianship monitoring program manager for a new pilot program. *(See guardianship monitoring pilot program below).*
- **Supreme Court facility expansion project (one-time)** – The Supreme Court budget request includes funding for remodeling a portion of the former Information Technology Department space within the Capitol complex. The proposed project would provide the Court System with additional meeting rooms and office space. The total request of **\$1,107,227** includes funding for information technology equipment and office furniture over \$5,000 (\$183,650), extraordinary repairs (\$786,577) and other miscellaneous operating supplies and equipment (\$137,000). *The House amendment removed the funding (\$1,107,227) for the facility expansion project.*
- **Capital assets (one-time)** – Other capital assets requested include **\$22,500** for copy machines. *The House amendment removed the funding (\$22,500) for the copy machines.*
- **Guardianship Monitoring Pilot Program** – The Supreme Court budget request includes **\$308,159** for a pilot program in the Southeast and South Central Judicial Districts to provide oversight of the financial and personal well-being of guardianship wards. The program includes a request to add one FTE guardianship monitoring program manager (\$191,374) to conduct financial audits of guardianship accounts and providers. In addition, well-

being checks would be conducted by court appointed visitors on a contract basis.

- **Judges' Retirement (NDCC Chapter 27-17 Old Retirement System)** – The judges' retirement line item provides for the state's general fund portion of retirement payments to eligible retirees under the old retirement system. When the budget was submitted there were 8 remaining participants, including 1 within the Supreme Court budget and 7 within the district court budget. The budget request for judges' retirement is \$556,700, of which **\$81,933** is for the Supreme Court. The average age of the recipients as of December 31, 2014 was 88. *The House reduced the Supreme Court funding portion for the old judge's retirement plan by **\$2,345** to reflect change in the judge's salary increase from 5 percent to 3 percent per year.*
- **Miscellaneous House Amendments** – *The House amendment removed funding of **\$16,500** for a Human Resources summer intern and **\$3,600** for miscellaneous operating costs.*

Highlights of the proposed District Court Budget:

Line item	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Salaries and wages (including accrued leave)	\$63,576,898	\$72,029,075	\$8,452,177
Operating	\$20,847,479	\$23,699,991	\$2,852,512
Capital assets	\$0	\$1,748,460	\$1,748,460
Judges' retirement	\$500,936	\$408,649	(\$92,287)
UND grant	\$80,000	\$80,000	\$ 0
Total Supreme Court	\$85,005,313	\$97,966,175	\$12,960,862

The total District Court budget request is **\$102,892,020**. The House amendment reduced the District Court funding by \$4,925,845 for an adjusted appropriation of **\$97,966,175**. Major components of the budget request include the following:

- **Judges salary increase** – The court system budget request includes salary increases of 5 percent per year for the judges. The cost of this

proposed increase, including retirement, is **\$1,212,270**. *The House reduced this salary increase to 3 percent per year and adjusted the salaries and wages line item by \$531,168.*

- **Employee salaries** – The executive budget recommendation added **\$4,355,472** for employee performance salary (\$1,858,937) and fringe benefit adjustments (\$2,496,535). *The House reduced the salary increase from 4 percent to 3 percent per year and removed the 1 percent retirement rate contribution increase for a total reduction of \$1,001,081. In addition, the House made a miscellaneous reduction of \$650,000 to the salaries and wages line item.*

- **New positions** – The court system is requesting **26 new FTE positions for the district courts** including salaries and wages (**\$5,026,136**) and operating costs (**\$228,184**) as follows:

- ❖ Pursuant to North Dakota Century Code (NDCC) Section 27-05.2-02, based on the Workload Assessment Study for Clerks, counties with a clerk need of one or more FTEs may elect to have their clerk of court staff become employees of the North Dakota court system. Counties with a clerk need of at least five FTEs must elect to have their clerks become state employees or forfeit state funding for clerk of court services. The court system is obligated to request a total of **9 clerk of court positions** for Barnes County (3 FTEs) and McKenzie County (6 FTEs), which have made the election for the 2015-17 biennium.
- ❖ The request includes **4 new judgeships** (2 in the South Central Judicial District, 1 in the Southwest Judicial District and 1 in the Northwest Judicial District) and **4 FTE court reporters**.
- ❖ A total of **6 FTE deputy clerks of court** are requested for Burleigh (2), Stark (1), Williams (2) and Ward (1) Counties.
- ❖ In addition, **1 FTE electronic court recorder** is requested for the South Central Judicial District, **1 FTE law clerk** for the Northwest Judicial District and **1 FTE paralegal** for the citizen access program.

- **Disaster recovery project (one-time)** – The District Court budget request includes funding of **\$2,171,672** to establish a remote disaster recovery site which in the event of a system failure would be capable of supporting the Court’s mission critical operations until actions can be taken to restore the main production site and return to normal operations. The total funding request includes disk storage equipment (\$824,000) and operating costs (\$1,347,672) for network connection and software licenses.
- **Juvenile Case Management System (JCMS) replacement (one-time)** – The budget request includes **\$1,782,410** for replacement of the JCMS which tracks juvenile cases from the point of intake through disposition. It also serves as a repository for juvenile history. The request includes funding for software and IT equipment over \$5,000 (\$1,291,000) and other IT operating supplies and fees (\$491,410). *The House amendment removed funding (\$1,782,410) for the JCMS replacement project.*
- **Criminal case eFiling project (one-time)** – The budget request includes **\$99,000** for criminal case eFiling initiation. This project will enable initial criminal filings to be exported systematically from the States Attorney’s Justware system and sent to the Courts.
- **Office Equipment over \$5,000 (one-time)** – Other capital assets requested includes **\$338,500** for equipment over \$5,000 including copy machines (\$150,000), steno machines (\$49,500), folding machine (\$7,000), workstation system (\$120,000) and composite wall (\$12,000). *The House amendment removed the funding (\$338,500) for all office equipment over \$5,000.*
- **IT Equipment over \$5,000 (one-time)** – The total IT equipment over \$5,000 budget of **\$1,023,000** includes funding for evidence presentation equipment (\$44,000), disk and server expansion (\$620,000), blade server system upgrades (\$72,000), a cybernetics tape backup unit (\$50,000), interactive television systems (\$168,100) and sound system equipment (\$68,900). *The House amendment reduced funding for ITV upgrades and other miscellaneous IT equipment over \$5,000 by \$98,540.*

