

C00A00 Judiciary

Operating Budget Data

(\$ in Thousands)

| | FY 04 | FY 05 | FY 06 | FY 05-06 | % Change |
|-----------------------|----------------------|-----------------------|-------------------------|----------------------|--------------------------|
| | <u>Actual</u> | <u>Working</u> | <u>Allowance</u> | <u>Change</u> | <u>Prior Year</u> |
| General Fund | \$269,525 | \$280,530 | \$302,085 | \$21,554 | 7.7% |
| Special Fund | 32,352 | 37,733 | 37,733 | 0 | |
| Federal Fund | <u>2,480</u> | <u>2,691</u> | <u>2,754</u> | <u>63</u> | <u>2.4%</u> |
| Total Funds | \$304,357 | \$320,954 | \$342,572 | \$21,618 | 6.7% |
| | | | | | |
| Adjusted Total | \$304,357 | \$320,954 | \$342,572 | \$21,618 | 6.7% |

- Personnel costs, including \$4.9 million for 104.5 new positions, account for \$14.7 million of the \$21.6 million increase.
- Four Major Information Technology development projects account for \$2 million of the increase.
- Rent and fit-up costs of \$1.8 million are included for a new Catonsville District Court.
- The fiscal 2006 allowance includes a \$463,450 rent increase for the Administrative Office of the Courts for additional office space in Commerce Park off Bestgate Road in Annapolis.
- The allowance includes grant increases of \$1.1 million for family law services and \$260,080 for drug courts.

Note: Numbers may not sum to total due to rounding.

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Personnel Data

| | <u>FY 04 Actual</u> | <u>FY 05 Working</u> | <u>FY 06 Allowance</u> | <u>FY 05-06 Change</u> |
|------------------------|-------------------------|--------------------------|----------------------------|----------------------------|
| Regular Positions | 3,223.75 | 3,223.75 | 3,328.25 | 104.50 |
| Contractual FTEs | <u>390.00</u> | <u>391.00</u> | <u>359.00</u> | <u>-32.00</u> |
| Total Personnel | 3,613.75 | 3,614.75 | 3,687.25 | 72.50 |

Vacancy Data: Regular Positions

| | | |
|-----------------------------------|-------|-------|
| Turnover, Excluding New Positions | 83.21 | 2.50% |
| Positions Vacant as of 12/31/04 | 73.00 | 2.26% |

- There are 104.5 new positions of which 35.5 are related to six new District Court and seven new circuit court judgeships; 38 are contractual conversions, and 23 of the remaining 31 new positions are in the Clerk of the Circuit Court offices.
- There are six new contractual bailiffs for the six new District Court judges.

Analysis in Brief

Major Trends

District Court Caseloads: In Baltimore City, District Court criminal and civil caseloads have increased significantly since 2001. In the counties, District Court criminal caseloads have been stable over the last 11 years, but civil caseloads have increased significantly since 2000.

Circuit Courts: In Baltimore City, circuit court criminal caseloads have experienced a steady increase since 1996 while civil caseloads have stabilized since 1999. In the counties, criminal caseloads have stabilized, but there has been a steady increase in civil caseloads since 1995. Juvenile caseloads have decreased statewide since 1996.

Issues

New Judges Requested for District and Circuit Courts: The Judiciary has requested six additional District Court and seven circuit court judges in addition to 1.5 circuit court masters.

New Catonsville District Court: The District Court has requested funds in the operating budget for a new District Court facility in Catonsville. The project is not in the State's five-year *Capital Improvement Program* and a Part I program plan has not been prepared. The project should be deferred.

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Land Record Offices: The Electronic Land Record Optical Image is now approaching full implementation in all jurisdictions except Baltimore City. Fewer people should be required in land record offices to process electronic land records and to maintain land records.

Recommended Actions

| | <u>Funds</u> | <u>Positions</u> |
|--|--------------|------------------|
| 1. Deny new position for governmental affairs unit. | \$ 27,605 | 1.0 |
| 2. Reduce allowance for telephone expense based on fiscal 2004 experience. | 400,000 | |
| 3. Add budget bill language to make appropriation for seven new circuit court judges and seven law clerks contingent on enactment of legislation. | | |
| 4. Add budget bill language to make the appropriation for seven courtroom clerks in the Clerks of the Circuit Court appropriation contingent upon enactment of legislation to create seven circuit court judges. | | |
| 5. Add budget bill language to make an appropriation for six new District Court judges, related courtroom clerks, and bailiffs dependent on enactment of legislation. | | |
| 6. Defer new Catonsville District Court. | 1,820,000 | |
| 7. Deny contractual conversion of 11 data entry clerks in District Court headquarters for traffic citations. | 88,044 | 11.0 |
| 8. Delete four full-time equivalent new positions for District Court. | 128,829 | 4.0 |
| 9. Reduce postage allowance to fiscal 2004 expenditures plus 5%. | 500,000 | |
| 10. Deny new receptionist and contractual conversion position in the Administrative Office of the Courts. | 31,667 | 2.0 |
| 11. Reduce education and training contracts in Administrative Office of the Courts. | 200,000 | |
| 12. Reduce Office Assistance in Administrative Office of the Courts and Clerks of the Circuit Court. | 201,000 | |

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| | | | |
|-----|---|-------------------------|-------------|
| 13. | Add budget bill language to make Land Record Offices of the Clerk of the Circuit Court special funded. | 5,213,644 -5,213,644 | |
| 14. | Delete 9 new positions for Clerk of the Circuit Court Land Record Offices. | 256,326 | 9.0 |
| 15. | Deny conversion of five contractual positions in Clerk of Court Land Record Offices in Calvert, Carroll, Harford, Prince George's, and Wicomico counties. | 42,593 | 5.0 |
| 16. | Deny 13 new positions for Circuit Clerk of the Court in 13 jurisdictions. | 372,552 | 13.0 |
| 17. | Deny contractual conversion of nine contractual positions in clerk of the court jurisdictions. | 72,127 | 9.0 |
| 18. | Reduce equipment rental contracts in circuit court clerks' offices. | 100,000 | |
| 19. | Reduce increase in grants for Family Court Services. | 995,307 | |
| 20. | Deny contractual conversion of a position in the Family Court Services. | 7,797 | 1.0 |
| 21. | Reduce funds for Major Information Technology project development. | 2,031,862 | |
| | Total Reductions | \$12,487,353 | 55.0 |
| | Total Increase | \$5,213,644 | |

Updates

Judicial Compensation Commission: The Judicial Compensation Commission is resubmitting the salary recommendations that were not adopted by the legislature during the 2004 legislative session.

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Operating Budget Analysis

Program Description

The Judiciary is composed of four courts and six agencies which support the administrative, personnel, and regulatory functions of the judicial branch of government. Courts consist of the Court of Appeals, Court of Special Appeals, circuit courts, and District Court. The Chief Judge of the Court of Appeals is the administrative head of the State's judicial system. The Chief Judge appoints the State court administrator as head of the Administrative Office of the Courts (AOC) to carry out the administrative duties which include data analysis, personnel policies, education, and training for judicial personnel.

Other agencies are included in the administrative and budgetary purview of the Judiciary. The Maryland Judicial Conference, consisting of judges of all levels, meets annually to discuss continuing education programs. Court-related agencies also include the State Reporter, the Commission on Judicial Disabilities, Orphan's Court, Maryland Conflict Resolution Office, and the State Board of Law Examiners. The State Law Library serves the legal information needs of the State. Judicial Data Processing manages information systems maintenance and development for the Judiciary. Major Information Technology (IT) development projects are in a separate program while all production and maintenance of current operating systems are in the Judicial Data Processing program.

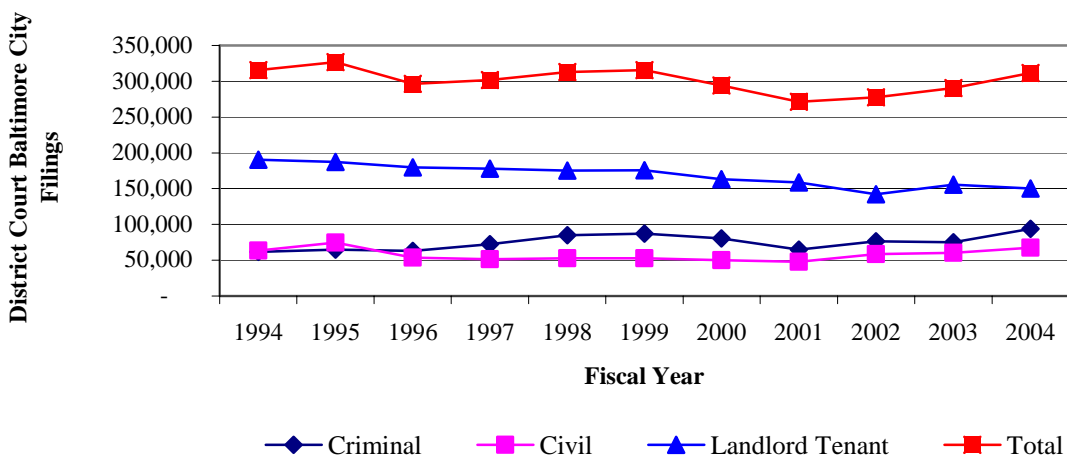
Major Trends and Performance Analysis: Managing for Results

Long-term District Court caseload trends for Baltimore City are depicted in **Exhibit 1** and for the counties in **Exhibit 2**. Baltimore City trends indicate that criminal and civil caseloads have increased significantly since 2001. Until 2002 there had not been a civil caseload increase since 1996. The criminal caseload in Baltimore City had peaked in fiscal 1999 and actually declined until 2002. In 2004 the criminal caseload exceeded the previous peak of 1999.

