

Judiciary - Supreme Court

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 OSPB: Keith Fallstrom

Subcommittee: Assets

DESCRIPTION	FY 2002 ACTUAL	FY 2003 ESTIMATE	FY 2004	
			OSPB	JLBC
PROGRAM BUDGET				
Supreme Court	13,384,400	15,243,000	15,243,000	13,219,000
Case Processing				
State Aid	7,059,000	4,937,200	4,937,200	3,949,400
Rural State Aid to Courts	0	837,000	837,000	0
County Reimbursements	257,900	330,000	330,000	330,000
Automation	8,065,700	14,490,000	14,490,000	9,882,600
Program Subtotal - Case Processing	15,382,600	20,594,200	20,594,200	14,162,000
Family Services				
Foster Care Review Board	2,071,700	2,171,000	2,171,000	2,168,400
Court Appointed Special Advocate	2,160,600	2,439,400	2,439,400	2,615,000
Model Court	464,500	514,300	514,300	514,300
Domestic Relations	1,005,600	1,014,500	1,014,500	1,026,000
Program Subtotal - Family Services	5,702,400	6,139,200	6,139,200	6,323,700
Judicial Nominations & Performance Review	274,200	279,500	279,500	281,300
Commission on Judicial Conduct	337,100	346,000	346,000	343,700
6th SS Lump Sum Reduction SLI	0	(802,400)	(802,400)	(802,400)
AGENCY TOTAL	35,080,700	41,799,500	41,799,500	33,527,300

OPERATING BUDGET

Full Time Equivalent Positions	247.4	233.1	233.1	204.7
Personal Services	8,291,600	9,377,800	9,377,800	9,152,900
Employee Related Expenditures	1,520,500	1,784,400	1,784,400	1,868,000
Professional and Outside Services	385,000	1,031,200	1,031,200	737,900
Travel - In State	170,300	174,900	174,900	160,300
Travel - Out of State	0	43,800	43,800	43,800
Other Operating Expenditures	24,490,600	30,125,800	30,125,800	22,303,800
Equipment	222,700	64,000	64,000	63,000
OPERATING SUBTOTAL	35,080,700	42,601,900	42,601,900	34,329,700
Special Line Items (SLI)	0	(802,400)	(802,400)	(802,400)
AGENCY TOTAL	35,080,700	41,799,500	41,799,500	33,527,300

FUND SOURCES

General Fund	17,424,700	15,842,000	15,842,000	11,193,500
<u>Other Appropriated Funds</u>				
Confidential Intermediary and Private Fiduciary Fund	28,400	396,500	396,500	415,800
Court Appointed Special Advocate Fund	2,160,600	2,439,400	2,439,400	3,365,000
Criminal Justice Enhancement Fund	1,607,400	3,013,900	3,013,900	3,025,300
Defensive Driving School Fund	2,396,600	5,216,800	5,216,800	0
Judicial Collection Enhancement Fund	7,817,900	12,633,800	12,633,800	14,688,300
State Aid to the Courts Fund	3,645,100	2,257,100	2,257,100	839,400
SUBTOTAL - Other Appropriated Funds	17,656,000	25,957,500	25,957,500	22,333,800
SUBTOTAL - Appropriated Funds	35,080,700	41,799,500	41,799,500	33,527,300
Other Non-Appropriated Funds	17,263,800	14,496,500	NA	13,896,500
TOTAL - ALL SOURCES	52,344,500	56,296,000	NA	47,423,800

CHANGE IN FUNDING SUMMARY

	FY 2003 to FY 2004 JLBC	
	\$ Change	% Change
General Fund	(4,648,500)	(29.3%)
Other Appropriated Funds	(3,623,700)	(14.0%)
Total Appropriated Funds	(8,272,200)	(19.8%)

Eliminate General Fund

Appropriation to the State **GF** **(418,500)**
Aid to the Courts Fund **OF** **(418,500)**

The JLBC recommends eliminating the General Fund appropriation to the State Aid to the Courts Fund. Established by Laws 1999, Chapter 346, State Aid to the Courts provides assistance in the processing of criminal cases in the Superior and Justice Courts. The program receives: 1) General Fund appropriations, 2) 40.97% of a 7% penalty assessment on fines, penalties, and forfeitures imposed by the courts for criminal and civil motor vehicle violations, and 3) a portion of the monies collected by the Supreme Court and the Court of Appeals. The State Aid to the Courts Fund is subject to appropriation. As a result, any General Fund monies deposited into the fund must be reappropriated before being expended (each General Fund dollar is therefore counted twice).