- **Payments to contract counties for clerk of court services** – After surveying county auditors for salary information and applying the workload assessment formula based on cases filed in each county, the amount budgeted for contract payments to counties for clerk services is **\$5,219,621** or an increase of **\$381,748**. This increase reflects changes in caseload since 2010 and salary increases given to county employees from January 2012 to January 2014. The contract clerks of court are county employees and their salaries are determined at the county level. Currently, 41 counties contract with the Supreme Court to provide for clerk of court services. With the addition of Barnes and McKenzie Counties, a total of 14 counties have made the election to have state judicial system employees for the 2015-17 biennium.
- **Juvenile Court services** – Juvenile Court contracts with both public and private entities to provide innovative programs designed to change behavior of delinquent, unruly, and deprived children. Additional funding of **\$332,340** is requested to allow for expansion of intensive in-home programs and additional youth cultural achievement programs in Units 1 and 2. The total budget request for contracted juvenile services programs is **\$1,742,156**. *The House amendment reduced the budget request for intensive in-home programs by \$100,000.*
- **Judges' Retirement (NDCC Chapter 27-17 Old Retirement System)** – The budget request to fund the 7 remaining District Court participants share in the old judges' retirement system is **\$474,767**. After the budget was submitted, one of the 7 remaining participants in the District Court judges' retirement system passed away. *The House amendment reduced the funding for the old judge's retirement plan by \$12,114 to reflect change in the judge's salary increase from 5 percent to 3 percent per year and further adjusted the budget by \$54,004 to reflect the participant who passed away.*
- **Miscellaneous House Amendments** – *The House amendment reduced funding for information technology costs by \$191,170 and other miscellaneous operating costs by \$166,858.*

Highlights of the proposed Judicial Conduct Commission and

Disciplinary Board Budget:

Line item	2013-15 Biennium	2015-17 Biennium	Increase (Decrease)
Salaries and wages	\$794,128	\$812,988	\$18,860
Operating	\$226,746	\$317,511	\$90,765
Total JCC/DB	\$1,020,874	\$1,130,499	\$109,625

- **Judicial Conduct Commission and Disciplinary Board (JCC/DB)** – The Judicial Conduct Commission and Disciplinary Board is responsible for investigating complaints against North Dakota judges and attorneys. The total budget request for the JCC/DB is **\$1,144,965** of which \$700,309 is from the General Fund and \$444,656 are lawyer disciplinary funds. The request includes additional funding for office rent (\$46,500) and office furniture (\$19,000) as a larger office space is needed. The executive budget recommendation added **\$62,169** for employee performance salary (\$40,709) and fringe benefit adjustments (\$21,460). No capital assets are being requested. *The House reduced the salary increase from 4 percent to 3 percent per year and removed the 1 percent retirement rate contribution increase for a total reduction of \$14,466.*

In conclusion, I would be happy to answer any questions.

Department 180 - Judicial Branch
 House Bill No. 1002

green sheet

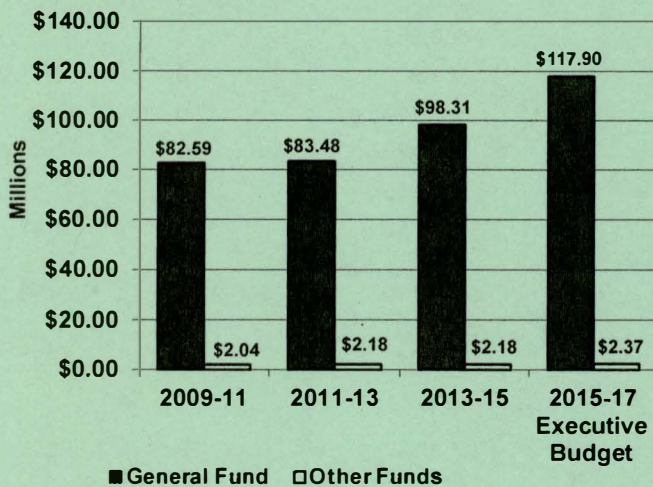
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	391.00	\$117,896,996	\$2,366,806	\$120,263,802
2013-15 Legislative Appropriations	363.00	98,305,993	2,175,589	100,481,582
Increase (Decrease)	28.00	\$19,591,003	\$191,217	\$19,782,220

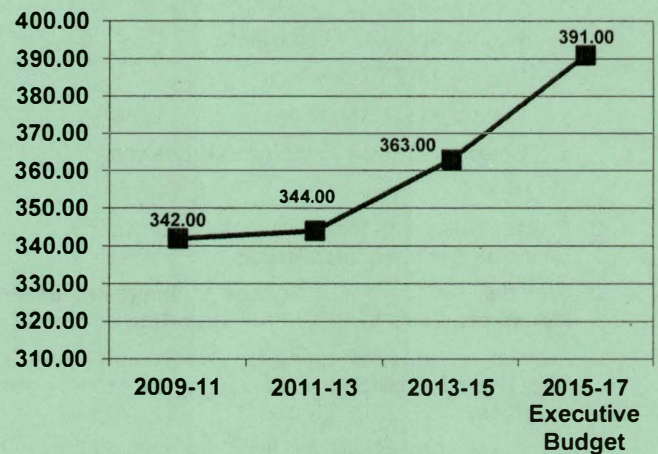
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 Executive Budget	\$111,352,687	\$6,544,309	\$117,896,996
2013-15 Legislative Appropriations	97,133,117	1,172,876	98,305,993
Increase (Decrease)	\$14,219,570	\$5,371,433	\$19,591,003

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2015-17 Executive Budget	\$117,896,996	\$2,366,806	\$120,263,802
2015-17 Base Level	97,133,117	2,175,589	99,308,706
Increase (Decrease)	\$20,763,879	\$191,217	\$20,955,096

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Executive Budget Highlights
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
Judicial Branch			
1. Provides funding for state employee salary and benefit increases, of which \$3,003,523 relates to performance increases, \$1,718,500 is for health insurance increases, and \$434,227 is for retirement contribution increases. The House provided funding for performance salary increases of 2 to 4 percent per year and funding for health insurance increases, but did not include funding for market equity increases or funding for retirement contribution increases.	\$5,153,011	\$3,239	\$5,156,250
Supreme Court			
2. Adds the following new FTE positions			
• 1 guardian-related FTE position	\$191,374	\$0	\$191,374