Exhibit 1 shows that there has been a significant decline in landlord/tenant cases in Baltimore City. In 1994 the dockets of two District Court judges in Baltimore City were devoted to landlord/tenant cases. Landlord/tenant cases have declined in every year except 2003 since 1994. In 1994 there were 190,537 landlord/tenant cases; by 2004 the caseload had declined 21.1% to 150,247.

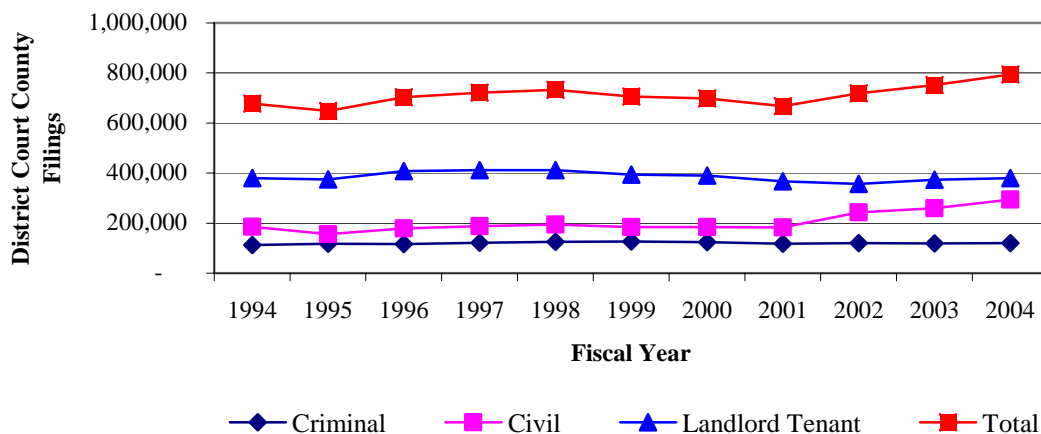
Exhibit 2 indicates the counties there have had a sharp increase in District Court civil cases since 2001 while criminal cases have been stable over the past 11 years.

**Exhibit 1
District Court Baltimore City Filings
Fiscal 1994 – 2004**



Source: Administrative Office of the Courts Annual Reports and Statistical Abstracts

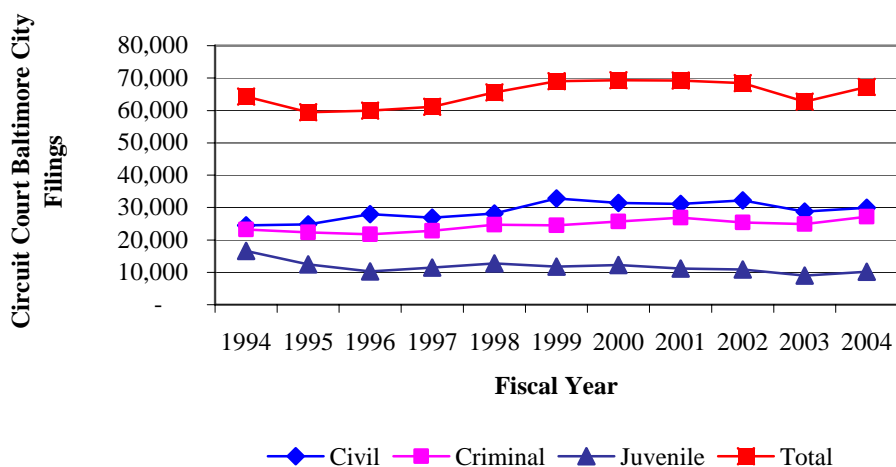
**Exhibit 2
District Court County Filings
Fiscal 1994 – 2004**



Source: Administrative Office of the Courts Annual Reports and Statistical Abstracts

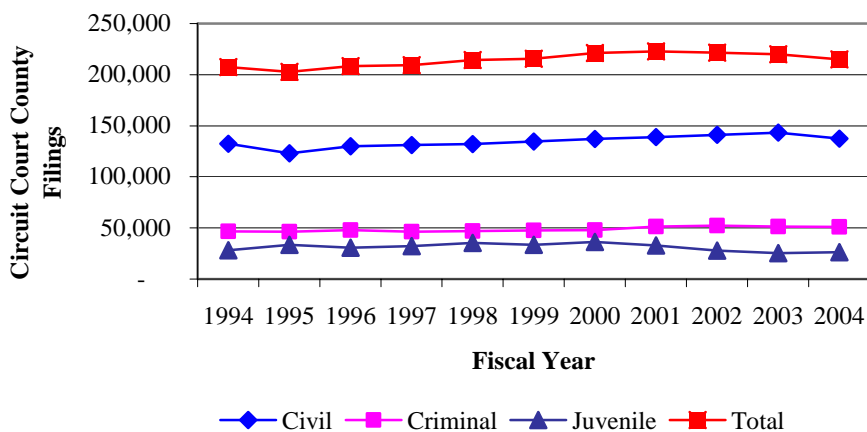
Long-term circuit court caseload trends for Baltimore City are depicted in **Exhibit 3** and the counties in **Exhibit 4**. In Baltimore City, criminal caseloads have experienced a steady increase each year since 1994 except in 2002 and 2003. Since 1994 there has not been a significant increase in the criminal caseload in county circuit courts. The relentless increase in county circuit court caseloads, except for the last two years, can be attributed to the increase in civil cases.

Exhibit 3
Circuit Court Baltimore City Filings
Fiscal 1994 – 2004



Source: Administrative Office of the Courts Annual Reports and Statistical Abstracts

Exhibit 4
Circuit Court County Filings
Fiscal 1994 – 2004



Source: Administrative Office of the Courts Annual Reports and Statistical Abstracts

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Contrasted with case filing trends, depicted in Exhibits 1 through 4, **Exhibit 5** shows court case clearances or the ability to dispose of cases. Exhibit 5 shows clearly that the circuit courts of Baltimore City have the ability to dispose of approximately 24,700 criminal cases even as the number of case filings has risen from 26,847 to 27,189 in fiscal 2004. It should also be noted that jury trial prayers continue to be a persistent problem statewide and in particular for Baltimore City where most jury trial prayers are criminal cases contrasted with the suburban jurisdictions where most jury trial prayers are motor vehicle cases. Jury trial prayers occur when a defendant in District Court is entitled to a jury trial and asks for a jury trial. District Courts do not offer jury trials; this results in the case being transferred to the circuit court for a jury trial even though most of these cases are pleaded out before trial. Jury trials that plead out still consume circuit court time for hearings and disposition. Short of having jury trials in the District Court or finding some acceptable way to limit the ability of a defendant to ask for a jury trial, there does not appear to be an easy solution to this problem.

**Exhibit 5
Judiciary Managing for Results
Fiscal 2001 – 2006**

| | <u>FY 01</u> | <u>FY 02</u> | <u>FY 03</u> | <u>FY 04</u> | <u>FY 05</u> | <u>FY 06</u> | <u>FY 05 -</u> <u>06</u> | <u>FY 05 -</u> <u>06</u> |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------------------|-----------------------------|
| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Est.</u> | <u>Est.</u> | <u>Amt.</u> <u>Chg.</u> | <u>% Chg.</u> |
| Court of Appeals | | | | | | | | |
| Regular docket dispositions | 148 | 126 | 139 | 136 | 132 | 130 | -2 | -1.52% |
| Petitions for certiori | 712 | 718 | 707 | 664 | 662 | 646 | -16 | -2.42% |
| Attorney grievance proceedings | 68 | 73 | 81 | 85 | 92 | 97 | 5 | 5.43% |
| Court of Special Appeals | | | | | | | | |
| Regular docket | 1,825 | 1,813 | 1,901 | 1,935 | 1,973 | 2,015 | 42 | 2.13% |
| Circuit Court | | | | | | | | |
| Civil Case Clearance | | | | | | | | |
| Baltimore City | 29,663 | 27,248 | 25,119 | 24,598 | 22,326 | 20,594 | -1,732 | -7.76% |
| Counties | 136,477 | 141,885 | 132,690 | 131,696 | 129,803 | 127,449 | -2,354 | -1.18% |
| Total | 166,140 | 169,133 | 157,809 | 156,294 | 152,129 | 148,043 | -4,086 | -2.69% |
| Criminal Cases Cleared | | | | | | | | |
| Baltimore City | 24,782 | 23,417 | 24,156 | 24,975 | 24,602 | 24,716 | 114 | 0.46% |
| Counties | 48,543 | 49,442 | 47,212 | 46,322 | 45,657 | 44,767 | -890 | -1.95% |
| Total | 73,325 | 72,859 | 71,368 | 71,297 | 70,259 | 69,483 | -776 | -1.10% |
| <i>Jury Trial Prayers</i> | | | | | | | | |
| Baltimore City | 8,630 | 10,621 | 10,296 | 10,582 | 11,415 | 11,968 | 553 | 4.84% |
| Counties | 21,703 | 23,275 | 22,062 | 21,620 | 21,799 | 21,653 | -146 | -0.67% |
| Statewide | 30,333 | 33,896 | 32,358 | 32,202 | 33,214 | 33,621 | 407 | 1.23% |
| Juvenile Cases Cleared | | | | | | | | |
| Baltimore City | 6,748 | 8,767 | 6,067 | 7,902 | 7,562 | 7,638 | 76 | 1.01% |
| Counties | 29,015 | 24,168 | 20,490 | 21,205 | 21,920 | 22,635 | 715 | 3.26% |
| Total | 35,763 | 32,935 | 26,557 | 29,107 | 29,482 | 30,273 | 791 | 2.68% |

