

**Department 180 - Judicial Branch
Senate Bill No. 2002**

Executive Budget Comparison to Prior Biennium Appropriations

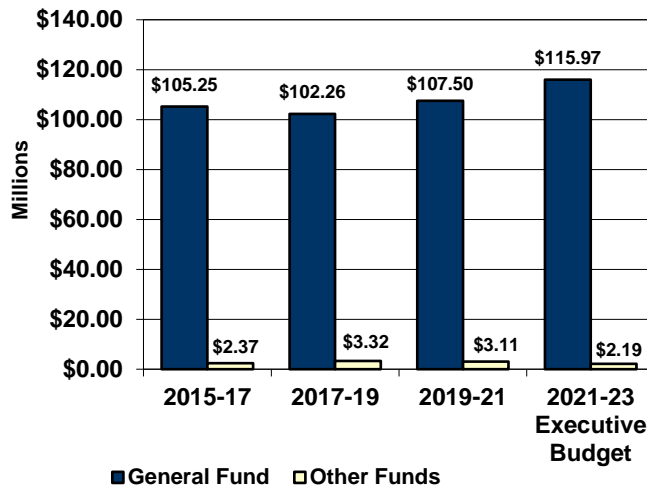
| | FTE Positions | General Fund | Other Funds | Total |
|---|---------------|---------------|-------------|---------------|
| 2021-23 Executive Budget | 363.00 | \$115,967,211 | \$2,194,458 | \$118,161,669 |
| 2019-21 Legislative Appropriations ¹ | 363.00 | 107,503,043 | 3,112,297 | 110,615,340 |
| Increase (Decrease) | 0.00 | \$8,464,168 | (\$917,839) | \$7,546,329 |

¹The 2019-21 biennium agency appropriation amounts have not been adjusted for additional federal Coronavirus (COVID-19) funds authority of \$312,212 resulting from Emergency Commission action during the 2019-21 biennium.

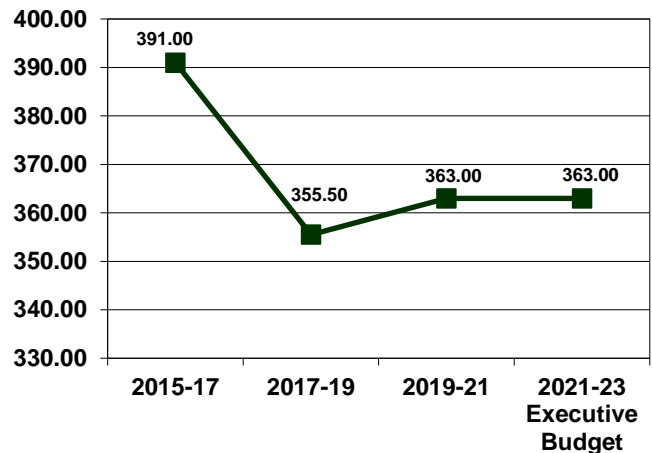
Ongoing and One-Time General Fund Appropriations

| | Ongoing General Fund Appropriation | One-Time General Fund Appropriation | Total General Fund Appropriation |
|------------------------------------|------------------------------------|-------------------------------------|----------------------------------|
| 2021-23 Executive Budget | \$111,449,611 | \$4,517,600 | \$115,967,211 |
| 2019-21 Legislative Appropriations | 107,355,691 | 147,352 | 107,503,043 |
| Increase (Decrease) | \$4,093,920 | \$4,370,248 | \$8,464,168 |

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

| | General Fund | Other Funds | Total |
|--------------------------|---------------|-------------|---------------|
| 2021-23 Executive Budget | \$115,967,211 | \$2,194,458 | \$118,161,669 |
| 2021-23 Base Level | 107,355,691 | 2,142,297 | 109,497,988 |
| Increase (Decrease) | \$8,611,520 | \$52,161 | \$8,663,681 |

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 \$1,565,650 is for salary increases, \$17,930 is for health insurance increases, and \$322,502 is for retirement contributions increases | \$1,906,033 | \$49 | \$1,906,082 |
| Supreme Court | | | |
| 2. Adjusts funding for base payroll changes | (\$313,751) | \$0 | (\$313,751) |
| 3. Adds funding for the Capitol complex rent proposal | \$755,930 | \$0 | \$755,930 |
| 4. Adds funding to lease information technology equipment | \$134,611 | \$0 | \$134,611 |
| 5. Adjusts funding for operating expenses | (\$503,346) | \$0 | (\$503,346) |
| 6. Adds one-time funding for a new docket management system | \$2,000,000 | \$0 | \$2,000,000 |
| 7. Adds one-time funding for Zoom remote video equipment | \$32,000 | \$0 | \$32,000 |

