

**C00A00  
Judiciary**

***Operating Budget Data***

(\$ in Thousands)

	<u>FY 15 Actual</u>	<u>FY 16 Working</u>	<u>FY 17 Allowance</u>	<u>FY 16-17 Change</u>	<u>% Change Prior Year</u>
General Fund	\$425,704	\$452,933	\$484,079	\$31,146	6.9%
Deficiencies and Reductions	0	0	-1,210	-1,210	
<b>Adjusted General Fund</b>	<b>\$425,704</b>	<b>\$452,933</b>	<b>\$482,869</b>	<b>\$29,936</b>	<b>6.6%</b>
Special Fund	58,420	64,690	59,330	-5,360	-8.3%
<b>Adjusted Special Fund</b>	<b>\$58,420</b>	<b>\$64,690</b>	<b>\$59,330</b>	<b>-\$5,360</b>	<b>-8.3%</b>
Federal Fund	1,007	1,214	161	-1,052	-86.7%
<b>Adjusted Federal Fund</b>	<b>\$1,007</b>	<b>\$1,214</b>	<b>\$161</b>	<b>-\$1,052</b>	<b>-86.7%</b>
Reimbursable Fund	4,530	4,582	4,506	-76	-1.7%
<b>Adjusted Reimbursable Fund</b>	<b>\$4,530</b>	<b>\$4,582</b>	<b>\$4,506</b>	<b>-\$76</b>	<b>-1.7%</b>
<b>Adjusted Grand Total</b>	<b>\$489,661</b>	<b>\$523,418</b>	<b>\$546,866</b>	<b>\$23,448</b>	<b>4.5%</b>

- The fiscal 2017 budget increases by \$23.5 million, or 4.5%, over the working appropriation for fiscal 2016. This growth is largely attributable to an increase for personnel expenses of \$22.8 million.
- The Governor's budget plan for fiscal 2017 assumes \$1.2 million in general fund reversions from the Judiciary. The reversion represents the Judiciary's share of statewide health insurance savings.

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

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***Personnel Data***

	<b><u>FY 15</u></b> <b><u>Actual</u></b>	<b><u>FY 16</u></b> <b><u>Working</u></b>	<b><u>FY 17</u></b> <b><u>Allowance</u></b>	<b><u>FY 16-17</u></b> <b><u>Change</u></b>
Regular Positions	3,732.50	3,913.50	3,947.50	34.00
Contractual FTEs	<u>431.00</u>	<u>330.00</u>	<u>334.00</u>	<u>4.00</u>
<b>Total Personnel</b>	<b>4,163.50</b>	<b>4,243.50</b>	<b>4,281.50</b>	<b>38.00</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	156.54	4.00%
Positions and Percentage Vacant as of 12/31/15	289.75	7.34%

- The fiscal 2017 budget provides 34 new regular positions and 4 new contractual full-time equivalents, all related to the creation of new judges for the circuit courts and the District Court.
- Turnover expectancy is set at 4.0% for fiscal 2017, which will require 156.54 vacancies. As of December 31, 2015, the Judiciary had 289.75 vacant positions and a vacancy rate of 7.34%. Of those vacant positions, 17.0 are held open to account for masters that are county employees but for which the Judiciary reimburses the counties for the cost.

## *Analysis in Brief*

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### Major Trends

***On-time Clearance Rates for District Court Continue to Slip:*** The percentage of cases completed within established time standards in the District Court continued to decline for most dockets; however, the declines were smaller than recent years.

***Circuit Court Timely Clearance Rates Fall for Most Cases:*** Average time to close cases increases for most circuit court dockets, including significant increases for the civil and criminal dockets. The percentage of cases cleared within time standards fell for five of the court's seven classes of cases.

***Appellate Courts Continue to Meet Most Standards:*** The Court of Appeals and Court of Special Appeals continue to meet almost all of their established time standards, however the Court of Special Appeals did not show improvement for the dockets where it fails to meet the standard.

### Issues

***Judgeship Plan Falls Two Years Behind Schedule:*** In calendar 2012, at the direction of the General Assembly, the Judiciary developed a multi-year plan for the creation of the new District and circuit judgeships. The Judiciary has updated the plan for the 2016 session to include the addition of 29 judgeships from fiscal 2014 through 2019. Nine of these judgeships were created during the 2013 session, but no additional judgeships have been added in the last two years. For the 2016 legislative session, the Judiciary has sought the creation of 2 District and 10 circuit judgeships. HB 74 and SB 117 would create a total of 13 judgeships, including a circuit court judge in Baltimore City not included in the Judiciary request. **The Department of Legislative Services (DLS) recommends that the Judiciary discuss the relationship between the need for additional judges and the impact on workloads and the ability of the Judiciary to meet workload standards.**

***Payments from the Land Records Improvement Fund to the Maryland State Archives:*** In calendar 2003, the Judiciary and the Maryland State Archives entered a Memorandum of Understanding (MOU), for the Maryland State Archives to retain State land records and make those records available to the public online via mdlandrec. The Maryland State Archives has received at least \$5 million from the Judiciary each year since 2003. The Judiciary has concluded, however, that the Maryland State Archives is using a large portion of these funds for operating expenses unrelated to mdlandrec and is reconsidering its relationship with the Maryland State Archives. Additionally, an unrelated dispute regarding the transfer of land records has led the Judiciary to withhold fiscal 2016 payments. **DLS recommends that the Judiciary and the Maryland State Archives update the committees on the current status of their negotiations and whether payments from the Land Records Improvement Fund (LRIF) to the Maryland State Archives will be made in fiscal 2016. DLS also recommends that the agencies comment on the future of their relationship and whether they intend to enter into a new MOU for fiscal 2017.**

***State Enters Second Year of Richmond Implementation:*** The Court of Appeal’s ruling in *DeWolfe v. Richmond*, which went into effect on July 1, 2014, established a right to counsel for indigent defendants at initial appearances before District Court commissioners. For the last two years, the General Assembly has restricted \$10.0 million within the Judiciary’s budget to provide counsel at initial appearances through the Appointed Attorney Program. In fiscal 2015, the program cost a total of \$8.1 million, \$1.9 million less than was restricted for this purpose. The General Assembly also included language in the Budget Reconciliation and Financing Acts of 2014 and 2015 authorizing the State to charge counties for any program costs in excess of \$10.0 million; to continue that aspect of the program for fiscal 2017, substantive legislation is required. **DLS recommends that if the General Assembly wishes to continue to obligate counties for any costs of the Appointed Attorney Program in excess of \$10.0 million, substantive legislation should be introduced to achieve that purpose. DLS further recommends that the Judiciary comment on the status of the Appointed Attorney Program as it moves beyond the implementation phase and the effectiveness of the program. Committee narrative is recommended to direct the Judiciary to provide a report on program expenditures and utilization statistics for fiscal 2016.**

***Maryland Electronic Courts Initiative:*** Statewide implementation of the Maryland Electronic Courts (MDEC) Initiative began in October 2014 with a rollout for civil cases in Anne Arundel County and was expanded to criminal cases in August 2015. However, thus far, the Judiciary has been unable to quantify the likely savings associated with moving court documents to a digital format. **DLS recommends that there should be savings associated with MDEC for personnel, postage, and supplies, including printing and paper. DLS further recommends that the Judiciary should comment on when it will be able to quantify and begin to realize these savings.**

## Recommended Actions

### Funds

1. Add budget bill language to increase employee turnover from 4% to 6%.
2. Add budget bill language to make 34 positions and \$3,786,876 in general funds contingent upon the enactment of HB 74 or SB 117.
3. Add budget bill language that restricts the use of \$10 million of the Judiciary’s general fund appropriation for the implementation of Richmond and authorizes the transfer of the funds to another agency if legislation provides an alternate solution to the Appointed Attorney Program.
4. Add budget bill language to reduce general funds to limit increases in operating expenditures in the District Court.

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|----|--|-------------------|
| 5. | Eliminate funding for overtime associated with leave time for contractual bailiffs.  | \$ 200,000        |
| 6. | Adopt committee narrative requesting a report on expenditures and utilization statistics for the Appointed Attorney Program.       |                   |
| 7. | Add budget bill language to reduce general funds to limit increases in operating expenditures for the Clerks of the Circuit Court. |                   |
|    | <b>Total Reductions</b>  | <b>\$ 200,000</b> |

## **Updates**

***Compensation for Contractual Bailiffs:*** In May 2015, Judiciary leadership met with the contractual bailiffs who work in the District Court to discuss their status as contractual employees. The bailiffs raised several concerns regarding their compensation and leave. Based on these discussions, the Judiciary has implemented a new compensation plan with step salary increases based on years of service and will provide bailiffs 10 days of paid leave per year.

***Land Records Improvement Fund Balance and Projections:*** The LRIF funds the State’s land records offices and major information technology (IT) projects within the Judicial Branch. IT expenditures had placed significant strain on the fund, and the General Assembly increased recordation fees for real property transactions and imposed a new filing fee on civil cases during the 2015 session. Despite these changes, the fund currently faces a structural deficit, which is projected to continue through fiscal 2019.

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## **C00A00 Judiciary**

### ***Operating Budget Analysis***

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#### **Program Description**

The Judiciary is composed of four courts and seven programs, which support the administrative, personnel, and regulatory functions of the Judicial Branch of the State government. Courts consist of the Court of Appeals, the Court of Special Appeals, circuit courts, and the 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 to carry out administrative duties, which include data analysis, personnel management, 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 Commission on Judicial Disabilities and the Maryland State Board of Law Examiners. The State Law Library serves the legal information needs of the State. Judicial Information Systems (JIS) 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 JIS program.

#### **Performance Analysis: Managing for Results**

##### **1. On-time Clearance Rates for District Court Continue to Slip**

The Judiciary incorporates case flow standards adopted by the Maryland Judicial Council into its annual Managing for Results data in order to evaluate access to justice; expedition and timeliness; equity, fairness, and integrity; independence and accountability; and public trust and confidence.

