



BILL SUMMARY

HF 2647 Judicial Branch FY 09 Budget

Status of Bill: House Calendar
Committee: Appropriations (Passed 14-11)
Floor Manager: Rep. Todd Taylor
Budget Sub Dems: Reps. Todd Taylor (Ch), Beth Wessel-Kroeschell (v-ch) Rick Olson, Dick Taylor, Ray Zirkelbach
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Since they are a separate branch of government, the Judicial Branch refers its budget directly to the legislature without a recommendation from the Governor. The Judicial Branch requested \$157,885,796, for FY 09 -- an increase of \$14.5 million (9.8%) over FY 08.

Overall Budget: HF 2647 appropriates a total of \$148,745,322 from the general fund for FY 09, a decrease of \$200,000 (0.14%) from FY 08.

General Operations: Appropriates \$144,745,322, a decrease of \$200,000 (0.14%) from FY 08. The decrease is due to elimination of a one-time appropriation for computer programming costs.

Judicial Retirement Fund: Appropriates a total from all sources of \$7,625,626, an increase of \$2,174,663 over FY 08.

- General Fund: \$3,450,963 is appropriated, the same as FY 08..
- Transfer - Jury and Witness Fee Revolving Fund: \$1,174,663. \$2 million was transferred in FY 08.
 - This fund's estimated carry forward balance at the start of FY 09 will be \$3.8 million.
- Transfer - Court Technology and Modernization Fund: \$3,000,000. There was no transfer in FY 08.
 - This fund's estimated carry forward balance at the start of FY 09 will be \$4.9 million.
- Actuarial Deficit: The Judicial Retirement Fund has an actuarial deficit, so a standing appropriation was put in the Code in 1994 (Section 602.9104) equal to 23.7% of judges' salaries.
 - Total FY 09 funding from all sources will equal 30.6% of judges' salaries.
 - The FY 09 judges' contribution rate will be 7.7% of salaries.
 - Note: 2006 legislation (HF 729) tied the judges' contribution rate to the state's contribution rate. When the state contributes the statutory 23.7%, then the judges' contribution rate is 6%. But if the state contributes less, then the judges' rate is reduced proportionately – and if the state contributes more, then the judges' rate increases proportionately.
 - Although the actuarial deficit is not an immediate problem, as there are adequate funds to pay judges' pensions for many years – this will increase the pace at which it will be eliminated.

Intent Language:

- 99 Clerks of Court Offices: Language requires that clerks of court offices operate in all 99 counties and be accessible to the public as much as is reasonably possible.
- Prison Industries. Language encourages the Judicial Branch to buy from prison industries and requires that they obtain bids for FY 09 office furniture purchases exceeding \$5,000.
- Delinquent Fines: Language requires the Judicial Branch to focus efforts on collecting delinquent fines, penalties, court costs, surcharges and fees. In addition, the Judicial Branch must report semi-annually to LSA specifying the amounts collected using the Iowa Court Information System.
- Other Special Funds: The justices must report to the General Assembly by January 1, 2009, concerning the amounts received and expended from the Enhanced Court Collections Fund (602.1304) and the Court Technology and Modernization Fund (602.8108, subsection 7) during FY 08, and the plans for expenditures from each fund during FY 09.
- Use of State Payroll System: Language requires the Judicial Branch, except for internal processing, to use the current state payroll, budgeting and accounting systems, and the Iowa finance and accounting system in administration of programs and payment for services. This is intended to keep the courts from duplicating existing available systems.
- Best Practices: The justices must continue studying best practices and efficiencies of each judicial district, and consider the average cost of processing each class of criminal offense and overall case load in its identification of the most efficient districts and those using best practices. In addition, the study shall consider the number of judicial officers needed to manage current and anticipated caseloads. A report must be filed with the co-chairs and ranking members of the Joint Justice Systems Budget Subcommittee by January 1, 2009.
- Electronic Format: Requires the Judicial Branch to provide all reports to the LSA in electronic format and requires LSA must post these reports on its web site and to notify all Justice Systems subcommittee members when they post a report.