

**2/2/10  
OVERVIEWS :  
DEPARTMENT  
OF LAW,  
ALASKA  
COURT  
SYSTEM**

<target><bill></bill><subject>2-2-10 OVERVIEWS DEPARTMENT OF  
LAW, ALASKA COURT  
SYSTEM)</subject><comm>HFIN26</comm></target>

Alaska State Legislature  
HOUSE FINANCE COMMITTEE

Agenda  
1:30 PM

Tuesday, February 2, 2010

HB 300 APPROP: OPERATING BUDGET/LOANS/FUNDS  
HB 302 APPROP: MENTAL HEALTH BUDGET

FY11 Governor's Budget Overviews:

Department of Law

Presenters:

Daniel S. Sullivan, Attorney General

Richard Svobodny, Deputy Attorney General, Criminal Division

Craig Tillery, Deputy Attorney General, Civil Division

Alaska Court System

Presenter:

Chris Christensen, Deputy Administrative Director

Available via teleconference:

Rhonda McLeod, Chief Financial Officer

Questions Only

# STATE OF ALASKA

Sean Parnell, GOVERNOR

## DEPARTMENT OF LAW ADMINISTRATIVE SERVICES DIVISION

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### I. DEPARTMENT OVERVIEW

- DOL employees 283 lawyers and 278 support staff
- Total budget: FY11 - \$86.9 million; FY10 - 85.4 million
- GF budget: FY11 - \$57.3 million; FY10 - \$56.3 million
- DOL offices: Anchorage, Barrow, Bethel, Dillingham, Fairbanks, Juneau, Kenai, Ketchikan, Kodiak, Kotzebue, Nome, Palmer, and Sitka.

### II. DEPARTMENT'S CORE SERVICES

- A. Protecting the Safety and Physical and Financial Well Being of Alaskans
- B. Fostering the Conditions for Economic Opportunity and Responsible Development and Use of Our Natural Resources
- C. Protecting the Fiscal Integrity of the State
- D. Promoting and Defending Good Governance

### III. BUDGET ALLOCATION OF DEPARTMENT'S CORE SERVICES

	GF	FED	OTH	TOTAL	% GF
Protecting Alaskans	36,666.2	1,496.1	10,603.4	48,765.7	64.0%
Fostering Economic Opportunity and Resource Development	3,868.3	33.1	3,274.6	7,176.0	6.7%
Protecting Fiscal Integrity	12,907.5	33.1	9,843.7	22,784.3	22.5%
Promoting Good Governance	3,887.6	33.1	4,271.7	8,192.4	6.8%
<b>FY2011 GOV. BUDGET</b>	<b>57,329.6</b>	<b>1,595.4</b>	<b>27,993.4</b>	<b>86,918.4</b>	<b>100.0%</b>

### IV. RETURN ON INVESTMENT

- Department's ROI based on entire budget: 6 to 1.
- Department's ROI based on general fund: 10 to 1.
- Civil Division sections that generate revenue ROI: 35 to 1.

### V. LITIGATION UPDATE

- Mercer
- Cruise Ship
- Carlson
- BP Corrosion

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**I. DEPARTMENT OF LAW'S MISSION**

The mission of the Alaska Department of Law is to protect Alaska's citizens and provide ethical, effective legal services to state government for the benefit of Alaskans.

**II. DEPARTMENT OVERVIEW**

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**III. DEPARTMENT'S CORE SERVICES**

- A. Protecting the Safety and Physical and Financial Well Being of Alaskans
- B. Fostering the Conditions for Economic Opportunity and Responsible Development and Use of Our Natural Resources
- C. Protecting the Fiscal Integrity of the State
- D. Promoting and Defending Good Governance

**IV. BUDGET ALLOCATION OF DEPARTMENT'S CORE SERVICES**

**Operating Budget**

TOTAL OPERATING BUDGET DISTRIBUTION	GF	FED	OTH	TOTAL	PFT	PPT	NP
FY2010 CURRENT CAPACITY (Management Plan)	\$56,275.3	\$3,881.3	\$25,201.0	\$85,357.6	553	7	0
FY2011 GOVERNOR'S TRANSACTIONS	\$1,054.3	(\$2,285.9)	\$2,792.4	\$1,560.8	2	-1	0
<b>TOTAL FY2011 GOVERNOR'S BUDGET</b>	<b>\$57,329.6</b>	<b>\$1,595.4</b>	<b>\$27,993.4</b>	<b>\$86,918.4</b>	<b>555</b>	<b>6</b>	<b>0</b>

**V. SELECTED OVERVIEW OF DEPARTMENT'S CORE SERVICES PERFORMANCE**

- A. Protecting the Safety and Physical and Financial Well Being of Alaskans

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The Department protects Alaskans' safety and their physical and financial well being by prosecuting criminals, protecting children, and enforcing consumer protection laws; providing legal services to state agencies protecting public health; and prosecuting occupational license cases and state environmental laws.