During the 2002 Legislative Session, the Legislature reduced the General Fund contribution by \$(1,302,600) to eliminate aid to Maricopa and Pima Counties, but left all other monies intact, including \$418,500 in General Fund monies for rural counties. The JLBC recommends eliminating the General Fund portion of the revenue but retaining the other funding sources. In FY 2004, the State Aid to the Courts Fund is expected to receive approximately \$1.8 million from non-General Fund sources.

In addition, the JLBC recommends a change in the State Aid to the Courts Fund statutes that would allow any General Fund monies deposited in the fund in the future to be expended without a second appropriation. This change would eliminate the need to count General Fund monies as an expenditure when deposited into the fund and then counted a second time as expenditures from the fund. (See *JLBC Recommended Statutory Changes for more information.*)

Use State Aid to the Courts Fund for

Superior Court Judges' Salaries **OF** **(1,000,000)**

The JLBC recommends shifting \$1,000,000 of State Aid to the Courts Fund revenue to pay a portion of the state's 50% share of the salary and Employee Related Expenditures of Superior Court Judges. (See *Superior Court recommendation for more information.*)

Defensive Driving School **OF** **(5,216,800)**

The JLBC recommends a Defensive Driving School Fund decrease and (28.4) FTE Positions to shift the Defensive Driving School program to the Motor Vehicle Division within the Arizona Department of Transportation (ADOT). The Defensive Driving School Fund consists of a fee, not to exceed \$15, imposed on each person who attends a defensive driving school, and \$500 initial certification and \$50-\$250 recertification fees paid by defensive driving schools. The monies are currently used to monitor defensive driving schools and to expedite the processing of highway traffic offenses. The Administrative Office of the Courts also spends a portion of these monies on court automation projects throughout the state. The JLBC

recommends that ADOT administer this fund and regulate the Defensive Driving School program. (See *ADOT recommendation for more information.*)

Zero-Base Drug Treatment and Education Fund

The JLBC recommends zero-base budgeting the Drug Treatment and Education Fund. During the session, the Appropriations Committees will review the various components of the fund for its statutory basis, funding history, appropriateness, and determine a proper funding level for the fund. The zero-base budgeting process will allow the Committees to identify spending overlaps and to explore whether the fund is efficiently and effectively meeting its mission and goals.

The Drug Treatment and Education Fund receives its revenue from 13% of tax revenue collected on spirituous liquors and 32% of tax revenue collected on vinous and malt liquors. These revenues are distributed to the Arizona Department of Corrections (ADC), the Supreme Court, and the Arizona Parents Commission on Drug Education and Prevention. Monies in the fund are non-appropriated and provide funding for: 1) rehabilitation programs and counseling for ADC inmates; 2) substance abuse treatment for probationers; and 3) programs that increase and enhance parental involvement and education regarding the abuse of alcohol and controlled substances. In FY 2004, the 3 components of the fund are expected to receive approximately \$9.8 million.

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JLBC RECOMMENDED FORMAT — Detailed Line Item by Agency. (In the FY 2003 budget, the agency had a Lump Sum by Program/Subprogram format.)

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

Included in the Lump Sum appropriation for the ~~Administrative Supervision~~ SUPREME COURT Program is \$1,000 for the purchase of mementos and items for visiting officials.

The Administrative Office of the Courts shall report annually, by November 1, to the Joint Legislative Budget Committee on the total receipts and expenditures in each account of the Adult Probation Services Fund established by A.R.S. § 12-267 and the Juvenile Probation Fund established by A.R.S. § 12-268. The report shall present the information by county and include the amount of Personal Services expended from each revenue source of each account.

All Case Processing Assistance Fund receipts received by the Administrative Office of the Courts in excess of \$3,025,300 in FY 2004 are appropriated to the Supreme Court. Before the expenditure of any Case Processing Assistance Fund receipts in excess of \$3,025,300 in FY 2004, the Administrative Office of the Courts shall submit

the intended use of the monies for review by the Joint Legislative Budget Committee.

All Judicial Collection Enhancement Fund receipts received by the Administrative Office of the Courts in excess of \$14,688,300 in FY 2004 are appropriated to the Supreme Court. Before the expenditure of Judicial Collection Enhancement Fund receipts in excess of \$14,688,300 in FY 2004, the Administrative Office of the Courts shall submit the intended use of the monies for review by the Joint Legislative Budget Committee.