The Judiciary utilized standards set by the American Bar Association that determine the amount of time it should take to process a particular type of case. Those standards were modified due to existing statutes and rules that impact the way in which Maryland courts are required to process certain cases. The statewide case flow assessment submitted by the Judiciary analyzes cases that come through the District and circuit courts and, in particular, the timeliness with which those cases are terminated or otherwise disposed.

The time standards for District Court cases are set according to the following case types:

- **Criminal:** 180 days;

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- **Traffic – Driving Under the Influence (DUI):** 180 days;
- **Traffic – Must Appear:** 180 days;
- **Traffic – Payable:** 120 days;
- **Civil – Large:** 250 days; and
- **Civil – Small:** 120 days.

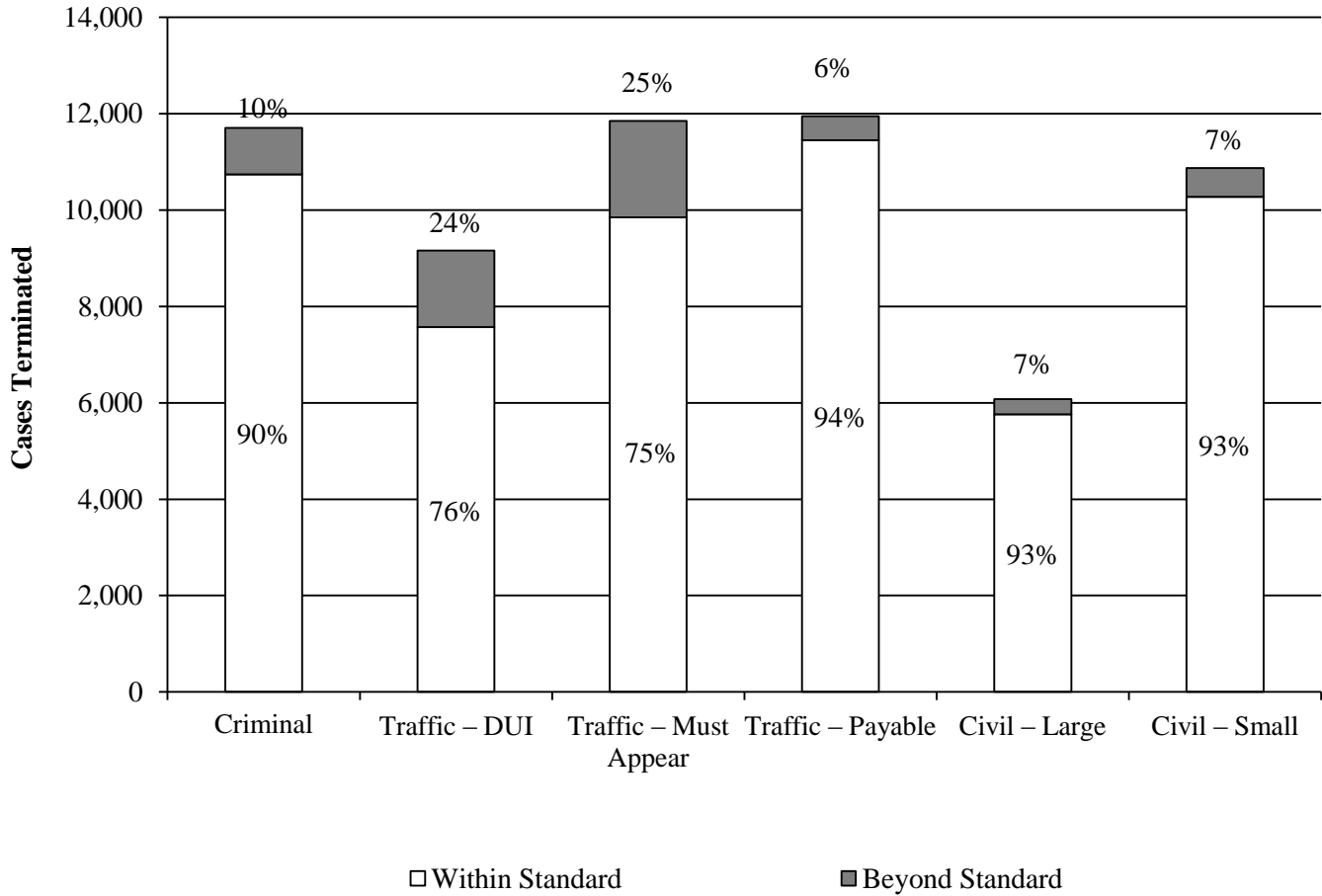
For each case type, the goal is to terminate 98% of cases within the time standard.

The Judiciary reports case time standards for the District Court based on a random sample of cases from each district and applies a weighting based on the total number of cases in the district. **Exhibit 1** illustrates, from that sample, the number of cases of each type disposed within the established time standards. The District Court failed to meet the performance standard of 98% in all categories and the timely termination of cases slipped in three of six categories from fiscal 2013 to 2014. This is the third year in a row of such a decline, although the decreases were smaller than the previous two years. The largest decline was for Traffic – Must Appear cases, which saw the within-standard termination rate fall from 77% to 75%. The largest increase was in Traffic – DUI, which saw the within-standard termination rate increase from 72% to 76%.

**Exhibit 2** analyzes average case processing times for the District Court. Except for Criminal cases, the difference between average termination time for within and beyond standard cases for all categories increased in fiscal 2014. These increases ranged between 1% and 6% and were the result of slightly increased average processing times for most beyond-standard cases. There was, however, a significant reduction in the processing time for beyond-standard Criminal cases from 527 days in fiscal 2013 to 376 days in fiscal 2014. Overall average case times also improved for Traffic – DUI cases but increased for Traffic – Must Appear and Civil – Large cases.



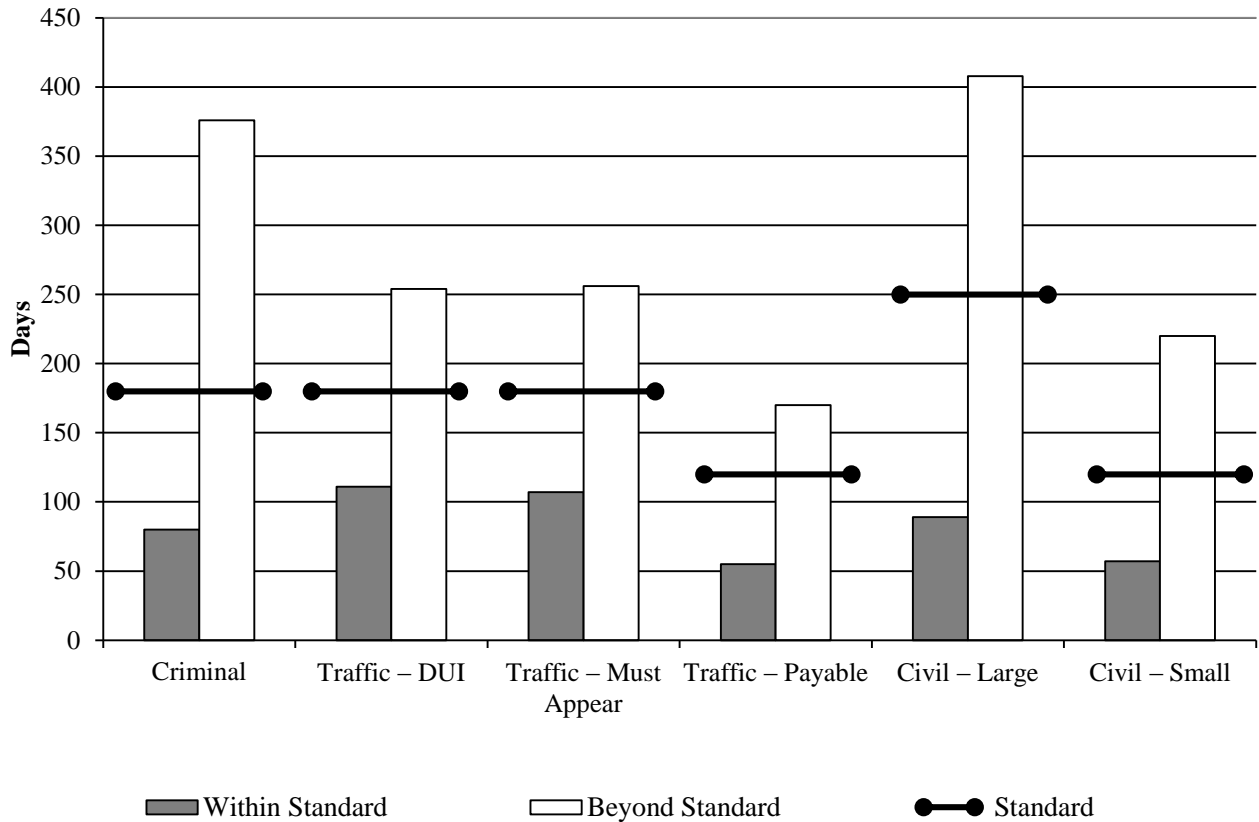
**Exhibit 1  
Maryland District Court  
Cases Terminated Within and Beyond Time Standard  
Fiscal 2014**



DUI: driving under the influence

Source: Maryland Judiciary

**Exhibit 2**  
**Maryland District Court**  
**Average Case Processing Time for Cases Within and Beyond Time Standard**  
**Fiscal 2014**



DUI: driving under the influence

Source: Maryland Judiciary

**2. Circuit Court Timely Clearance Rates Fall for Most Cases**

The time performance standards for circuit court cases are tied to the following case types:

- **Criminal:** 180 days, 98%;
- **Civil:** 548 days, 98%;

