ANALYSIS OF THE NEW JERSEY

FISCAL YEAR 2003 - 2004 BUDGET

THE JUDICIARY

PREPARED BY

OFFICE OF LEGISLATIVE SERVICES

NEW JERSEY LEGISLATURE

APRIL 2003
This report was prepared by the Judiciary Section of the Office of Legislative Services under the direction of the Legislative Budget and Finance Officer. The primary author was Anne C. Raughley.

Questions or comments may be directed to the OLS Judiciary Section (Tel. 609 292-5526) or the Legislative Budget and Finance Office (Tel. 609 292-8030).
The Judiciary

Budget Pages....... C-14, C-21, C-29, D-513 to D-521

Fiscal Summary ($000)

<table>
<thead>
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<th></th>
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</thead>
<tbody>
<tr>
<td>State Budgeted</td>
<td>$479,153</td>
<td>$504,703</td>
<td>$502,164</td>
<td>(0.5)%</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>62,447</td>
<td>60,714</td>
<td>69,212</td>
<td>14.0%</td>
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<tr>
<td>Other</td>
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<td>38,289</td>
<td>39,000</td>
<td>1.9%</td>
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<tr>
<td>Grand Total</td>
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<td>$603,706</td>
<td>$610,376</td>
<td>1.1%</td>
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Personnel Summary - Positions By Funding Source

<table>
<thead>
<tr>
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<th>Actual FY 2002</th>
<th>Revised FY 2003</th>
<th>Funded FY 2004</th>
<th>Percent Change 2003-04</th>
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<tbody>
<tr>
<td>State</td>
<td>7,839</td>
<td>7,539</td>
<td>7,798</td>
<td>3.4%</td>
</tr>
<tr>
<td>Federal</td>
<td>1,333</td>
<td>1,201</td>
<td>1,230</td>
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<tr>
<td>Other</td>
<td>189</td>
<td>206</td>
<td>223</td>
<td>8.3%</td>
</tr>
<tr>
<td>Total Positions</td>
<td>9,361</td>
<td>8,946</td>
<td>9,251</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

FY 2002 (as of December) and revised FY 2003 (as of September) personnel data reflect actual payroll counts. FY 2004 data reflect the number of positions funded.

Introduction

The Judiciary is responsible for the operation of the State's court system and the regulation of attorneys. The Judiciary also provides technical and administrative support to the courts. In addition, it designs, supervises and operates many court-related programs at the State, county and municipal levels of government.

The Chief Justice of the New Jersey Supreme Court serves as the administrative head of the court system. The Chief Justice directs court policy and appoints special committees to investigate problems and issues concerning the administration of the judicial system. The Administrative Office of the Courts (AOC) serves as the administrative arm of the Chief Justice.
Key Points

- Recommended FY 2004 State funding for the Judiciary is $502.2 million, $2.5 million or 0.5 percent less than the Judiciary's FY 2003 adjusted appropriation of $504.7 million.

- A reduction of $2.5 million is recommended in the Judiciary's salary accounts. The recommended reduction represents savings generated throughout the Judiciary by the early retirement of employees who opted for the FY 2003 Early Retirement Program, but obtained an extension of their retirement dates to July 1, 2003.

- A total of $18.366 million is recommended for drug courts in FY 2004, the same amount appropriated during FY 2003. This appropriation is divided into three distinct categories: Drug court operations which is allotted $4.45 million; Judicial positions, which would receive $1.498 million; and treatment and aftercare services which would receive $12.418 million. While the Judiciary would retain the $5.95 million appropriated for operations and judicial positions, the remaining $12.4 million would be transferred to the Department of Health and Senior Services for treatment and aftercare services. Drug Courts provide for intensive, court supervised substance abuse treatment for carefully screened non-violent, addicted offenders as an alternative to incarceration.