• 1 account analyst FTE position	191,374	0	191,374
Total	\$382,748	\$0	\$382,748
3. Provides funding for increase in operating expenses. The House provided \$225,506 for operating expenses.	\$229,106	\$0	\$229,106
4. Provides funding for increased maintenance costs for information technology.	\$59,483	\$0	\$59,483
5. Provides one-time funding for the Supreme Court facility space expansion, which included renovating a portion of the former Information Technology Department space within the Capitol. The House did not provide funding for the project.	\$1,107,227	\$0	\$1,107,227
6. Provides one-time funding for equipment over \$5,000, which includes copy machines, steno machines, workstation systems, and other office equipment. The House did not provide funding for equipment over \$5,000.	\$22,500	\$0	\$22,500
District Court			
7. Adds the following new FTE positions			
• 2 clerk of district court I FTE positions	\$422,059	\$0	\$422,059
• 13 clerk of district court II FTE positions	1,851,482	0	1,851,482
• 4 district judge FTE positions	1,603,148	0	1,603,148
• 4 court reporter FTE positions	669,951	0	669,951
• 1 paralegal FTE position	161,962	0	161,962
• 1 law clerk FTE position	175,114	0	175,114
• 1 electronic court recorder FTE position	142,422	0	142,422
Total	\$5,026,136	\$0	\$5,026,136
8. Provides funding for increases in payments to counties for providing clerk of court services.	\$381,748	\$0	\$381,748
9. Provides funding for increases in operating expenses. The House provided \$715,663 for operating expenses.	\$887,110	(\$90,917)	\$796,193
10. Provides increased funding for juvenile court program services. The House provided \$232,340 for juvenile court program services.	\$332,340	\$0	\$332,340
11. Provides increased funding for maintenance costs for information technology. The House provided \$76,089 for maintenance costs for information technology.	\$353,587	\$0	\$353,587
12. Provides one-time funding for a redundant information technology disaster recovery site.	\$2,171,672	\$0	\$2,171,672
13. Provides one-time funding for equipment over \$5,000, which includes copy machines, steno machines, workstation systems, and other office equipment. The House did not provide funding for equipment over \$5,000.	\$338,500	\$0	\$338,500
14. Provides one-time funding for information technology equipment over \$5,000. The House provided \$924,460.	\$1,023,000	\$0	\$1,023,000
15. Provides one-time funding for the replacement of the existing juvenile case management system. The House did not provide funding for the project.	\$1,782,410	\$0	\$1,782,410
16. Provides one-time funding for the criminal justice information sharing criminal case efilng initiation project	\$99,000	\$0	\$99,000
Judicial Conduct Commission and Disciplinary Board			
17. Provides funding for increases in operating expenses	\$42,268	\$48,497	\$90,765

Other Sections in Bill

Line item transfers - Section 4 requires the Director of the Office of Management and Budget and the State Treasurer to 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.

District judges - Section 5 provides for two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District to

be assigned pursuant to Article VI, Section 10, of the Constitution of North Dakota, and to be assigned to chambers by the Supreme Court.

Supreme Court justices' salaries - Section 6 provides the statutory changes increasing Supreme Court justices' salaries by 5 percent each year of the biennium. Supreme Court justices' annual salaries are increased from the current level of \$147,996 to \$155,396, effective July 1, 2015, and to \$163,166, effective July 1, 2016. The Chief Justice of the Supreme Court is entitled to receive an additional \$4,462 per annum effective July 1, 2015, and \$4,685 per annum effective July 1, 2016, an increase from the current additional amount for the Chief Justice of \$4,250 per annum. **The House provided a 3 percent annual increase for Supreme Court justices' salaries.**

District judges' salaries - Section 7 provides the statutory changes increasing district court judges' salaries by 5 percent each year of the biennium. District court judges' annual salaries are increased from the current level of \$135,611 to \$142,392, effective July 1, 2015, and \$149,511, effective July 1, 2016. A presiding judge of a judicial district is entitled to receive an additional \$4,113 per annum effective July 1, 2015, and \$4,319 per annum effective July 1, 2016, an increase from the current additional amount for presiding judges of \$3,917. **The House provided a 3 percent annual increase for District Court justices' salaries.**

Continuing Appropriations

Restitution collection assistance fund - North Dakota Century Code Section 12.1-32-08 - This fund is used 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, not to exceed \$1,000.

Court facilities improvement and maintenance fund - Sections 27-05.2-08 and 29-26-22 - Funding from this fund may be used by the Court Facilities Improvement Advisory 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 additional collections are deposited equally into the two funds.

Court receivables fund - Section 27-05.2-04 - Any money 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 is 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.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1165 - Justice Reinvestment Study - Section 1 provides the Legislative Management shall study, in conjunction with representatives of the executive and judicial branches and other stakeholders, justice reinvestment reforms.

House Bill No. 1166 - District Court Chambers - Section 1 removes the limit providing a maximum of 70 percent of the chambers of district judges may be located in cities with a population of more than 10,000.

Senate Bill No. 2116 - Pretrial Services Program Pilot Project - Section 1 provides the Department of Corrections and Rehabilitation may establish a pretrial services program pilot project in one or more judicial districts of the state during the 2015-17 biennium.

Senate Bill No. 2161 - Interdisciplinary Committee on Problem-Solving Courts - Section 1 provides for the creation of an interdisciplinary committee on problem-solving courts as a collaborative mechanism to acquire and analyze relevant information related to the need for and feasibility of establishing problem-solving courts.

Judicial Branch - Supreme Court - Budget No. 180
House Bill No. 1002
Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	45.00	\$13,282,519	\$0	\$13,282,519	45.00	\$13,282,519	\$0	\$13,282,519
2015-17 Ongoing Funding Changes								
Base payroll changes		\$404,625		\$404,625		\$388,125		\$388,125
Salary increase - Performance		466,279		466,279		287,421		287,421
Retirement increase		60,758		60,758				0
Health insurance increase		211,572		211,572		211,572		211,572
New FTE positions	2.00	382,748		382,748	2.00	382,748		382,748
Operating expense increases		229,106		229,106		225,506		225,506
Information technology costs		59,483		59,483		59,483		59,483
Total ongoing funding changes	2.00	\$1,814,571	\$0	\$1,814,571	2.00	\$1,554,855	\$0	\$1,554,855
One-time funding items								
Equipment over \$5,000		22,500		22,500				0
Supreme Court facility space expansion		1,107,227		1,107,227				0
Total one-time funding changes	0.00	\$1,129,727	\$0	\$1,129,727	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	2.00	\$2,944,298	\$0	\$2,944,298	2.00	\$1,554,855	\$0	\$1,554,855
2015-17 Total Funding	47.00	\$16,226,817	\$0	\$16,226,817	47.00	\$14,837,374	\$0	\$14,837,374

Other Sections in House Bill No. 1002

	Executive Budget Recommendation	House Version
Line item transfers	Section 4 requires the Director of the Office of Management and Budget and the State Treasurer to 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 4 requires the Director of the Office of Management and Budget and the State Treasurer to 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.
Supreme Court justices' salaries	Section 6 provides the statutory changes increasing Supreme Court justices' salaries by 5 percent each year of the biennium. Supreme Court justices' annual salaries are increased from the current level of \$147,996 to \$155,396, effective July 1, 2015, and to \$163,166, effective July 1, 2016. The Chief Justice of the Supreme Court is entitled to receive an additional \$4,462 per annum effective July 1, 2015, and \$4,685 per annum effective July 1, 2016.	Section 6 provides the statutory changes increasing Supreme Court justices' salaries by 3 percent each year of the biennium. Supreme Court justices' annual salaries are increased from the current level of \$147,996 to \$152,436, effective July 1, 2015, and to \$157,009, effective July 1, 2016. The Chief Justice of the Supreme Court is entitled to receive an additional \$4,377 per annum effective July 1, 2015, and \$4,508 per annum effective July 1, 2016.