**Protecting Alaskans' Priority Program Budget**

TOTAL OPERATING BUDGET DISTRIBUTION	GF	FED	OTH	TOTAL	PFT	PPT	NP
FY2010 CURRENT CAPACITY (Management Plan)	\$33,762.5	\$3,782.0	\$10,358.1	\$47,902.6	374	6	0
FY2011 GOVERNOR'S TRANSACTIONS	\$2,903.8	(\$2,285.9)	\$245.3	\$863.2	3	-1	0
<b>TOTAL FY2011 GOVERNOR'S BUDGET</b>	<b>\$36,666.3</b>	<b>\$1,496.1</b>	<b>\$10,603.4</b>	<b>\$48,765.8</b>	<b>376</b>	<b>5</b>	<b>0</b>

**Results of Current Capacity**

- ↑ 43% of crimes of sexual abuse of children were resolved with a felony conviction, as compared to 41% the previous year.
- ↑ In FY 2009, the amount (\$2.7 million) in total restitution collections increased over 35% compared to the amount collected in FY 2008.
- ↑ The number of consumer protection investigations and prosecutions increased 41% in FY 2009 over the prior fiscal year, resulting in civil penalties, attorney's fees and costs in the amount of \$2.3 million.
- ➔ 11% of violent felony crimes accepted for prosecution were resolved with a conviction that was not reduced to a lower level felony, remaining unchanged from the previous year.
- ↑ The number of paralegal assistants who have been provided yearly training in general victim-related issues grew to 33 in FY 2009, an increase of 3 over the prior year and continuing a positive trend.

**Detailed Results of Current Capacity**

1. Criminal Prosecutions

- *Total number of prosecutions and convictions (year to date):*

Felony cases accepted for prosecution: 5,365

Felony cases resulting in felony offense convictions: 1,866

Felony cases resulting in misdemeanor offense convictions: 1,709

Misdemeanor cases accepted for prosecution: 20,992

Misdemeanor convictions: 14,709

- *Appeals.* DOL represented the state in 468 criminal appeals.

2. Child Protection and Child Support

- *Child Protection.* The value of the services provided by the Department in protecting Alaska's children cannot be measured in dollars, but rather quantified only through numbers of children placed into better home situations. The Department participated in 2,526 matters where the welfare of a child was at issue. The Alaska Supreme Court issued decisions in 19 appeals involving termination of parental rights. The court affirmed trial courts' decisions terminating parental rights in all 19 cases. In support of this work the Department expended \$5,236,121.
- *Child Support.* The child support unit in the Department is vital to the successful collection of child support in Alaska and helps Alaskan families. Overall, the child support unit handled over 1,600 child support cases.

3. Consumer Protection

- *Consumer Protection.* As a result of our participation in multistate consumer protection efforts or from consumer protection matters initiated locally, we received civil penalties, attorney's fees and costs in the amount of \$2.3 million at a cost of approximately \$1 million.
- *RAPA.* The Department's work in regulatory affairs benefits the state's citizens by ensuring that matters involving regulated utilities before the Regulatory Commission of Alaska, such as rate changes or changes in service, take the public interest into account. The approximate value to ratepayers of quantifiable instances of advocacy by the Public Advocate is \$ 4.026 million. To achieve this result the Department spent about \$1.5 million.

4. Environmental Protection

- *Environmental Penalties.* The Department collected \$2.28 million in penalties related to violations of state environmental laws. We also obtained cleanup agreements with polluters with an estimated value of

\$4.88 million. To obtain these benefits for the state, the Department expended \$1.7 million.

- *Note:* the monetary value, which is significantly lower than past years, is an anomaly. The Department was forced to divert resources away from the environmental section to address the large number of public records requests. The state generally receives between \$5 - \$10 million in fines and clean-up agreements.