- The FY 2004 budget recommends $3.151 million for the Kinship Legal Guardianship Program. P.L.2001, c.250 established the Kinship Legal Guardianship program which provides for the needs of children who cannot reside with parents due to their parents' incapacity or inability to care for them, but does not entirely sever parental contact or responsibilities. The program designates as kinship legal guardians care givers who have a biological, legal, extended or committed emotional or psychological relationship with a child and who are willing to assume care of the child with the intent to raise the child to adulthood. A kinship legal guardian is responsible for the care and protection of the child and for providing for the child's health, education and maintenance, while the child's parents retain the right to visitation and the right to consent to adoption. Parents are also obligated to pay child support.

- The Intensive Supervision Program (ISP) is recommended to receive $10.4 million in FY 2004, the same amount as the FY 2003 adjusted appropriation. The ISP program places State-sentenced non-violent adult offenders in alternative, strictly supervised community programs after two months of incarceration. The program operates as an alternative to incarcerating non-violent offenders in the overpopulated State prison system, thus reserving prison bed spaces for violent offenders. During FY 2003, the program diverted 1,217 non-violent adult offenders from the State's prisons. Of these offenders, 357 or 29 percent, were returned to prison for various infractions of the ISP regulations. The FY 2004 recommended appropriation would again support 1,217 program participants.

- P.L.2002, c.34 provides for an increase in a number of judicial court fees and provides that revenue derived from fee increases be deposited in a non-lapsing "Court Technology Improvement Fund". The fund was established as a dedicated fund to be used for the development, establishment, operation and maintenance of computerized court information systems in the Judiciary. The budget recommendation estimates that $13.9 million will be collected for this purpose in FY 2004.

- The Judiciary anticipates the receipt of $69.2 million in Federal Funding in FY 2004, an increase of $8.5 million or 14 percent over the FY 2003 adjusted appropriation. The increase constitutes the receipt of federal matching funds for the Title IV-D Paternity program in both the Family and Probation Divisions. Under Title IV-D, the federal
Key Points (cont’d)

government reimburses the State and counties for 66.7 percent of the cost of conducting child support enforcement activities. Because the FY 2004 budget does not recommend an increase in State matching funds commensurate with this increase in federal funding, the Judiciary will have to reallocate its resources to attain the projected amount of federal revenue.

- The Judiciary has historically received authorization to carry forward unexpended balances into the following fiscal year. FY 2004 recommended budget language would permit the reappropriation of up to $3 million in unexpended balances from FY 2003 subject to the approval of the Director of the Division of Budget and Accounting.
Program Description and Overview

The Judiciary is responsible for the operation of the State's court system and the regulation of attorneys. The Judiciary is organized into 15 vicinages encompassing the 21 counties in New Jersey, and the Administrative Office of Courts which provides administrative services to the courts. Court operations include the Supreme Court, Superior Court - Appellate Division, Civil, Criminal and Family Courts, Probation Services and Court Reporting Services. Probation Services is responsible for the Statewide supervision of all probationers and the provision of probation services in the 15 vicinages while Court Reporting transcribes the proceedings of those trials requiring a written transcript. The Judiciary also provides oversight, supervision and technical support to the 537 locally funded municipal courts throughout the State.

The Chief Justice of the New Jersey Supreme Court serves as the administrative head of the court system. The Chief Justice directs court policy and appoints special committees to investigate problems and issues concerning the administration of the judicial system. The Administrative Office of the Courts (AOC) serves as the administrative arm of the Chief Justice.

OVERVIEW

The FY 2004 recommended Direct State Services budget for the Judiciary is $502.2 million, 0.5 percent or $2.5 million less than the FY 2003 adjusted appropriation of $504.7 million. The decrease reflects savings generated by those employees opting to participate in the Early Retirement Incentive program in FY 2003, but who were given approval to delay their actual retirement date under the delayed retirement option of the program.

The Judiciary's FY 2004 budget recommendation includes a Direct State Services appropriation of $378 million for the operation of the 15 trial court vicinages. The vicinages are also recipients of approximately $48.2 million in federal funding, $48 million of which is in the form of reimbursements for child support collection activities (Title IV-D). The Judiciary estimates that it will collect about $1.031 billion in child support payments in FY 2004, distributing 5.3 million checks to custodial parents, an increase of $67 million over the FY 2003 estimated collection level of $964 million. Under Title IV-D, the federal government reimburses the State and counties for 66.7 percent of the cost of conducting child support enforcement activities.