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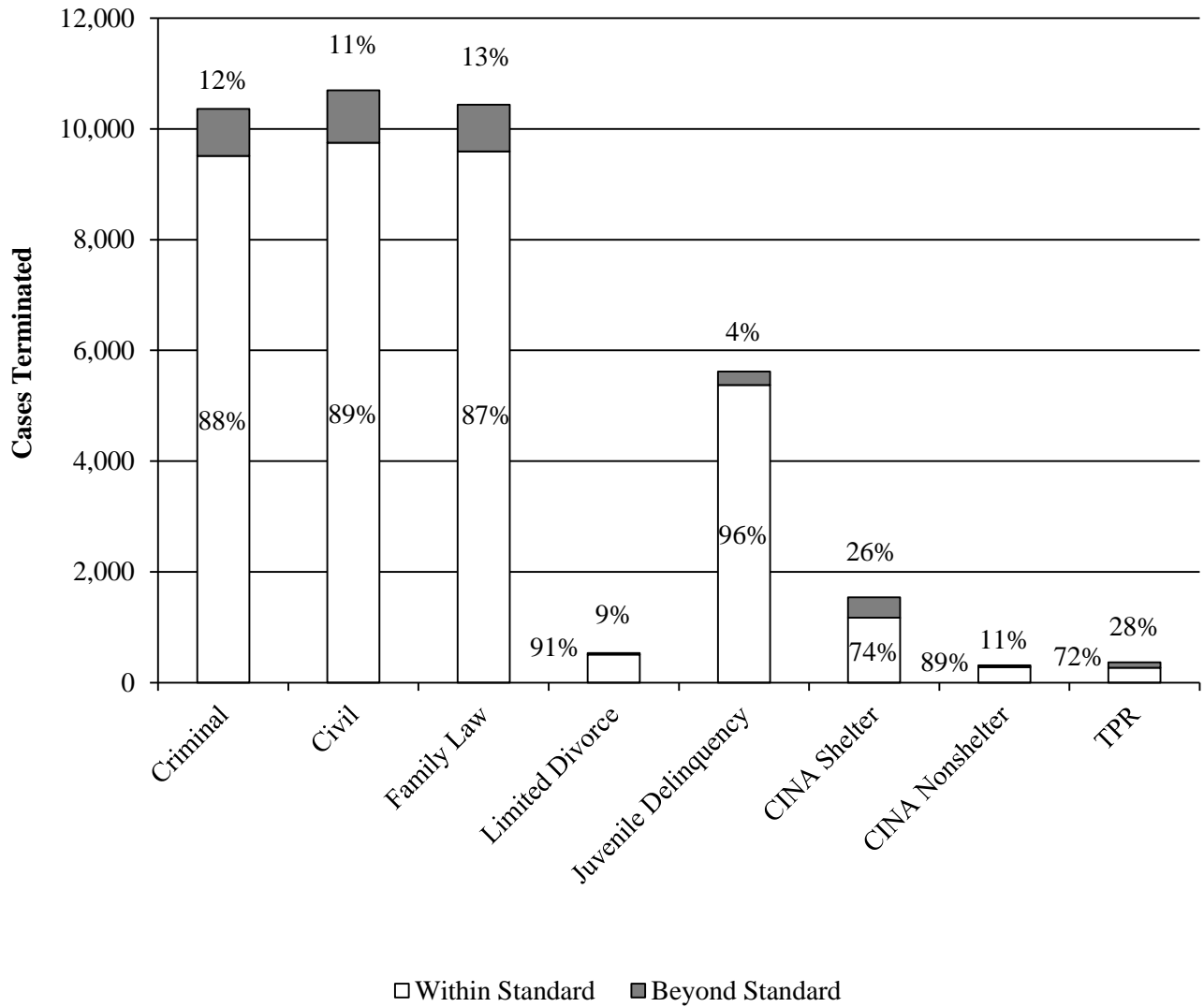
- **Family Law:** 365 days, 90%;
- **Limited Divorce:** 730 days, 98%;
- **Juvenile Delinquency:** 90 days, 98%;
- **Children in Need of Assistance (CINA) Shelter:** 30 days, 100%;
- **CINA Nonshelter:** 60 days, 100%; and
- **Termination of Parental Rights (TPR):** 180 days, 100%.

Beginning in fiscal 2014, the standards for domestic relations cases were adjusted. Domestic Relations – Standard 2 was renamed Limited Divorce, and all cases except limited divorces that had previously fallen under Standard 2 were shifted to Domestic Relations – Standard 1, which was renamed Family Law.

**Exhibit 3** illustrates the number of circuit court cases terminated within the time standard. Similar to the District Court, while the majority of cases for each type are disposed of within the time standard, the circuit courts failed to meet the established target for cases within standard for all categories. The percent of cases cleared within the time standard slipped in fiscal 2014 in all categories except CINA Shelter and TPR. Within-standard clearance for criminal cases fell from 90% to 88% and civil from 89% to 87%. CINA Shelter within-standard clearance increased from 68% to 74% and TPR from 64% to 72%.

**Exhibit 4** analyzes the average case processing time for circuit court cases. With the exception of the improvements for CINA-Shelter and TPR cases, the circuit court took the same amount of time or longer to process both within and beyond standard cases of all types. Average processing time increased from 98 to 107 days for criminal cases and from 280 to 312 days for civil cases.

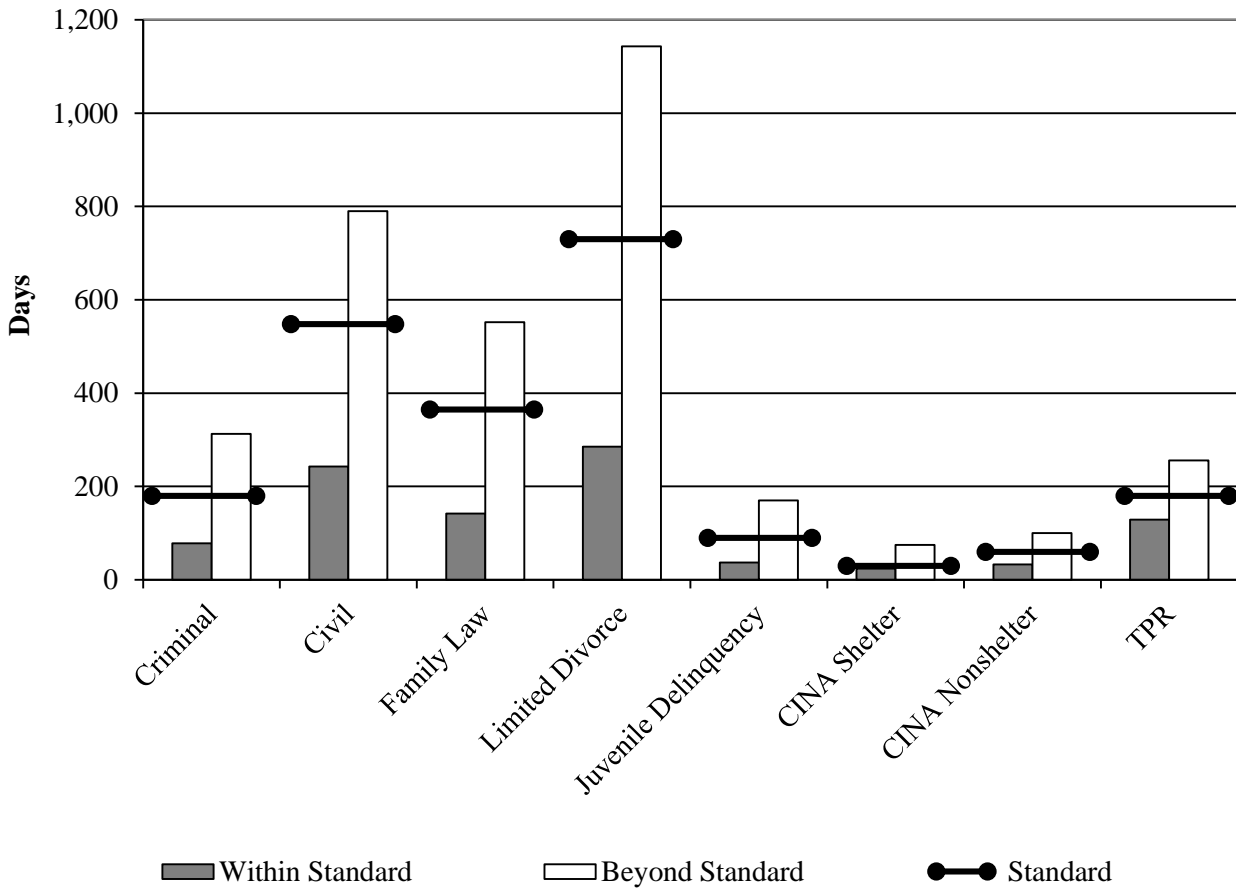
**Exhibit 3  
Maryland Circuit Courts  
Cases Terminated Within and Beyond Time Standard  
Fiscal 2014**



CINA: children in need of assistance  
TPR: termination of parental rights

Source: Maryland Judiciary

**Exhibit 4**  
**Maryland Circuit Courts**  
**Average Case Processing Time for Cases Within and Beyond Time Standard**  
**Fiscal 2014**