5. Strengthen Social Safety Net

- *Serving the Vulnerable.* The Department spends considerable time ensuring that the state's social safety net remains secure. For example, the Department handled over 100 guardianships and approximately 250 mental commitments statewide. The Department also advised agencies in approximately 260 cases related to assisted living homes, foster homes, and residential childcare facilities.

6. Regulation of Business

- *Licensing cases.* The Department provides legal services to various state agencies that directly protect public health, safety, and the environment by prosecuting licensing and discipline cases for many of the occupational license professions.

**FY2011 Change in Capacity**

1. Fund Source Change for Sexual Assault Grants

- In the next twelve months, the three federal grants that employ approximately 17 prosecutors and staff are expiring. Twelve of these positions are exclusively devoted to prosecuting sexual assault or domestic violence while the remainder prosecute primarily sexual assault and domestic violence crimes. Substituting a new funding source will allow the department to continue to fund additional attorneys and paralegals in Bethel, Barrow and Anchorage to aid in the prosecution of domestic violence as well as adult and child sexual assault cases.

2. Coordinator to Address Sexual Assault

- The Governor's Sexual Assault and Domestic Violence 10 Year Plan requests the creation of a coordinator position to oversee and implement this initiative. The coordinator's exclusive charge will be

finding ways to end the state's sexual assault and domestic violence epidemic. To achieve this goal, the coordinator will focus on prevention, education, law enforcement, public safety, victim services and offender treatment.

3. Kenai Child Protection Attorney

- The one AAG now located in Kenai currently carries a caseload of 170 children. In addition there are up to 40 children's cases in Homer that should logically be handled from Kenai, but are now handled out of Anchorage as a stopgap measure.

**B. Fostering the Conditions for Economic Opportunity and Responsible Development and Use of Our Natural Resources**

The Department fosters the conditions for economic opportunity and responsible development of the State's natural resources by defending agency actions that are designed to facilitate economic development and by intervening in lawsuits where natural resource activities are threatened.

**Economic Opportunity Priority Program Budget**

OPERATING BUDGET DISTRIBUTION	GF	FED	OTH	TOTAL	PFT	PPT	NP
FY2010 CURRENT CAPACITY (Management Plan)	\$3,807.1	\$33.1	\$3,398.0	\$7,238.2	43	0	0
FY2011 GOVERNOR'S TRANSACTIONS	\$61.2	0	(\$123.3)	(\$62.1)	0	0	0
<b>TOTAL FY2011 GOVERNOR'S BUDGET</b>	<b>\$3,868.3</b>	<b>\$33.1</b>	<b>\$3,274.7</b>	<b>\$7,176.1</b>	<b>43</b>	<b>0</b>	<b>0</b>

**Results of Current Capacity**

- ↑ The Department successfully defended the permits for the operation of the Kensington Mine before the U.S. Supreme Court, preserving hundreds of jobs.
- ↑ The State participated in 100% of cases involving mineral development and exploration permitting decisions in 2009, compared to participation only on the Kensington Mine and Cook Inlet coal prospect cases in the previous year.

**Detailed Results of Current Capacity**

1. Creating Economic Opportunities Through the Law

- *AGIA*. The Department is a key player on the gasoline team.
- *OCS*. The Department is fully engaged in all aspects of the state's OCS strategy – legislation, public advocacy, and engagement with the federal government.
- *Point Thomson*. DNR's decision to default the Point Thomson's unit has forced Exxon to commit to a \$1.2 billion development plan. Prior to the litigation, Exxon refused to commit to any development. The state also collected \$21 million in penalties and forced Exxon to relinquish 8 leases
- *ESA*. The Department has challenged the listing of the Polar Bear as a threatened species, and is reviewing the Beluga listing. The Department anticipates a large influx in ESA cases since many species may be listed in the near future. Endangered species listings can have severe impacts on the economy of the area where they are found.
- *DOT*. Transportation and infrastructure is a key to economic development in Alaska. The Department's work on transportation issues serves as everyday invisible grease on the wheels of Alaska's infrastructure. Alaska's airports, highways, ferries, and public buildings make commerce and safe movement of Alaskans possible.