District courts

| | | | |
|--|-------------|------------|-------------|
| 8. Adjusts funding for base payroll changes, including employee step increases | \$2,677,719 | (\$31,054) | \$2,646,665 |
| 9. Removes funding for juvenile intensive in-home services | (\$500,000) | \$0 | (\$500,000) |
| 10. Removes funding for youth cultural achievement programs | (\$455,000) | \$0 | (\$455,000) |
| 11. Reduces funding for other juvenile service programs | (\$266,086) | \$0 | (\$266,086) |
| 12. Adds funding to lease information technology equipment | \$980,397 | \$0 | \$980,397 |
| 13. Adds funding for a veterans' treatment court | \$145,247 | \$0 | \$145,247 |
| 14. Adjusts funding for operating expenses | (\$490,532) | \$63,367 | (\$427,165) |
| 15. Adds one-time funding for a juvenile case management system | \$2,000,000 | \$0 | \$2,000,000 |
| 16. Adds one-time funding for Zoom remote video equipment | \$328,000 | \$0 | \$328,000 |
| 17. Adds one-time funding for Wi-Fi access points | \$157,600 | \$0 | \$157,600 |

Judicial Conduct Commission

| | | | |
|--|-----------|----------|-----------|
| 18. Adjusts funding for base payroll changes | \$25,202 | \$20,121 | \$45,323 |
| 19. Adjusts funding for operating expenses | (\$2,504) | (\$322) | (\$2,826) |

Other Sections Recommended to be Added in the Executive Budget (As Detailed in the Attached Appendix)

Appropriation - Section 3 would appropriate to the judicial branch all funds received pursuant to federal acts and private gifts, grants, and donations, for the purpose as designated in the federal acts or private gifts, grants, and donations, for the period beginning July 1, 2021, and ending June 30, 2023.

Line item transfers - Section 4 would require the director of the Office of Management and Budget to transfer appropriation authority between line items for the judicial branch as requested by the Supreme Court.

Supreme Court justices' salaries - Section 5 would provide the statutory changes to increase Supreme Court justices' salaries by 2 percent each year of the biennium. Supreme Court justices' annual salaries would be increased from the current level of \$163,394 to \$166,662 effective July 1, 2021, and \$169,995 effective July 1, 2022. The Chief Justice of the Supreme Court would be entitled to receive an additional \$4,713 per annum effective July 1, 2021, and an additional \$4,808 per annum effective July 1, 2022, an increase from the current additional amount for the Chief Justice of \$4,624 per annum.

District judges' salaries - Section 6 would provide the statutory changes to increase district court judges' salaries by 2 percent each year of the biennium. District court judges' annual salaries would be increased from the current level of \$149,926 to \$152,925 effective July 1, 2021, and \$155,983 effective July 1, 2022. A presiding judge of a judicial district would be entitled to receive an additional \$4,345 per annum effective July 1, 2021, and an additional \$4,432 per annum effective July 1, 2022, an increase from the current additional amount for presiding judges of \$4,260 per annum.

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 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 the judicial branch.

Major Related Legislation

House Bill No. 1035 - Amends law relating to juvenile justice and the Juvenile Court Act.

House Bill No. 1036 - Provides for a Legislative Management study of juvenile justice during the 2021-22 interim.

House Bill No. 1048 - Allows the court to require a guardian to obtain a bond.

House Bill No. 1049 - Provides for restrictions on visitation, communication, and interaction with a ward.

Senate Bill No. 2057 - Provides for the court to authorize the sale or transfer of ownership of the property of a ward.

Senate Bill No. 2082 - Adjusts responsibilities between the clerk of court and the child support agency.

Senate Bill No. 2105 - Amends law relating to the retaking of an offender under supervision in another state.

