

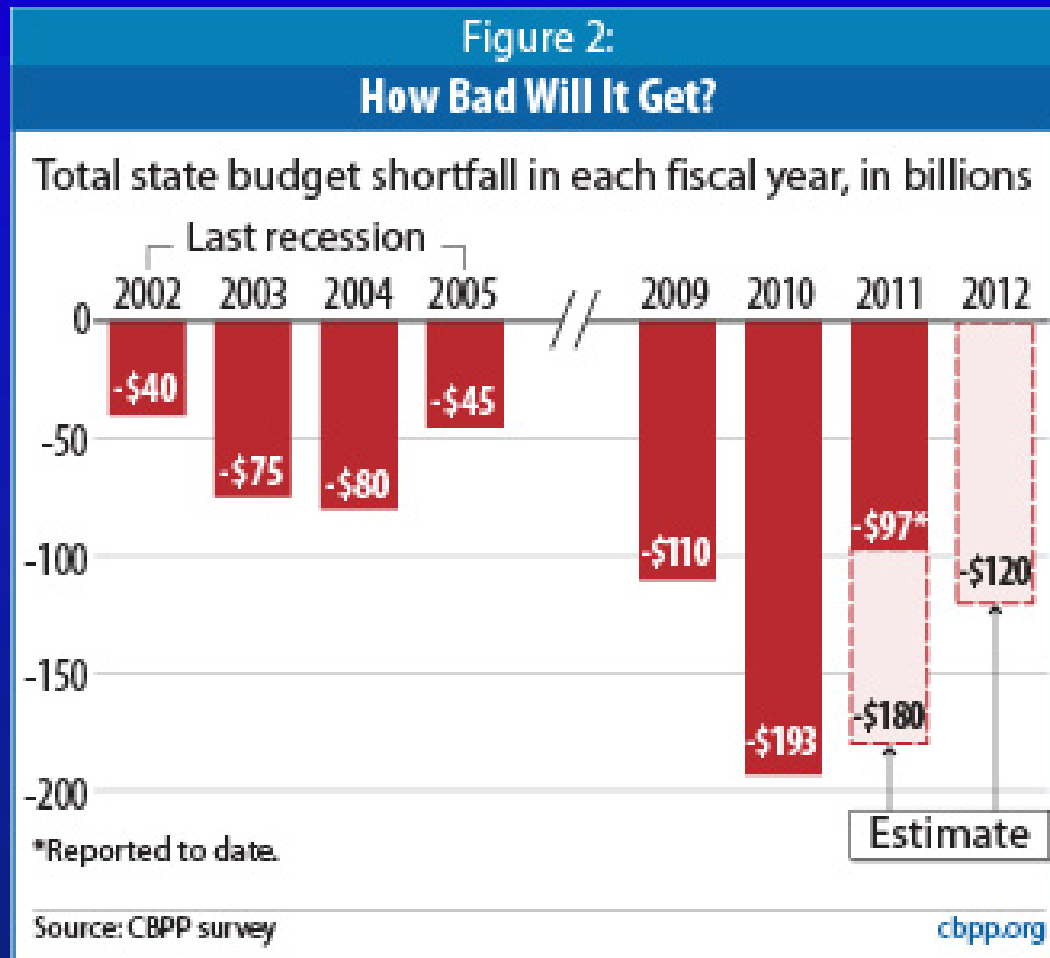
STATE BUDGETS AND COURT FUNDING

Weathering the Economic Storm

ABA Midyear Meeting
Orlando
February 5, 2010

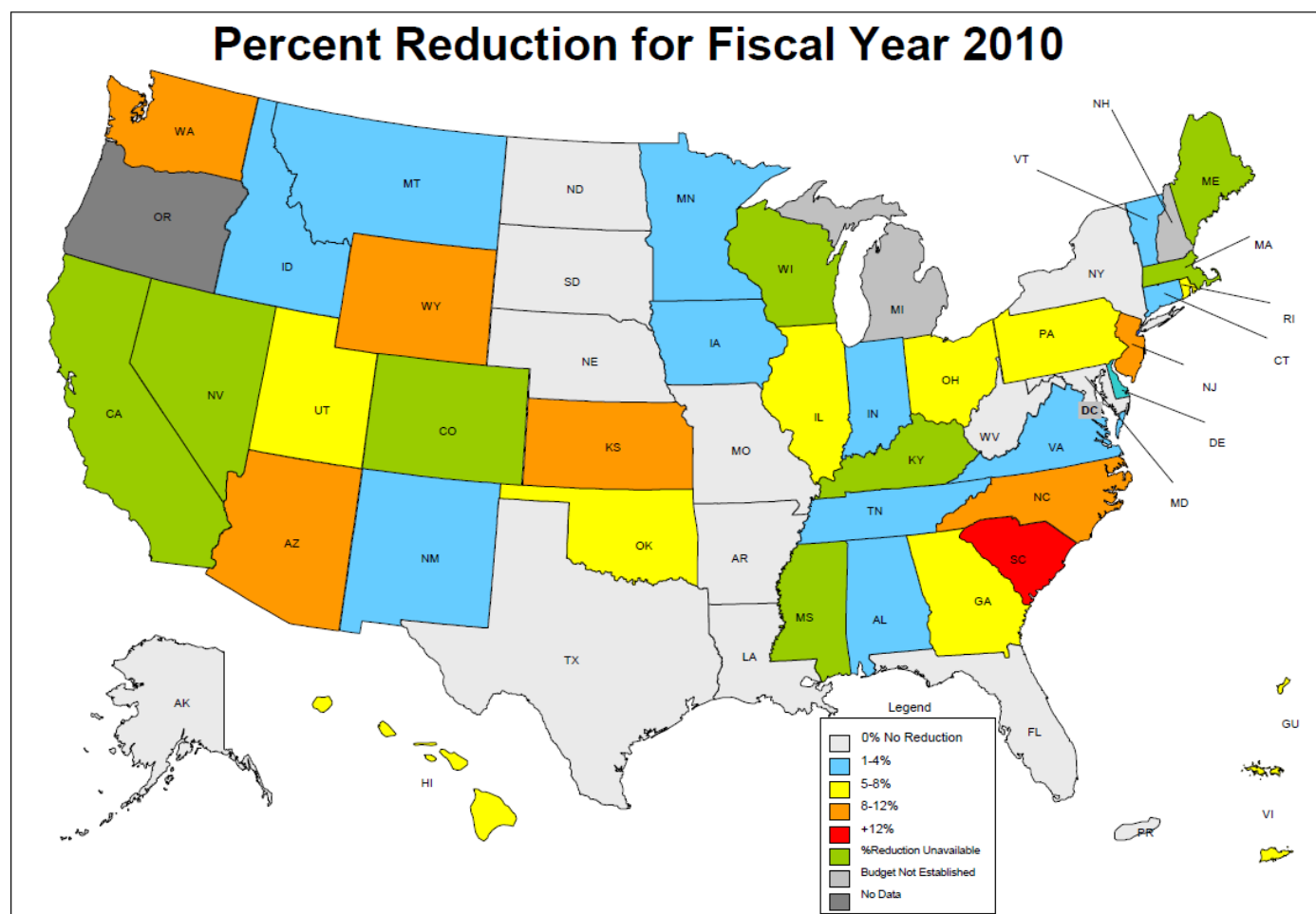
Mary C. McQueen
President
National Center for State Courts

TOTAL STATE BUDGET SHORTFALL



Source: Center on Budget and Policy Priorities, December 23, 2009

STATE COURT BUDGET REDUCTIONS FY 2010



Source: COSCA Budget Survey September 16, 2009

RESPONSES TO CUTS

- **Hiring Freeze**—20 states
- **Salary Freeze**—11 states
- **Pay Cuts**—5 states
 - DE (mandatory for employees, voluntary for judges), FL, ID (all judges – voluntary), IA (judge on unpaid leave), NC (voluntary for judges)
- **Court Closures** —4 states
- **Furloughs**—11 states
- **Early Retirement**—4 states
- **Raise Filing Fees**—13 states

But.....

WHAT IS THE PROGNOSIS FOR RECOVERY?

Do you have structural problems (financial or demographic) with the revenue stream side of your budget that will hinder your state's recovery despite an upswing in the economy?

How likely and how soon will "the good times" return?

Do your constituents and employees recognize the extent of the problem?

**IF THE ANSWER TO
THESE QUESTIONS ARE
NOT POSITIVE...YOU
MAY WANT/HAVE TO
CONSIDER
REENGINEERING**

STATES ACTIVELY LOOKING AT REENGINEERING THEIR JUDICIAL SERVICES

- Alabama
- Florida
- Minnesota
- Michigan
- New Hampshire
- Iowa
- Nebraska
- Rhode Island
- Utah
- Vermont

SJI is providing assistance

GOING ABOUT REENGINEERING— LESSONS FROM THE FIELD

Having the right
forum/people in place

Acceptance that this is a
long term structural
problem

Identify principles—
administrative, governance
and essential functions

Identify the range of
potential solutions

Analyze solutions and
organize in three waves

REENGINEERING SOLUTIONS— CURRENT EXPERIENCE

Staffing Efficiencies

Electronic solutions

Legislative and policy

Structural and governance

PRINCIPLES

- Administrative
- Governance
- Essential Functions

These provide the “Lense” to evaluate options and provide guidance in making difficult budget decisions

PRINCIPLES

(EXAMPLES)

Vermont

- Supreme Court (SC) operates the state courts as a unified system.
- ***SC manages, controls and is accountable for all resources.***
- Judicial Branch organized with minimal redundancies in structure, procedures and personnel and has an efficient balance of workload among courts.

Oregon

- Oregon courts will remain open and accessible during regular business hours.
- ***Oregon courts will continue to process and resolve all categories of cases;***
- Budgetary cuts shall be equitably shared among judicial districts.