Deletion of Prior Year Footnotes

The JLBC recommends deleting the one-time footnote related to the allocation of the Rural State Aid to Courts appropriation. The footnote specified that these monies must be allocated in counties with populations of less than 500,000 persons. The JLBC recommends eliminating the monies associated with Rural State Aid to Courts as well as the elimination of this footnote. (See the "Eliminate General Fund Appropriation to the State Aid to the Courts Fund" policy issue for more information.)

The JLBC recommends deleting the one-time footnote specifying that the FY 2003 lump sum reduction shall not be implemented in any subprogram in the Juvenile Probation Services program.

The JLBC recommends deleting the one-time footnote specifying that the FY 2003 lump sum reduction shall not be implemented in the Elder Law Hotline program.

The JLBC recommends deleting the footnote related to the expenditure of Defensive Driving School revenue in excess of the fund's current year appropriation. The JLBC recommends shifting this program to ADOT. (See the "Defensive Driving School" policy issue for more information.)

JLBC RECOMMENDED STATUTORY CHANGES

The JLBC recommends: 1) expanding the uses of the Judicial Collection Enhancement Fund to include any program administered by the Supreme Court; 2) eliminating the double appropriation of General Fund monies received by the State Aid to the Courts Fund; 3) shifting the Defensive Driving School Program to the Motor Vehicle Division within the Arizona Department of Transportation; and 4) specifying that Justice of the Peace courts are courts of the County.

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Alternative Dispute Resolution (SPA3245/A.R.S. § 12-135)		Non-Appropriated
Source of Revenue: The fund consists of 0.35% of fee collections on civil filings in the Superior Court and 2.42% of civil filings in Justice of the Peace Courts.		
Purpose of Fund: To supplement local courts' funding for alternative dispute resolution programs.		
Funds Expended	168,500	198,700
Year-End Fund Balance	97,400	77,000
Confidential Intermediary and Private Fiduciary (SPA2276/A.R.S. § 8-135)		Appropriated
Source of Revenue: A portion of Superior Court fees; fees received by state and local registrars for certified copies of birth certificates; and fees collected through fiduciary registration with the Supreme Court.		
Purpose of Fund: To train and certify confidential intermediaries, who facilitate contact between adoptees/adoptive parents and birth parents while protecting court and agency records. Monies are also used to train and certify private fiduciaries, who serve as court appointed guardians or representatives for one or more persons who are unrelated to the fiduciary.		
Funds Expended	304,500	408,600
Year-End Fund Balance	529,300	420,200
County Public Defender Training (SPA3013/A.R.S. § 12-117)		Non-Appropriated
Source of Revenue: Two dollars of the \$12 surcharge on each person paying a court order penalty, fine, or sanction on a time-payment basis.		
Purpose of Fund: For training of county public defenders. Allocation of monies is made to each county Public Defender Office in proportion to the number of felony cases assigned to that office in the last fiscal year.		
Funds Expended	589,800	596,200
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Court Appointed Special Advocate (SPA2275/A.R.S. § 8-524)		Appropriated
Source of Revenue: Revenues consist of 30% of the state lottery unclaimed prize monies.		
Purpose of Fund: For operating, improving, maintaining and enhancing the Court Appointed Special Advocate program, which trains volunteers to advocate for abused and neglected children in Juvenile Court proceedings.		
Funds Expended	2,160,600	2,439,400
Year-End Fund Balance	2,850,100	2,300,000
Court Reporters (SPA2440/A.R.S. § 32-4007)		Non-Appropriated
Source of Revenue: Court reporters' certification fees.		
Purpose of Fund: To certify court reporters.		
Other Funds Expended	101,100	105,200
Year-End Fund Balance	150,200	160,000
Criminal Justice Enhancement (SPA2075/A.R.S. § 41-2401)		Appropriated
Source of Revenue: Includes allocations of the Criminal Justice Enhancement Fund (CJEF). CJEF consists of a 47% penalty assessment on fines, violations, forfeitures, and penalties imposed by the courts for criminal offenses and civil motor vehicle statute violations.		
Purpose of Fund: 9.35% of CJEF monies allocated to the courts are used to reduce juvenile crime, 6.02% of CJEF monies are used to enhance the court's ability to process criminal and delinquency cases and salaries of Superior Court judges, and 2.13% of CJEF monies are used to provide drug treatment services to adult probationers. The portions of the fund dedicated to juvenile crime reduction and drug treatment are included in the Superior Court's budget, while the case processing portion is part of the Supreme Court's budget.		
Funds Expended	6,977,800	5,729,400
Year-End Fund Balance	3,856,200	4,333,200
Defensive Driving School (SPA2247/A.R.S. § 28-3398)		Appropriated
Source of Revenue: A fee, not to exceed \$15, imposed on each person who attends a defensive driving school, and \$500 initial certification and \$50-\$250 recertification fees paid by defensive driving schools. The fees are set by the Supreme Court.		
Purpose of Fund: To monitor defensive driving schools for compliance with claims and court policy, to supervise their use by the courts in Arizona, and to expedite the processing of highway traffic offenses. The Administrative Office of the Courts (AOC) has also used these monies to fund court automation projects throughout the state. In FY 2002, the AOC spent approximately \$2.1 million for court automation projects.		
Funds Expended	2,416,300	3,244,700
Year-End Fund Balance	2,537,000	2,237,000
Drug Enforcement Account (SPA2075/A.R.S. § 41-2402)		Non-Appropriated
Source of Revenue: Grant from the Arizona Criminal Justice Commission's Drug and Gang Enforcement Account.		
Purpose of Fund: To fund programs that enhance the ability of the courts to process drug offenses and related cases.		
Funds Expended	2,720,100	2,738,000
Year-End Fund Balance	0	0
Drug Treatment and Education (SPA2277/A.R.S. § 13-901.02)		Non-Appropriated
Source of Revenue: The fund receives 10% of tax revenue collected on spirituous liquors and 25% of tax revenue collected on vinous and malt liquor. Of this amount, 50% is allocated to this fund and 50% is allocated to the Arizona Parents Commission on Drug Education and Prevention.		
Purpose of Fund: To place persons in drug education and treatment programs. Such monies are allocated to Superior Court probation departments according to a formula based on probation caseloads.		
Funds Expended	3,396,900	3,605,100
Year-End Fund Balance	918,300	134,800