Judicial Branch - District Court - Budget No. 180
House Bill No. 1002
Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	314.00	\$83,197,223	\$1,808,090	\$85,005,313	314.00	\$83,197,223	\$1,808,090	\$85,005,313
2015-17 Ongoing Funding Changes								
Base payroll changes		\$1,024,911	\$201,738	\$1,226,649		\$970,907	\$201,738	\$1,172,645
Salary increase - Performance		2,493,296	3,239	2,496,535		1,318,214	3,239	1,321,453
Retirement increase		369,281		369,281				0
Health insurance increase		1,489,656		1,489,656		1,489,656		1,489,656
New FTE positions	26.00	5,026,136		5,026,136	26.00	5,026,136		5,026,136
Payments to contract counties for clerk of court services		381,748		381,748		381,748		381,748
Operating expense increases		887,110	(90,917)	796,193		806,580	(90,917)	715,663
Juvenile court program services		332,340		332,340		232,340		232,340
Information technology costs		353,587		353,587		76,089		76,089
Reduce funding in anticipation of vacancies and employee turnover				0		(650,000)		(650,000)
Total ongoing funding changes	26.00	\$12,358,065	\$114,060	\$12,472,125	26.00	\$9,651,670	\$114,060	\$9,765,730
One-time funding items								
Information technology disaster recovery site		\$2,171,672		\$2,171,672		\$2,171,672		\$2,171,672
Equipment over \$5,000		338,500		338,500				0
Information technology equipment over \$5,000		1,023,000		1,023,000		924,460		924,460
Juvenile case management system replacement		1,782,410		1,782,410				0
Criminal case e-filing initiation project		99,000		99,000		99,000		99,000
Total one-time funding changes	0.00	\$5,414,582	\$0	\$5,414,582	0.00	\$3,195,132	\$0	\$3,195,132
Total Changes to Base Level Funding	26.00	\$17,772,647	\$114,060	\$17,886,707	26.00	\$12,846,802	\$114,060	\$12,960,862
2015-17 Total Funding	340.00	\$100,969,870	\$1,922,150	\$102,892,020	340.00	\$96,044,025	\$1,922,150	\$97,966,175

Other Sections in House Bill No. 1002

District judges

Executive Budget Recommendation

Section 5 provides for two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District to be assigned pursuant to Article VI, Section 10, of the Constitution of North Dakota, and to be assigned to chambers by the Supreme Court.

House Version

Section 5 provides for two additional district court judges in the South Central Judicial District, one additional district court judge in the Southwest Judicial District, and one additional district court judge in the Northwest Judicial District to be assigned pursuant to Article VI, Section 10, of the Constitution of North Dakota, and to be assigned to chambers by the Supreme Court.

Judicial Branch - Judicial Conduct Commission and Disciplinary Board - Budget No. 180
House Bill No. 1002
Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2015-17 Biennium Base Level	4.00	\$653,375	\$367,499	\$1,020,874	4.00	\$653,375	\$367,499	\$1,020,874
2015-17 Ongoing Funding Changes								
Base payroll changes		(\$57,503)	\$28,660	(\$28,843)		(\$57,503)	\$28,660	(\$28,843)
Salary increase - Performance		40,709		40,709		30,431		30,431
Retirement increase		4,188		4,188				0
Health insurance increase		17,272		17,272		17,272		17,272
Operating expense increases		42,268	48,497	90,765		42,268	48,497	90,765
Total ongoing funding changes	0.00	\$46,934	\$77,157	\$124,091	0.00	\$32,468	\$77,157	\$109,625
One-time funding items								
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$46,934	\$77,157	\$124,091	0.00	\$32,468	\$77,157	\$109,625
2015-17 Total Funding	4.00	\$700,309	\$444,656	\$1,144,965	4.00	\$685,843	\$444,656	\$1,130,499

Other Sections in House Bill No. 1002

	Executive Budget Recommendation				House Version			
	None				None			

April 8, 2015

HB 1002

1

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1002

Page 1, replace lines 15 through 20 with:

"Salaries and wages	\$9,851,552	\$1,557,557	\$11,409,109
Accrued leave payments	531,696	(531,696)	0
Operating expenses	2,754,254	390,745	3,144,999
Capital assets	0	970,227	970,227
Judges retirement	75,017	4,571	79,588
Guardianship monitoring program	<u>70,000</u>	<u>233,789</u>	<u>303,789</u>
Total general fund	\$13,282,519	\$2,625,193	\$15,907,712"

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$61,177,621	\$11,167,914	\$72,345,535
Accrued leave payments	2,399,277	(2,399,277)	0
Operating expenses	20,847,479	2,815,008	23,662,487
Capital assets	0	1,748,460	1,748,460
Judges retirement	500,936	(92,287)	408,649
UND central legal research	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Total all funds	\$85,005,313	\$13,239,818	\$98,245,131
Less estimated income	<u>1,808,090</u>	<u>114,060</u>	<u>1,922,150</u>
Total general fund	\$83,197,223	\$13,125,758	\$96,322,981"

Page 2, replace lines 14 through 18 with:

"Judicial conduct commission and disciplinary board	<u>\$1,020,874</u>	<u>\$106,613</u>	<u>\$1,127,487</u>
Total all funds	\$1,020,874	\$106,613	\$1,127,487
Less estimated income	<u>367,499</u>	<u>77,157</u>	<u>444,656</u>
Total general fund	\$653,375	\$29,456	\$682,831"

Page 2, replace lines 23 through 26 with:

"Grand total general fund	\$97,133,117	\$15,780,407	\$112,913,524
Grand total special funds	<u>2,175,589</u>	<u>191,217</u>	<u>2,366,806</u>
Grand total all funds	\$99,308,706	\$15,971,624	\$115,280,330
Full-time equivalent positions	363.00	30.00	393.00"

Page 3, replace line 13 with:

"Disaster recovery project		0	2,000,000
Facility space expansion		0	1,107,227"

Page 3, replace line 15 with:

"Total general fund		\$1,172,876	\$4,130,687"
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Page 3, line 27, replace the second "one" with "two"

Renumber accordingly

1.1

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Supreme Court				
Total all funds	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
Less estimated income	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
District Courts				
Total all funds	\$85,005,313	\$97,966,175	\$278,956	\$98,245,131
Less estimated income	1,808,090	1,922,150	0	1,922,150
General fund	\$83,197,223	\$96,044,025	\$278,956	\$96,322,981
Judicial Conduct Commission				
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Less estimated income	367,499	444,656	0	444,656
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831
Bill total				
Total all funds	\$99,308,706	\$113,934,048	\$1,346,282	\$115,280,330
Less estimated income	2,175,589	2,366,806	0	2,366,806
General fund	\$97,133,117	\$111,567,242	\$1,346,282	\$112,913,524

House Bill No. 1002 - Supreme Court - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,851,552	\$11,445,245	(\$36,136)	\$11,409,109
Operating expenses	2,754,254	3,007,999	137,000	3,144,999
Capital assets			970,227	970,227
Judges' retirement	75,017	79,588		79,588
Guardianship training	70,000	304,542	(753)	303,789
Accrued leave payments	531,696			
Total all funds	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
Less estimated income	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
FTE	45.00	47.00	0.00	47.00

Department No. 181 - Supreme Court - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds Funding for Supreme Court Facility Expansion ²	Total Senate Changes
Salaries and wages	(\$36,136)		(\$36,136)
Operating expenses		137,000	137,000
Capital assets		970,227	970,227
Judges' retirement			
Guardianship training	(753)		(753)
Accrued leave payments			
Total all funds	(\$36,889)	\$1,107,227	\$1,070,338
Less estimated income	0	0	0
General fund	(\$36,889)	\$1,107,227	\$1,070,338
FTE	0.00	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² One-time funding is provided for Supreme Court facility expansion to renovate a portion of the former Information Technology Department space within the Capitol.