CINA: children in need of assistance  
TPR: termination of parental rights

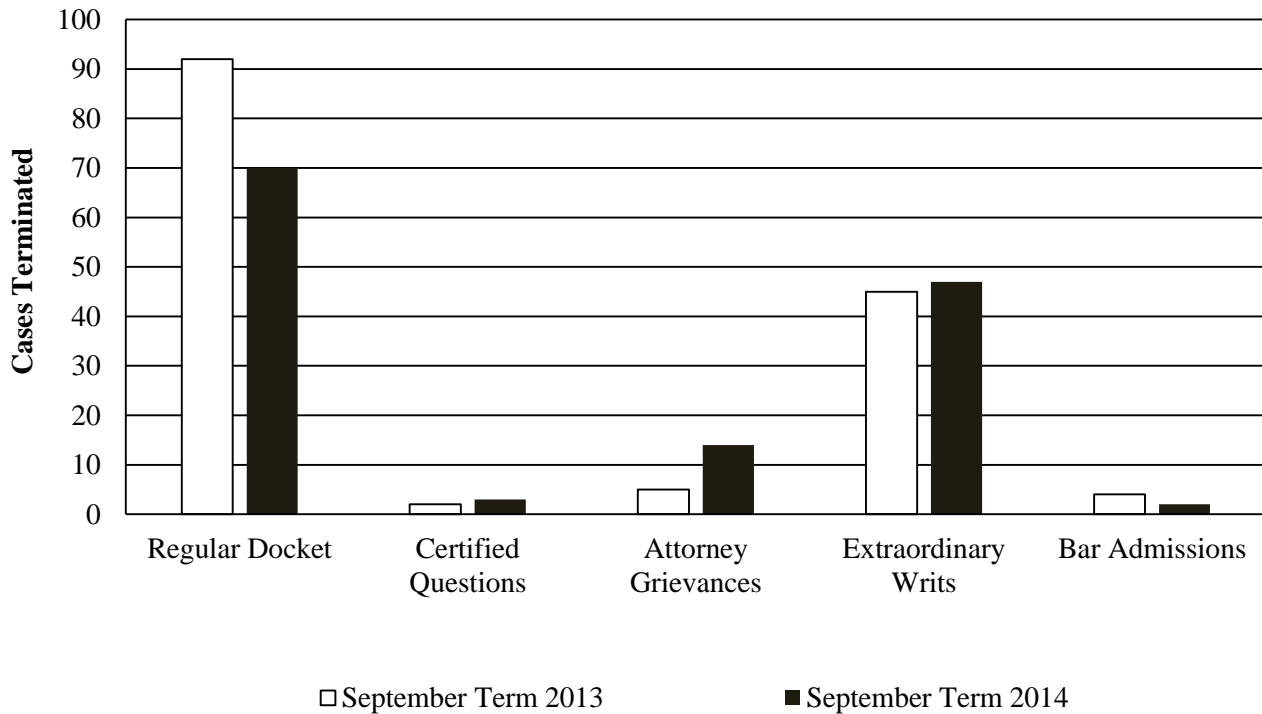
Source: Maryland Judiciary

### 3. Appellate Courts Continue to Meet Most Standards

The Court of Appeals and the Court of Special Appeals developed and adopted case time standards in fall 2013. The standards went into effect for the September 2013 term for the Court of Appeals and fiscal 2014 for the Court of Special Appeals.

The Court of Appeals standard is to dispose of 100% of cases within the annual term of the court. The court achieved the case time standard for each type of appeal during the September 2014 term. As shown in **Exhibit 5**, the Court of Appeals decided a total of 136 cases during the term, including 70 on the court’s regular docket. During the September 2013 term, the court decided 148 cases, including 92 on the regular docket, and disposed of 100% within the time standard.

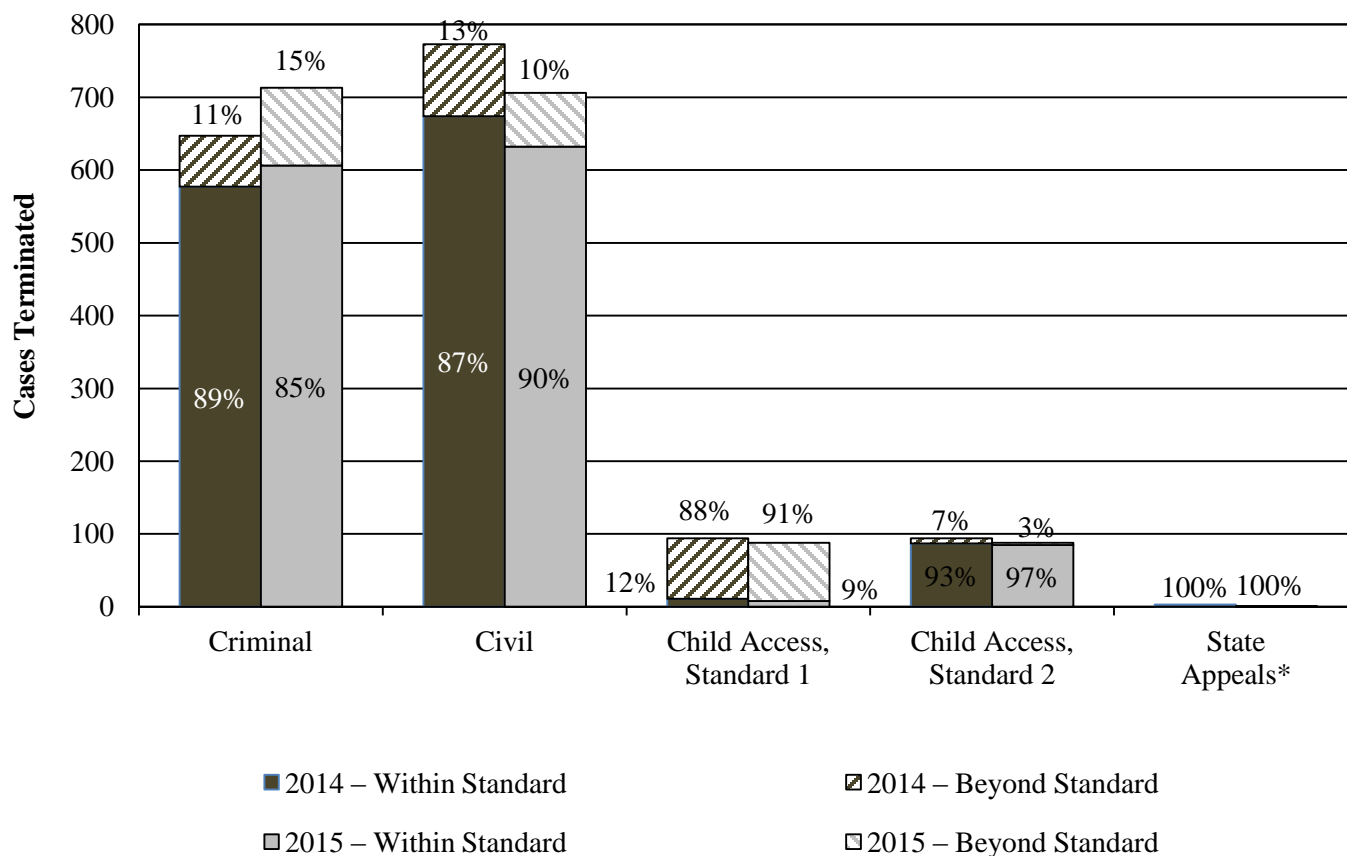
**Exhibit 5**  
**Maryland Court of Appeals**  
**Cases Terminated by Case Type**  
**September Term 2013 – September Term 2014**



Source: Maryland Judiciary

The Court of Special Appeals has set a goal of disposing of 80% of cases within nine months (270 days) of oral argument or submission of the case on briefs. As **Exhibit 6** illustrates, the Court of Special Appeals has reached this target in fiscal 2014 and 2015. In fiscal 2015, the court resolved 85% of criminal cases and 90% of civil cases within standard. In total, the court resolved 1,238 criminal and civil cases within the time standard in fiscal 2015 compared to 1,251 in fiscal 2014.

**Exhibit 6**  
**Maryland Court of Special Appeals**  
**Cases Terminated Within and Beyond Time Standard**  
**Fiscal 2014**



\*State Appeals are appeals from the pretrial suppression of evidence.

Source: Maryland Judiciary

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There are also a number of specialized timeliness provisions for certain types of appeals heard by the court. Child access cases comprise the majority of these appeals, with 88 in fiscal 2015. There are two time standards for child access cases – the first requires 98% of cases to be argued within 120 days from filing, and the second requires 100% be disposed within 60 days post argument. In fiscal 2015, the first standard was met in only 9% of cases, while the second standard was met in 97% of cases.

## **Fiscal 2016 Actions**

### **Cost Containment**

In the 2015 budget bill, the Judiciary general fund appropriation was reduced by \$2,703,433 as part of a statewide 2% general fund reduction. In order to achieve this reduction, the Judiciary has extended the time it is holding open select vacant positions across the branch.

## **Proposed Budget**

The fiscal 2017 budget totals \$546.9 million, of which 88.3% is general funds. In comparison to the fiscal 2016 working appropriation, the budget grows by \$23.5 million, or 4.5%, as shown in **Exhibit 7**. This increase is largely attributable to increased personnel expenditures, mostly for employee and retiree health insurance and retirement, but also for 34 new regular positions for new judgeships in the District Court and circuit courts.

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**Exhibit 7**  
**Proposed Budget**  
**Judiciary**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
Fiscal 2015 Actual	\$425,704	\$58,420	\$1,007	\$4,530	\$489,661
Fiscal 2016 Working Appropriation	452,933	64,690	1,214	4,582	523,418
Fiscal 2017 Allowance	<u>482,869</u>	<u>59,330</u>	<u>161</u>	<u>4,506</u>	<u>546,866</u>
Fiscal 2016-2017 Amount Change	\$29,936	-\$5,360	-\$1,052	-\$76	\$23,448
Fiscal 2016-2017 Percent Change	6.6%	-8.3%	-86.7%	-1.7%	4.5%



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**Where It Goes:**

**Personnel Expenses**

Employee and retiree health insurance .....	\$9,010
Employee retirement .....	5,198
Salary increments .....	3,628
34 new positions .....	3,470
Judicial retirement .....	2,646
Other compensation adjustments .....	578
Other fringe benefit adjustments .....	87
Workers' compensation assessment .....	-432
Turnover .....	-582
Social Security .....	-837

**Contractual Employment**

Bailiff compensation plan .....	508
Health insurance .....	404
Other contractual employee compensation .....	223
New full-time equivalents .....	120

**Major Information Technology Projects**

Enterprise virtualization .....	1,000
Maryland Electronic Courts Initiative .....	-1,687
Information technology redundancy and recovery .....	-2,705
Administrative Office of the Courts systems .....	-3,284

**Grants**

Family law programs .....	1,596
Other grant changes .....	46
Master salaries .....	-525
Maryland Legal Services Corporation .....	-1,000

**Other Changes**

Data processing .....	3,090
Software licenses .....	1,270
Building maintenance .....	1,112
Office equipment .....	947
Other .....	-433

**Total** **\$23,448**

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

## **Judiciary Share of Across-the-board Health Insurance Reduction**

The fiscal 2017 budget bill includes an across-the-board reduction for employee health insurance, based on a downward revision in the estimate for necessary funding. The Judiciary's share of these reductions is \$1,209,901 in general funds and is assumed as a reversion in the Governor's budget plan. The Department of Legislative Services (DLS) will recommend reducing this amount in the Department of Budget and Management – Personnel budget analysis.