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Grants and Special Revenue (SPA2084/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Monies provided from various sources, private and public, for specific programs and projects.		
Purpose of Fund: To expend grants as required by the contribution.		
Funds Expended	4,454,800	6,653,300
Year-End Fund Balance	6,092,500	5,713,300
Judicial Collection Enhancement (SPA2246/A.R.S. § 12-113)		Appropriated
Source of Revenue: Electronic case filing and access fees; 27.78% of Supreme Court fees, 17.07% of Superior Court fees, 19.42% of Court of Appeals fees, 19.18% of Municipal Court fees, and 18.39% of Justice of the Peace fees; time payment fees assessed for late court payments; fees paid for court-ordered diversion programs, and a \$5 probation surcharge on fines, penalties, and forfeitures imposed by the courts for criminal offenses and civil motor vehicle statute violations.		
Purpose of Fund: To train court personnel, improve/enhance the court's ability to collect and manage monies assessed or received by the court; to fund court automation projects likely to improve case processing or the administration of justice, and for probation services.		
Funds Expended	7,833,800	13,191,100
Year-End Fund Balance	5,674,800	3,165,400
State Aid to the Courts (SPA2446/A.R.S. § 12-102.02)		Appropriated
Source of Revenue: Legislative appropriations; a portion of court filing fees; and a portion of fees, fines, penalties and forfeitures collected on criminal offenses and civil motor vehicle violations.		
Purpose of Fund: To provide state aid to the Superior Court, including the clerk of the Superior Court, and Justice Courts for the processing of criminal cases. Monies are distributed to each county based on a formula using Superior Court felony filings and county population. Pursuant to a General Appropriation Act footnote, General Fund monies are distributed only to rural counties, defined as any county with a population of less than 500,000 persons.		
Funds Expended from the General Fund	1,720,800	418,500
Other Funds Expended	2,904,500	2,398,600
Year-End Fund Balance	720,000	620,200
State Aid to Detention (SPA2141/A.R.S. § 41-2417)		Non-Appropriated
Source of Revenue: Legislative appropriations.		
Purpose of Fund: To provide grants to counties for maintaining, expanding, or operating juvenile detention centers.		
Funds Expended from the General Fund	5,832,600	600,000
Year-End Fund Balance	1,401,600	436,600

[Click here to return to the Table of Contents](#)