House Bill No. 1002 - District Courts - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$61,177,621	\$72,029,075	\$316,460	\$72,345,535
Operating expenses	20,847,479	23,699,991	(37,504)	23,662,487
Capital assets		1,748,460		1,748,460
Judges' retirement	500,936	408,649		408,649
UND central legal research	80,000	80,000		80,000
Accrued leave payments	2,399,277			
Total all funds	\$85,005,313	\$97,966,175	\$278,956	\$98,245,131
Less estimated income	1,808,090	1,922,150	0	1,922,150
General fund	\$83,197,223	\$96,044,025	\$278,956	\$96,322,981
FTE	314.00	340.00	2.00	342.00

Department No. 182 - District Courts - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds New Judge and Court Reporter ²	Increases Funding for Juvenile Court Program Services ³	Reduces One-time Funding for the Information Technology Disaster Recovery Site ⁴	Total Senate Changes
Salaries and wages	(\$252,615)	\$569,075			\$316,460
Operating expenses		34,168	100,000	(171,672)	(37,504)
Capital assets					
Judges' retirement					
UND central legal research					
Accrued leave payments					
Total all funds	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$278,956
Less estimated income	0	0	0	0	0
General fund	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$278,956
FTE	0.00	2.00	0.00	0.00	2.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding is provided for a new judge and court reporter (\$547,772) and related operating expense (\$34,168) and salary increase (\$21,303) for the Northwest Judicial District.

³ Funding is increased to expand intensive in-home programs and to provide additional youth cultural achievement programs in addition to the current juvenile court program services.

⁴ One-time funding is reduced for the information technology disaster recovery site.

Section 5 is changed to reflect an additional judge in the Northwest Judicial District to be assigned pursuant to Article VI, Section 10, of the Constitution of North Dakota and to be assigned to chambers by the Supreme Court.

House Bill No. 1002 - Judicial Conduct Commission - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Judicial conduct commission	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Less estimated income	367,499	444,656	0	444,656
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831
FTE	4.00	4.00	0.00	4.00

Department No. 183 - Judicial Conduct Commission - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases¹	Total Senate Changes
Judicial conduct commission	(\$3,012)	(\$3,012)
Total all funds	(\$3,012)	(\$3,012)
Less estimated income	0	0
General fund	(\$3,012)	(\$3,012)
FTE	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

April 9, 2015

#1
 #1002
 4-9-15

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1002

Page 1, replace lines 15 through 20 with:

"Salaries and wages	\$9,851,552	\$1,557,557	\$11,409,109
Accrued leave payments	531,696	(531,696)	0
Operating expenses	2,754,254	390,745	3,144,999
Capital assets	0	970,227	970,227
Judges retirement	75,017	4,571	79,588
Guardianship monitoring program	<u>70,000</u>	<u>233,789</u>	<u>303,789</u>
Total general fund	\$13,282,519	\$2,625,193	\$15,907,712"

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$61,177,621	\$11,167,914	\$72,345,535
Accrued leave payments	2,399,277	(2,399,277)	0
Operating expenses	20,847,479	2,815,008	23,662,487
Capital assets	0	1,968,460	1,968,460
Judges retirement	500,936	(92,287)	408,649
UND central legal research	<u>80,000</u>	<u>0</u>	<u>80,000</u>
Total all funds	\$85,005,313	\$13,459,818	\$98,465,131
Less estimated income	<u>1,808,090</u>	<u>114,060</u>	<u>1,922,150</u>
Total general fund	\$83,197,223	\$13,345,758	\$96,542,981"

Page 2, replace lines 14 through 18 with:

"Judicial conduct commission and disciplinary board	<u>\$1,020,874</u>	<u>\$106,613</u>	<u>\$1,127,487</u>
Total all funds	\$1,020,874	\$106,613	\$1,127,487
Less estimated income	<u>367,499</u>	<u>77,157</u>	<u>444,656</u>
Total general fund	\$653,375	\$29,456	\$682,831"

Page 2, replace lines 23 through 26 with:

"Grand total general fund	\$97,133,117	\$16,000,407	\$113,133,524
Grand total special funds	<u>2,175,589</u>	<u>191,217</u>	<u>2,366,806</u>
Grand total all funds	\$99,308,706	\$16,191,624	\$115,500,330
Full-time equivalent positions	363.00	30.00	393.00"

Page 3, replace line 6 with:

"Office equipment and furniture		\$331,470	\$220,000
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Page 3, replace line 13 with:

"Disaster recovery project		0	2,000,000
Facility space expansion		0	1,107,227"

Page 3, replace line 15 with:

"Total general fund		\$1,172,876	\$4,350,687"
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1.1

Page 3, line 27, replace the second "one" with "two"

Page 3, line 28, replace "judge" with "judges"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Supreme Court				
Total all funds	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
Less estimated income	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
District Courts				
Total all funds	\$85,005,313	\$97,966,175	\$498,956	\$98,465,131
Less estimated income	1,808,090	1,922,150	0	1,922,150
General fund	\$83,197,223	\$96,044,025	\$498,956	\$96,542,981
Judicial Conduct Commission				
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Less estimated income	367,499	444,656	0	444,656
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831
Bill total				
Total all funds	\$99,308,706	\$113,934,048	\$1,566,282	\$115,500,330
Less estimated income	2,175,589	2,366,806	0	2,366,806
General fund	\$97,133,117	\$111,567,242	\$1,566,282	\$113,133,524

House Bill No. 1002 - Supreme Court - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$9,851,552	\$11,445,245	(\$36,136)	\$11,409,109
Operating expenses	2,754,254	3,007,999	137,000	3,144,999
Capital assets			970,227	970,227
Judges' retirement	75,017	79,588		79,588
Guardianship training	70,000	304,542	(753)	303,789
Accrued leave payments	531,696			
Total all funds	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
Less estimated income	0	0	0	0
General fund	\$13,282,519	\$14,837,374	\$1,070,338	\$15,907,712
FTE	45.00	47.00	0.00	47.00

Department No. 181 - Supreme Court - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds Funding for Supreme Court Facility Expansion ²	Total Senate Changes
Salaries and wages	(\$36,136)		(\$36,136)
Operating expenses		137,000	137,000
Capital assets		970,227	970,227
Judges' retirement			
Guardianship training	(753)		(753)
Accrued leave payments			
Total all funds	(\$36,889)	\$1,107,227	\$1,070,338
Less estimated income	0	0	0
General fund	(\$36,889) 0.00	\$1,107,227 0.00	\$1,070,338 0.00

1.2



¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² One-time funding is provided for Supreme Court facility expansion to renovate a portion of the former Information Technology Department space within the Capitol.