### **Personnel**

Personnel-related expenditures increase by \$22.8 million in fiscal 2017 over the fiscal 2016 working appropriation. Within personnel, the largest increases are rate changes for health insurance (\$9.0 million) and employee and judicial retirement (\$7.8 million). The Judiciary's request also includes \$3.6 million for employee increments. For Executive Branch agencies, these funds are included in the budget allowance for the Department of Budget and Management and will be distributed by budget amendment.

The other significant change to the personnel budget is the addition of \$3.5 million for 34 new positions tied to proposed legislation that would create 11 circuit and 2 District Court judgeships. The Judiciary's budget includes funding for 12 of those judgeships and associated support staff.

### **Contractual Employment**

Costs for contractual employees increase by \$1.3 million in fiscal 2017. This includes \$507,654 to support a new compensation plan for District Court bailiffs and \$119,520 for 4 new District Court bailiff full-time equivalents (FTE) to support the proposed new District Court judgeships. Other changes are \$404,066 for health insurance and \$222,701 for salary increases.

### **Major Information Technology Projects**

Expenditures for major IT projects from the Land Records Improvement Fund (LRIF) decrease by \$6.7 million. Changes include:

- a reduction in expenditures for Maryland Electronic Courts (MDEC) Initiative of \$1.7 million as the project moves into the implementation phase;
- an increase of \$1.0 million for cloud computing and virtual private network technology; and
- the conclusion of two other projects during fiscal 2016 reducing expenditures by an additional \$6.0 million.

## **Grants**

Significant changes to grant programs include an increase of \$1.6 million for family law programs and a reduction of \$524,643 for County Master salaries. There is also a reduction of \$1.0 million for the Maryland Legal Services Corporation (MLSC) due to the removal of one-time funds received and expended in fiscal 2016 as part of settlement between Citi Group, Bank of America, and the Department of Justice. These funds are being used for foreclosure prevention and community redevelopment services.

## **Other Changes**

Other large changes include an increase of \$3.1 million for data processing operations and equipment, \$1.1 million for courthouse maintenance and upgrades, and \$1.3 million for licenses for cloud-computing software.

## *Issues*

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### **1. Judgeship Plan Falls Two Years Behind Schedule**

Each year since 1979, the Judiciary has submitted a report to the General Assembly certifying the need for additional judgeships across the State, and, if necessary, a formal request to establish judgeships in specific courts and jurisdictions. Committee narrative in the 2012 *Joint Chairmen’s Report* (JCR) requested that the Judiciary develop a multi-year plan for adding new District and circuit court judgeships so that the General Assembly could address the Judiciary’s needs more gradually and spread the budget impact over several years.

The Judiciary submitted the Judgeship Deployment Plan (Judgeship Plan) in November 2012. The Judgeship Plan included a certified need for 38 additional judicial positions across the State’s trial courts (17 in the District Court and 21 in the circuit courts) and presented a six-year timeline (fiscal 2013 to 2019) to add 26 of those positions. The other 12 judgeships were not included in the plan because the Judiciary determined that courtroom space and/or local funding would not be available in some jurisdictions.

The Judiciary followed this plan during the 2013 session and requested a total of 11 new judgeships (5 for the District Court, 4 for circuit courts, and 2 at-large positions for the Court of Special Appeals, which was outside the scope of the Judgeship Plan). In response to the certification, the General Assembly enacted Chapter 34 of 2013 to establish the new judgeships. For the 2014 legislative session, the Judiciary requested a total of 8 judgeships, 1 more than the total under the plan (the request included an additional circuit court judgeship in Anne Arundel County). The General Assembly did not create these judgeships. In 2015, the Judiciary requested 7 judgeships, but this request was also not granted.

### **Judiciary Offers Updated Judgeship Plan**

In November 2015, the Judiciary submitted a report certifying a need for 31 additional judges in the District and circuit courts and 2 for the Court of Special Appeals. **Exhibit 8** displays the needs identified in the certification and notes the availability of space and local funding for each judgeship. The Judiciary has requested that 12 new judgeships be created during the 2016 session, 10 in the circuit courts and 2 for the District Court. The Judiciary budget includes a total of 34 new positions, 4 contractual FTEs, and \$3.8 million for compensation and equipment.

**Exhibit 8**  
**Certified Need for Judgeships – Circuit and District Courts**  
**Fiscal 2017**

<u>Jurisdiction</u>	<u>Judge Need</u>		<u>Space Available</u>		<u>Funding for Staff</u>	<u>Judgeships Created HB 74/SB 117</u>	
	<u>Circuit Court</u>	<u>District Court</u>	<u>Circuit Court</u>	<u>District Court</u>	<u>Circuit Court</u>	<u>Circuit Courts</u>	<u>District Court</u>
Anne Arundel	2		Yes for 1		Yes	1	
Baltimore City	3		Yes for 1		Yes for 1	2	
Baltimore County	3	5	Yes for 2	Possibly in fiscal 2018	Yes	2	
Charles	2		Yes for 1		Yes	1	
Frederick	1		Yes		Yes	1	
Harford	2		Possibly for 1		Possibly	1	
Howard	1		Yes		Yes		
Montgomery	3	1	Yes	Yes	Yes	2	1
Prince George's	1	4	Yes	Yes for 1	Yes	1	1
Washington	1	1	Yes	No	No		
Wicomico		1		Yes			
<b>Total</b>	<b>19</b>	<b>12</b>				<b>11</b>	<b>2</b>

Source: Maryland Judiciary

## **Judgeship Bill Mismatch**

As noted above, there are a total of 34 new positions in the Judiciary’s budget request, which will support a total of 12 new judges. However, a second new judge for the Baltimore City Circuit Court is included in both HB 74 and SB 117 that is not funded in the current budget. While the Judiciary supports the creation of this additional judgeship (the thirty-fifth circuit judge in Baltimore City) and has certified a need for a total of 36 circuit judges in the jurisdiction, it has also indicated that the Baltimore City Circuit Court has neither the space nor the local resources necessary to accommodate this additional judgeship in fiscal 2017. Further, adding this additional judge would require additional expenditures totaling \$322,691 in general funds. **DLS recommends that the Judiciary discuss the relationship between the need for additional judges and the impact on workloads and the ability of the Judiciary to meet workload standards.**

## **2. Payments from the Land Records Improvement Fund to the Maryland State Archives**

The Circuit Court Real Property Records Improvement Fund, also known as the LRIF, is a nonlapsing fund that supports the operations of the State’s land records offices. The LRIF was established in 1991 (Chapter 327) to maintain and modernize land records management and is partially funded via a recordation surcharge on real property transactions in the State. The Judiciary uses LRIF funds to operate land records offices, to develop and support the Electronic Land Records Online Imagery system (ELROI) and to make land records available to the public online.

The Maryland State Archives is also required by statute to preserve land records and has formally participated in the Judiciary’s LRIF-funded modernization efforts since 2003. Beginning with a Memorandum of Understanding (MOU) signed April 2, 2003, the Maryland State Archives has held physical copies of land records and makes digital images of those documents publically available through the mdlandrec system.

The Judiciary has compensated the Maryland State Archives for this service since fiscal 2003 with payments and current obligations totaling \$77.3 million through fiscal 2016. Over this period, the LRIF has funded 59.5% of all the Maryland State Archives expenditures. There have been a total of five MOUs between the Maryland State Archives and the Judiciary during this period, and in each full year that an MOU was in effect, the Maryland State Archives has received between \$5.0 million and \$7.1 million. **Exhibit 9** provides an accounting of payments by fiscal year compared to total expenditures by the Maryland State Archives from all funding sources.

**Exhibit 9**  
**Maryland State Archives Expenditures from Land Records Improvement Fund**  
**Fiscal 2003-2016**

<u>Fiscal Year</u>	<u>Land Records Improvement Fund Payments</u>	<u>Total Archives Expenditures</u>	<u>Percent of Total Expenditures</u>
2003 <sup>(1)</sup>	\$1,775,000	\$5,447,957	32.6%
2004	7,100,000	10,885,870	65.2%
2005	7,100,000	9,737,036	72.9%
2006	7,100,000	9,851,016	72.1%
2007	7,100,000	11,107,561	63.9%
2008	7,100,000	11,000,252	64.5%
2009	5,000,000	8,113,316	61.6%
2010	5,000,000	7,291,698	68.6%
2011	5,000,000	8,332,123	60.0%
2012	5,000,000	8,667,772	57.7%
2013	5,000,000	8,437,420	59.3%
2014	5,000,000	8,622,179	58.0%
2015	5,000,000	12,529,413	39.9%
2016 <sup>(2)</sup>	5,000,000	9,753,674	51.3%
<b>Total</b>	<b>\$77,275,000</b>	<b>\$129,777,287</b>	<b>59.5%</b>

<sup>(1)</sup> Memorandum of Understanding for the period from April 3, 2003, to June 30, 2003.

<sup>(2)</sup> Working Appropriation.

Source: Governor's Budget Books

### **The Current Situation: Judiciary Withholding Payment**

The committees have been aware of these payments and for several years have expressed concern regarding whether the funding received by the Maryland State Archives accurately reflected the actual costs of maintaining mdlandrec. Committee narrative in the 2015 JCR required the agencies to submit a report on the terms of their MOU and program expenditures by the Maryland State Archives. The agencies submitted reports under separate cover.

The Maryland State Archives attributed \$5.2 million in fiscal 2015 costs to mdlandrec. Of the \$5.0 million in LRIF funds received by the Maryland State Archives, \$1.9 million was spent for personnel, \$1.3 million for general operating costs, \$808,000 for equipment, and \$1.0 million for fixed charges (including rent for the Maryland State Archives warehouses). The report submitted by the Judiciary questioned the attribution of the Maryland State Archives costs and could identify only \$1.7 million of expenditures directly related to mdlandrec.

