



ANALYSIS OF THE NEW JERSEY BUDGET

THE JUDICIARY

FISCAL YEAR

2011 - 2012

NEW JERSEY STATE LEGISLATURE

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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 Raughley.

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

THE JUDICIARY

Budget Pages..... C-8, C-16, C-24, C-26, C-28, D-425 to
D-433, H-13, H-14, H-17.

Fiscal Summary (\$000)

	Expended FY 2010	Adjusted Appropriation FY 2011	Recommended FY 2012	Percent Change 2011-12
State Budgeted	\$608,196	\$663,535	\$663,535	—
Federal Funds	93,886	101,933	104,442	2.5%
<u>Other</u>	<u>63,671</u>	<u>67,324</u>	<u>66,477</u>	<u>(1.3%)</u>
Grand Total	\$765,753	\$832,792	\$834,454	.2%

Personnel Summary - Positions By Funding Source

	Actual FY 2010	Revised FY 2011	Funded FY 2012	Percent Change 2011-12
State	7,588	7,411	7,327	(1.1%)
<u>Non-State Funded</u>	<u>1,532</u>	<u>1,533</u>	<u>1,531</u>	<u>(.1%)</u>
Total Positions	9,120	8,944	8,858	(1.0%)

FY 2010 (as of December) and revised FY 2011 (as of January) personnel data reflect actual payroll counts. FY 2012 data reflect the number of positions funded.

Link to Website: <http://www.njleg.state.nj.us/legislativepub/finance.asp>

Highlights

- While the recommended appropriation for the Judiciary is unchanged from FY 2011, it is not anticipated that the Judiciary will receive any salary money from the Interdepartmental Account. As a consequence, the Judiciary will need to identify \$25 million in efficiencies to cover its salary commitments.
- A total of \$43.354 million is recommended for drug courts in FY 2012, the same amount as that appropriated in FY 2011. This appropriation is divided into three distinct categories: Treatment/Aftercare; Operations and Judgeships. While the Judiciary would retain the \$14.191 million appropriated for operations and judicial positions, the remaining \$29.163 million would be transferred to the Division of Addiction Services within the Department of Human 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 Intensive Supervision Program (ISP) is recommended to receive \$15.757 million in FY 2012, the same amount as that appropriated in FY 2011. 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, reserving prison bed spaces for violent offenders. During FY 2011, the program diverted 1,440 adult offenders from the State's prisons. Of these offenders, 490, or 34 percent, were returned to State prison for various infractions of the ISP regulations. The FY 2012 recommended appropriation would support the same number of program participants.
- P.L.2002, c.34 provided 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 \$14 million will be collected for this purpose in FY 2012, \$200,000 more than the amount anticipated in FY 2011 and \$475,000 less than was collected in FY 2010.
- The Judiciary anticipates the receipt of \$104.4 million in Federal funding in FY 2012, an increase of \$2.5 million over the FY 2011 adjusted appropriation of \$101.9 million. The increase primarily constitutes growth in Federal matching funds for the Title IV-D Paternity program in both the Family and Probation Divisions. The program, established in 1975, is a Federal/State partnership whose primary mission is to enforce child support obligations against non-custodial parents. Under Title IV-D, the Federal government reimburses the State and counties for 66 percent of the cost of conducting child support enforcement activities.

Highlights (Cont'd)

- The Judiciary has historically received authorization to carry forward unexpended balances into the following fiscal year. FY 2012 recommended budget language would permit the re-appropriation of up to \$10 million in unexpended balances from FY 2011 subject to the approval of the Director of the Division of Budget and Accounting. The FY 2010 budget allowed for the carry forward of \$10 million into FY 2011.