Recommended FY 2004 general language provisions (budget page F-3) would provide the Judiciary with the authority to transfer funding among accounts as necessary without the approval of the Director of the Division of Budget and Accounting or the Legislative Budget and Finance Officer. This language was first included in the Annual Appropriations Act in FY 2003.

PERSONNEL

The Judiciary has a total of 460 judicial positions. Of these 7 are Supreme Court justices, 12 are Tax Court judges, and 441 are Superior Court judges. As of March 22, 2003, 22 of these positions were vacant. It is expected that 14 more judicial vacancies will become available before the end of FY 2004, as a result of pending judicial retirements. Of this total, two retirements will occur in FY 2003 and 12 will occur in FY 2004.

Judicial salaries were increased in stages over a three-year period beginning on January 1, 2000 pursuant to P.L. 1999, c. 380. Under the statute, the Chief Justice, Superior Court Associate Justices, Superior Court Appellate Justices, Assignment Judges and Tax Court Judges all became
Program Description and Overview (Cont’d)

eligible for increases on an annual basis. Current judicial salaries are as follows:

**JUDICIAL SALARIES**
P.L. 1999 c.380

<table>
<thead>
<tr>
<th>Judge</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supreme Court Chief Justice</td>
<td>$164,250</td>
</tr>
<tr>
<td>Supreme Court Associate Justice</td>
<td>$158,500</td>
</tr>
<tr>
<td>Superior Court Appellate Division Judge</td>
<td>$150,000</td>
</tr>
<tr>
<td>Superior Court Assignment Judge</td>
<td>$146,750</td>
</tr>
<tr>
<td>Superior Court Judge</td>
<td>$141,000</td>
</tr>
<tr>
<td>Tax Court Judge</td>
<td>$141,000</td>
</tr>
</tbody>
</table>

The FY 2004 budget provides funding for 9,251 State, federal and other positions. Of these positions, 7,798 are State supported, 1,230 are federally funded, and 223 are funded from other sources such as dedicated or revolving funds.

The majority of the federally funded positions are dedicated to the Title IV-D Child Support and Paternity programs and are supported by the Title IV-D federal reimbursement. Under Title IV-D, the federal government reimburses the State 66.7 percent of the cost of operating this function, while the State is responsible for the remaining 33.3 percent. Child support collections receive this federal support because of the assumption that payments made by many non-custodial parents to poverty level custodial parents would offset the cost of welfare payments made to these parents under the Aid to Families with Dependent Children program.

**RECENT ENACTMENTS**

*Increased Filing Fees*

P.L.2002, c.34 provides for an increase in a number of judicial court fees and provides that revenue derived from fee increases be deposited in a non-lapsing "Court Technology Improvement Fund". The fund was established as a dedicated fund to be used for the development, establishment, operation and maintenance of computerized court information systems in the Judiciary. The budget recommendation estimates that $13.9 million will be collected for this purpose in FY 2004. (See Information Technology, below)
Program Description and Overview (Cont'd)

Increased Juror Compensation

P.L. 2001, c.38 increased the amount of compensation paid to jurors. Prior to the enactment of P.L. 2001, c.38, all individuals called to perform jury duty service were compensated at a rate of $5 per day. Under the statute, for each consecutive day of attendance in excess of three days, jurors would be eligible for an additional $35 per day (i.e., for a total per diem reimbursement on those days of $40). The term "consecutive" day excludes Saturdays, Sundays, State holidays or days when a trial is in recess. Public employees, who are entitled to their usual compensation while on jury duty, would not be eligible for the increase in compensation.

Kinship Legal Guardianship Program

P.L.2001, c.250 established the Kinship Legal Guardianship program which took effect on January 1, 2002. The program provides for the needs of children who cannot reside with parents due to their parents' incapacity or inability to care for them, but does not entirely sever parental contact or responsibilities. The program designates as kinship legal guardians care givers who have a biological, legal, extended or committed emotional or psychological relationship with a child and who are willing to assume care of the child with the intent to raise the child to adulthood. A kinship legal guardian is responsible for the care and protection of the child and for providing for the child's health, education and maintenance, while the child's parents retain the right to visitation and the right to consent to adoption. Parents are also obligated to pay child support. The program created seven additional judgeships to oversee drug court cases. The FY 2004 recommendation provides continuation funding totaling $3.151 million for the program.