House Bill No. 1002 - District Courts - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$61,177,621	\$72,029,075	\$316,460	\$72,345,535
Operating expenses	20,847,479	23,699,991	(37,504)	23,662,487
Capital assets		1,748,460	220,000	1,968,460
Judges' retirement	500,936	408,649		408,649
UND central legal research	80,000	80,000		80,000
Accrued leave payments	2,399,277			
Total all funds	\$85,005,313	\$97,966,175	\$498,956	\$98,465,131
Less estimated income	1,808,090	1,922,150	0	1,922,150
General fund	\$83,197,223	\$96,044,025	\$498,956	\$96,542,981
FTE	314.00	340.00	2.00	342.00

Department No. 182 - District Courts - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Adds New Judge and Court Reporter ²	Increases Funding for Juvenile Court Program Services ³	Reduces One-Time Funding for the Information Technology Disaster Recovery Site ⁴	Adds One-Time Funding for Equipment over \$5,000 ⁵	Total Senate Changes
Salaries and wages	(\$252,615)	\$569,075				\$316,460
Operating expenses		34,168	100,000	(171,672)		(37,504)
Capital assets					220,000	220,000
Judges' retirement						
UND central legal research						
Accrued leave payments						
Total all funds	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$220,000	\$498,956
Less estimated income	0	0	0	0	0	0
General fund	(\$252,615)	\$603,243	\$100,000	(\$171,672)	\$220,000	\$498,956
FTE	0.00	2.00	0.00	0.00	0.00	2.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

² Funding is provided for a new judge and court reporter (\$547,772) and related operating expense (\$34,168) and salary increase (\$21,303) for the Northwest Judicial District.

³ Funding is increased to expand intensive in-home programs and to provide additional youth cultural achievement programs in addition to the current juvenile court program services.

⁴ One-time funding is reduced for the information technology disaster recovery site.

⁵ One-time funding is provided for equipment over \$5,000.

Section 5 is changed to reflect an additional judge in the Northwest Judicial District to be assigned pursuant to Article VI, Section 10, of the Constitution of North Dakota and to be assigned to chambers by

1.3

the Supreme Court.
 House Bill No. 1002 - Judicial Conduct Commission - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Judicial conduct commission	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Total all funds	\$1,020,874	\$1,130,499	(\$3,012)	\$1,127,487
Less estimated income	367,499	444,656	0	444,656
General fund	\$653,375	\$685,843	(\$3,012)	\$682,831
FTE	4.00	4.00	0.00	4.00

Department No. 183 - Judicial Conduct Commission - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases ¹	Total Senate Changes
Judicial conduct commission	(\$3,012)	(\$3,012)
Total all funds	(\$3,012)	(\$3,012)
Less estimated income	0	0
General fund	(\$3,012)	(\$3,012)
FTE	0.00	0.00

¹ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

1.4



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
Fax: (701) 328-2092

TO: Senator Heckaman
FROM: Sally Holewa, State Court Administrator *SH*
RE: HB 1002 – Judicial Branch Appropriation
DATE: April 16, 2015

As a follow-up to the Conference Committee meeting this morning, I am sending you additional information regarding the remodeling of the former ITD space and the need for additional judgeships.

FORMER ITD SPACE

I attached a drawing of the proposed changes to the ITD space and the detailed explanation of the costs.

The remodel would include:

- A large training room that would seat up to 80 people
- A large classroom that would seat up to 45 people
- A small meeting room that would seat up to 20 people
- 1 combined reception and copy/supply room
- 1 waiting area
- 3 offices

The big picture breakdown of the \$1,107,227 cost to convert the former ITD space includes:

- \$137,000 for Supplies and Equipment under \$5,000 (computers, projectors, etc.)
- \$183,650 for IT Equipment and Furniture over \$5,000 (video and sound systems, workstations, etc.)
- \$786,577 for Extraordinary Repairs (tunnel, windows, fire doors, security locks, plumbing, lighting, etc.)

In addition, Rep. Thoreson asked about the cost to add a folding partition to the large training room. The additional estimated cost to include this is \$41,250 (\$29,250 for the partition plus \$12,000 for the steel frames).

Additional Judgeships

In January, we received the attached letter from the chair of the Williams County Commission stating that the county is committed to providing the necessary courtroom and office space for an additional judge and court staff. In addition, at its regular meeting on April 14th, the commission approved a \$54 million construction plan for the courthouse which includes the extra space the court will require. The timeline for the extra space is July 1st for court staff and this fall for a new judge, if the legislature approves the additional judgeship.

When we review trends in case filings, we generally count 2009 as the starting year for measuring oil impact on workload. Major criminal and civil cases filed (exclusive of traffic cases) for the Northwest Judicial District has increased from 4,047 in 2009 to 9,457 in 2014. Two judges were added to this district in 2013 (1 in McKenzie County and 1 in Williams County).

For the Southwest Judicial District, the increase has been from 3,949 in 2009 to 5,792 in 2014. There has been no increase in judges in this district.

The South Central Judicial District has experienced a slow and steady increase in case filings for the last decade, with each year resulting in more cases. Major criminal and civil cases filed (exclusive of traffic cases) for this district has increased from 12,512 in 2005 to 13,572 in 2014. There has been no increase in judges in this district.

Recent news stories about crime rates in Burleigh/Morton and Williams counties have highlighted the increase in criminal arrests. This has a direct impact on the number of judges and court staff we need. We use a weighted caseload measurement system to determine how many judges we should have and where those judges should be located. Our 2014 weighted caseload statistics are shown below. It is important to note that pursuant to N.D.C.C. 27-05-02.1, anytime there is a vacancy in the office of a judge, the Supreme Court has the authority to order the position re-filled, transferred to another district, or abolished altogether.