Fiscal and Personnel Summary

AGENCY FUNDING BY SOURCE OF FUNDS (\$000)

	Expended FY 2010	Adj. Approp. FY 2011	Recom. FY 2012	Percent Change	
				20010-12	2011-12
General Fund					
Direct State Services	\$608,190	\$663,535	\$663,535	9.1%	0.0%
Grants-In-Aid	6	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	\$608,196	\$663,535	\$663,535	9.1%	0.0%
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	\$608,196	\$663,535	\$663,535	9.1%	0.0%
Federal Funds	\$93,886	\$101,933	\$104,442	11.2%	2.5%
Other Funds	\$63,671	\$67,324	\$66,477	4.4%	(1.3%)
Grand Total	\$765,753	\$832,792	\$834,454	9.0%	0.2%

PERSONNEL SUMMARY - POSITIONS BY FUNDING SOURCE

	Actual FY 2010	Revised FY 2011	Funded FY 2012	Percent Change	
				2010-12	2011-12
State	7,588	7,411	7,327	(3.4%)	(1.1%)
Non State Funded	1,532	1,533	1,531	(0.1%)	(0.1%)
Total Positions	9,120	8,944	8,858	(2.9%)	(1.0%)

FY 2010 (as of December) and revised FY 2011 (as of January) personnel data reflect actual payroll counts. FY 2012 data reflect the number of positions funded.

AFFIRMATIVE ACTION DATA

Total Minority Percent	39.4%	39.3%	39.3%	---	---
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Significant Changes/New Programs (\$000)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2011</u>	<u>Recomm.</u> <u>FY 2012</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
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FEDERAL FUNDS

Civil Courts	\$860	\$0	(\$ 860)	(100.0%)	D-432
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The Judiciary anticipates that the FY 2011 grant from the National Instant Criminal Background Check System Record Improvement Act will not be repeated in FY 2012.

Family Courts	\$36,744	\$32,727	(\$4,017)	(10.9%)	D-432
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The FY 2012 recommendation includes a decrease of \$3.617 million for the Title IV-D Child Support and Paternity Program. The program, established in 1975, is a Federal/State partnership whose primary mission is to enforce child support obligations against non-custodial parents. Under Title IV-D, the federal government reimburses the State and counties for 66 percent of the cost of conducting child support activities. The increase represents the federal portion of the increase in salaries and fringe benefits costs. The program is anticipated to receive \$31.401 million in FY 2012. The remaining decrease constitutes \$400,000 for the Essex Family Drug court that will not be funded in FY 2012.

The NJ State Court Improvement Fund is anticipated to receive \$1 million in FY 2012, the same level of funding as the FY 2011 adjusted appropriation. The State Access and Visitation Program is anticipated to receive \$325,000, the same level as that received in FY 2011.

Probation Services	\$59,672	\$67,225	\$ 7,553	12.7%	D-432
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The entire Federal funding appropriation for Probation Services constitutes the Title IV-D Child Support and Paternity Program. The Title IV-D Child Support and Paternity Program, established in 1975, is a Federal/State partnership whose primary mission is to enforce child support obligations against non-custodial parents. Under Title IV-D, the federal government reimburses the State and counties for 66 percent of the cost of conducting child support activities. The program is anticipated to receive \$67.225 million in FY 2012.

Trial Court Services	\$4,657	\$4,490	(\$ 167)	(3.6%)	D-432
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The budget anticipates a decrease in FY 2012 Federal Funds in Trial Court Services consisting entirely of \$167,000 reduction in the Title IV-D Child Support and Paternity Program. The Title IV-D Child Support and Paternity Program, established in 1975, is a Federal/State partnership whose primary mission is to enforce child support obligations against non-custodial parents. Under Title IV-D, the federal government reimburses the State and counties for 66 percent of the cost of conducting child support activities.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2011</u>	<u>Recomm.</u> <u>FY 2012</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
OTHER FUNDS					
Supreme Court	\$18,313	\$18,733	\$ 420	2.3%	D-432

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 applicants to the New Jersey Bar. The Judiciary anticipates FY 2012 collections of \$3.463 million for this program, \$364,000, or 9.51 percent less than the FY 2011 collection level of \$3.827 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 2012 income for this program is expected to decrease from the FY 2011 level of \$365,000 to \$292,000, a \$73,000 or 20 percent decrease.

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 \$841,000, from \$11.764 million in FY 2011 to \$12.605 million in FY 2012. The New Jersey Lawyers Fund for Client Protection is projected to collect \$2.120 million in FY 2012, \$18,000 more than the amount collected in FY 2012. Mandatory Continuing Legal Education, is anticipated to collect \$253,000 in FY 2012, \$2,000 more than the 2011 collections.