2. Supporting Alaskan Businesses and Economic Development

- *Kensington*. The Department's intervention and appeal work played a key role in defeating legal challenges to federal permits for the Kensington Mine project.
- *OCS Exploration*. In *Native Village of Point Hope et. al v. MMS et. al.*, environmental groups sought to enjoin Shell and BP's OCS seismic surveys. The State intervened and played a key role in defeating plaintiffs' request for injunctive relief.
- *Commercial Fishing*. In the *Village of Kasaan v. Alaska Board of Fisheries* case, we successfully defended against a TRO that would have shut down commercial Dungeness crab fishing in the Ketchikan area, resulting in lost commercial fishing opportunity worth at least \$100,000 to \$200,000.

- *Timber Sales.* We are participating in negotiations to settle an appeal of the Logjam timber sale in the Tongass brought by environmentalists. If successful at resolving the matter favorable, we will have helped save 55 jobs at Viking Lumber.

**FY2011 Change in Capacity**

1. Endangered Species Act

- The Department anticipates legal work involving issues under ESA to significantly increase over the next three years. The most cost-effective way to respond to this need is to obtain an additional Assistant Attorney General. We have challenged the listing of the Polar Bear as a threatened species and are reviewing the Beluga listing. We also anticipate a large influx in ESA cases since many species may be listed in the near future. Endangered species listing can have severe impacts on the economy of the area where they are found.
- Additional resources are necessary so the Department can increase the State's involvement in federal notice-and-comment rulemaking, which enables the state to potentially influence listing petitions, the designation of critical habitat, and creation of habitat conservation plans, and recovery plans.

**C. Protecting the Fiscal Integrity of the State**

The Department protects the fiscal integrity of the State by ensuring payments of taxes and royalties, recovering monies owed to the state, protecting the State's investments and defending against monetary claims filed against the state.

**Fiscal Protection Priority Program Budget**

OPERATING BUDGET DISTRIBUTION	GF	FED	OTH	TOTAL	PFT	PPT	NP
FY2010 CURRENT CAPACITY (Management Plan)	\$14,835.4	\$33.1	\$7,221.6	\$22,090.1	90	1	0
FY2011 GOVERNOR'S TRANSACTIONS	(\$1,927.8)	0	\$2,622.1	\$694.3	-1	0	0
<b>TOTAL FY2011 GOVERNOR'S BUDGET</b>	<b>\$12,907.6</b>	<b>\$33.1</b>	<b>\$9,843.7</b>	<b>\$22,784.4</b>	<b>89</b>	<b>1</b>	<b>0</b>

**Results of Current Capacity**

- ↑ The State prevailed at the Federal Energy Regulatory Commission hearing on the TAPS tariff. The case is presently on appeal before the U.S. Court of Appeals for the D.C. Circuit.
- ↑ Settlements and awards from cases related to oil and gas taxes and royalties generated \$530.0 million for the State.

1. Ensuring Payment of Taxes and Royalties

- *Oil & Gas.* The Department handles a variety of cases relating to the obligations of oil and gas entities in the state to pay taxes and royalties. Settlements or awards from these cases generated for the state more than \$530 million. To obtain these monies the state expended only \$11 million (including the cost of both in-house and outside counsel).

2. Recovery of Monies Owed to the State

- *BP Corrosion.* The department assisted DEC in the investigation of the 2006 BP pipeline spills and shutdowns due to corrosion. The department filed a lawsuit against BPXA in March 2009 seeking recovery of penalties and lost tax and royalty revenue potentially in excess of \$1 billion.
- *Collections.* The state benefits from the Department's collections unit and gets a hefty return on its investment. The unit collected over \$14 million. Of that amount, about \$11-\$12 million resulted from garnishment of the debtor's PFD — funds that most likely would not have been recovered but for the effort of the collections unit. The collections unit does all of this with only eight employees at a cost to the state of \$687,716.
- *Medicaid.* The Department also has a significant role in ensuring that limited monies available for Medicaid programs are properly spent. The Department recovered over \$1 million for Medicaid subrogation and estate and trust recovery claims. This work is handled by one attorney at a cost to the state of \$176,749

3. Protecting State Investments and Accounts

- *Mercer.* The Department investigated and worked with outside counsel to file and litigate a large actuarial malpractice case seeking recovery

of \$2.8 billion in damages to the state pension system for an actuary's negligence and fraud.

- *Permanent Fund.* The Department provides critical legal oversight and advice to the Permanent Fund Corporation.