Judge Need (2-year Average Based on 2013/2014 Filing Data)								
District	NEJD	NECJD	ECJD	SEJD	SCJD	SWJD	NCJD	NWJD
Judge Shortage			.72	.14	2.72	1.48	1.75	3.88
Judge Overage	.65	.26						

NEJD (Northeast Judicial District): Encompasses 11 counties; currently has 6 judges chambered in the cities of Bottineau, Cavalier/Pembina, Devils Lake, Grafton and Rugby

NECJD (Northeast Central Judicial District): Encompasses 2 counties; currently has 5 judges chambered in the city of Grand Forks

ECJD (East Central Judicial District): Encompasses 3 counties; currently has 9 judges chambered in the city of Fargo

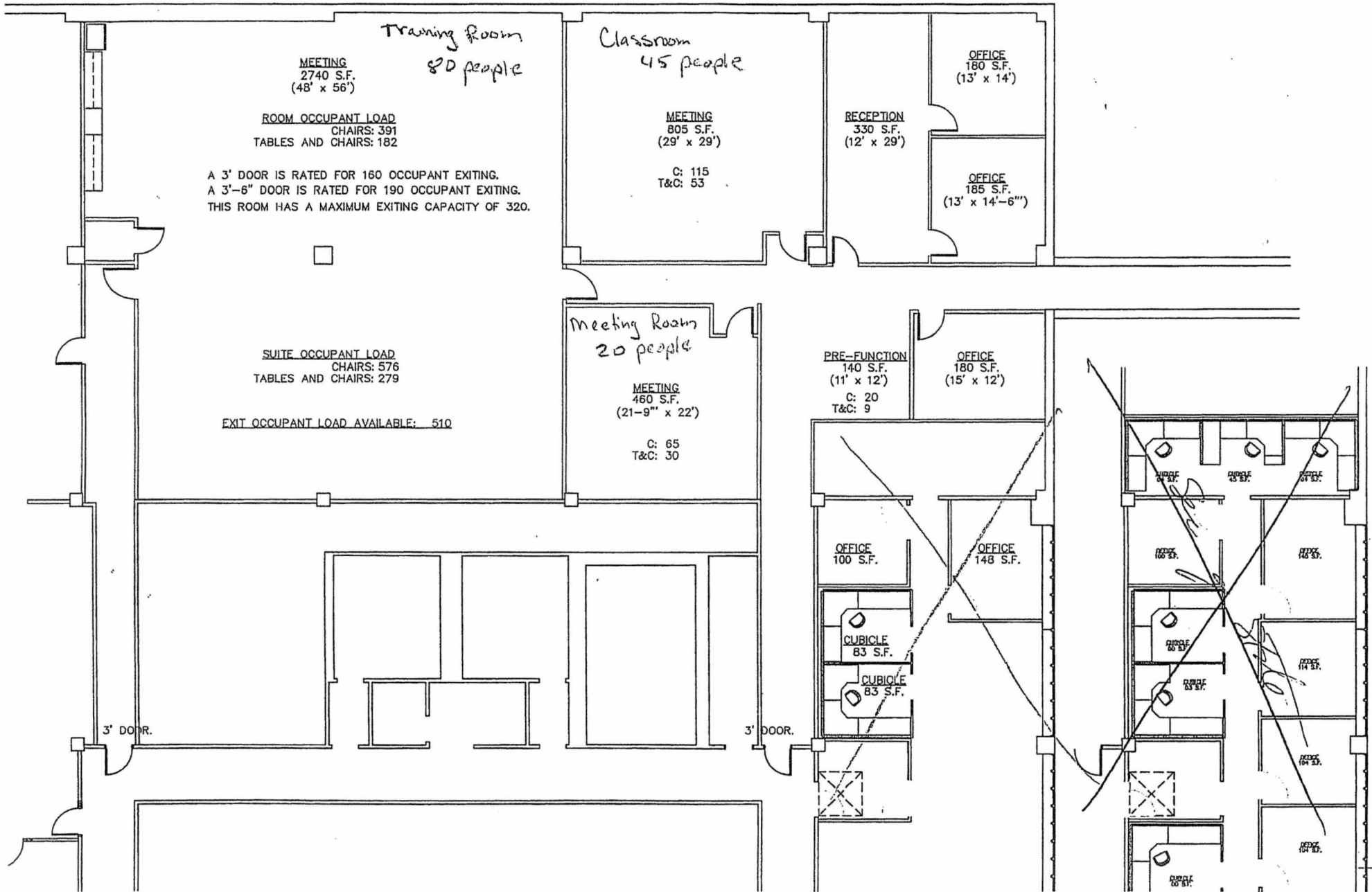
SEJD (Southeast Judicial District): Encompasses 14 counties; currently has 7 judges chambered in the cities of Ellendale, Jamestown, New Rockford, Valley City and Wahpeton

SCJD (South Central Judicial District): Encompasses 9 counties; currently has 8 judges chambered in the cities of Bismarck and Mandan

SWJD (Southwest Judicial District): Encompasses 8 counties; currently has 3 judges chambered in the city of Dickinson

NCJD (North Central Judicial District): Encompasses 3 counties; currently has 5 judges chambered in the city of Minot

NWJD (Northwest Judicial District): Encompasses 3 counties; currently has 4 judges chambered in the cities of Watford City and Williston



Supreme Court facility expansion/renovation

<u>Total</u>	
IT software	\$ 27,650
IT equip under \$5,000	\$ 78,400
IT DP	\$ 21,000
IT communication	\$ 6,200
Miscellaneous supplies	\$ 3,750
Extraordinary repairs	\$ 786,577
IT equipment over \$5,000	\$ 133,650
Equipment over \$5,000	\$ 50,000
Total Space renovation	\$ 1,107,227

<u>Detail</u>	
Altiris license	\$ 4,850
McAfee antivirus	\$ 3,800
Diskeeper	\$ 4,000
MS Word licenses	\$ 15,000
Total IT software	\$ 27,650
Computers	\$ 70,900
Projectors	\$ 7,500
Total IT equipment under \$5,000	\$ 78,400
Wiring	\$ 21,000
Phones	\$ 6,200
Fire extinguishers	\$ 3,750
Carpet	\$ 30,800
Ceiling tile	\$ 50,820
Replace lights	\$ 36,050
Painting	\$ 10,170
Entrance doors	\$ 24,000
Walls	\$ 16,569
Casework	\$ 8,000
Chair rail and base	\$ 9,205
Mechanical controls	\$ 73,920
General electric/new panel	\$ 37,000
Steel for partition	\$ -
Folding partition	\$ -
Sound deadening material	\$ 97,000
Sound seal caulking	\$ 1,800
Glazing	\$ 124,800
HC operators	\$ 3,000
Plumbing	\$ 10,000
Exit tunnel	\$ 95,200
Contingency (10%)	\$ 68,208
A/E fees and misc.	\$ 90,035
Total extraordinary repairs	\$ 786,577
IVN systems	\$ 112,650
Sound systems	\$ 20,000
Racks	\$ 1,000
Total IT equipment over \$5,000	\$ 133,650
Furnishings	\$ 50,000



January 22, 2015

Ms. Carolyn Probst
North Dakota Court System
Trial Court Administrator – Unit 4
Post Office Box 2047
Williston, ND 58802-2047

Dear Ms. Probst,

Williams County is aware of the significant criminal case backlog and over one year timeframe to schedule criminal trials. As you brought to our attention, the Northwest Judicial District is more than two (2) District Judges short of having the number of judicial resources required to meet the North Dakota weighted case load standard allocation. Although the Chief Justice of the Supreme Court and the Legislature are reluctant to authorize additional District Judges unless there is an available chambers and court or hearing room, Williams County can now indicate we have initiated a facility planning process to develop the required accommodations.