Drug Offender Restraining Order

P.L. 2001, c.365 revised the "Drug Offender Restraining Order Act of 1999" to permit rather than require courts to issue restraining orders prohibiting certain offenders from entering premises, locations or areas where the offense occurred.

Drug Court

P.L. 2001, c.243 provided for the expansion of the drug court pilot program into a Statewide program, created six additional judgeships, and appropriated $4 million to the Judiciary for this purpose. The pilot, which had been supported in five vicinages by federal funding, provides for court supervised substance abuse treatment for carefully screened non-violent, addicted offenders as an alternative to incarceration (see Drug Court below).

Alternatives to Incarceration

Drug Court

The New Jersey Judiciary has been actively pursuing various alternatives to incarceration strategies over the past several years in an attempt to: reduce the number of repeat offenders appearing before the courts; reduce the number of individuals remanded to the State's correctional system; and reduce the demand for correctional bed spaces.

Toward this end, the Judiciary began operating the Drug Court program on a pilot project
Program Description and Overview (cont’d)

basis in several vicinages in cooperation with the Departments of Corrections and Health and Senior Services, and the Public Defender. The program, which was funded through federal grants and appropriations to both the Judiciary and to the Department of Corrections, involves these agencies in a cooperative effort to oversee intensive, court supervised substance abuse treatment for carefully screened non-violent, addicted offenders as an alternative to incarceration.

Several of the vicinages which received planning and startup funding from the federal government for the initial years of drug court operation exhausted this source of funding and needed State appropriations for program continuation. Addressing this issue, the Legislature enacted P.L. 2001, c.243, which provided for the expansion of the drug court program Statewide and appropriated $4 million. Of that appropriation, $2.43 million was appropriated to the Judiciary as follows: $1.458 million for the staff associated with the operation of the drug courts and $972,000 for six additional judgeships to hear the increased number of cases. The balance of $1.57 million was appropriated to the Department of Health and Senior Services for in-patient and out-patient substance abuse treatment of adult and juvenile criminal offenders referred to the program.

Camden, Essex, Mercer, Passaic and Union vicinages served as pilot programs, and received funding during the first phase of the drug court program as their federal funding expired. The remaining vicinages which will be fully State funded are scheduled to begin operating on a phased basis. Bergen, Cumberland/Gloucester/Salem, Monmouth, Ocean and Morris/Sussex vicinages began operation of their drug courts on April 1, 2002. Because of the need to identify substance abuse bed spaces for drug court participants, the Judiciary has deferred the implementation of the final five vicinages to another fiscal year. The FY 2004 recommendation for the drug court program remains at $4.45 million for Drug Court operations, $1.498 million for the judgeships assigned to the program, and $12.4 million for treatment and aftercare expenses.

Intensive Supervision Program

The Intensive Supervision Program (ISP) is recommended to receive $10.4 million in FY 2004, the same amount as the FY 2003 adjusted appropriation. The ISP program places State-sentenced non-violent adult offenders in alternative, strictly supervised community programs after two months of incarceration. The program operates as an alternative to incarcerating non-violent offenders in the overpopulated State prison system, thus reserving prison bed spaces for violent offenders. During FY 2003, the program diverted 1,217 non-violent adult offenders from the State’s prisons. Of these offenders, 357 or 29 percent, were returned to prison for various infractions of the ISP regulations. The FY 2004 recommended appropriation would again support 1,217 program participants.