4. Defending Monetary Claims Against the State

- *Tort Defense.* Because the Division of Risk Management is self-insured, the Department vigorously defends the state in tort actions. The cost to the state for all of the work of the section handling these types of cases is only \$3.1 million.

**D. Promoting and Defending Good Governance**

The department promotes and defends good governance in areas including Indian law, ethics law, elections law, public records requests and legislation.

OPERATING BUDGET DISTRIBUTION	GF	FED	OTH	TOTAL	PFT	PPT	NP
FY2010 CURRENT CAPACITY (Management Plan)	\$3,870.3	\$33.1	\$4,223.3	\$8,126.7	46	0	0
FY2011 GOVERNOR'S TRANSACTIONS	\$17.3	0	\$48.4	\$65.7	0	0	0
<b>TOTAL FY2011 GOVERNOR'S BUDGET</b>	<b>\$3,887.6</b>	<b>\$33.1</b>	<b>\$4,271.7</b>	<b>\$8,192.4</b>	<b>46</b>	<b>0</b>	<b>0</b>

**Results of Current Capacity**

- ↑ The ethics attorney conducted ten ethics trainings in FY 2009 compared to none in FY 2008, and six in FY 2007.
- ↑ None of the ballot initiatives certified by the Lieutenant Governor on recommendation of the Department of Law were challenged in FY 2009. In FY 2008, the State faced three challenges to ballot initiatives certified on recommendation of the Department, and defeated each challenge.

**Detailed Results of Current Capacity**

1. Ethics

- The Attorney General has responsibility to provide advice to the ethics supervisors for the Office of the Governor, the 14 principal state agencies, the University of Alaska, the 11 public corporations and the

more than 75 statutory boards and commissions. In FY09, the Opinions, Appeals and Ethics Section of the Department of Law issued 17 written advisory opinions and addressed several hundred oral and email requests for advice from the ethics supervisors, current and former state officers, as well as citizens of Alaska and the media. To foster a better understanding of the executive branch code of ethics, the state ethics attorney conducted 10 training sessions for the Office of the Governor and some state agencies and boards. The Attorney General also investigates ethics complaints, not involving the governor, lieutenant governor or attorney general.

2. Indian Law and Rural Issues

- Indian law attorneys provided substantive legal advice to almost all sections in the criminal and civil divisions of the Department of Law throughout the reporting period. State agencies, with assistance of Indian law attorneys, are litigating the issue of tribal initiating jurisdiction in child protection cases before the Alaska Supreme Court and the 9th Circuit Court of Appeals, and they are monitoring cases involving similar issues in the Fairbanks Superior Court. Indian law attorneys are negotiating with tribal entities on memoranda of understanding where litigation can hopefully be avoided, in the areas of child protection, transportation, and child support enforcement. Indian law attorneys are advising the Alaska Governor's office on the state's interest in federal legislation impacting tribal jurisdiction. Indian law attorneys are assisting the criminal division in providing advice about the appropriate role of state agencies in enforcement of tribal domestic violence protective orders. Law attorneys are providing staff support to the Attorney General in his role as chair of the Rural Action Subcabinet and in his role as co-chair of the Alaska Rural Justice and Law Enforcement Commission.

3. Elections and Initiatives

- Initiative petitions timely submitted in a general election year require legal advice and oversight by the AGO for the Division of Elections as to the certification process, including anticipated litigation. In a general election year, there is a heightened need for legal advice to the Division of Elections re: issues related to candidate qualification,

voter registration, question and absentee ballots, election monitoring, election contests and related litigation.

4. Legislation

- The department works with all the other departments of the executive branch on legislation and issues pending before the Alaska Legislature. Each bill that is introduced is assigned to an attorney who is responsible for handling any hearing, performing any research, and drafting any amendments necessary. The department also prepares legislation requested by the Governor, including both operating and capital budget bills.

5. Public Records

- The Department assists state agencies in responding to complex records requests made under the Alaska Public Records Act. The Department works with the agencies to ensure the following: the requests are clear; responsive records are preserved; adequate searches are undertaken; all responsive records are reviewed for privileged and confidential information; records containing information protected from disclosure are logged; the state is reimbursed for the costs of searching for and copying the requested records; and the deadlines for responding to the records requests are met.

In FY 2009, the Department billed thousands of hours—totaling hundreds of thousands of dollars in personnel costs—to work on matters relating to the Public Records Act. The vast majority of these hours were spent reviewing requested records for privileged and confidential information. The state cannot recover the personnel costs of conducting such reviews from the persons who made the requests without an amendment to the Public Records Act.

