

STATE OF NEW YORK
JUDICIARY BUDGET
FY 2016-17

Executive Summary

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**2016-17 JUDICIARY BUDGET REQUEST
EXECUTIVE SUMMARY**

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JUDICIARY
2016-2017 BUDGET REQUEST
EXECUTIVE SUMMARY

Pursuant to Article VII, Section 1 of the State Constitution, the Judiciary respectfully submits the following itemized estimate of its financial needs for Fiscal Year 2016-2017.

This budget request is the product of a delicate balancing of two fundamental duties of the Judicial Branch – its responsibility as a co-equal partner in government to prudently manage the expenditure of public funds and its obligation as an independent branch to ensure the timely and fair administration of justice to every person who comes to our courthouses. Based on a careful weighing of these twin duties, the Judiciary has determined that the minimum cash funding necessary to provide the courts with the resources needed to fulfill their constitutional mission is \$1.9 billion for General Fund State Operations. This request represents an increase of \$44.4 million, or 2.4 percent, over current-year funding.

There can be no doubt as to the Judiciary's commitment to fiscal prudence, and its willingness and ability to work with the Executive and Legislative branches of government to preserve and enhance the State's fiscal stability. For years, the Judiciary faced significant, non-discretionary cost escalation without corresponding increases in funding. In Fiscal Year 2009-2010, the General Fund State Operating portion of the Judiciary budget, which supports court operations, was \$1.786 billion. Six years later, that amount is \$1.85 billion, an increase of only \$64 million, or 3.5 percent – about 0.6 percent annually, far less than the rate of inflation. In the face of that modest, less-than-inflation growth in funding, the Judiciary absorbed hundreds of millions of dollars in higher costs.¹

During those years, the Judiciary made great strides in improving efficiencies and reducing costs, rethinking every aspect of court operations from top-to-bottom and critically scrutinizing every expenditure. This perpetual re-examination of what we are doing and how we are doing it is crucial to the Judiciary's ability to live within its means while still fulfilling its constitutional role. The following principles and objectives have guided the Judiciary as it manages the finite available resources to best serve the justice needs of New Yorkers:

Re-tooling to Harness the Power of Technology

We continuously seek ways to leverage technology to better serve the people of New York. For example:

¹Those increased costs include funding for indigent criminal legal services to meet statutory caseload standards, judicial salary adjustments implemented pursuant to the recommendations of the 2011 Special Commission on Judicial Compensation, mandated salary increments for nonjudicial employees, civil legal services, and contract security services provided by county and city law enforcement agencies.

- E-filing continues to expand, and improve court operations, while offering significant savings and convenience to the courts, County Clerks, attorneys and litigants.²
- Recent enhancements to the Family Court case management system allow for the automated production of Orders of Protection in English and Spanish, with other languages to be added in the future.
- We are partnering with a variety of agencies, at both the state and local levels, to improve the transmission of data, and thereby promote efficiency and accuracy, while also reducing costs and eliminating the need for each agency to separately enter the same data in its systems.
- A new, simple web-based automated program, implemented this year in all 62 counties, is assisting advocates to remotely prepare family offense petitions on behalf of domestic violence victims. This same technology will soon help litigants prepare thousands of Family Court petitions without the need to go to the courthouse, enhancing our service to self-represented litigants, while significantly reducing the burdens on litigants and Family Court staff.
- We are piloting audio and video technology to provide remote assistance to self-represented litigants.
- Judges will soon be able to produce orders directly from the case management system and then electronically sign these orders, increasing efficiency and permitting direct electronic storage and transmission of court orders.
- A new tablet-based system gives public defenders access to the accusatory instrument – i.e., the summons – for all defendants who appear in the Summons parts in New York City.

Pursuing Efficiency and Innovation

We are continuously reviewing and, whenever possible, streamlining procedures and adjusting staff deployments. Among the many administrative efficiencies that we have achieved are:

- Enhancements to the web-based Attorney for the Child voucher system improve controls and ensure the accuracy of billing and payments for this \$44 million a year program.
- Criminal history searches can now be ordered online, providing greater service to the public while streamlining the administration of this program, which annually collects more than \$112 million for the State Treasury.
- The deployment of Internet Protocol telephones, which operate over the court system's own data network, has sharply reduced our communication expenses by virtually eliminating monthly telephone charges.

²The comprehensive amendment of the e-filing legislation enacted this year, chapter 237 of the laws of 2015, gives the Chief Administrative Judge greater authority to initiate e-filing programs and will facilitate and expedite the expansion of this program when the courts, the bar, and the county clerk are all prepared to move forward.

- Central and regional centers for the scanning and printing of millions of juror qualification questionnaires and summonses take advantage of economies of scale to save equipment costs and reduce the burden on local commissioner of jurors' offices.
- An automated real-time system for tracking the arraignment process in New York City helps ensure compliance with statutory time requirements.