Juvenile Intensive Supervision Program

The Juvenile Intensive Supervision Program (JISP), a program for juvenile offenders, is recommended to receive continued funding in the amount of $2.05 million in FY 2004. The program is structured to provide Family Court judges with an alternative to incarceration for selected juvenile offenders. According to budget evaluation data, the FY 2004 recommended appropriation would support 325 program participants. Of these offenders, 70, or 21.5 percent of the program participants, are expected to be returned to the juvenile justice system for various infractions of the JISP regulations.
INFORMATION TECHNOLOGY UPGRADE

The Judiciary notes that it relies on its information systems for its basic operations. Most of the transactions made and records filed each day are recorded and saved via information technology. In response to a question posed by the Office of Legislative Services concerning the Judiciary’s information technology program during the FY 2003 budget process the Judiciary stated:

New Jersey’s court information systems are vital to the operations of the Judiciary and various state and local agencies as well. The Judiciary uses statewide automated systems for all cases, from parking tickets in each municipality to appeals to the Supreme Court. There are 20,000 users and more than 3 million computerized transactions per day. The systems automate management of cases, including docketing, scheduling, noticing, and recordation of payments. They are the official court record of each case. The courts are completely dependent on these systems.

The Judiciary notes that its information technology system is operating on 20-year old technology in almost all of its key systems. As a result, program expansion and enhancements are difficult, if not impossible to implement. In response to this, the Judiciary has developed a strategic plan that would address these needs and update the system to accommodate continued operation and future expansion. P.L.2002, c.34, which raised fees and deposited the revenue from these fee increases into a Court Technology Improvement Fund, would allow the Judiciary to begin this upgrade. The FY 2004 budget recommendation estimates that a total $13.9 million will be collected for this purpose each year.

OTHER PROGRAMS

The Bar Admissions Financial Committee is funded through a fee charged to all applicants to the New Jersey bar and revenues reflect the number of applicants to the New Jersey bar. The Judiciary anticipates FY 2004 collections of $2.292 million for this program, a modest decrease from the FY 2003 collections level of $2.304 million.

The Board on Attorney Certification is self-funded by fees charged to attorneys seeking certification in Civil Trial, Criminal Trial, Matrimonial Law and Workers Compensation Law in New Jersey. The FY 2004 income for this program is expected to decline to $197,000 from the FY 2003 level of $290,000.

The Supreme Court operates two programs funded through assessments charged to all practicing attorneys, the Ethics Financial Committee and the New Jersey Lawyers Fund for Client Protection. The Ethics Financial Committed is expected to increase collections by $333,000, from $6.9 million in FY 2003 to $7.233 million in FY 2004. The New Jersey Lawyers Fund for Client Protection is projected to collect $1.345 million in FY 2004, a modest increase over the FY 2003 collections of $1.327 million.

The FY 2004 budget recommends $400,000 for the Parents’ Education Program, an increase of $70,000 over the FY 2003 adjusted appropriation. The program, which was authorized under P.L. 1999, c.111, requires all parties filing an action for divorce, wherein the custody, visitation or support of a minor child is an issue, to participate in a Parents’ Education program. The program
Program Description and Overview (Cont’d)

is designed to assist and advise divorced or separating parents on issues concerning divorce, separation and custody. Its goal is to provide the parties with a better understanding of the legal process, costs and financial responsibilities both parties are likely to face during the divorce process and is funded through a $25 fee imposed upon program participants.

CARRY FORWARD

The Judiciary has historically received authorization to carry forward unexpended balances into the following fiscal year. The FY 2004 recommended budget continues FY 2003 language provisions which would permit the Judiciary to carry forward up to $3 million in unexpended balances at the end of FY 2003 subject to the approval of the Director of the Division of Budget and Accounting.
FY 2004
THE JUDICIARY
STATE OF NEW JERSEY
Funded Position Levels
All Funding Sources

Total Positions - 9,420

Direct State Services, Lump Sum, Federal and Dedicated
Based on Position Evaluation Data for FY 2004 Budget
## Fiscal and Personnel Summary