After the two reports were submitted, the agencies continued to work together to track the Maryland State Archives expenditures for mdlandrec. After completing this process, the Judiciary

determined that the Maryland State Archives was, in its opinion, attributing unrelated operating expenses to mdlandrec and expressed an unwillingness to pay for such expenses in the future. For instance, the Judiciary noted that the entire salary of the Maryland State Archives chief information officer was attributed to mdlandrec, despite the fact that the position manages IT for the entire agency.

Additionally, the Judiciary has also declared the Maryland State Archives to be in breach of the current MOU because it has been unwilling or unable to provide historic land records, which the Judiciary wishes to upload to ELROI. In a letter dated January 4, 2016, the Judiciary demanded a transfer of the files no later than January 15, 2016, and is withholding payments until it receives these records. To date, the Maryland State Archives has not complied with the Judiciary's request and has not received any LRIF funds for fiscal 2016.

**DLS recommends that the Judiciary and the Maryland State Archives update the committees on the current status of their negotiations and whether payments from the LRIF to the Maryland State Archives will be made in fiscal 2016. DLS also recommends that the agencies comment on the future of their relationship and whether they intend to enter into a new MOU for fiscal 2017.**

### **3. State Enters Second Year of *Richmond* Implementation**

In September 2013, the Court of Appeals ruled in *DeWolfe v. Richmond*, No. 34 (September term 2011), that Article 24 of the Maryland Declaration of Rights includes a right to legal counsel for indigent defendants at their initial appearances before District Court commissioners. Following the various rulings associated with *Richmond*, on May 28, 2014, the Court of Appeals upheld an injunction that requires the State to implement the decision, ending litigation in the case. The decision went into effect on July 1, 2014.

During the 2014 and 2015 legislative sessions, after considering a number of solutions to providing counsel to indigent defendants in a cost-effective manner, the General Assembly chose to restrict \$10 million within the Judiciary's budget for the provision of counsel at initial appearances.

#### **Judiciary's Appointed Attorney Program**

The Judiciary began the Appointed Attorney Program on July 1, 2014. Attorneys selected to represent indigent defendants at hearings are paid \$50 per hour, plus mileage and tolls. Attorney coverage is scheduled in shifts that vary by jurisdiction depending on the historic trends of the timing and quantity of arrests in a given time period. For example, in Baltimore City, where the volume of intake is highest, there are three eight-hour shifts daily.

**Exhibit 10** provides a detailed breakdown of program utilization for fiscal 2015 by county. Statewide, there were a total of 146,180 initial appearances logged, with 51.2% resulting in a release either on personal recognizance or an unsecured bond. Appointed attorneys logged 47,909 appearances, but 65.1% of defendants waived their right to an attorney. Baltimore City was the only jurisdiction with a waiver rate below 50.0%.



**Exhibit 10**  
**Appointed Attorney Program – Utilization by County**  
**Fiscal 2015**

<u>County</u>	<u>Initial Appearances</u>	<u>Personal Recognizance</u>	<u>Unsecured</u>		<u>Appointed Attorneys</u>	<u>Private Attorneys</u>	<u>Public Defenders</u>	<u>Waivers</u>	<u>Waiver Rate</u>
			<u>Personal Bond</u>	<u>Release Rate</u>					
Baltimore City	33,604	16,029	674	49.7%	18,875	153	17	14,487	43.1%
Dorchester	1,083	244	105	32.2%	54	3		1,022	94.4%
Somerset	574	111	157	46.7%	13	2	1	556	96.9%
Wicomico	4,033	1,031	507	38.1%	132	6		3,754	93.1%
Worcester	3,292	1,880	308	66.5%	85	9		2,899	88.1%
Caroline	781	287	220	64.9%	40	4		732	93.7%
Cecil	3,601	1,264	563	50.7%	710	38	10	2,813	78.1%
Kent	470	94	66	34.0%	25	6		432	91.9%
Queen Anne's	1,252	296	172	37.4%	72	34	2	1,123	89.7%
Talbot	894	435	145	64.9%	75	14		763	85.3%
Calvert	2,149	917	769	78.5%	108	21		1,872	87.1%
Charles	4,324	2,647	148	64.6%	272	5		3,620	83.7%
St. Mary's	2,185	1,548	164	78.4%	176	8	3	1,897	86.8%
Prince George's	27,263	13,405	918	52.5%	12,399	102	16	14,628	53.7%
Montgomery	13,481	3,893	3,115	52.0%	6,359	202	25	6,849	50.8%
Anne Arundel	11,802	5,645	950	55.9%	4,316	153	11	7,280	61.7%
Baltimore County	16,560	5,988	881	41.5%	2,704	89	8	13,685	82.6%
Harford	2,893	1,444	48	51.6%	298	8	4	2,555	88.3%
Carroll	2,178	910	305	55.8%	53	16	6	2,003	92.0%
Howard	3,917	980	1,150	54.4%	360	50	3	3,391	86.6%
Frederick	3,725	1,198	354	41.7%	298	14	3	3,377	90.7%
Washington	3,651	1,621	173	49.1%	269	12		3,251	89.0%
Allegany	1,929	677	75	39.0%	111	22	1	1,773	91.9%
Garrett	539	237	50	53.2%	105	18	3	381	70.7%
<b>Totals</b>	<b>146,180</b>	<b>62,781</b>	<b>12,017</b>	<b>51.2%</b>	<b>47,909</b>	<b>989</b>	<b>113</b>	<b>95,143</b>	<b>65.1%</b>

Source: Maryland Judiciary

*C00A00 – Judiciary*

The General Assembly also restricted \$100,000 in Judiciary’s fiscal 2016 appropriation pending receipt of a report on the program’s total expenditures, attorney costs, and travel reimbursements in fiscal 2015. The Judiciary submitted this report on October 1, 2015. The Judiciary reported total expenditures of \$8.1 million, of which \$339,655 was travel reimbursement, and the remainder was appointed attorney compensation. Actual expenditures did not exceed the restricted amount; therefore, counties were not required to provide any funding, and \$1.9 million was reverted to the General Fund. **Exhibit 11** provides a monthly breakdown of program expenses for fiscal 2015.

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**Exhibit 11**  
**Appointed Attorney Program**  
**Fiscal 2015 Expenses**

	<u>Attorney Compensation</u>	<u>Travel Reimbursements</u>	<u>Total Payments</u>
July	\$400,124	\$19,667	\$419,791
August	474,089	23,303	497,392
September	358,897	17,641	376,538
October	532,250	26,162	558,412
November	372,377	18,303	390,680
December	770,885	37,891	808,776
January	841,206	11,956	853,162
February	661,708	33,023	694,730
March	857,532	34,704	892,236
April	504,273	21,907	526,180
May	778,464	37,073	815,537
June	1,216,892	58,026	1,274,918
<b>Total</b>	<b>\$7,768,697</b>	<b>\$339,655</b>	<b>\$8,108,353</b>

Source: Maryland Judiciary

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**Reauthorization of the Appointed Attorney Program**

For both fiscal 2015 and 2016, the General Assembly, in addition to restricting funding in the budget bill, also included language in the Budget Reconciliation and Financing Act (BRFA) to authorize the State to charge counties for any expenditures in excess of their apportionment in the event that that program costs exceeded the amount restricted in the Judiciary budget. The Governor has not requested that a BRFA be introduced to accompany the budget this year; therefore, there is currently no vehicle to authorize this aspect of the Appointed Attorney Program. If the General Assembly wishes to obligate the counties for costs in excess of \$10 million, additional legislation will be required. In

the absence of legislation to that effect, the program would continue, but counties could not be charged for any of the cost.

**DLS recommends that if the General Assembly wishes to continue to obligate counties for any costs of the Appointed Attorney Program in excess of \$10 million, substantive legislation should be introduced to achieve that purpose. DLS further recommends that the Judiciary comment on the status of the Appointed Attorney Program as it moves beyond the implementation phase and the effectiveness of the program. Committee narrative is recommended to direct the Judiciary to provide a report on program expenditures and utilization statistics for fiscal 2016.**

#### **4. Maryland Electronic Courts Initiative**

Committee narrative in the 2015 JCR requested that the Judiciary provide a report summarizing the efficiencies and savings it expects to realize once MDEC has been deployed statewide. The committees made the same request in the 2014 JCR and repeated the request when the Judiciary reported that it could not yet quantify any savings that might be achieved as a result of MDEC implementation. The Judiciary provided a report on the status of MDEC on November 2, 2015.

MDEC is an integrated case management and electronic filing system that will replace legacy systems currently being used in courts across the State. The project began in early 2012, and the Judiciary chose to contract with Tyler Technologies to provide electronic filing services. The MDEC system was introduced for pilot use in Anne Arundel County for civil and family law, as well as the Court of Appeals and the Court of Special Appeals on October 14, 2014. On August 3, 2015, coverage was extended to criminal and traffic cases in Anne Arundel County. The Judiciary has reported that all significant issues were resolved during the first 90 days of the pilot period and plans to introduce MDEC to the Upper Eastern Shore in July 2016. The rollout to all jurisdictions is expected to be completed in 2019.

The Judiciary reports, as it did in 2014, that it is not yet able to quantify any operational savings that may be achieved by the implementation of MDEC. The Judiciary offers the following reasons for this: job focus for clerks will change from accepting and filing paper to reviewing filings online for acceptance and scanning paper filings into the electronic file; courts will be operating both legacy and MDEC systems for the next several years and, therefore, must support both processing environments; and space reductions that result from eliminating paper files may be used for additional hearing or court rooms and staff would be required to support these additional facilities.

As shown in **Exhibit 12**, the current total cost estimate for MDEC is \$73.0 million, of which \$44.0 million has been expended or appropriated through fiscal 2016. This is a slight decrease of \$62,578 from the fiscal 2016 total cost estimate. The current Information Technology Master Plan includes estimated expenditures totaling \$29.0 million for the remainder of the project, including \$9.4 million in fiscal 2017.

DLS recommends that there should be savings associated with MDEC for personnel, postage, and supplies, including printing and paper. DLS further recommends that the Judiciary should comment on when it will be able to quantify and begin to realize these savings.