Reinventing the Justice System

It is not enough to just streamline and automate existing processes. Old ways of doing business must be continuously questioned and challenged and, when necessary, new models created. The New York State courts have earned a well-deserved reputation for crafting new, innovative approaches to old problems. Some of our recent efforts include:

- Expansion of our specialty courts, including Veterans Courts, which provide veterans involved in the criminal justice system with links to community-based services and other resources to help with the addiction, mental illness and other issues that disproportionately affect the veteran community.
- New York is the recognized national leader among state courts in addressing the problem of human trafficking. Human Trafficking Intervention Courts incorporate the key principles of the problem-solving courts, and bring expertise in the legal issues presented in these cases, as well as the ability to address the unique needs of trafficking victims.
- New York's bail system is broken: too many defendants are incarcerated prior to trial for no reason other than that they are poor and cannot pay even a modest cash bail. Pending enactment of legislative reform, the New York courts are doing what they can administratively, including a new procedure in which a second judge conducts a *de novo* review of the bail amount in every case where a misdemeanor defendant cannot make bail.
- New York is one of only two states that set the age of criminal responsibility at 16. Pending legislative reform, we have established Adolescent Diversion Parts, which provide age-appropriate services to adolescent defendants, and attempt to resolve the criminal case with a non-criminal disposition and to avoid the use of jail as a sanction.
- The New York courts have also taken action to ensure a fair process in consumer debt cases. In particular, we have addressed such abuses as entry of default judgments despite insufficient or incorrect factual proof, filings after the expiration of the statute of limitation, and inadequate service of process.
- A new web-based case management dashboard permits court administrators and our criminal justice partners in New York City to closely monitor the age of the felony caseload and manage the progress of these cases. This new tool is helping reduce time to disposition and minimize the time and expense of pre-trial detention.

Bridging the Justice Gap

Ensuring equal access to justice is fundamental to the mission of the Judiciary. Yet there are many economic, social, institutional, geographic and other obstacles to this goal. Too many low income New Yorkers lack the means to retain an attorney, and are left to navigate New York's complex legal system on their own.

The Judiciary has taken a broad range of actions to address this justice gap. The centerpiece of our efforts is the Judiciary Civil Legal Services Program, which awards grants to non-profit organizations that provide direct legal representation to low-income New Yorkers facing housing, consumer debt and other civil legal problems that relate to the essentials of life. The lack of representation in these cases exacts not only a profound human and social toll on the most vulnerable New Yorkers, but also imposes significant additional burdens on judges and court staff, including more and longer court appearances. The result is delay and inefficiency, as well as increased costs, both to the court system and to represented parties. In the current year, the Judiciary budget supports \$85 million in civil legal services funding. Next year, \$100 million of the Judiciary budget will support the provision of civil legal services for low-income New Yorkers.³

While the cornerstone of the Judiciary's efforts to bridge the justice gap, the civil legal services grants program is by no means the only action we are taking. State funding is not, and should not be, the only solution to this problem. For that reason, the Judiciary is pursuing a comprehensive plan, including efforts to encourage greater pro bono work by attorneys and the use of trained volunteer non-attorneys. Among the many components of this plan are:

- As a condition of admission to the bar, every law school graduate must now complete 50 hours of pro bono work. A central purpose of this new requirement is to instill in new attorneys an understanding that pro bono service is a bedrock value of their profession and to encourage a lifelong commitment to serving the community.
- To encourage pro bono work by experienced attorneys who are otherwise retired from the practice of law, an attorney emeritus status has been created to allow these attorneys to continue to contribute to the community while still enjoying the status and benefits of being a retired attorney.
- New reporting requirements on the biennial attorney registration forms serve to remind attorneys of the obligation to provide pro bono service, and will also provide data that will assist in assessing the degree to which the legal needs of low-income New Yorkers are being met.

³These funds not only benefit the parties represented, but are also a sound investment by the State: for every dollar invested in civil legal services, the State of New York receives more than ten dollars in economic benefit as a result of reduced social services and other public expenses and increased inflow of federal benefits. Testimony of Neil Steinkamp, Managing Director, Stout Risius Ross, at The Chief Judge's Hearing on Civil Legal Services, Appellate Division, First Dep't, Sept. 29, 2015.

- While representation by an attorney is preferred in any court case, that goal is not currently in reach; however, there is a role that non-attorneys can play. The court-sponsored Navigator Program uses trained, non-lawyer volunteers to assist litigants, for example, in filing an answer or by making referrals for further assistance. The Navigator Program will be further expanded in the coming year.
- The recently launched Legal Hand initiative takes the concept behind the Navigator Program, extending it outside of the courthouse and into the community. Trained non-attorney volunteers, working under the supervision of an attorney, are placed in storefront offices in low-income communities, to provide legal information and assistance on a range of essentials-of-life issues, including housing, employment, immigration, and public benefits.