**VI. RESULTS FOR ALASKANS AND RATES OF RETURN ON INVESTMENT**

**A. Many Departmental Services Cannot Be Monetized**

- The value provided to the state of the foregoing services delivered by the Department cannot be monetized: for example, prosecuting sex offenders;

terminating an abusive father's parental rights; defending state sovereignty from federal intrusion; defending the state for tort claims; or negotiating contracts for the Department of Transportation and Public Facilities.

**B. Monetized Services Demonstrate Significant Benefits to Alaskans**

- In those areas where we can monetize achievements, the Department provides a significant return on investment.

Department's ROI based on entire budget: 6 to 1.

Department's ROI based on the portion of its budget funded by general fund monies: 10 to 1.

Department's ROI based on Civil Division Sections which generate revenue: 35 to 1.



**Alaska Court System**

**FY 2010 Authorized Budget Overview - All Budget Units**

(General Funds)

<u>Budget Category</u>	<u>Funding Amount</u>	<u>Percentage of Budget</u>
<b>Personal Services</b>	\$66,946,200	78.0%
<u>Classification</u>		
<i>(Permanent positions)</i>		
	<u>Positions</u>	<u>Costs</u>
	<u>#</u>	<u>%</u>
	<u>%</u>	<u>%</u>
Clerical <i>(ranges 6 - 14)</i>	463	60.1%
Law clerk <i>(ranges 13 - 15)</i>	62	8.0%
Semi-professional <i>(ranges 15 - 20)</i>	72	9.3%
Manager <i>(ranges 21 and above)</i>	49	6.4%
Magistrate	48	6.2%
Judge <i>(active / pro tem)</i>	77	10.0%
<i>Totals Including True-up Adjustment</i>	<u>771</u>	<u>100.0%</u>
<b>Travel</b>	1,377,000	1.6%
<i>In-state travel (62%), Juror &amp; non-employee in-state travel (26%), Out-of-state travel (7%), and moving costs (5%)</i>		
<b>Contractual</b>	14,420,200	16.8%
<i>Jury, witness &amp; professional fees (21%), telephone, postage &amp; network (16%), building rental, maint &amp; utilities (34%), equipment rental &amp; maintenance (2%), safety (6%), RSAs (18%), and other (3%)</i>		
<b>Supplies</b>	2,780,900	3.3%
<i>Office and library supplies, subscriptions and low cost replacement office and courtroom equipment</i>		
<b>Capital Outlay</b>	262,700	0.3%
<i>Minor remodeling, painting and carpeting, and equipment</i>		
<b>Total FY 2010 Budget (general funds)</b>	<u>\$ 85,787,000</u>	<u>100.0%</u>

**Alaska Court System**  
**FY09 Court Revenues Deposited to the General Fund**

Fines and Forfeitures	\$5,678.9
Case Filing Fees	2,542.1
Clerical and Miscellaneous Fees (Transcripts, Notaries, Copies)	352.9
Cost Recoveries	299.4
Interest Income	100.3
Total FY09 General Fund Revenue	<u>\$8,973.5</u>

**Alaska Court System**  
**FY09 Revenues Collected for Other State Agencies**

Alaska Police Standards Council (Facility Surcharges)	629.9
Health and Social Services (Vital Statistics)	67.6
Department of Corrections (Facility Surcharges)	6.9
Total FY09 Revenues Collected for Other State Agencies	<u>\$704.4</u>

**Department of Law<sup>1</sup>**  
**FY09 Collections of Costs and Fees Imposed by Courts**

Cost of Appointed Counsel	\$1,658.0
Cost of Incarceration	1613.8
Correctional Facility Surcharge	480.3
Court Fines and Bonds	6,433.2
Traffic and Minor Offense Fines	1219.9
Court Costs and Collection Costs	258.2
Civil	28.8
Criminal Restitution	1,944.7
Juvenile Restitution	789.3
Total Dept. of Law FY09 Collections of Costs, Fines and Restitution	<u>\$ 14,426.2</u>

<sup>1</sup>This data was provided by Stacy Steinberg, Section Chief, Collections and Support for the Department of Law.