Civil Courts	\$3,352	\$3,251	(\$ 101)	(3.0%)	D-432
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The Budget estimates that the Superior Court Trust Fund will collect \$851,000 in FY 2012, a decrease of \$1,000 from the FY 2011 adjusted appropriation. The Superior Court Trust Fund consists of deposits made into 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 Special Civil Part, Certified Mailers Fund is estimated to collect \$2.4 million in FY 2012, \$100,000 less than the amount collected in FY 2011. The fund provides for reimbursement to the trial courts for postage and printing costs incurred in sending out Special Civil Part service of process via certified mailers.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2011</u>	<u>Recomm.</u> <u>FY 2012</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
Municipal Courts	\$25,015	\$24,015	(\$1,000)	(4.0%)	D-432

The entire decrease anticipated in the Municipal Courts Other Funds represents lower collections from the Statewide Automated Traffic System (ATS). The ATS is anticipated to collect \$24 million in FY 2012, \$1 million less than the FY 2011 collections of \$23 million. The ATS system records all traffic violation matters in most of the State's municipal courts, and facilitates exchange of information with law enforcement agencies and the Motor Vehicle Commission. The remaining \$15,000 anticipated for this account represents collections for the Municipal Court Administrator Certification Program, the same level of funding as collected in FY 2011.

Probation Services	\$3,728	\$3,228	(\$ 500)	(13.4%)	D-432
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The Comprehensive Enforcement Program is anticipated to collect \$2.6 million in FY 2012, \$500,000 less, or 16.13 percent, than the amount collected in FY 2011. The Comprehensive Enforcement Program (P.L.1995, c.9), provides for the enforcement of court orders and oversees the collection of court ordered fines, assessments, surcharges and judgments in the civil, criminal and family divisions, and Tax Court. In addition, municipal courts may request that any matters not resolved in accordance with their courts be transferred to the Comprehensive Enforcement Program. By statute, the Judiciary is permitted to deduct 25 percent of all funds collected through the program, (except for victim restitution and for Victim of Crime Compensation Office (VCCO) assessments) for deposit in the Comprehensive Enforcement Program Fund. The remaining 75 percent of the collections are paid to the agencies and individuals to whom these funds are owed.

The Court Computerized Collection Fund anticipates collections of \$550,000 in FY 2012, the same amount as that collected in FY 2011. The Court Computerized Collections Program, which was authorized under P.L.1992, c.169 permits the Administrative Office of the Courts to impose a transaction fee on all persons sentenced to probation every time they make a payment toward court-ordered fines, Victims of Crime Compensation Board (VCCB) assessments, Drug Enforcement Demand Reduction (DEDR) penalties, forensic lab fees and restitution awards. These transaction fees are then deposited into the Court Computerized Collections Fund, and used to automate and improve the Judiciary's collections operation.

The remaining programs which are funded from this line item include the Middlesex State Incentive Program at \$26,000 and the Ocean Juvenile Detention Alternative Initiative Innovations. Both programs are funded at FY 2011 levels.

Significant Changes/New Programs (\$000) (Cont'd)

<u>Budget Item</u>	<u>Adj. Approp.</u> <u>FY 2011</u>	<u>Recomm.</u> <u>FY 2012</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>	<u>Budget</u> <u>Page</u>
Information Services	\$16,516	\$16,850	\$ 334	2.0%	D-432

The FY 2012 recommendation for Information Services provides an estimated increase of \$200,000 for the Electronic Access to Court Records program. P.L.1994, c.54 authorized the Administrative Office of the Courts to develop and operate a computer system which allows electronic access to court information and allows the public to file court documents electronically. The Court Records Inquiry System makes available through electronic access, case and judgment information on the Civil Automated Case Management System. The system charges a user fee and is self-supporting.

The Court Technology Improvement Fund is anticipated to collect \$14 million in FY 2012, an increase of \$200,000 over FY 2011 collections. 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 County Correctional Information System is anticipated to receive \$516,000 in FY 2012, \$66,000 less than the amount collected in FY 2011.