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We are proud of these and our other initiatives and innovations. But the fact is that the austere budgets of the past years imposed a price. Our efforts to improve efficiencies and reduce costs produced significant savings, but were not sufficient to offset the entire amount of the hundreds of millions of dollars in new costs that we faced. For that reason, the Judiciary's budgets from Fiscal Years 2009-2010 to 2013-2014 were, of necessity, attrition budgets. The only way for the court system to live within its means in the face of increased costs was to reduce the size of its workforce by not refilling positions as employees left service. Despite the extraordinary efforts of our Judges and employees, service to the public suffered. For example, the loss of back office staff led to delays in processing court documents. In many courthouses, the loss of court officers and other courtroom staff caused delays in opening court parts.

The budgets for Fiscal Years 2014-2015 and 2015-2016 provided increases to offset some new costs, so that our fiscal plan was not premised on the need to reduce our workforce. For the first time in years, we were able to maintain the size of our workforce, and, in fact, to add a limited number of operationally critical positions, allowing us to ameliorate some of the harm of the years of attrition-based budgets.

In Fiscal Year 2016-2017, the Judiciary will again face significant cost increases, including mandatory salary increases for represented non-judicial employees, annualization of the cost of the five Family Court judgeships created effective January 1, 2016, increases in contractual obligations, such as the contracts with local governments to provide court security in certain areas of the state, and increased funding for civil legal services.⁴

⁴There is also the currently unknown cost of a salary adjustment for judges that will be recommended by the Commission on Legislative, Judicial and Executive Compensation, to take effect on April 1, 2016. The recommendations of the Commission with respect to judicial compensation are due by December 31, 2015, and therefore the cost of the recommended adjustment is not now known and is not included in this request. If necessary, the Judiciary will submit a supplemental budget request to cover the cost of the April 2016 salary adjustment.

We simply cannot absorb the new costs without the requested increase in funding. Without this increase there will be an unavoidable impact on the quality of service provided to the people of New York. With the requested increase, we will be able to continue our efforts to ensure adequate staffing in the clerk, court officer, interpreter, court reporter, and other back office and courtroom titles that are critical to providing service to the public.

In sum, this submission was crafted in view of both the Judiciary's obligation to be a faithful steward of public funds and the Judiciary's fundamental and independent duty to provide timely and fair justice to all New Yorkers. The submission seeks the minimum funding necessary to provide the resources needed to fulfill the courts' constitutional mission.

Unified Court System
2016-17 Budget Request
All Funds Disbursement Requirements
(Millions \$)

Category/Fund	2015-16 <u>Planned</u>	2016-17 <u>Required</u>	<u>Change</u>
<u>Court & Agency Operations</u>			
General Fund	1,850.1	1,894.5	44.4
Special Revenue - Federal	7.0	7.5	0.5
NYC County Clerks' Operations Offset Fund	23.2	23.7	0.5
Judiciary Data Processing Offset Fund	22.8	25.2	2.4
Miscellaneous Special Revenue Fund	24.8	25.2	0.4
Indigent Legal Services Fund	25.0	25.0	0.0
Court Facilities Incentive Aid Fund	1.9	1.6	(0.3)
<u>Court & Agency Operations - All Funds Total</u>	<u>1,954.8</u>	<u>2,002.7</u>	<u>47.9</u>
<u>Lawyers' Fund for Client Protection</u>	<u>10.7</u>	<u>10.7</u>	<u>0.0</u>
<u>Aid to Localities</u>			
General Fund	2.4	2.4	0.0
Court Facilities Incentive Aid Fund	104.2	104.9	0.7
<u>Aid to Localities - All Funds Total</u>	<u>106.6</u>	<u>107.3</u>	<u>0.7</u>
<u>Capital Projects</u>	<u>5.1</u>	<u>5.1</u>	<u>0.0</u>
<u>General Fund Total</u>	<u>1,852.5</u>	<u>1,896.9</u>	<u>44.4</u>
<u>All Funds Total</u>	<u>2,077.2</u>	<u>2,125.8</u>	<u>48.6</u>

Unified Court System
2016-17 Budget Request
All Funds Appropriation Requirements
Major Purpose by Fund Summary