Judicial Branch - Budget No. 180
Senate Bill No. 2002
Base Level Funding Changes

| | Executive Budget Recommendation | | | |
|--|--|-------------------------|------------------------|----------------------|
| | FTE Positions | General Fund | Other Funds | Total |
| 2021-23 Biennium Base Level | 363.00 | \$107,355,691 | \$2,142,297 | \$109,497,988 |
| 2021-23 Ongoing Funding Changes | | | | |
| Base payroll changes | | \$2,389,170 | (\$10,933) | \$2,378,237 |
| Salary increase | | 1,565,610 | 40 | 1,565,650 |
| Retirement contribution increase | | 322,494 | 8 | 322,502 |
| Health insurance increase | | 17,929 | 1 | 17,930 |
| Adjusts funding for Supreme Court operations | | (503,346) | | (503,346) |
| Adjusts funding for district court operations | | (490,532) | 63,367 | (427,165) |
| Adjusts funding for Judicial Conduct Commission operations | | (2,504) | (322) | (2,826) |
| Removes funding for juvenile intensive in-home services | | (500,000) | | (500,000) |
| Removes funding for youth cultural achievement programs | | (455,000) | | (455,000) |
| Reduces funding for other juvenile service programs | | (266,086) | | (266,086) |
| Adds funding to lease IT equipment | | 1,115,008 | | 1,115,008 |
| Adds funding for a veterans treatment court | | 145,247 | | 145,247 |
| Adds funding for the Capitol complex rent proposal | | 755,930 | | 755,930 |
| Total ongoing funding changes | 0.00 | \$4,093,920 | \$52,161 | \$4,146,081 |
| One-time funding items | | | | |
| Adds one-time funding for Zoom remote video equipment | | \$360,000 | | \$360,000 |
| Adds one-time funding for district court Wi-Fi access points | | 157,600 | \$0 | 157,600 |
| Adds one-time funding for a new juvenile case management system | | 2,000,000 | 0 | 2,000,000 |
| Adds one-time funding for a new Supreme Court docket management system | | 2,000,000 | 0 | 2,000,000 |
| Total one-time funding changes | 0.00 | \$4,517,600 | \$0 | \$4,517,600 |
| Total Changes to Base Level Funding | 0.00 | \$8,611,520 | \$52,161 | \$8,663,681 |
| 2021-23 Total Funding | 363.00 | \$115,967,211 | \$2,194,458 | \$118,161,669 |
| <i>Total ongoing changes as a percentage of base level</i> | <i>0.0%</i> | <i>3.8%</i> | <i>2.4%</i> | <i>3.8%</i> |
| <i>Total changes as a percentage of base level</i> | <i>0.0%</i> | <i>8.0%</i> | <i>2.4%</i> | <i>7.9%</i> |

Other Sections in Judicial Branch - Budget No. 180

| | Executive Budget Recommendation | | | |
|---------------|--|--|--|--|
| Appropriation | Section 3 would appropriate to the judicial branch all funds received pursuant to federal acts and private gifts, grants, and donations, for the purpose as designated in the federal acts or private gifts, grants, and donations, for the period beginning July 1, 2021, and ending June 30, 2023. | | | |

Other Sections in Judicial Branch - Budget No. 180

Executive Budget Recommendation

Line item transfers

Section 4 would require the director of the Office of Management and Budget to transfer appropriation authority between line items for the judicial branch as requested by the Supreme Court.

Supreme Court justices' salaries

Section 5 would provide the statutory changes to increase Supreme Court justices' salaries by 2 percent each year of the biennium.

District judges' salaries

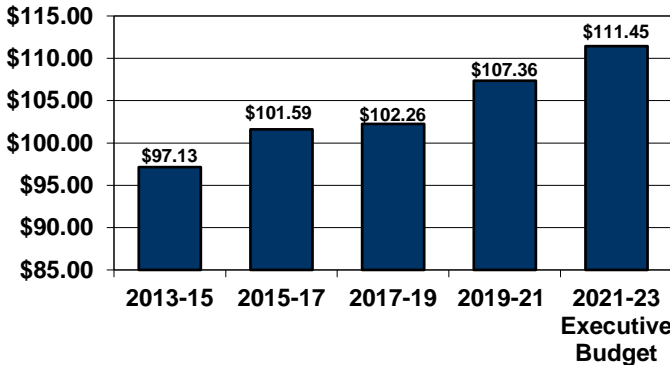
Section 6 would provide the statutory changes to increase district court judges' salaries by 2 percent each year of the biennium.