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| | <u>FY 01</u> <u>Actual</u> | <u>FY 02</u> <u>Actual</u> | <u>FY 03</u> <u>Actual</u> | <u>FY 04</u> <u>Actual</u> | <u>FY 05</u> <u>Est.</u> | <u>FY 06</u> <u>Est.</u> | FY 05 - 06 Amt. Chg. | FY 05 - 06 % Chg. |
|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|-----------------------------|---|----------------------------------|
| District Court | | | | | | | | |
| Civil Case Clearance | | | | | | | | |
| Baltimore City | 73,255 | 68,789 | 71,210 | 68,107 | 67,085 | 65,782 | -1,303 | -1.94% |
| Counties | 258,157 | 282,153 | 288,971 | 288,305 | 303,712 | 313,438 | 9,726 | 3.20% |
| Total | 331,412 | 350,942 | 360,181 | 356,412 | 370,797 | 379,220 | 8,423 | 2.27% |
| Criminal Cases Cleared | | | | | | | | |
| Baltimore City | 72,476 | 78,309 | 73,657 | 98,494 | 76,586 | 77,176 | 590 | 0.77% |
| Counties | 133,932 | 131,630 | 125,175 | 123,108 | 118,730 | 114,837 | -3,893 | -3.28% |
| Total | 206,408 | 209,939 | 198,832 | 221,602 | 195,316 | 192,013 | -3,303 | -1.69% |
| Traffic Cases Cleared | | | | | | | | |
| Baltimore City | 103,890 | 135,612 | 150,062 | 149,098 | 158,410 | 165,153 | 6,743 | 4.26% |
| Counties | 958,003 | 1,010,917 | 991,662 | 1,142,582 | 1,180,052 | 1,245,885 | 65,833 | 5.58% |
| Total | 1,061,893 | 1,146,529 | 1,141,724 | 1,291,680 | 1,338,462 | 1,411,038 | 72,576 | 5.42% |

Source: Administrative Office of the Courts

Both the juvenile case filings in Exhibits 3 and 4 and the case clearance data in Exhibit 5 for the circuit court show clearly that juvenile cases had been on the decline in the counties since 1994 but not in Baltimore City. The more recent data in Exhibit 5, for the circuit court reflects the increase in juvenile matters – most notably child welfare cases, Child in Need of Assistance (CINA), termination of parental rights (TPR), and adoption cases. This has occurred in the case of CINA, TPR, and adoption cases because of the increased number of mandatory review hearings. Over the past five years, juvenile hearings have increased more than 50%. In addition, 17 jurisdictions have moved to implement juvenile drug treatment programs, and 3 jurisdictions are planning family dependency drug treatment programs.

Final Fiscal 2004 Closeout

There were general fund reversions of \$5,268,628 that included federal reimbursement of \$732,511 in child support enforcement expenses. The Judiciary had agreed to \$4.2 million in savings in fiscal 2004. The Judiciary also increased District Court fines to generate an additional \$4.0 million in general fund revenue.

Continued Impact of Cost Containment

The Budget Reconciliation and Financing Act of 2003 (Chapter 203, Acts of 2003) delayed until fiscal 2007 \$1,225,000 in circuit court rent payments to local governments that would have begun in fiscal 2004. In addition, Chapter 203 required a local 25% match of circuit court law clerk salaries. This action avoided the expenditure of \$1,350,000 in fiscal 2004 and subsequent years. It also

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increased the land record surcharge from \$5 to \$20 to support the Electronic Land Record Optical Image (ELROI) program. The surcharge reverts to \$5 on June 30, 2006, under existing law. The Judiciary has submitted legislation to extend the \$20 surcharge until June 30, 2011. ELROI is a project to place all land records and indices archived in electronic files to improve access by public, title attorneys, and insure the preservation of public land records. In addition, beginning with fiscal 2004, the land record fund defrayed \$5 million of the payroll expenses of the land record offices in the Clerk of the Circuit Court. The land record fund now will cover \$5.6 million of the payroll expenses in the land record offices in fiscal 2006.

Judiciary Proposed Budget

The Judiciary budget, as indicated in **Exhibit 6**, increases \$21,617,551, an increase of 6.7% over the fiscal 2005 budget. The general fund increase is \$21,554,303, or 7.7 %. There is a small increase of \$63,248 in federal child support enforcement payments.

The majority of the increase can be attributed to a \$14,678,171 increase in personnel costs of which \$4,842,956 can be attributed to 104.5 new or contractual conversion positions. The District Court allowance also includes \$131,466 for six contractual bailiffs for six new District Court judges. There is an offsetting reduction of \$1.3 million in the contractual payroll for the 38 contractual conversion positions.

Exhibit 6
Governor's Proposed Budget
Judiciary
(\$ in Thousands)

| How Much It Grows: | <u>General Fund</u> | <u>Special Fund</u> | <u>Federal Fund</u> | <u>Total</u> |
|--------------------------------------|----------------------------|----------------------------|----------------------------|---------------------|
| 2005 Working Appropriation | \$280,530 | \$37,733 | \$2,691 | \$320,954 |
| 2006 Governor's Allowance | 302,085 | 37,733 | 2,754 | 342,572 |
| Contingent & Back of Bill Reductions | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Adjusted Allowance | \$302,085 | \$37,733 | \$2,754 | \$342,572 |
| Amount Change | \$21,554 | \$0 | \$63 | \$21,618 |
| Percent Change | 7.7% | | 2.4% | 6.7% |

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Where It Goes:

Personnel Expenses

| | |
|---|-------|
| Court Information Office – 1 new position..... | \$28 |
| Circuit court – 7 judges, 1.5 masters, and 7 law clerks | 1,325 |
| District Court – 6 judges and 6 courtroom clerks | 944 |
| Clerks of the Circuit Court – 8 courtroom clerks for new judges and 1 FTE master | 234 |
| District Court – 18 contractual conversions..... | 617 |
| District Court – 4 new positions | 129 |
| Administrative Office of the Courts – 1 new position and 1 contractual conversion | 86 |
| Mediation conflict resolution – 2 contractual conversions | 116 |
| Judicial Information Systems – 1 new position | 32 |
| Clerks of the Circuit Court – 22 new positions workload related..... | 629 |
| Clerks of the Circuit Court – 16 contractual conversions..... | 571 |
| Family Court Division – 1 contractual conversion | 35 |
| Major Information Technology projects – 1 new position | 56 |
| Increments, merit increases, and other pay adjustments..... | 4,621 |
| District Court – commissioners paid as additional assistance and overtime | 256 |
| Clerks of the Circuit Court – additional assistance and overtime..... | 680 |
| Social Security payments related to increments, additional assistance, and overtime and other payroll items | 521 |
| Deferred Compensation – 401k match | 1,093 |
| Employee and retiree health insurance | -372 |
| Retirement system contribution rate adjustments | 3,007 |
| Workers' compensation premium assessment..... | 283 |
| Reduced turnover | -306 |
| Other payroll adjustments | 29 |

Other Changes

| | |
|---|------|
| Contractual payroll District Court – 6 new bailiffs less 18 contractual conversions | -246 |
| Contractual payroll Court Special Appeals – 1 new FTE..... | 46 |
| Contractual payroll AOC – 3 positions abolished and 1 contractual conversion .. | -326 |
| Contractual payroll court-related agencies – 2 contractual conversion and new 0.5 FTE | -52 |
| Contractual payroll Clerks of the Circuit Court – 16 contractual conversions..... | -617 |
| Contractual payroll Family Division – 1 contractual conversion and 1 new FTE | 8 |
| Telephone charges | 510 |
| Restoration of Annual Judicial Conference | 215 |
| Reduced use of retired judges with new judges..... | -567 |

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Where It Goes:

| | |
|---|-----------------|
| Judicial Information Systems (JIS) – systems software maintenance | 767 |
| JIS – computer hardware, disk storage, and computer maintenance | -316 |
| Clerks of Circuit Court – contracts, supplies, computers, and office equipment ... | 734 |
| District Court – outside disk services | 760 |
| District Court – equipment..... | 317 |
| Major Information Technology projects..... | 1,992 |
| Grants – expansion of family court services..... | 1,095 |
| Grants – expansion of drug court coordinator grants..... | 260 |
| Rent – new location District Court Catonsville \$720,000 and AOC \$463,000 Annapolis Commerce Park | 986 |
| Building renovations..... | 1,494 |
| Other changes..... | -120 |
| Total | \$21,618 |

Note: Numbers may not sum to total due to rounding.

Contingent Actions

The fiscal 2006 allowance for the Judiciary includes \$1,092,795 (subobject 0172) for matching employee deferred compensation contributions up to \$600. The Governor’s budget reflects the elimination of the deferred compensation appropriation contingent upon enactment of a provision in budget reconciliation legislation. The Governor may not reduce items in the Judiciary budget. **The reduction in the budget bill will need to be amended to reduce funds from the Judiciary’s budget if the General Assembly adopts the proposed reduction for this item statewide.**

New Positions

The Maryland Judiciary has developed a three-year plan to add 240.5 additional positions that includes the planned contractual conversion of 61 existing positions. In the first year, fiscal 2006, the Judiciary is requesting 110.5 positions including 104.5 new regular positions and 6 contractual bailiffs; 41.5 of the positions are related to the request for new judgeships as indicated in **Exhibit 7**. The Judiciary is requesting seven new circuit court judges, each of which requires a new courtroom clerk and a law clerk. Six new District Court judges are requested, each of which requires a courtroom clerk and one contractual bailiff. Finally, 1.5 full time equivalent (FTE) masters are requested with one courtroom clerk to support the full-time master.