State Operations	2015-16	2016-17	Change
General Fund	<u>Available</u>	<u>Requested</u>	<u>Change</u>
Courts of Original Jurisdiction	\$1,565,780,791	\$1,605,020,638	\$39,239,847
Court of Appeals	\$15,286,324	\$15,682,446	\$396,122
Appellate Court Operations	\$79,446,098	\$79,843,703	\$397,605
Appellate Auxilliary Operations	\$182,463,042	\$185,477,332	\$3,014,290
Administration and General Support	\$18,072,736	\$18,398,626	\$325,890
State Operations - General Fund Total	\$1,861,048,991	\$1,904,422,745	\$43,373,754
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State Operations - Special Revenue Funds - Federal	\$8,000,000	\$8,500,000	\$500,000
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Special Revenue Funds - Other			
NYC County Clerks' Operations Offset Fund	\$23,297,481	\$23,837,839	\$540,358
Judiciary Data Processing Offset Fund	\$22,885,675	\$25,390,643	\$2,504,968
Miscellaneous Special Revenue Fund	\$1,000,000	\$1,000,000	\$0
Attorney Licensing Fund	\$23,870,011	\$24,442,425	\$572,414
Indigent Legal Services Fund	\$25,000,000	\$25,000,000	\$0
Court Facilities Incentive Aid Fund	\$1,741,683	\$1,732,213	(\$9,470)
Lawyers' Fund for Client Protection	\$10,782,613	\$10,805,861	\$23,248
State Operations - Special Revenue Funds - Other	\$108,577,463	\$112,208,981	\$3,631,518
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State Operations - All Funds - Total	\$1,977,626,454	\$2,025,131,726	\$47,505,272
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Aid to Localities			
General Fund	\$2,445,584	\$2,445,584	\$0
Court Facilities Incentive Aid	\$104,200,000	\$104,949,035	\$749,035
Aid to Localities - All Funds Total	\$106,645,584	\$107,394,619	\$749,035
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Grand Total General Fund	\$1,863,494,575	\$1,906,868,329	\$43,373,754
Grand Total All Funds	\$2,084,272,038	\$2,132,526,345	\$48,254,307

**Unified Court System
2016-17 Budget Request
All Funds Appropriation Requirements
Major Purpose Summary by Fund Category**

	<u>2015-16 Available</u>	<u>2016-17 Required</u>	<u>Change</u>
Courts of Original Jurisdiction			
General Fund	\$1,565,780,791	\$1,605,020,638	\$39,239,847
Special Revenue Funds	\$56,881,993	\$60,317,233	\$3,435,240
Total	\$1,622,662,784	\$1,665,337,871	\$42,675,087
Court of Appeals			
General Fund	\$15,286,324	\$15,682,446	\$396,122
Special Revenue Funds	\$0	\$0	\$0
Total	\$15,286,324	\$15,682,446	\$396,122
Appellate Court Operations			
General Fund	\$79,446,098	\$79,843,703	\$397,605
Special Revenue Funds	\$0	\$0	\$0
Total	\$79,446,098	\$79,843,703	\$397,605
Appellate Auxilliary Operations			
General Fund	\$182,463,042	\$185,477,332	\$3,014,290
Special Revenue Funds	\$46,165,232	\$46,521,894	\$356,662
Total	\$228,628,274	\$231,999,226	\$3,370,952
Administration & General Support			
General Fund	\$18,072,736	\$18,398,626	\$325,890
Special Revenue Funds	\$2,747,625	\$3,063,993	\$316,368
Total	\$20,820,361	\$21,462,619	\$642,258
Lawyers' Fund for Client Protection			
General Fund	\$0	\$0	\$0
Special Revenue Funds	\$10,782,613	\$10,805,861	\$23,248
Total	\$10,782,613	\$10,805,861	\$23,248
Aid to Localities			
General Fund	\$2,445,584	\$2,445,584	\$0
Special Revenue Funds	\$104,200,000	\$104,949,035	\$749,035
Total	\$106,645,584	\$107,394,619	\$749,035
Total General Fund	\$1,863,494,575	\$1,906,868,329	\$43,373,754
Total Special Revenue Funds	\$220,777,463	\$225,658,016	\$4,880,553
Grand Total All Funds	\$2,084,272,038	\$2,132,526,345	\$48,254,307

Fiscal Year 2016-17
IOLA Support

Appropriation Requirements

	2015-16 <u>Available</u>	2016-17 <u>Requested</u>	<u>Change</u>
Aid to Localities General Fund - IOLA	\$15,000,000	\$15,000,000	\$0
<u>Aid to Localities - General Fund Total</u>	<u>\$15,000,000</u>	<u>\$15,000,000</u>	<u>\$0</u>

Disbursement Requirements
(Million \$)

	2015-16 <u>Planned</u>	2016-17 <u>Required</u>	<u>Change</u>
Aid to Localities General Fund - IOLA	15.0	15.0	0.0
<u>Aid to Localities - General Fund Total</u>	<u>15.0</u>	<u>15.0</u>	<u>0.0</u>