Department 180 - Judicial Branch

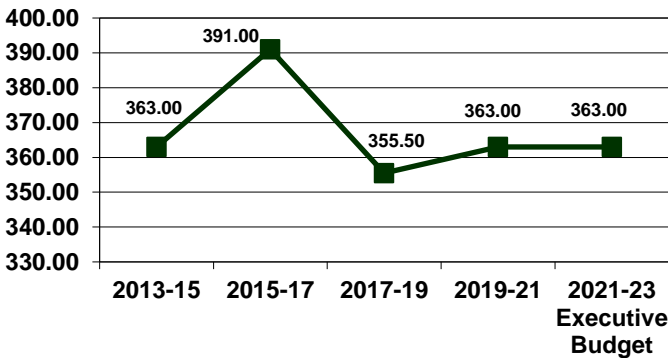
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2013-15

Ongoing General Fund Appropriations (in Millions)



FTE Positions



| Ongoing General Fund Appropriations | | | | | |
|---|--------------|---------------|---------------|---------------|--------------------------|
| | 2013-15 | 2015-17 | 2017-19 | 2019-21 | 2021-23 Executive Budget |
| Ongoing general fund appropriations | \$97,133,117 | \$101,591,134 | \$102,257,770 | \$107,355,691 | \$111,449,611 |
| Increase (decrease) from previous biennium | N/A | \$4,458,017 | \$666,636 | \$5,097,921 | \$4,093,920 |
| Percentage increase (decrease) from previous biennium | N/A | 4.6% | 0.7% | 5.0% | 3.8% |
| Cumulative percentage increase (decrease) from 2013-15 biennium | N/A | 4.6% | 5.3% | 10.5% | 14.7% |

Major Increases (Decreases) in Ongoing General Fund Appropriations

2015-17 Biennium

- 1. Added 28 FTE positions, including 4 new district judges \$5,408,884
- 2. Increased funding for payments to contract counties for clerk of court services \$381,748
- 3. Increase funding for operating expenses (this item was affected by the August 2016 budget reductions) \$1,074,354

2017-19 Biennium

- 1. Removed 32 FTE positions (\$2,801,754)
- 2. Increased funding for operating expenses, including information technology costs \$1,101,096
- 3. Increased funding for payments to contract counties for clerk of court services \$342,479

2019-21 Biennium

- 1. Added 7.5 FTE positions, including 1 new district judge \$1,459,508
- 2. Reduced funding for miscellaneous expenses, including equipment, information technology, and other operating expenses (\$757,971)
- 3. Added funding for drug court in the Southeast Judicial District \$125,240

2021-23 Biennium (Executive Budget Recommendation)

- 1. Removes funding for juvenile intensive in-home services (\$500,000)
- 2. Removes funding for youth cultural achievement programs (\$455,000)
- 3. Adds funding to lease information technology equipment \$1,115,008
- 4. Adds funding for the Capitol complex rent proposal \$755,930

JUDICIAL BRANCH REQUEST WITH THE GOVERNOR'S RECOMMENDATION FOR STATE EMPLOYEE COMPENSATION CHANGES AND RENT

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the judicial branch for the purpose of defraying the expenses of the judicial branch, for the biennium beginning July 1, 2021, and ending June 30, 2023 as follows:

Subdivision 1.

SUPREME COURT

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$11,338,720 | (\$55,661) | \$11,283,059 |
| Operating expenses | 2,705,762 | 400,262 | 3,106,024 |
| Capital assets | 0 | 2,032,000 | 2,032,000 |
| Guardianship monitoring program | <u>283,042</u> | <u>5,462</u> | <u>288,504</u> |
| Total general fund | \$14,327,524 | \$2,382,063 | \$16,709,587 |

Subdivision 2.

DISTRICT COURTS

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|-------------------|--|----------------------|
| Salaries and wages | \$73,242,268 | \$4,410,569 | \$77,652,837 |
| Operating expenses | 20,396,902 | (465,746) | 19,931,156 |
| Capital assets | 0 | 2,328,000 | 2,328,000 |
| Judges' retirement | <u>280,332</u> | <u>(66,086)</u> | <u>214,246</u> |
| Total all funds | \$93,919,502 | \$6,206,737 | \$100,126,239 |
| Less estimated income | <u>1,659,596</u> | <u>32,362</u> | <u>1,691,958</u> |
| Total general fund | \$92,259,906 | \$6,174,375 | \$98,434,281 |

Subdivision 3.