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**Exhibit 12**  
**Maryland Electronic Courts Initiative**  
**Actual and Projected Expenditures**  
**Fiscal 2012-2019**

<u>Fiscal Year</u>	<u>Expenditures</u>
Pre-2012 <sup>1</sup>	\$6,681,259
2012	3,770,633
2013	5,417,875
2014	4,183,965
2015	10,731,571
2016 <sup>2</sup>	13,213,598
2017 <sup>2</sup>	9,417,098
2018 <sup>2</sup>	10,366,302
2019 <sup>2</sup>	9,259,277
<b>Total</b>	<b>\$73,041,578</b>

<sup>1</sup>Planning Phase

<sup>2</sup>Projected

Source: Maryland Judiciary

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## ***Recommended Actions***

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1. Add the following language:

Provided that \$5,632,929 in general funds is eliminated and that turnover for employees is increased to 6%.

**Explanation:** This language increases the employee turnover rate to 6% and thereby reduces the general fund appropriation by \$5,632,929 to reflect that increased turnover expectancy.

2. Add the following language:

Further provided that 34 positions and \$3,786,876 in general funds are contingent upon the enactment of HB 74 or SB 117.

**Explanation:** This action makes the funding for these positions contingent upon the enactment of HB 74 or SB 117, which would create the judgeships that the funding and positions are intended to support. Included in the amount is 34 new positions, as well as 4 contractual bailiff full-time equivalents and supply costs.

3. Add the following language to the general fund appropriation:

Provided that \$10,000,000 of the general fund appropriation may only be expended for the purpose of providing attorneys for required representation at initial appearances before District Court Commissioners consistent with the holding of the Court of Appeals in *DeWolfe v. Richmond*. Any funds not expended for this purpose shall revert to the General Fund. Further provided that the Chief Judge is authorized to process a budget amendment to transfer up to \$10,000,000 in general funds to the appropriate unit of State government upon the enactment of legislation designating that unit of government to assume responsibility for providing attorneys for required representation at initial appearances before District Court Commissioners.

**Explanation:** This language restricts the use of \$10 million in the Judiciary's general funds appropriated for the implementation of Richmond for this purpose only. Further, the language authorizes the transfer of the funds to another agency if legislation provides an alternative solution to Appointed Attorney Program.

4. Add the following language to the general fund appropriation:

Further provided that a \$1,040,000 general fund reduction is made for operating expenditures. This reduction shall be allocated among the subdivisions according to the following Comptroller objects:

*C00A00 – Judiciary*

<u>0301 – Postage</u>	<u>\$150,000</u>
<u>0302 – Telephone</u>	<u>25,000</u>
<u>0804 – Printing and Reproduction</u>	<u>25,000</u>
<u>0809 – Equipment Repair and Maintenance</u>	<u>40,000</u>
<u>0812 – Building/Road Repairs and Maintenance</u>	<u>575,000</u>
<u>0902 – Office Supplies</u>	<u>165,000</u>
<u>1115 – Office Equipment</u>	<u>60,000</u>

**Explanation:** This action reduces the District Court’s fiscal 2017 general fund appropriation for operating expenditures. An 8% inflation rate over fiscal 2015 actual expenditures was applied to operating expenditures in this program. This action aligns select objects of expenditures to a 2% per year inflation rate.

	<u>Amount Reduction</u>	<u>Position Reduction</u>
5. Eliminate funding for overtime for contractual bailiffs to provide for paid leave time. Other contractual workers employed by the State do not receive paid leave.	\$ 200,000	GF
6. Adopt the following narrative:		

**Appointed Attorney Program Costs and Expenditures:** The committees remain concerned about the operations of the Appointed Attorney Program and the State’s efforts to comply with the *Richmond* decision. The committees request a report detailing the fiscal 2016 costs of the Appointed Attorney Program, including reimbursement for tolls and mileage, as well as program utilization statistics.

<b>Information Request</b>	<b>Author</b>	<b>Due Date</b>
Fiscal 2016 Appointed Attorney Program costs and usage	Judiciary	October 1, 2016

7. Add the following language to the general fund appropriation:

Provided that a \$2,822,480 general fund reduction is made for operating expenditures. This reduction shall be allocated among the subdivisions according to the following Comptroller objects.

<u>0301 – Postage</u>	<u>\$65,000</u>
<u>0302 – Telephone</u>	<u>40,000</u>
<u>0401 – In State/Routine Operations</u>	<u>160,000</u>

*C00A00 – Judiciary*

<u>0801 – Advertising and Legal Publication</u>	<u>23,000</u>
<u>0804 – Printing and Reproduction</u>	<u>98,000</u>
<u>0805 – Bookbinding</u>	<u>30,000</u>
<u>0808 – Equipment Rental</u>	<u>17,000</u>
<u>0812 – Building Repair and Maintenance</u>	<u>400,000</u>
<u>0813 – Janitorial Service</u>	<u>20,000</u>
<u>0819 – Education/Training Contracts</u>	<u>32,000</u>
<u>0821 – Management Studies/Consultants</u>	<u>52,980</u>
<u>0826 – Freight and Delivery</u>	<u>85,000</u>
<u>0827 – Trash and Garbage Removal</u>	<u>18,000</u>
<u>0828 – Office Assistance</u>	<u>125,000</u>
<u>0854 – Computer Maintenance Contracts</u>	<u>115,000</u>
<u>0858 – Software Licenses</u>	<u>50,000</u>
<u>0873 – Outside Services – Other</u>	<u>60,000</u>
<u>0902 – Office Supplies</u>	<u>150,000</u>
<u>0915 – Library Supplies</u>	<u>8,500</u>
<u>1006 – Duplicating Equipment</u>	<u>375,000</u>
<u>1015 – Office Equipment</u>	<u>550,000</u>
<u>1106 – Duplicating Equipment</u>	<u>335,000</u>
<u>1304 – Subscriptions</u>	<u>13,000</u>

**Explanation:** This action reduces the Judiciary’s fiscal 2017 budget for operating expenditures for the Clerks of the Circuit Court program. An 8% inflation rate over fiscal 2015 actual expenditures was applied to operating expenditures in this program. This action aligns select objects of expenditure to a 2% per year inflation rate.

**Total General Fund Reductions** **\$ 200,000**

## ***Updates***

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### **1. Compensation for Contractual Bailiffs**

Committee narrative in the 2015 JCR required the Judiciary to provide a report on the status of contractual bailiffs in the District Courts and whether they would “benefit by or prefer serving in a permanent position.” According to the Judiciary, there are currently 329 contractual FTEs for bailiffs across the State. Bailiffs are divided into four position classifications (entry level bailiff, special police officer, lead bailiff, and supervisory bailiff) and earn an hourly wage between \$16.60 and \$19.97 based on their classification.

In order to assess the opinion of the bailiffs regarding their contractual status, the Chief Judge and Chief Clerk of the District Court met with the lead and supervisory bailiffs on May 13, 2015, to discuss their jobs and seek recommendations for desired changes. The Judiciary reported five main issues were raised by those in attendance: step increases based on service time; sick and bereavement leave; jury duty leave; compensatory leave for accrued overtime; and reimbursement or consideration for parking expenses.

After this meeting, the Chief Judge of the District Court and the State Court Administrator developed a plan based on these issues. They determined that the bailiffs are already on equal footing with permanent Judiciary employees regarding jury duty leave and parking and that they cannot receive compensatory leave in lieu of overtime pay under the federal Fair Labor Standards Act. The Judiciary reports that there will not be changes in policy regarding these items.

The Judiciary, though, has taken action in its budget request on the other two items. First, it intends to provide all contractual bailiffs 10 days of paid leave per year that can be used for any purpose and has included \$200,000 in its request for anticipated overtime pay resulting from leave usage. Second, the Judiciary’s fiscal 2017 budget request includes \$307,654 to implement four salary steps based on years of service.

### **2. Land Records Improvement Fund Balance and Projections**

The LRIF was established by Chapter 327 of 1991 to provide for the maintenance and modernization of the State’s land records offices. Since 2007, the Judiciary has also funded major IT projects from the LRIF. Until the beginning of fiscal 2016, the LRIF was supported entirely by a surcharge on recordable instruments on real property filed in the State. This surcharge is currently \$40 and will sunset at the end of fiscal 2020 under Chapter 487 of 2015.

Chapter 488 of 2015 created a new surcharge of \$11 on civil cases filed in the circuit courts and all appellate cases filed in the State. These fees are deposited into the LRIF to support development and maintenance costs for MDEC. The surcharge is projected to generate \$6.2 million per year beginning in fiscal 2016.



*C00A00 – Judiciary*

As shown in **Exhibit 13**, the balance in the LRIF at the beginning of fiscal 2016 was \$35.9 million. The Judiciary’s fiscal 2016 appropriation includes a total of \$46.3 million in expenditures from the LRIF against estimated revenue of \$35.9 million. Expenditures continue to exceed revenues through fiscal 2019, and the fund is projected to have an ending balance of \$15.2 million in fiscal 2019. Additionally, this estimate does not include any payments to the Maryland State Archives for fiscal 2017, 2018, or 2019. The Maryland State Archives has received at least \$5.0 million from the LRIF each fiscal year since 2004. Payments to the Maryland State Archives are currently under review by the Judiciary, but if they continue at or near the present level, the projected structural deficit will be significantly larger, and the fund’s balance depleted at the end of fiscal 2019. Exhibit 13 also assumes that the expenditures for Land Records Offices will be made at their budgeted level, however in recent years appropriations have far-exceeded actual expenditures, which has resulted in higher than projected fund balances.