### AGENCY FUNDING BY SOURCE OF FUNDS ($000)

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>General Fund</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
| Direct State Services | $479,063         | $504,703                 | $502,164            | 4.8%                   | (0.5)%
| Grants-In-Aid   | 90               | 0                        | 0                   | (100.0)%               | 0.0%                   |
| State Aid       | 0                | 0                        | 0                   | 0.0%                   | 0.0%                   |
| Capital Construction | 0               | 0                        | 0                   | 0.0%                   | 0.0%                   |
| Debt Service    | 0                | 0                        | 0                   | 0.0%                   | 0.0%                   |
| **Sub-Total**   | **$479,153**     | **$504,703**             | **$502,164**        | **4.8%**               | **(0.5)%**             |
| Property Tax Relief Fund |        |                          |                     |                        |                        |
| Direct State Services | $0             | $0                       | $0                  | 0.0%                   | 0.0%                   |
| Grants-In-Aid   | 0                | 0                        | 0                   | 0.0%                   | 0.0%                   |
| State Aid       | 0                | 0                        | 0                   | 0.0%                   | 0.0%                   |
| **Sub-Total**   | **$0**           | **$0**                   | **$0**              | **0.0%**               | **0.0%**               |
| Casino Revenue Fund | $0          | $0                       | $0                  | 0.0%                   | 0.0%                   |
| Casino Control Fund | $0           | $0                       | $0                  | 0.0%                   | 0.0%                   |
| **State Total** | **$479,153**     | **$504,703**             | **$502,164**        | **4.8%**               | **(0.5)%**             |
| Federal Funds   | $62,447          | $60,714                  | $69,212             | 10.8%                  | 14.0%                  |
| Other Funds     | $22,808          | $38,289                  | $39,000             | 71.0%                  | 1.9%                   |
| **Grand Total** | **$564,408**     | **$603,706**             | **$610,376**        | **8.1%**               | **1.1%**               |

### PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>State</td>
<td>7,839</td>
<td>7,539</td>
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<td>(0.5)%</td>
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<td>Federal</td>
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<td>1,201</td>
<td>1,230</td>
<td>(7.7)%</td>
<td>2.4%</td>
</tr>
<tr>
<td>All Other</td>
<td>189</td>
<td>206</td>
<td>223</td>
<td>18.0%</td>
<td>8.3%</td>
</tr>
<tr>
<td><strong>Total Positions</strong></td>
<td><strong>9,361</strong></td>
<td><strong>8,946</strong></td>
<td><strong>9,251</strong></td>
<td><strong>(1.2)%</strong></td>
<td><strong>3.4%</strong></td>
</tr>
</tbody>
</table>

FY 2002 (as of December) and revised FY 2003 (as of September) personnel data reflect actual payroll counts. FY 2004 data reflect the number of positions funded.

### AFFIRMATIVE ACTION DATA

<table>
<thead>
<tr>
<th>Category</th>
<th>Actual FY 2002</th>
<th>Revised FY 2003</th>
<th>Funded FY 2004</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Minority Percent</td>
<td>34.0%</td>
<td>34.0%</td>
<td>34.0%</td>
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Significant Changes/New Programs ($000)

<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>MANAGEMENT AND ADMINISTRATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>$12,618</td>
<td>$10,091</td>
<td>($2,527)</td>
<td>(20.0)%</td>
<td>D-519</td>
</tr>
</tbody>
</table>

The recommended reduction represents savings generated throughout the Judiciary by the early retirement of employees who opted for the FY 2003 Early Retirement Program, but obtained an extension of their retirement dates to July 1, 2003.

FEDERAL FUNDS

CRIMINAL COURTS

$100 $0 ($100) (100.0)% D-521

The FY 2003 grant of $100,000 by the Federal Office of Justice Programs for Drug Court pilot programs has expired and will not be continued. In FY 2003 the State expanded the drug court pilot program and is phasing in the Statewide implementation of the program. In FY 2003 the State funded drug courts in 10 of the 15 vicinages.

FAMILY COURTS

$18,123 $18,078 ($45) (0.2)% D-521

While the net decrease in Family Court Federal funding is only $45,000, this decrease reflects shifts in various programs:

The New Jersey State Court Improvement grant is intended to help State courts perform their role in the continuum of care provided for families and children at risk. The FY 2004 recommendation of $350,000 represents a reduction of $153,000 under the FY 2003 appropriation of $503,000.