Significant Language Changes

Carry Forward Language

Language Modification

2011 Handbook: p. B-213
2012 Budget: p. D-432

The Unexpended balances at the end of the preceding fiscal year in the Civil Arbitration Program [and Drug Court Programs](#) are appropriated subject to the approval of the Director of Budget and Accounting.

Explanation

The recommended language would permit the carry forward of funds in the Drug Court program into FY 2012.

EXPLANATION: FY 2011 language not recommended for FY 2012 denoted by strikethrough.
Recommended FY 2012 language that did not appear in FY 2011 denoted by underlining.

Discussion Points

1. A report issued by the NJ Office of the State Comptroller on March 9, 2011 stated that a laptop computer formerly used by the Judiciary and transferred to the Department of the Treasury for cleaning and disposal included numerous confidential and personal files after it had been released for auction.

- **Question:** What controls does the Judiciary have in place to provide for the security and confidentiality of information contained in its data processing equipment? What actions, if any, does the Judiciary take to clean storage devices prior to discarding data processing equipment?

2. The Supreme Court last year issued a new Administrative Directive designed to improve oversight of Abused and Neglected Children in foster care, refocusing the work of volunteer Child Placement Review Boards.

- **Question:** What were the goals of the Supreme Court directive? How has this directive affected the operation of the Child Placement Review Boards?

3. Each year the Judiciary experiences a number of vacant judgeships due to mandatory retirement. These vacancies must be filled through nomination by the Governor and approval by the Senate.

- **Question:** What is the current number of vacant judgeships? What is the impact of these vacancies on judges' assignments, case scheduling and backlogs?

4. Last year, the Judiciary developed a tool kit for municipalities contemplating joining or sharing court services with other municipalities.

- **Question:** Please provide an overview of the Judiciary's efforts to facilitate municipal court consolidation. How many joint and shared courts are currently in operation? What obstacles to consolidation has the Judiciary identified that could be removed or reduced by Legislative action?

5. NJKiDS has been fully implemented as the new Statewide child support computer system as of September, 2009.

- **Question:** What impact has the implementation of NJKiDS had on the Judiciary's role in the child support system? Has the Judiciary experienced any improvements in case processing and service to those receiving child support and in child support enforcement?

6. Early in 2011, the Supreme Court ordered a suspension in the processing of mortgage foreclosures as a result of concerns involving banking practices and "robo-signing."

- **Question:** What is the status of the mortgage foreclosure process? Has there been an artificial decline in the filing of foreclosures because of the moratorium? Does the Judiciary expect an increase of filings when the moratorium is lifted? What is the current status of completed foreclosures that await processing in the Superior Court Clerk's Office? If there is a backlog, how will it be addressed?

Discussion Points (Cont'd)

7. In 2010, the Judiciary developed an automated system to process Judgments of Conviction (JOC), and has partnered with the Department of Corrections (DOC) in a pilot program allowing DOC staff to electronically access JOC forms.

- **Question:** What is the status of the pilot program? Does the Judiciary see the potential for it to expand its program of electronic form sharing to other aspects of the Judiciary's work with the Department of Corrections?

8. In FY 2005 the Judiciary expanded the drug court program to all 15 vicinages. Since then drug court funding has increased based on their success in diverting offenders from jail and obtaining treatment services. Drug courts provide for intensive, court supervised substance abuse treatment for certain non-violent, addicted offenders.

- **Question:** Please describe the current status of the Drug Court program and appropriate evaluative data concerning its Statewide impact.

9. The Judiciary's statewide municipal court website (NJMCdirect.com) allows driver's who receive tickets to access court records and view real time information about the status of their tickets.

- **Question:** What is the volume of users of the NJMCdirect system?

10. The AOC has worked with the Attorney General's Office and the State Police to jointly develop a standard methodology for the State's law enforcement agencies to generate and electronically file traffic tickets.

- **Question:** What is the status of e-ticketing in New Jersey? How many tickets are e-tickets? How many are computer generated "red light" tickets?

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Individuals wishing information and committee schedules on the FY 2012 budget are encouraged to contact:

**Legislative Budget and Finance Office
State House Annex
Room 140 PO Box 068
Trenton, NJ 08625
(609) 292-8030 • Fax (609) 777-2442**