Exhibit 7
Fiscal 2006 Judiciary Personnel Request Summary

| <u>Program</u> | <u>Program Name</u> | <u>Regular PINs</u> | <u>Contractual Conversions</u> | <u>Contractual FTEs</u> | <u>Total PINs</u> |
|----------------|--|-------------------------|------------------------------------|-----------------------------|-----------------------|
| 01 | Court of Appeals | 1.0 | 0.0 | 0.0 | 1.0 |
| 02 | Court of Special Appeals | 0.0 | 0.0 | 0.0 | 0.0 |
| 03 | Circuit Court Judges | 15.5 | 0.0 | 0.0 | 15.5 |
| 04 | District Court | 17.0 | 18.0 | 6.0 | 41.0 |
| 05 | Maryland Judicial conference | 0.0 | 0.0 | 0.0 | 0.0 |
| 06 | Administrative Office of the Courts | 1.0 | 1.0 | 0.0 | 2.0 |
| 07 | Court Related Agencies | 0.0 | 2.0 | 0.0 | 2.0 |
| 08 | Maryland Law Library | 0.0 | 0.0 | 0.0 | 0.0 |
| 09 | Judicial Information systems | 1.0 | 0.0 | 0.0 | 1.0 |
| 10 | Circuit Court Clerks | 30.0 | 16.0 | 0.0 | 46.0 |
| 11 | Family Services | 0.0 | 1.0 | 0.0 | 1.0 |
| 12 | Major IT | 1.0 | 0.0 | 0.0 | 1.0 |
| | Total | 66.5 | 38.0 | 6.0 | 110.5 |
| | Circuit Court Judges – 7 judges, 7 courtroom clerks, and 7 law clerks | | | | 21.0 |
| | Circuit Court Master – 1.5 full-time equivalent and 1 staff | | | | 2.5 |
| | District Court Judges – 6 judges, 6 courtroom clerks, and 6 contractual bailiffs | | | | 18.0 |
| | Total Judge Related | | | | 41.5 |

Source: Administrative Office of the Courts

The remaining 69 positions include 38 contractual conversion positions. The Clerks of the Circuit Court allowance account for 16 of the contractual conversion positions and 22 of the remaining positions. The District Court request includes 18 of the remaining 22 contractual conversion and 5 new positions.

Drug Courts

Currently, drug courts are operational in 11 locations in the circuit courts and/or District Courts, and five jurisdictions currently have State-funded drug court coordinators (\$315,006). The remaining six courts have drug coordinators funded with federal grants. Recently, Montgomery County announced that the county is establishing drug court programs in the juvenile and adult circuit courts. The allowance includes \$575,086, an increase of \$260,000, to provide State support to all 11 coordinators as indicated in **Exhibit 8**, including the five that currently receive federal grant support.

Exhibit 8
Proposed Distribution of Drug Court Coordinator Funds

| <u>Jurisdiction</u> | <u>Proposed Allocation in FY 2006</u> | <u>Continuation of FY 2005 Judiciary Funds</u> | <u>Support for Existing Programs After Alternative Grant Exhaustion</u> |
|---|---------------------------------------|--|---|
| Anne Arundel Co. Circuit Drug Court Program | \$52,501 | | X |
| Anne Arundel Co. District Drug Court Program | 52,501 | | X |
| Baltimore City Adult Circuit/District Drug Court Programs | 52,501 | | X |
| Baltimore City Juvenile Drug Court Program | 52,501 | X | |
| Calvert/Charles County | 52,501 | X | |
| Frederick County | 52,501 | X | |
| Harford County | 52,501 | | X |
| Howard County | 52,501 | X | |
| Lower Eastern Shore | 52,501 | X | |
| St. Mary's County Juvenile Drug Court Program* | 50,076 | | X |
| Upper Eastern Shore | 52,501 | X | |
| Total | \$575,086 | | |

*St. Mary's County Juvenile Drug Court Program was awarded a federal grant in 2004. The grant only allocated funds for a part-time Drug Court Coordinator, not a full-time Drug Court Coordinator essential to its continued operation and expansion. Thus, St. Mary's County's request is lower than the other jurisdictions.

Source: Administrative Office of the Courts

District Court

The District Court request includes \$720,000 and \$1.1 million in fit-up costs for a new 33,000 square foot District Court in Catonsville that will have five courtrooms. The current Catonsville District Court has three courtrooms. In addition, the District Court has requested approximately \$338,000 for renovation of existing facilities, most likely the Baltimore City District Court on Fayette Street.

Family Court Services

The allowance includes a \$1,095,307 increase in grants for family court support services and a \$30,000 for revision of the child welfare bench book recommended by the recent federal child and family services review.

The allowance provides an increase of \$704,724 from \$7,951,383 to \$8,656,109 in grants to State and local government programs. The increase will fully fund the \$100,000 Truancy Prevention Pilot (TPP) program (HB 1443, Chapter 551, Acts of 2004) in the first Judicial circuit on the lower Eastern Shore (Dorchester, Wicomico, Worcester, and Somerset) counties. The allowance provides increased funds for existing services and increase grants to improve case management and services in those jurisdictions with the lowest cost per case, for example:

- Baltimore City – \$52,739;
- Baltimore County – \$51,834;
- Frederick County – \$12,608;
- Harford County – \$25,542; and
- Washington County – \$67,900.

The TPP legislation established a code violation and a civil offense for a child in the lower Eastern Shore counties who is required to attend school and fails to do so without a lawful excuse. The legislation requires an adjudicatory hearing and disposition hearing on the same day. The court may order the child to (1) attend school; (2) perform community service; (3) attend counseling; (4) attend substance abuse evaluation and treatment; (5) attend mental health evaluation and treatment; or (6) keep a curfew set by the court. Cases on the truancy docket are eligible for family services provided by the funds (\$100,000) included in the Family Court Services budget in fiscal 2006 for that purpose.

The allowance increases grants to Court Appointed Special Advocate (CASA) programs serving 16 Maryland jurisdictions and special project grants increasing \$315,581, to \$2,592,455. The new funds will provide \$20,000 to create one new CASA program in one jurisdiction and \$42,619 in program increases. The special grants program provides sustaining grants to enhance access to the family justice system by providing public safety planning, legal assistance, and representation to victims of domestic violence with \$80,831 designated for program increases. The forgoing accounts for all but \$172,131 of the increase.

Discretionary grants are increased \$245,000, to \$320,000. The Judiciary indicates this will increase funds to make mid-year grants to courts and special project grantees for unanticipated needs or fund special projects to enhance the family justice system from \$100,000, to \$175,000. An

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existing \$145,000 makes grants to improve the court's ability to manage CINA/TPR cases part of a multi-year effort to expedite cases so children are ready for adoption. Discretionary grants are also provided for a new CINA/TPR mediation program.

Major Information Technology Projects

The allowance for Major IT projects includes an increase of \$3,416,776 to support five projects. General funds support \$1,992,228 of the increase and four of the five development projects. The balance of the \$1,424,548 increase in funds is for ELROI supported by the special Land Record Improvement Fund.

- ***Case Management Modernization:*** Nearly all the court case management IT programs are legacy COBOL and RPG programs deployed in the 1970s. The Judicial Information Systems (JIS) needs to modernize and convert these systems into modern Oracle relational databases in order to improve interoperability of the court system's connectivity with other external systems in State agencies, principally the Department of Public Safety and Correctional Services, the State Police, and local State's Attorneys. Currently, the components of the Criminal Justice Information System (CJIS) are not compatible. The allowance for case management is \$1,819,762, an increase in funding from the fiscal 2005 appropriation of \$329,671 in the JIS budget. This request will fund the design phase of the project. Specifically, the allowance, includes \$350,000 for replacement equipment; \$375,000 for new equipment; and \$1,037,877 for system analysis and design.
- ***IT Framework Modernization:*** The allowance for this project is \$1,286,884 in fiscal 2006, a small increase in funding from the fiscal 2005 appropriation of \$1,254,687. Given the fact that the network was designed and established in 1994 using what is considered today as outdated technology, the Judiciary is striving to comply with the State's mandate for improved public access. This particular project supports the other Major IT initiatives undertaken by the Judiciary by providing the additional bandwidth needed to support e-Filing, e-License, and web-enabled access projects. Specifically, the project includes \$248,914 for salaries, \$364,170 for contractual services, and \$673,800 for equipment.
- ***Web-enabled Access/Data Migration:*** The allowance in fiscal 2006 is \$100,086. The initiative is unfunded in fiscal 2005. However, again it should be noted that this request is \$615,072 less than the appropriated funding for fiscal 2004. The Judiciary, however, has issued an order specifying public access to court data that this project supports. The specific increase (\$100,086) is for contractual services. Currently, internal and external users must navigate a series of screens in order to access separate case management systems. By using a web-based commercial off the shelf (COTS) product, access to all operating systems environments can be implemented with a common presentation platform. The COTS software has been procured. The contractual expertise will be used to migrate the data and implement the new web-based applications.

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- ***e-License:*** The allowance for this project in fiscal 2006 is \$464,782. This project is currently funded for \$426,757 in fiscal 2005. The project includes \$112,469 for salaries, \$1,350 for travel, and \$350,000 for contractual services. This web-based system will provide the capability for business and individuals to apply for and receive business licenses more easily and efficiently in the Clerks of the Court Offices. The project will move licensing from a manual process to an automated process for improved customer service.