The State Access and Visitation Program began in FY 1997. The program enables states to establish and administer programs to support and facilitate non-custodial parents' access to and visitation of their children. The program is recommended to receive $250,000 in FY 2004, an $80,000 reduction.

Funding for Juvenile drug courts in 3 vicinages, Camden, Passaic and Mercer totaling $1.425 million will not be repeated in FY 2004. The FY 2003 appropriation for these programs represented multi-year funding. The Camden program which received $325,000, and Passaic program which received $550,000 in FY 2003 are funded until the Spring of 2004. No funding is recommended for continuation of these programs from State sources in FY 2004. The Mercer program, which received $550,000 is funded until the Spring of 2005.

A $1.6 million increase in the Child Support and Paternity Program would fund increased salary expenditures in FY 2004. This increase is contingent upon the Judiciary reallocating State funds to provide the required one-third match.
Significant Changes/New Programs ($000) (cont'd)

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PROBATION SERVICES</td>
<td>$42,491</td>
<td>$51,134</td>
<td>$8,643</td>
<td>20.3%</td>
<td>D-521</td>
</tr>
</tbody>
</table>

The FY 2004 recommendation for Federal Funding for Probation Services includes an increase of $9 million for the Title IV-D Child Support and Paternity program to funding FY 2004 salary increases. This increase is contingent upon the Judiciary reallocating State funds to provide the required one-third match.

Modest decreases in this line item include a reduction of $200,000 for the Juvenile Mentoring program in Essex Vicinage. The program, which was never implemented, has been eliminated. The Community Service Learning Program for Adjudicated Youth is recommended to receive no funding in FY 2004. This program, which received $211,000 in FY 2003 expired in September, 2002, and will not be continued.

ALL OTHER FUNDS

| SUPREME COURT | $10,821 | $11,067 | $246 | 2.3% | D-521 |

The Supreme Court oversees operation of several self-funded activities. The Bar Admissions Financial Committee is funded through a fee charged to all applicants to the New Jersey bar and revenues reflect the number of these applicants. The Judiciary anticipates FY 2004 collections of $2.292 million for this program, a modest decrease from the FY 2003 collection level of $2.304 million.

The Board on Attorney Certification is self-funded by fees charged to attorneys seeking certification in Civil Trial, Criminal Trial, Matrimonial Law and Workers Compensation Law in New Jersey. The FY 2004 income for this program is expected to decline to $197,000 from the FY 2003 level of $290,000.

The Ethics Financial Committee and the New Jersey Lawyers Fund for Client Protection are funded through assessments charged to all practicing attorneys. The Ethics Financial Committee is expected to increase collections by $333,000, from $6.9 million in FY 2003 to $7.233 million in FY 2004. The New Jersey Lawyers Fund for Client Protection is projected to collect $1.345 million in FY 2004, a modest increase over the FY 2003 collections of $1.327 million.

CIVIL COURTS

| $1,808 | $1,766 | ($42) | (2.3)% | D-521 |

FY 2004 funding represents a reduction in receipts from the Superior Court Trust Fund. The Superior Court Trust Fund consists of deposits made with the court as a result of various actions such as foreclosures, condemnations, liquidations, dissolutions, good faith deposits by insurers, sales of infants' lands, insolvencies, receiverships and interpleaders.
The FY 2004 recommendation for Other Funds in the Family Courts constitutes the Parents Education Program. The program, which was authorized under P.L. 1999, c.111, requires all parties filing an action for divorce, wherein the custody, visitation or support of a minor child is an issue, to participate in a Parents' Education program. The program is designed to assist and advise divorced or separating parents on issues concerning divorce, separation and custody. Its goal is to provide the parties with a better understanding of the legal process, costs and financial responsibilities both parties are likely to face during the divorce process and is funded through a $25 fee imposed upon program participants. The FY 2004 recommendation is based on anticipated participation in the program.

The FY 2004 recommendation reflects increased collections of the Automated Traffic System for Municipal Courts. The Automated Traffic System is funded from surcharges imposed on all traffic tickets written in the State.