JUDICIAL CONDUCT COMMISSION AND DISCIPLINARY BOARD

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--|--------------------|--|----------------------|
| Judicial conduct commission and disciplinary board | <u>\$1,250,962</u> | <u>\$74,881</u> | <u>\$1,325,843</u> |
| Total all funds | \$1,250,962 | \$74,881 | 1,325,843 |
| Less estimated income | <u>482,701</u> | <u>19,799</u> | <u>502,500</u> |
| Total general fund | \$768,261 | \$55,082 | \$823,343 |

Subdivision 4.

BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Grand total general fund | \$107,355,691 | \$8,611,520 | \$115,967,211 |
| Grand total special funds | <u>2,142,297</u> | <u>52,161</u> | <u>2,194,458</u> |
| Grand total all funds | \$109,497,988 | \$8,663,681 | \$118,161,669 |
| Full-time equivalent positions | 363 | 0 | 363 |

SECTION 2. ONE-TIME FUNDING - REPORT TO SIXTY-EIGHTH LEGISLATIVE

ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 one-time funding items in section 1 of this Act:

| <u>One-time Funding Description</u> | <u>2019-21</u> | <u>2021-23</u> |
|--|----------------|----------------|
| Copy machines | \$82,500 | \$0 |
| Audio and visual equipment | 64,852 | 0 |
| Supreme court law library remodel | 970,000 | 0 |
| Juvenile case management system | 0 | 2,000,000 |
| Supreme court docket management system | 0 | 2,000,000 |
| Wi-Fi access points installation | 0 | 157,600 |
| Zoom remote video equipment | <u>0</u> | <u>360,000</u> |
| Total all funds | \$1,117,352 | \$4,517,600 |
| Less estimated income | <u>970,000</u> | <u>0</u> |
| Total general fund | \$147,352 | \$4,517,600 |

The 2021-23 one-time funding amounts are not a part of the entity’s base budget for the 2023-25 biennium. The supreme court shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. APPROPRIATION. There are appropriated any funds received by the supreme court, district courts, and judicial conduct commission and disciplinary board, not otherwise appropriated, pursuant to federal acts and private gifts, grants, and donations for the purpose as designated in the federal acts or private gifts, grants, and donations for the period beginning July 1, 2021, and ending June 30, 2023.

SECTION 4. TRANSFERS. The director of the office of management and budget shall transfer appropriation authority between line items in section 1 of this Act 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 5. AMENDMENT. Section 27-02-02 of the North Dakota Century Code is amended and reenacted as follows:

27-02-02. Salaries of justices of supreme court. The annual salary of each justice of the supreme court is ~~one hundred fifty-nine thousand four hundred nine dollars through June 30, 2020~~ one hundred sixty-six thousand six hundred sixty-two dollars through June 30, 2022, and ~~one hundred sixty-three thousand three hundred ninety-four~~ one hundred sixty-nine thousand nine hundred ninety-five dollars thereafter. The chief justice of the supreme court is entitled to receive an additional ~~four thousand five hundred eight dollars per annum through June 30, 2020~~ four thousand seven hundred thirteen dollars per annum through June 30, 2022, and ~~four thousand six hundred twenty-one~~ four thousand eight hundred eight dollars per annum thereafter.

SECTION 6. AMENDMENT. Section 27-05-03 of the North Dakota Century Code is amended and reenacted as follows:

27-05-03. Salaries and expenses of district judges. The annual salary of each district judge is ~~one hundred forty-six thousand two hundred sixty-nine dollars through June 30, 2020~~ one hundred fifty-two thousand nine hundred twenty-five dollars through June 30, 2022, and ~~one hundred forty-~~

~~nine thousand nine hundred twenty-six~~one hundred fifty-five thousand nine hundred eighty-three dollars thereafter. Each district judge is entitled to travel expenses, including mileage and subsistence while engaged in the discharge of official duties outside the city in which the judge's chambers are located. The salary and expenses are payable monthly in the manner provided by law. A presiding judge of a judicial district is entitled to receive an additional ~~four thousand one hundred fifty-six dollars per annum through June 30, 2020~~four thousand three hundred forty-five dollars per annum through June 30, 2022, and ~~four thousand two hundred sixty~~four thousand four hundred thirty-two dollars thereafter.