Issues

1. New Judges Requested for District and Circuit Courts

The Judiciary has requested six additional District Court and seven circuit court judges in addition to 1.5 circuit court masters.

The Chief Judge for the Court of Appeals, by letter dated November 1, 2004, as amended in a letter dated January 14, 2005, has requested seven circuit court judges – one each for Anne Arundel, Baltimore, and Washington counties; and two each for Montgomery County and Baltimore City. The last time additional judges were authorized for the circuit court was in 1998, except when three judgeships were transferred to the circuit court when juvenile jurisdiction was transferred from the District Court to the circuit court in Montgomery County consistent with the practice elsewhere in the State. In addition, a master is requested for Queen Anne’s County and a 0.5 FTE master is requested for Somerset County.

The District Court has requested six additional judges – one each for Anne Arundel, Calvert/St. Mary’s, and Worcester counties and Baltimore City; and two for Prince George’s County.

Exhibit 9 indicates the current number of District and circuit court judges and the additional judges needed by each jurisdiction. The total additional circuit court judges needed statewide is 17 and 15 for the District Court.

Circuit Courts

Anne Arundel County

Anne Arundel County has experienced a population increase of 32,000 since the 2000 census and an 18.8% increase in caseload filings from 20,141 in fiscal 2000 to 23,941 in fiscal 2004. Anne Arundel County currently has 10 judges. Family court and criminal matters have experienced the most growth since 2000. Family court cases increased 38% from 5,985 cases in fiscal 2004 to 8,338 in fiscal 2004 while criminal cases increased from 4,740 to 6,389 cases in fiscal 2004.

Baltimore County

Baltimore County has experienced a 10.2% increase in civil case filings from 16,638 in fiscal 2000 to 18,335 in fiscal 2004. In Baltimore County, family cases constitute half of the civil caseload and 32% of case filings. Both criminal and juvenile caseloads have declined since 2000. The criminal caseload has declined from 6,875 in 2000 to 6,334 in 2004 and juvenile cases from 5,548 to 4,389 during the same period.

Exhibit 9
Additional Circuit Court and District Court Judges Needed as of November 2004

| <u>Jurisdiction</u> | <u>Actual Number Circuit Court Judges</u> | <u>Additional Circuit Court Judges Needed</u> | <u>Actual Number District Court Judges</u> | <u>Additional District Court Judges Needed</u> |
|-----------------------------------|---|---|--|--|
| Chief Judge of the District Court | 0 | 0 | 1 | 0 |
| Allegany | 2 | 0 | 2 | 0 |
| Anne Arundel | 10 | 3 | 8 | 1 |
| Baltimore City | 30 | 4 | 26 | 2 |
| Baltimore | 16 | 3 | 13 | 4 |
| Calvert | 2 | 0 | 1 | 1 ⁽²⁾ |
| Caroline | 1 | 0 | 1 | 0 |
| Carroll | 3 | 1 | 2 | 0 |
| Cecil | 3 | 0 | 2 | 0 |
| Charles | 4 | 0 | 2 | 1 |
| Dorchester | 1 | 0 | 1 | 0 |
| Frederick | 4 | 0 | 3 | 0 |
| Garrett | 1 | 0 | 1 | 0 |
| Harford | 5 | 0 | 4 | 0 |
| Howard | 5 | 0 | 5 | 0 |
| Kent | 1 | 0 | 1 | 0 |
| Montgomery | 20 | 3 | 11 | 0 |
| Prince George's | 23 | 0 | 13 | 4 |
| Queen Anne's | 1 | 0 | 1 | 0 |
| St. Mary's | 3 | 1 | 1 | 0 ⁽²⁾ |
| Somerset | 1 | 0 | 1 | 0 |
| Talbot | 1 | 0 | 1 | 0 |
| Washington | 4 | 1 | 2 | 1 |
| Wicomico | 3 | 0 | 2 | 0 |
| Worcester | 2 | 1 ⁽¹⁾ | 1 | 1 |
| Statewide | 146 | 17 | 106 | 15 |

⁽¹⁾ Judgeship would be shared with other counties in the First Judicial Circuit (Dorchester, Somerset, and Wicomico counties) for family law matters.

⁽²⁾ One additional judgeship would be shared with Calvert County.

Source: Judiciary Judgeship Needs for Fiscal 2005, Administrative Office of the Courts, November 1, 2003

Washington County

The Judiciary has indicated that the quantitative data has indicated the need for an additional judge for 10 years. Family and juvenile case filings accounted for 57.4% of the caseload in 2004 with juvenile cases increasing from 826 to 1,194 in 2004 but below the recorded peak of 1,417 cases in fiscal 2001. Family cases actually declined to 4,256 from the 2003 level of 4,567 with no increase overall since 2001. Likewise, other civil cases have declined, but there has been an exponential increase in the criminal caseload from 2,337 in fiscal 2000 and from 1,890 in fiscal 1994 to 2,982 in fiscal 2004.

Montgomery County

The Judiciary indicates that the quantitative data suggests the need for three additional judges. However, more recent data indicates a decline in case filings over the last five years in every category. A more recent increase in the juvenile caseload from 5,074 to 5,881 was offset by declines in the criminal caseload from 5,450 to 5,046 and in the civil caseload from 14,057 to 12,882 in fiscal 2004.

Worcester County

Family matters, including juvenile cases, accounted for 49.3% of the Worcester County Circuit Court caseload. The significant item is the recent 180% increase in adoption and guardian cases. Worcester County has not had an increase in the number of judges in over 26 years. There has also been a steady rise in criminal caseload from 1,240 in 2001 to 1,495 in 2004.

Baltimore City

After significant declines in three out of four caseload categories – civil, family, and juvenile – between 1999 and 2003, Baltimore City registered significant increases in three of four case filing categories in 2004 – family, criminal, and juvenile. In Baltimore City, 40% of all cases are criminal. After leveling off in the 25,000 range, between 2000 and 2003, the criminal caseload increased to 27,189 in fiscal 2004. After a steady decline from the 12,273 peak in fiscal 2000 to 8,988, the juvenile caseload increased dramatically to 10,202 in fiscal 2004.

District Courts

Anne Arundel County

Anne Arundel County received an additional District Court judge in 2002. Since 2001 the civil caseload has increased from 15,965 to 25,721, and the criminal caseload from 12,892 to 13,838 filings. In one year alone, from fiscal 2003 to 2004, civil cases increased from 3,159 to 3,410 and landlord/tenant issues from 27,535 cases to 29,210. There has also been a steady increase in domestic violence cases (peace orders) from 2,579 to 3,184. The Anne Arundel County District Court reports that their judges continue to rank first or second in hours spent on the bench.

Calvert and St. Mary's Counties

District Four in Southern Maryland has experienced the fastest growth in the State. Both Calvert and St. Mary's counties have experienced significant growth in four of five case categories – motor vehicle, civil, landlord/tenant, and domestic peace orders in Calvert County; and criminal, civil, landlord/tenant, and domestic peace orders in St. Mary's County. In Calvert County civil cases alone increased from 3,823 in 2000 to 7,246 in 2004, while in St. Mary's County civil cases increased from 1,991 to 3,410 during the same period. Also, there has been a steady rise in domestic peace orders in both counties. The most recent judgeship needs project a need for 1.8 judges in Calvert County and 1.6 judges in St. Mary's County. The new judge requested will reside in Calvert County but be shared with St. Mary's County.

Prince George's County

Prince George's County District Court has experienced a significant increase in civil cases and domestic peace orders since 2000. Civil cases have increased from 41,700 in fiscal 2000 to 65,896 in fiscal 2004, while domestic peace orders increased from 4,156 to 7,776 during the period. However, the criminal caseload declined significantly from 24,741 to 19,590 cases in fiscal 2004. Prince George's County last received an additional judge in 2002.

Baltimore City

Baltimore City last received two additional District Court judges in 1999. Since 1999 the criminal and civil caseloads have grown significantly and domestic peace orders were added to the court's jurisdiction. The civil caseload grew from 52,616 cases in 1999 to 67,534 in 2004. Like the circuit court, the criminal caseload is the significant item growing from 86,964 to 93,677 cases in fiscal 2004. During this period, only landlord/tenant cases had a significant decline from 175,761 to 150,247. In Baltimore City, landlord/tenant cases comprised the dockets of two judges in 1994.

It is recommended that \$1,324,769 of the appropriation for circuit court judges and \$1,075,638 for the District Court be contingent on enactment of legislation to authorize new circuit court or District Court judges and the related law clerks, courtroom clerks, and bailiff positions.

2. New Catonsville District Court

The District Court has included \$720,000 for rent and \$1.1 million in fit-up cost for a new leased 33,000 square foot District Court facility in Catonsville. The new building would have space for five courtrooms and chambers (the current facility has three), domestic violence, public records, alternate dispute resolution, a law clerk, adequate space for the clerks and commissioners, and would house the Public Defender and State's Attorney, DWI Intake, Alternative Sentencing, advocate services, and an adequate sallyport and detention area.

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The existing Catonsville District Court, located in a Department of General Services building built in 1982, is deemed inadequate. The current 9,423 square foot facility has no space for a public records room, records/file storage, a law clerk, a judge's library/conference room, advocate service groups, or the State's Attorney. The office space for the clerks and the commissioner is inadequate. The sallyport cannot be used by local law enforcement because it is not large enough to accommodate the vehicles. There is no room for expansion, and there is inadequate parking for the public and staff.