ALASKA COURT SYSTEM  
FUNDS RECEPTEED ON BEHALF OF CITIES, TOWNS, AND BOROUGHS  
FY09

City	Amount
City of Anaktuvuk Pass	600.00
City of Atkasuk	300.00
City of Barrow	1,501.76
City of Bethel	2,355.00
City of Cordova	687.00
City of Craig	1,916.34
City of Dillingham <sup>1</sup>	-4,038.00
City of Emmonak	4,799.00
City of Fairbanks	36,361.00
City of Fort Yukon	130.00
City of Haines <sup>1</sup>	-2,380.00
City of Homer	30,845.00
City of Hoonah	1,564.32
City of Houston	26,860.00
City of Juneau	113,909.96
City of Kaktovik	90.00
City of Kenai	3,242.00
City of Kodiak	14,432.00
City of Kotzebue	1,765.00
City of Larsen Bay	220.00
City of Marshall	100.00
City of Nome	1,560.00
City of North Pole	97,220.00
City of Palmer	56,682.00
City of Petersburg	1,375.00
City of Point Hope	1,450.00
City of Saint Mary's	130.00
City of Seldovia	235.00
City of Seward	18,170.00
City of Skagway	600.27
City of Soldotna	42,059.00
City of Stebbins	130.00
City of Unalakleet	885.00
City of Unalaska	800.00
City of Valdez	20,695.00
City of Wainwright	300.00
City of Wasilla	90,381.50
City of Wrangell	160.00
City of Yakutat	1,851.00
Matanuska-Susitna Borough Fines	13,816.00
Municipality of Anchorage	1,304,910.20
Fairbanks North Star Borough	931.00
Kodiak Island Borough	700.00
<b>Total Funds Collected</b>	<b>1,890,301.35</b>

<sup>1</sup> Funds receipted to the City of Dillingham and City of Haines were corrections processed in the current year for prior year activity.

**Alaska Court System**  
**FY2011 Operating Budget Request**

FY2010 Final Budget (724 PFTs, 61 PPTs & 23 NPPs)	\$88,943,900
Less: Mental Health Trust Authority Funding	(975,300)
Add: JRS Increase from 26.2% to 36.2%	1,197,400
Add: Health Benefit Cost Increase (\$178/month/full-time employee)	1,539,100
<hr/>	
FY2011 Adjusted Base Budget (729 PFTs, 46 PPTs & 17 NPPs)	\$90,705,100
Operating Increments - General Fund	5,317,400
Operating Increments - Interagency Receipts	100,000
Operating Increments - Mental Health Trust Authorized Receipts	955,300
Total FY2011 Court System Operating Budget Increments	<u>6,372,700</u>
FY2011 Budget Request (755 PFTs, 46 PPTs & 17 NPPs)	<u>\$97,077,800</u>

*(The total change from FY2010 Final Budget to the FY2011 Budget Request is \$8,133,300, which represents a 9.1% increase over the FY2010 Final Budget. Funding requested for the No Dark Courtrooms and the Geographic Differential for Non-Judicial Employees totals \$2,848,900 or 44.7% of the requested FY2011 Operating Increments.)*

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**Increments Summary** (organized by budget request unit)

**Appellate Courts**

**Court of Appeals Staff Attorney - from PPT to PFT** **\$20,900**

The court of appeals' caseload is becoming more complex and is requiring more assistance from central staff attorneys, who are experienced attorneys and permanent employees. Several years ago, by eliminating an administrative assistant position, the court of appeals was able to hire a part-time central staff attorney to help self-represented defendants, assist with law clerk training, and supervise the review of incoming briefs for compliance with the appellate rules. The appellate courts are seeking the additional funding needed to increase this part-time position to full-time.

**Workstations, Office Equipment, and Replacement Furniture** **\$67,800**

The appellate courts have 56 permanent, full-time employees. Prior to FY10, the appellate courts received an annual operating appropriation of \$9,200 for equipment and furniture, an average of \$167 per position. In FY10, the court system requested an additional \$117,800 per year for replacement computers, printers, workstations and office furniture. The legislature approved an additional \$50,000 per year. This request is for the balance of the funding needed to insure the appellate courts have an on-going source of funding to replace outdated equipment and worn-out furnishings.

**Travel for Juneau-Based Chief Justice** **\$9,400**

The geographic distribution of the supreme court results in additional travel expenses, particularly when one of these justices serves as chief justice. With this position comes the responsibility to participate in interagency meetings, court functions, and official events, many of which occur in Anchorage.