On January 13, 2015 the Williams County Board of County Commissioners had a presentation from a Facility Planning Consultant who outlined a four-month study to identify additional facility requirements to support the significant increases in court filings, detention bookings, law enforcement calls to service, and general government service levels that have resulted from the dramatic population and economic increases we have experienced in the past five years.

The Consultant testified the Court was in dire need of additional judicial and staffing resources and he would work with you to develop a long-range plan to support current and future court requirements. Given that Mr. Steinmann (Consultant) has experience in programming and planning more than thirty court facilities and has worked with the National Center for State Courts for twenty years, we have confidence that our investment in immediately providing space adjacent to the secured court spaces on Floor #2 of the Courthouse would be both a near-term solution to accommodating an additional District Judge and would be consistent with the long-term utilization of the entire County Government Complex.

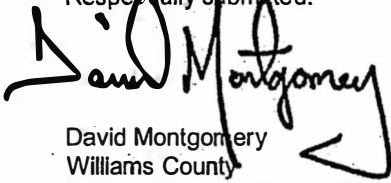
At that meeting, the Williams County Board of County Commissioners voted in favor of providing accommodations for one additional District Judge, a judicial secretary, and a hearing room by August 2015 if an additional judge is authorized by the Legislature. We would relocate county administrative functions to a building we have recently acquired directly across the street. We will initiate that design and remodeling process immediately upon receiving notification that the Legislature approves the appointment. Additionally, it is our intent to extend the clerk's office into the space currently used as a county conference room to increase office space to immediately accommodate up to four additional clerk staff. We will retain a smaller conference room on the floor for all to use.

We look forward to hearing from you on this urgent matter and anticipate a very positive response from Judge Nelson. We also look forward to having our Consultant work with you to identify District Court (and States Attorney and Clerk of the Court) workload, staffing, and space needs to support continued county population increases to perhaps 80,000 by the end of our planning timeframe in 2035.

BOARD OF COMMISSIONERS

First District - Martin Hanson | Second District - Dan Kalil | Third District - Wayne Aberle
Fourth District - David Montgomery | Fifth District - Barry Ramberg

Respectfully submitted:

A handwritten signature in black ink that reads "David Montgomery". The signature is written in a cursive style with a large, stylized initial "D" and "M".

David Montgomery
Williams County
Board of Commissioners, Chairman

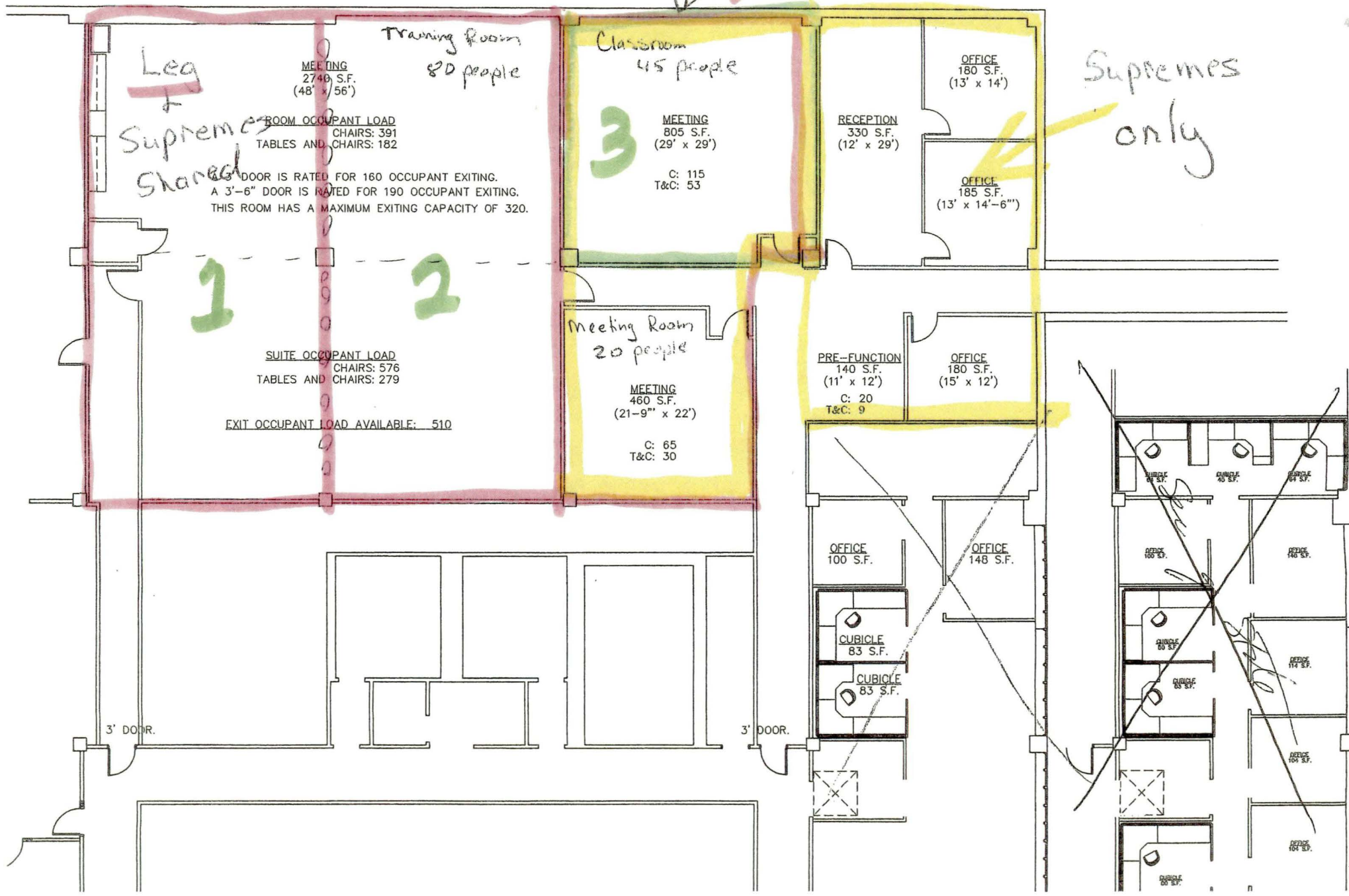
4/B1002

April 21, 2015
Supremes preferred rooms
during Leg

Attachment A

preferred Leg

N
W + E
S



Supremes Shared

Supremes only

1 2

3

~~Supremes only~~

Section 5 of Engrossed House Bill 1002, with Senate amendments, currently provides for five additional district court judgeships. The first sentence of Section 5 designates the number of judgeships to be located in particular judicial districts.

If Section 5 is modified to provide for **four** additional district judgeships, rather than five, it is requested that the first sentence of Section 5 be replaced with the following language:

“The appropriation in subdivision 2 of section 1 of this Act provides for four additional district court judges to be assigned pursuant to section 27-05-01 and to be assigned chambers by the supreme court.”

Retain the remaining language in Section 5.