The District Court has investigated the possibility of a capital improvement program, but the site layout does not lend itself to future expansion. The District Court is adjacent to the University of Maryland Baltimore County (UMBC). Since UMBC is in a growth state, there may be a unique opportunity for a "partnership" with the university to find a leased facility to accommodate both the needs of the court and UMBC.

The District Court's need for an alternative modern court facility while meritorious, is not particularly well thought out. The District Court has not developed a program plan (Part I) for what is essentially a capital program request. There is nothing in the current five-year capital program to suggest the need for a new District Court. The District Court needs to work with the Department of General Services and the Capital Programs Group in the Department of Budget and Management to develop a site specific Part I program plan. The existing District Court in Towson was built by the Baltimore County Revenue Authority. The District Court should explore the alternatives of contracting with the revenue authority for construction and financing or the use of general obligation bond financing as well as the lease of commercial office space to accommodate the long-term needs of the District Court. It should be noted that the District Court is also located in Essex, making Baltimore County one of three jurisdictions with three or more District Court locations. There are also existing nearby District Court locations in Glen Burnie, and the Hargrove District Court on Patapsco Avenue on the south side of Baltimore that are not too distant from the Catonsville location.

It is recommended that the District Court consider the alternative for consolidating the Catonsville District Court personnel with courts at other locations in addition to the alternative of a new Catonsville location. It is recommended that funds for the Catonsville District Court be deleted as this project clearly is not ready for prime time.

3. Land Record Offices

Clerks of the Circuit Court are responsible for recording and maintaining all land records. Land records include deeds, mortgages, releases, leases, assignments, powers of attorney, agreements, easements, and other instruments affecting title to an interest in real property.

The Maryland Judiciary and Maryland State Archives share responsibility for preserving and providing access to land records. The Judiciary's Clerks of the Circuit Court Land Record Offices record the land record instruments, but State Archives is the ultimate repository and custodian of all land records. The indices to land records, both electronic and historic bound volumes, provide the public with the means to research land record instruments.

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ELROI is the Judiciary's program to record electronically all land record instruments. ELROI was implemented in 13 jurisdictions prior to July 1, 2003. Last year the Judiciary and State Archives entered into a memorandum of understanding (MOU) to archive ELROI land records and to accelerate implementation of ELROI in the remaining 11 jurisdictions. The Land Record Surcharge was increased in Chapter 203, Acts of 2003 from \$5 to \$20 for each recordable instrument to finance the project through fiscal 2008. The Judiciary as previously noted has requested legislation to extend the current \$20 land record recording surcharge through fiscal 2011. **Exhibit 10** illustrates the projected Land Record Fund revenues and expenditures for fiscal 2004 through 2006.

ELROI has been successfully deployed in 5 jurisdictions during fiscal 2004 – Calvert, Charles, Somerset, Wicomico, and Worcester counties – bringing the total number of jurisdictions using ELROI to 18. The installation of ELROI in Dorchester, Caroline, Talbot, Garrett, and Allegany counties is near completion, leaving Baltimore City as the final jurisdiction to implement ELROI.

The original plan presented to the General Assembly was to upgrade the existing non-optix optical scanning jurisdictions to the Optix system after all non-automated jurisdictions were brought on-line. However, the Judiciary elected to update Prince George's and Harford counties to replace aging equipment.

The State Archives *Mdlandrec.net* database was installed as a stand alone retrieval system in Worcester County early in calendar 2004 while waiting for the scheduled implementation of ELROI in that jurisdiction. This action was taken in response to the need to provide digitized images in a jurisdiction that lacked adequate microfilm of its land records. After the successful use of *Mdlandrec.net* in Worcester County, another opportunity to pilot *Mdlandrec.net* occurred in Howard County.

The relocation of the Howard County Land Record Office provided an opportunity to upgrade the ELROI system in that jurisdiction, as well as pilot the integration of *Mdlandrec.net* with the ELROI system. All records that are scanned with ELROI in Howard County were migrated immediately to the Archives *Mdlandrec.net* data base, not just backfiled conversion of land records. The pilot program was successful. *Mdlandrec.net* originally intended for the backfile conversion of old records and archive repository of all land records older than 10 years will now be used as the retrieval system and repository for all land records.

The pilot proved successful and was accepted as the model for the roll-out of ELROI in the remaining counties and Baltimore City. The State Archives database will now be retrofitted to include all competed land record filings. This will dramatically reduce the number of land record files maintained on each land record office server, and the need for individual land record offices to maintain electronic land record files once they are scanned into the database. In the future, all completed "books" of land records will migrate to the *Mdlandrec.net* State Archives database once the records are verified and validated by the individual land record office. Not only will the Archives database reduce the workload of individual land record offices maintaining the database of scanned images, but it will also reduce equipment and personnel costs of individual land record offices.

Exhibit 10
Land Record Fund
Revenues/Expenditures
Fiscal 2004 – 2006

| <u>Projected Revenues and Expenditures</u> | <u>FY 2004</u> | <u>FY 2005</u> | <u>FY 2006</u> |
|--|---------------------|---------------------|---------------------|
| Revenue | \$38,556,069 | \$33,239,905 | \$31,245,511 |
| Expenditures | | | |
| (ELROI) Electronic Land Record Optical Images | | | |
| Implementation | \$7,549,588 | \$3,675,000 | \$0 |
| Maintenance | 3,782,935 | 6,698,661 | 6,423,661 |
| Upgrade | 675,918 | 500,000 | 4,000,000 |
| Infrastructure | 62,677 | 2,468,334 | 3,018,334 |
| Subtotal | \$12,071,118 | \$13,341,995 | \$13,441,995 |
| State Archives Mdlandrec.net | | | |
| Index Access | 400,000 | 400,000 | 400,000 |
| New Image Acquisition | 2,139,901 | 2,139,901 | 2,139,901 |
| Archival Backup | 3,108,571 | 3,108,571 | 3,108,571 |
| Maintenance | 328,864 | 328,864 | 328,864 |
| Subtotal | \$5,977,336 | \$5,977,336 | \$5,977,336 |
| (PLATO) Plats On-line Optical Images | | | |
| Implementation | 624,601 | 624,601 | 624,601 |
| Maintenance | 500,000 | 400,000 | 300,000 |
| Subtotal | \$1,124,601 | \$1,024,601 | \$924,601 |
| Other | | | |
| Web Security and Access Control | 0 | 300,000 | 0 |
| E-Transaction/E-Filing Enhancement | 0 | 750,000 | 0 |
| Hardware/Software Upgrades | 0 | 1,250,000 | 0 |
| Infrastructure | 0 | 500,000 | 500,000 |
| Subtotal | \$0 | \$2,800,000 | \$500,000 |
| Clerks | | | |
| Personnel and Operating Exp. | 5,000,000 | 5,000,000 | 5,000,000 |
| Additional Assistance and O/T | 672,078 | 500,000 | 250,000 |
| Subtotal | \$5,672,078 | \$5,500,000 | \$5,250,000 |
| Total Projected Expenditures | \$24,845,133 | \$28,643,932 | \$26,093,932 |
| Projected Excess Revenues over Expenditures | \$13,710,936 | \$4,595,973 | \$5,151,579 |
| Beginning Balance 7/01 | \$28,929,359 | \$42,640,295 | \$47,236,268 |
| Ending Balance 6/30 | \$42,640,295 | \$47,236,268 | \$52,387,847 |

Source: Administrative Office of the Courts; Comptroller's General Accounting Office

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A proposal to allow title attorneys to submit land record images and documents electronically as a part of the Judiciary's web-enabled initiative will further reduce the need for land record offices to scan and verify documents. Land record offices would only need to accept and index land record documents and transfer the land record images to the Archives *Mdlandrec.net* repository.

The Clerk of the Court Land Record Offices have requested 10 new positions and the contractual conversion of five positions in the land record offices. **It is recommended that the new positions and contractual conversion of contractual positions be denied based on fewer land record transactions anticipated in fiscal 2006. There will be fewer refinancing title transactions due to higher interest rates. The benefits of ELROI and the potential for electronic filing of land records under the web-enabled initiative will also reduce staffing needs.**

It is recommended that land record office expenses be covered 100% from the Land Record Improvement Fund. It is recommended that the Land Record Improvement Fund assume an additional \$5,213,644 of the personnel and operating expenses of the land record offices and general funds reduced by an additional \$5,213,644. In the 2006 allowance, the Land Record Improvement Fund covers \$5,000,000 of these expenses, but the fund has a projected balance of \$52,387,847 as of June 20, 2006. Operating expenses of the land record offices are \$10,543,196. Other recommendations reduce the land record offices general fund by \$321,110.

Recommended Actions

| | <u>Amount Reduction</u> | | <u>Position Reduction</u> |
|---|-----------------------------|----|-------------------------------|
| 1. Deny new position for governmental affairs unit. The position is not an essential core mission position. | \$ 27,605 | GF | 1.0 |
| 2. Reduce allowance for telephone expense based on fiscal 2004 experience. Expenditures were \$2,090,526. This reduction will appropriate \$2,134,000 in fiscal 2006. | 400,000 | GF | |
| 3. Add the following language: | | | |

, provided that \$324,769 of the appropriation for seven circuit court judges and seven law clerks is contingent upon enactment of legislation to authorize new circuit court judges.

Explanation: New judges are authorized by legislation. The circuit court judges' appropriation includes funds for seven circuit court judges and seven law clerks.

4. Add the following language:

, provided that \$234,102 included in this appropriation for seven courtroom clerks for seven new circuit court judges is contingent upon enactment of legislation to authorize seven additional circuit court judges.