**Exhibit 13**  
**Land Records Improvement Fund**  
**Fiscal 2013-2019**  
**(\$ in Thousands)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Working Approp. 2016</u>	<u>Projected 2017</u>	<u>Projected 2018</u>	<u>Projected 2019</u>
<b>Starting Balance</b>	\$31,550	\$39,608	\$45,851	\$35,869	\$25,440	\$23,735	\$19,864
<b>Revenues</b>							
Land Records							
Surcharges/Fees	\$38,370	\$30,498	\$28,906	\$29,702	\$29,702	\$29,702	\$29,702
e-Filing Service Surcharge				6,210	6,210	6,210	6,210
<b>Total Revenue</b>	<b>\$38,370</b>	<b>\$30,498</b>	<b>\$28,906</b>	<b>\$35,912</b>	<b>\$35,912</b>	<b>\$35,912</b>	<b>\$35,912</b>
<b>Expenses</b>							
Land Records Offices	\$12,496	\$12,032	\$13,442	\$18,530	\$19,759	\$20,988	\$22,216
mdlandrec	5,000	5,000	5,000	5,000	TBD	TBD	TBD
ELROI Maintenance	1,735	1,961	1,904	2,642	3,401	3,074	3,074
Major IT Projects	11,081	8,430	21,054	20,802	14,457	15,722	15,279
Encumbrance							
Reconciliation		-3,167	-2,513	-633			
<b>Total Expenses</b>	<b>\$30,312</b>	<b>\$24,255</b>	<b>\$38,887</b>	<b>\$46,341</b>	<b>\$37,617</b>	<b>\$39,784</b>	<b>\$40,570</b>
<b>Ending Balance</b>	<b>\$39,608</b>	<b>\$45,851</b>	<b>\$35,869</b>	<b>\$25,440</b>	<b>\$23,735</b>	<b>\$19,864</b>	<b>\$15,206</b>
Structural Imbalance	\$8,058	\$6,243	-\$9,981	-\$10,429	-\$1,705	-\$3,872	-\$4,658

ELROI: Electronic Land Records Online Imagery  
IT: information technology

Source: Maryland Judiciary; Department of Legislative Services

## *Current and Prior Year Budgets*

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### 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>
<b>Fiscal 2015</b>					
Legislative Appropriation	\$428,143	\$62,986	\$308	\$4,324	\$495,760
Deficiency Appropriation	0	0	0	0	0
Cost Containment	0	0	0	0	0
Budget Amendments	1,803	1,115	1,976	496	5,390
Reversions and Cancellations	-4,242	-5,681	-1,277	-289	-11,489
<b>Actual Expenditures</b>	<b>\$425,704</b>	<b>\$58,420</b>	<b>\$1,007</b>	<b>\$4,530</b>	<b>\$489,661</b>
<b>Fiscal 2016</b>					
Legislative Appropriation	\$452,933	\$64,690	\$161	\$4,521	\$522,304
Budget Amendments	0	0	1,052	62	1,114
<b>Working Appropriation</b>	<b>\$452,933</b>	<b>\$64,690</b>	<b>\$1,214</b>	<b>\$4,582</b>	<b>\$523,418</b>

Note: The fiscal 2016 working appropriation does not include deficiencies or reversions. Numbers may not sum to total due to rounding.

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## **Fiscal 2015**

The Judiciary finished fiscal 2015 \$6,098,680 below its legislative appropriation. Unspent funds of \$11,488,736 were reverted or canceled. Amendments for the cost-of-living adjustment (COLA) and foster care and domestic violence protective order programs increased the appropriation by \$5,390,048.

### **General Funds**

Actual expenditures were \$2,438,839 below the legislative appropriation due to reversions and budget amendments, which included:

- \$1,803,004 increase for the COLA; and
- \$4,241,843 in reversions mainly due to the Appointed Attorney Program (\$1.9 million), delays in filling judgeships (\$700,000), and delays in the start-up for the judicial self-help center (\$535,000).

### **Special Funds**

Actual expenditures were \$4,565,870 below the legislative appropriation due to cancellations of \$5,681,187, including:

- \$4.8 million in circuit court land records operations due to a hiring freeze;
- \$243,000 in unspent funds in land records maintenance; and
- \$624,000 for MLSC that was not available to be spent due to lower than anticipated revenue collection.

These cancellations were partially offset by budget amendments that increased the appropriation by \$1,115,317, including \$1.0 million for MLSC and \$115,317 for the COLA.

### **Federal Funds**

Actual expenditures were \$699,281 above the legislative appropriation due to budget amendments totaling \$1,975,903, including:

- a \$1,438,838 increase for foster care and child support program; and
- a \$537,065 increase for drug courts.

### *C00A00 – Judiciary*

These increases were partially offset by cancellations totaling \$1,276,622, including \$436,000 for foster care and other domestic support programs and \$811,000 for drug court projects.

### **Reimbursable Funds**

Actual expenditures were \$206,749 above the legislative appropriation due to budget amendments totaling \$495,834, including \$369,712 for foster care programs and \$126,122 for domestic violence protective order programs. This increase is partially offset by cancellations totaling \$289,085, including \$260,000 for child support enforcement grants.

### **Fiscal 2016**

To date, \$1,114,011 has been added through budget amendments to the legislative appropriation for fiscal 2016. Of this amount \$1,052,368 was in federal funds and \$61,643 in reimbursable funds for grant programs related to the Foster Care Court Improvement Program, judicial education, child support programs, protective order advocacy, and adult guardianships.

**Object/Fund Difference Report  
Judiciary**

<u>Object/Fund</u>	<u>FY 15 Actual</u>	<u>FY 16 Working Appropriation</u>	<u>FY 17 Allowance</u>	<u>FY 16 - FY 17 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	3,732.50	3,913.50	3,947.50	34.00	0.9%
<b>Total Positions</b>	<b>3,732.50</b>	<b>3,913.50</b>	<b>3,947.50</b>	<b>34.00</b>	<b>0.9%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 313,732,623	\$ 337,711,190	\$ 361,687,480	\$ 23,976,290	7.1%
02 Technical and Spec. Fees	14,464,861	13,280,567	14,534,508	1,253,941	9.4%
03 Communication	12,472,796	13,571,407	14,356,805	785,398	5.8%
04 Travel	1,704,513	1,707,401	1,979,733	272,332	16.0%
06 Fuel and Utilities	857,841	1,012,959	884,681	-128,278	-12.7%
07 Motor Vehicles	189,586	207,217	265,229	58,012	28.0%
08 Contractual Services	70,717,312	75,789,363	74,061,136	-1,728,227	-2.3%
09 Supplies and Materials	5,481,189	5,661,970	6,304,293	642,323	11.3%
10 Equipment – Replacement	5,299,709	6,128,246	6,537,465	409,219	6.7%
11 Equipment – Additional	5,667,068	3,313,887	3,370,157	56,270	1.7%
12 Grants, Subsidies, and Contributions	44,034,511	47,781,584	47,922,444	140,860	0.3%
13 Fixed Charges	13,758,188	16,242,538	15,847,275	-395,263	-2.4%
14 Land and Structures	1,280,958	1,010,000	325,000	-685,000	-67.8%
<b>Total Objects</b>	<b>\$ 489,661,155</b>	<b>\$ 523,418,329</b>	<b>\$ 548,076,206</b>	<b>\$ 24,657,877</b>	<b>4.7%</b>
<b>Funds</b>					
01 General Fund	\$ 425,703,768	\$ 452,932,537	\$ 484,078,583	\$ 31,146,046	6.9%
03 Special Fund	58,419,674	64,690,038	59,330,177	-5,359,861	-8.3%
05 Federal Fund	1,007,258	1,213,513	161,115	-1,052,398	-86.7%
09 Reimbursable Fund	4,530,455	4,582,241	4,506,331	-75,910	-1.7%
<b>Total Funds</b>	<b>\$ 489,661,155</b>	<b>\$ 523,418,329</b>	<b>\$ 548,076,206</b>	<b>\$ 24,657,877</b>	<b>4.7%</b>

Note: The fiscal 2016 working appropriation does not include deficiencies or reversions. The fiscal 2017 allowance does not include contingent reductions.

**Fiscal Summary  
Judiciary**

<u>Program/Unit</u>	<u>FY 15 Actual</u>	<u>FY 16 Wrk Approp</u>	<u>FY 17 Allowance</u>	<u>Change</u>	<u>FY 16 - FY 17 % Change</u>
01 Court of Appeals	\$ 11,103,627	\$ 11,445,368	\$ 11,364,302	-\$ 81,066	-0.7%
02 Court of Special Appeals	10,947,785	11,690,158	12,379,493	689,335	5.9%
03 Circuit Court Judges	61,280,377	63,285,644	68,840,337	5,554,693	8.8%
04 District Court	166,165,116	176,235,260	186,770,718	10,535,458	6.0%
05 Maryland Judicial Conference	316,367	230,750	0	-230,750	-100.0%
06 Administrative Office of the Courts	71,201,206	77,246,585	82,767,883	5,521,298	7.1%
07 Court Related Agencies	2,421,527	3,033,054	3,007,376	-25,678	-0.8%
08 State Law Library	2,847,455	3,121,059	3,384,645	263,586	8.4%
09 Judicial Information Systems	47,078,707	47,229,805	48,987,546	1,757,741	3.7%
10 Clerks of the Circuit Court	95,096,171	108,996,431	116,116,808	7,120,377	6.5%
11 Family Law Division	148,750	101,976	0	-101,976	-100.0%
12 Major IT Development Projects	21,054,067	20,802,239	14,457,098	-6,345,141	-30.5%
<b>Total Expenditures</b>	<b>\$ 489,661,155</b>	<b>\$ 523,418,329</b>	<b>\$ 548,076,206</b>	<b>\$ 24,657,877</b>	<b>4.7%</b>
General Fund	\$ 425,703,768	\$ 452,932,537	\$ 484,078,583	\$ 31,146,046	6.9%
Special Fund	58,419,674	64,690,038	59,330,177	-5,359,861	-8.3%
Federal Fund	1,007,258	1,213,513	161,115	-1,052,398	-86.7%
<b>Total Appropriations</b>	<b>\$ 485,130,700</b>	<b>\$ 518,836,088</b>	<b>\$ 543,569,875</b>	<b>\$ 24,733,787</b>	<b>4.8%</b>
Reimbursable Fund	\$ 4,530,455	\$ 4,582,241	\$ 4,506,331	-\$ 75,910	-1.7%
<b>Total Funds</b>	<b>\$ 489,661,155</b>	<b>\$ 523,418,329</b>	<b>\$ 548,076,206</b>	<b>\$ 24,657,877</b>	<b>4.7%</b>

Note: The fiscal 2016 working appropriation does not include deficiencies or reversions. The fiscal 2017 allowance does not include contingent reductions.