The FY 2004 recommendation consists in part of an increase in collections by the Comprehensive Enforcement Program of $122,000. The program is anticipated to collect $2,004 million in FY 2004, a 6.5 percent increase over the FY 2003 collection level of $1,882 million. In addition, an increase of $15,000 is projected in the collections of the Court Computerized Collections Fund. FY 2004 collections are anticipated to total $440,000.

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<tr>
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Language Provisions

There are no new or revised language provisions in FY 2004, nor are any FY 2003 language provisions deleted.


Discussion Points

1. During the past several fiscal years the Judiciary has been attempting to obtain funds in order to upgrade its information technology system. Because of the lack of capital funding to accomplish this the Judiciary has made use of carry forward funding and other internal sources of funding to begin this effort. In FY 2003, the Judiciary was given authorization to raise fees in order to generate funds to continue with the upgrade effort. The budget recommendation estimates that the Judiciary will collect $13.9 million for this purpose in FY 2004. As of March 31, 2003, about $7.1 million has been collected.

- Question: What is the status of the Judiciary’s information technology upgrade? How has the Judiciary spent the new fees? What needs to be done? Is the fee revenue sufficient to maintain the Judiciary’s IT program?

2. P.L. 2001, c.243, provided for the expansion of the drug court pilot program into a Statewide program and appropriated $4 million to the Judiciary for this purpose. The pilot, which had been supported in five vicinages by federal funding, provides for court supervised substance abuse treatment for carefully screened non-violent, addicted offenders as an alternative to incarceration. No funding is recommended in FY 2004 for extension of the program to the final five vicinages.

- Question: What is the status of the expansion of drug courts from 5 vicinages to 10? What is the status of the expansion to the final five vicinages? How does this affect services to potential drug court participants in the vicinages in which the program is not operating? What data, if any, is available concerning the recidivism rate of drug court participants? How does this rate compare with the recidivism rate of participants of the Intensive Supervision Program?

3. The Kinship Legal Guardianship program (P.L.2001, c.250) provides for the needs of children who cannot reside with parents due to their parents’ incapacity or inability to care for them, but does not entirely sever parental contact or responsibilities. The program designates as kinship legal guardians care givers who have a biological, legal, extended or committed emotional or psychological relationship with a child and who are willing to assume care of the child with the intent to raise the child to adulthood. According to December 2002 news reports, the program, which took effect January 1, 2002 had few participants because of the slow enrollment process and stringent participation rules.

- Question: What is the status of the Kinship Legal guardianship program? What steps have been taken to streamline the enrollment process? What are the obstacles to program participation? How many families are currently participating in the program?

4. In FY 2003, the Judiciary implemented an e-payment system for municipal court fines.

- Question: What is the status of that program? How has this affected the collection of court fines? What cost savings, if any, have been accrued by this program? Are other e-payment initiatives being considered?
**Discussion Points**

5. During FY 2003, the Judiciary estimates that it collected $964 million in child support payments for custodial parents, distributing 5.0 million checks. FY 2004 collections are projected to be $1.03 billion, with the distribution of 5.3 million checks.

- **Questions:** What steps has the Judiciary taken to improve child support collections? What is the feasibility, and potential savings, of undertaking a program of direct deposit of child support payments directly into the custodial parent’s bank account? Please provide information concerning the number of cases, total arrearage, and collection improvement efforts.

6. The Intensive Supervision Program (ISP) is recommended to receive $10.4 million in FY 2004, the same amount as the FY 2003 adjusted appropriation. The program operates as a lower cost alternative to incarcerating non-violent offenders in the overpopulated State prison system. During FY 2003, the program diverted 1,217 non-violent adult offenders from the State's prisons. The FY 2004 recommended appropriation would again support 1,217 program participants.

- **Question:** What is the feasibility for expanding this program in FY 2004?

7. The Judiciary has historically received authorization to carry forward unexpended balances into the following fiscal year. FY 2004 recommended budget language would permit the reappropriation of up to $3 million in unexpended balances from FY 2003 subject to the approval of the Director of the Division of Budget and Accounting.

- **Question:** What does the Judiciary estimate that its carry forward balances will be from FY 2003?
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Individuals wishing information and committee schedules on the FY 2004 budget are encouraged to contact:

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