Explanation: New circuit court judges are created by the enactment of legislation. The Clerks of the Circuit Court appropriation includes \$234,102 for seven new courtroom clerks for the new judges.

5. Add the following language:

, provided that \$1,075,638 for the District Court is contingent upon enactment of legislation to authorize six new District Court judges, related courtroom clerks, and bailiffs.

Explanation: New judges are authorized by legislation. The District Court appropriation includes funds for six District Court judges, six courtroom clerks, and six contractual bailiff positions.

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| | <u>Amount Reduction</u> | | <u>Position Reduction</u> |
|---|-----------------------------|----|-------------------------------|
| 6. Defer new Catonsville District Court. Reduce rent (subobject 1301) \$720,000 and fit-up costs (subobject 1413). District Court has occupied an existing Department of General Services building since 1982 and should occupy it for another year. | 1,820,000 | GF | |
| 7. Deny contractual conversion of 11 data entry clerks in District Court. Electronic transfer of traffic citations collected electronically by the State Police will reduce and ultimately eliminate the manual data entry of traffic citations. | 88,044 | GF | 11.0 |
| 8. Delete five full-time equivalent (FTE) new positions for District Court: | 126,829 | GF | 5.0 |
| 0.5 FTE Dorchester County | \$16,294 | | |
| 0.5 FTE Somerset County | \$16,294 | | |
| 1.0 FTE Somerset County | \$26,670 | | |
| 1.0 FTE Talbot County | \$29,417 | | |
| 1.0 FTE Supervisor for Baltimore City | \$38,154 | | |
| This action will allow the commissioner position (\$29,793) requested for the new Silver Spring District Court. | | | |
| 9. Reduce postage allowance to fiscal 2004 expenditures plus 5%. Actual expenditures were \$4,762,602 in fiscal 2004. The Administrative Office of the Courts may reallocate the reduction. The Judiciary can meet the budget target with increased use of Email. | 500,000 | GF | |
| 10. Deny new receptionist and contractual conversion position in the Administrative Office of the Courts. | 31,667 | GF | 2.0 |
| 11. Reduce education and training contracts in Administrative Office of the Courts (AOC). Actual expenditures were \$64,344 in fiscal 2004 in AOC and \$182,000 throughout Judiciary. | 200,000 | GF | |

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|---|------------|----|
| 12. Reduce Office Assistance in Administrative Office of the Courts and Clerks of the Circuit Court. Actual expenditures were \$85,388 in the Judiciary. This reduction will allow an appropriation of \$357,342. | 201,000 | GF |
| 13. Add the following language: | 5,213,644 | GF |
| | -5,213,644 | SF |

The general fund appropriation is reduced \$5,213,644 and the special fund appropriation is increased by \$5,213,644. It is the intent of the General Assembly that all expenses, including the personnel and operating expenses of the Clerks of the Circuit Court Land Record Offices, be funded entirely from the Land Record Improvement Fund surcharge.

Explanation: The Land Record Improvement Fund has a projected fund balance of \$52,387,847 on June 30, 2006. This action will require the entire \$10.5 million personnel and operating expenses of the 24 Land Record Offices to be funded by the Record Improvement Fund surcharge. The 2006 allowance provided \$5.0 million from the fund for the personnel and operating expenses.

- | | <u>Amount Reduction</u> | | <u>Position Reduction</u> |
|--|-------------------------|----|---------------------------|
| 14. Delete 9 new positions for Clerk of the Circuit Court Land Record Offices: | 256,323 | GF | 9.0 |
| 1 – Baltimore County | | | |
| 1 – Calvert County | | | |
| 1 – Dorchester County | | | |
| 1 – Howard County | | | |
| 1 – Montgomery County | | | |
| 2 – Prince George’s County | | | |
| 1 – Talbot County | | | |
| 1 – Wicomico County | | | |

Land record transactions have peaked. The gradual increase in interest rates will reduce refinancing title transactions. Deploying electronic filing of title

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transactions can also reduce paper and scanning of documents. Access to land records will be fully automated, and State Archives will be responsible for maintenance of land records once a land record “book” is completed and transferred to State Archives *Mdlandrec.net*.

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|-----|---|---------|----|------|
| 15. | Deny conversion of five contractual positions in Clerk of Court Land Record Offices in Calvert, Carroll, Harford, Prince George's, and Wicomico counties. Higher interest rates will reduce refinancing title work and electronic filing of title work will reduce paperwork. | 42,593 | GF | 5.0 |
| 16. | Deny 13 new positions for Circuit Court Clerk of the Court in 13 jurisdictions: Allegany County – child support clerk Anne Arundel – civil/family clerk Baltimore City – criminal assistant VI Baltimore County – licensing clerk Carroll County – civil file clerk Cecil County – courtroom clerk Charles County – criminal clerk Harford County – criminal clerk Howard County – civil clerk Kent County – civil/criminal clerk Queen Anne’s County – courtroom clerk St. Mary’s County – courtroom clerk civil Worcester County – courtroom clerk | 392,552 | GF | 13.0 |
| 17. | Deny contractual conversion of nine contractual positions in seven clerk of the court jurisdictions: Allegany County – civil/family clerk Cecil county – criminal assistant Charles County – criminal clerk Harford County – criminal clerk Prince George’s County – two civil clerks Worcester County – courtroom clerk for judge Baltimore City – purchasing/mailroom clerk Baltimore City – civil assistant | 72,127 | GF | 9.0 |

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|-----|---|-----------|----|-----|
| 18. | Reduce equipment rental contracts in circuit court clerks' offices. The Judiciary spent \$169,130 in fiscal 2004. The allowance is \$494,860. | 100,000 | GF | |
| 19. | Reduce increase in grants for Family Court Services. This action will reduce \$604,726 increases in case management grants (subobject 1206) but provide \$100,000 to fully fund the Truancy Prevention Pilot Program legislation enacted in 2004 (HB 1443, Chapter 551, Acts of 2004). This reduction will deny the \$315,581 increase in grants (subobject 1207) to Court Appointed Special Advocate Programs and \$80,831 new funding to provide legal assistance and safety planning services to victims of domestic violence and reduces the discretionary grant program (subobject 1299) by \$75,000 to provide the existing level of \$245,000. | 995,307 | GF | |
| 20. | Deny contractual conversion of a position in the Family Court Services. | 7,797 | GF | 1.0 |
| 21. | Reduce funds for Major Information Technology (IT) project development. | 2,031,862 | GF | |
- Case Management project (subprogram A003) – fund \$250,000 in requirements analysis but defer other expenditures of \$1,512,877 pending review of requirements analysis.
- IT Framework project (subprogram F003) – defer \$518,985, or half of telecommunications equipment, software, and hardware maintenance, and defer rest to fiscal 2007.
- Web-enabled Access (subprogram B003) – fully fund \$100,086 project.
- E-License (subprogram C003) – fully fund \$464,782 project.

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| | | |
|--------------------------------------|----------------------|-------------|
| Total Reductions | \$ 12,487,353 | 55.0 |
| Total General Fund Reductions | \$ 12,487,353 | |
| Total Special Fund Increase | \$ 5,213,644 | |

Updates

1. Judicial Compensation Commission

The Judicial Compensation Commission is resubmitting the salary recommendations that were not adopted by the legislature during the 2004 legislative session. The salary recommendations are contained in House Joint Resolution 3 and Senate Joint Resolution 1. Both resolutions were introduced on Tuesday January 18, 2005. Under Section 1-708(d) of the Courts and Judicial Proceedings Article of the Annotated Code, the General Assembly may amend the joint resolution to decrease any of the commission's salary recommendations but not to increase the recommendations. The General Assembly has 50 days after the introduction of the resolution to amend the resolution; otherwise, the salaries recommended by the commission apply. The recommendations as noted in **Exhibit 11** are formulated as a four-year phase-in of compensation, a procedure used by the General Assembly Compensation Commission and the Governor's Salary Commission. It is the intent of the commission, assuming the recommendations are adopted in 2005 and implemented as proposed, not to make another salary recommendation until 2010, thereby corresponding with the reports of the legislative and executive compensation commissions.

Exhibit 11 Judicial Compensation Commission Recommendations

| <u>Judge's Salary Proposal</u> | <u>Current Salary</u> | <u>Proposed 7-1-2005</u> | <u>Proposed 7-1-2006</u> | <u>Proposed 7-1-2007</u> | <u>Proposed 7-1-2008</u> | <u>Total Increase FY 05-09</u> |
|---------------------------------|-----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------------|
| Court of Appeals | | | | | | |
| Chief Judge | \$151,352 | \$155,852 | \$163,352 | \$172,352 | \$181,352 | \$30,000 |
| Associate Judge | 132,352 | 136,852 | 144,352 | 153,352 | 162,352 | \$30,000 |
| Court of Special Appeals | | | | | | |
| Chief Judge | 127,552 | 131,302 | 137,552 | 145,052 | 152,552 | \$25,000 |
| Associate Judge | 124,552 | 128,302 | 134,552 | 142,052 | 149,552 | \$25,000 |
| Circuit Court | 120,352 | 123,352 | 128,352 | 134,352 | 140,352 | \$20,000 |
| District Court | | | | | | |
| Chief Judge | 124,552 | 128,302 | 134,552 | 142,052 | 149,552 | \$25,000 |
| Associate Judge | 112,252 | 114,502 | 118,252 | 122,752 | 127,252 | \$15,000 |

Source: Judicial Compensation Commission House Joint Resolution 3 and Senate Joint Resolution 1

Current and Prior Year Budgets

Current and Prior Year Budgets Judiciary (\$ in Thousands)

| | <u>General Fund</u> | <u>Special Fund</u> | <u>Federal Fund</u> | <u>Reimb. Fund</u> | <u>Total</u> |
|----------------------------------|-------------------------|-------------------------|-------------------------|------------------------|------------------|
| Fiscal 2004 | | | | | |
| Legislative Appropriation | \$275,006 | \$20,672 | \$1,915 | \$0 | \$297,594 |
| Deficiency Appropriation | 0 | 0 | 0 | 0 | 0 |
| Budget Amendments | -213 | 12,446 | 733 | 0 | 12,966 |
| Cost Containment | 0 | 0 | 0 | 0 | 0 |
| Reversions and Cancellations | -5,269 | -766 | -168 | 0 | -6,203 |
| Actual Expenditures | \$269,525 | \$32,352 | \$2,480 | \$0 | \$304,357 |
| Fiscal 2005 | | | | | |
| Legislative Appropriation | \$277,920 | \$33,705 | \$2,691 | \$0 | \$314,316 |
| Budget Amendments | 2,610 | 4,027 | 0 | 0 | 6,637 |
| Working Appropriation | \$280,530 | \$37,733 | \$2,691 | \$0 | \$320,954 |

Note: Numbers may not sum to total due to rounding.

Fiscal 2004 Closeout

General Funds

The Judiciary had agreed voluntarily to \$4.2 million in additional cost containment savings in fiscal 2004. The Judiciary closed fiscal 2004 with general fund reversions of \$5,268,628. This included \$732,511 in child support enforcement expenses that were reimbursed by federal funds in the Clerk of the Court Offices in Montgomery and Prince George's counties.

The -\$213,000 general fund budget amendment transfers funds to the Department of Public Safety and Correctional Services for shared telecommunication expenses of the Criminal Justice Information System. Section 17 of the fiscal 2004 budget bill authorized the realignment of telecommunication expenses.

Special Funds

The \$12,446,291 budget amendment reflects the receipt of additional revenue from the Land Record Improvement Fund. The funds supported the electronic recording and archiving of land records in the Clerk of the Circuit Court Land Record Offices and Maryland State Archives.

Fiscal 2005

General funds increase \$2.6 million in fiscal 2005 due to the allocation of the \$752 per employee cost-of-living increase that was funded in the Department of Budget and Management budget. A special fund budget amendment provides a \$4.0 million increase in the \$7.0 million grant to the Maryland Legal Services Corporation (MLSC) fund. The additional funds are available from a statutory increase in circuit court and District Court costs and charges in civil cases (SB 316, Chapter 448, Acts of 2004). The legislation requires the additional fees be deposited into the MLSC fund account.

Audit Findings

| | |
|------------------------------|-------------------------------|
| Audit Period for Last Audit: | July 20, 2000 – July 31, 2003 |
| Issue Date: | April 2004 |
| Number of Findings: | 8 |
| Number of Repeat Findings: | 5 |
| % of Repeat Findings: | 62.5 % |
| Rating: (if applicable) | |

- Finding 1:** **Appropriate procurement practices were not always used.**
- Finding 2:** Database software may not have been obtained in the most cost effective manner and price negotiations were not documented.
- Finding 3:** **The Judiciary was not adequately administering the implementation of the electronic land records system.**
- Finding 4:** **Total systems costs for the uniform court system had not been determined and related project information had not been submitted to the General Assembly.**
- Finding 5:** **The District Court did not establish adequate internal control over collections.**
- Finding 6:** The District Court fund had not been reconciled in a timely manner at one District Court.
- Finding 7:** (Policy Issue). A policy regarding the investigation of possible criminal or unethical activity had not been established.
- Finding 8:** **Adequate control and accountability was not maintained over equipment.**

*Bold denotes item repeated in full or part from preceding audit report.

**Object/Fund Difference Report
Judiciary**

| <u>Object/Fund</u> | <u>FY04 Actual</u> | <u>FY05 Working Appropriation</u> | <u>FY06 Allowance</u> | <u>FY05 - FY06 Amount Change</u> | <u>Percent Change</u> |
|-----------------------------|------------------------|---|---------------------------|--------------------------------------|---------------------------|
| Positions | | | | | |
| 01 Regular | 3223.75 | 3223.75 | 3328.25 | 104.50 | 3.2% |
| 02 Contractual | 390.00 | 391.00 | 359.00 | -32.00 | -8.2% |
| Total Positions | 3613.75 | 3614.75 | 3687.25 | 72.50 | 2.0% |
| Objects | | | | | |
| 01 Salaries and Wages | \$ 188,887,631 | \$ 195,259,149 | \$ 209,937,320 | \$ 14,678,171 | 7.5% |
| 02 Technical & Spec Fees | 9,255,135 | 11,553,834 | 10,394,244 | -1,159,590 | -10.0% |
| 03 Communication | 9,048,904 | 8,848,590 | 10,445,753 | 1,597,163 | 18.0% |
| 04 Travel | 532,932 | 1,167,216 | 1,412,505 | 245,289 | 21.0% |
| 06 Fuel & Utilities | 412,289 | 474,286 | 514,686 | 40,400 | 8.5% |
| 07 Motor Vehicles | 193,418 | 152,608 | 198,817 | 46,209 | 30.3% |
| 08 Contractual Services | 33,264,411 | 41,469,505 | 44,351,908 | 2,882,403 | 7.0% |
| 09 Supplies & Materials | 3,910,608 | 5,617,432 | 5,399,687 | -217,745 | -3.9% |
| 10 Equip - Replacement | 6,683,653 | 6,648,564 | 5,767,058 | -881,506 | -13.3% |
| 11 Equip - Additional | 7,770,651 | 3,162,590 | 3,571,230 | 408,640 | 12.9% |
| 12 Grants, Subsidies, Contr | 28,277,752 | 32,350,965 | 33,822,889 | 1,471,924 | 4.5% |
| 13 Fixed Charges | 12,424,985 | 12,380,651 | 13,392,648 | 1,011,997 | 8.2% |
| 14 Land & Structures | 3,694,228 | 1,869,000 | 3,363,196 | 1,494,196 | 79.9% |
| Total Objects | \$ 304,356,597 | \$ 320,954,390 | \$ 342,571,941 | \$ 21,617,551 | 6.7% |
| Funds | | | | | |
| 01 General Fund | \$ 269,524,623 | \$ 280,530,345 | \$ 302,084,648 | \$ 21,554,303 | 7.7% |
| 03 Special Fund | 32,352,005 | 37,732,880 | 37,732,880 | 0 | 0% |
| 05 Federal Fund | 2,479,969 | 2,691,165 | 2,754,413 | 63,248 | 2.4% |
| Total Funds | \$ 304,356,597 | \$ 320,954,390 | \$ 342,571,941 | \$ 21,617,551 | 6.7% |

Note: The fiscal 2005 appropriation does not include deficiencies, and the fiscal 2006 allowance does not reflect contingent reductions.

**Fiscal Summary
Judiciary**

| <u>Program/Unit</u> | <u>FY04 Actual</u> | <u>FY05 Wrk Approp</u> | <u>FY06 Allowance</u> | <u>Change</u> | <u>FY05 - FY06 % Change</u> |
|--|------------------------|----------------------------|---------------------------|----------------------|---------------------------------|
| 01 Court of Appeals | \$ 6,256,634 | \$ 6,749,221 | \$ 7,208,769 | \$ 459,548 | 6.8% |
| 02 Court of Special Appeals | 6,559,607 | 6,981,518 | 7,100,869 | 119,351 | 1.7% |
| 03 Circuit Court Judges | 43,824,243 | 45,145,911 | 48,097,340 | 2,951,429 | 6.5% |
| 04 District Court | 104,876,965 | 109,057,870 | 116,119,936 | 7,062,066 | 6.5% |
| 05 Maryland Judicial Conference | 0 | 10,000 | 225,000 | 215,000 | 2150.0% |
| 06 Administrative Office of the Courts | 22,970,265 | 33,093,009 | 33,264,920 | 171,911 | 0.5% |
| 07 Court Related Agencies | 4,906,101 | 4,501,667 | 4,722,330 | 220,663 | 4.9% |
| 08 State Law Library | 2,190,375 | 1,853,708 | 1,999,119 | 145,411 | 7.8% |
| 09 Judicial Data Processing | 20,732,345 | 19,623,627 | 20,465,513 | 841,886 | 4.3% |
| 10 Clerks of the Circuit Court | 63,727,796 | 71,859,206 | 76,662,962 | 4,803,756 | 6.7% |
| 11 Family Law Division | 11,531,242 | 11,374,921 | 12,584,675 | 1,209,754 | 10.6% |
| 12 Major IT Projects | 16,781,024 | 10,703,732 | 14,120,508 | 3,416,776 | 31.9% |
| Total Expenditures | \$ 304,356,597 | \$ 320,954,390 | \$ 342,571,941 | \$ 21,617,551 | 6.7% |
| General Fund | \$ 269,524,623 | \$ 280,530,345 | \$ 302,084,648 | \$ 21,554,303 | 7.7% |
| Special Fund | 32,352,005 | 37,732,880 | 37,732,880 | 0 | 0% |
| Federal Fund | 2,479,969 | 2,691,165 | 2,754,413 | 63,248 | 2.4% |
| Total Appropriations | \$ 304,356,597 | \$ 320,954,390 | \$ 342,571,941 | \$ 21,617,551 | 6.7% |

Note: The fiscal 2005 appropriation does not include deficiencies, and the fiscal 2006 allowance does not reflect contingent reductions.