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**Alaska Court System**  
**FY2011 Operating Budget Request**

**Administration**

**New positions**

**\$526,400 -**

**Human Resources Generalist, 12A, permanent, full-time**

**\$69,900**

*As a result of increased caseloads and new court initiatives, the legislature has approved additional staffing for the trial courts. An increase in the number of positions directly affects staff workload in the areas of payroll and leave processing, recruitment, classification, evaluation tracking, and direct assistance to employees. The human resources department finds it increasingly difficult to meet recurring payroll deadlines and provide responsive customer service. When this department has a vacancy or an employee is on leave for more than a day or two, the department is forced to reassign staff, delay important quality control steps, and reduce staff availability to provide core services and assistance to court personnel.*

**Senior Accounting Clerk, 12A, permanent, full-time**

**\$69,900**

*Fiscal operations requires an additional accounting position to handle the increased demands for management of accounting records associated with grants, reimbursable services agreements, contracts and general audit requirements. The fiscal operations department is minimally staffed within the accounting area. Efforts to improve efficiencies or save money in other areas of court system operations have resulted in increased administrative work for the accounting staff. Examples of the increased work include efforts by the travel clerk to ensure travelers are securing good fares for their travel as well as assisting travelers with finding inexpensive accommodations. Additionally, as the court receives federal pass-through funding from executive branch agencies, increased work is generated because reporting requirements for sub-recipients are extensive. Finally, the court system requires additional resources to assist with audit functions within the trial court accounting operations.*

**Records Technician, 10A, permanent, full-time**

**\$64,400**

*Fiscal operations requires an additional records technician for the department to maintain continuous case file document scanning and to respond timely to the public's requests for records that are only available on microfilm, which is cumbersome to access. This position will assist with the court system's imaging project, which is an effort to scan and digitize court records for improved access by court staff, other governmental entities such as the Child Support Services Division, and the public at large. With additional staffing, the records management division will be able to expedite the scanning and digitizing of court documents for more efficient and timely access.*

**Alaska Court System**  
**FY2011 Operating Budget Request**

**Administration (continued)**

**New positions (continued)**

**Contracts & Leasing Manager, 20A, permanent, full-time** **\$108,700**

*The court system operates 44 court facilities, most of which are leased from private landlords or other government entities. The court system has never had a permanent, full-time contracts and leasing manager, relying instead on a series of temporary, project-funded employees to perform this work. A contracts and leasing manager would work with court staff to identify space needs and technical requirements for new leases and service contracts and negotiate and manage leases and contracts for building services, such as janitorial, snow removal, and landscaping. In addition to monitoring contract compliance and fielding occupant concerns, this position will also manage small construction projects related to tenant improvements and maintenance work.*

**Integrated Justice Tech Support Manager, 22A, permanent, full-time** **\$119,000**

*Timely access to accurate information is critical to the effective operation of criminal justice agencies. The court system works with twenty other agencies through the Multi-Agency Justice Integration Consortium (MAJIC) to ensure that information sharing standards and best practices endorsed by that group are followed. An Integrated Justice Technical Support Manager is needed to implement and manage programming for information exchanges between different criminal justice data systems and databases; assist MAJIC agencies with technical design and development issues related to integrated justice projects; evaluate and make recommendations involving proposals and data exchange technologies and tools; provide quality control for MAJIC-endorsed data exchange projects; train MAJIC agency staff and contractors in relevant technologies; and assist in strategic planning for integrated justice. This position also assists with the initiatives of the Criminal Justice Working Group.*

**Security Analyst, 18A, permanent, full-time** **\$94,500**

*The court system requires a security analyst to organize and manage security projects and processes at court facilities throughout the state. The security needs of the court system are great and require a single point of contact to insure issues are being addressed systematically. This position will coordinate and oversee the installation of security systems, including access control, video surveillance, emergency communications, and badging systems. This position will coordinate with the Bureau of Judicial Services within the Department of Public Safety, local court management, and vendors and contractors to implement security controls and systems. This position will work with contractors to address statewide physical security policies and procedures as they relate to construction projects. This position will be responsible for security management and public relations, building security, information technology security, and emergency preparedness and planning.*

**Alaska Court System**  
**FY2011 Operating Budget Request**

**Trial Courts**

**New positions**

**\$1,459,700**

**No Dark Courtrooms**

**\$1,365,700**

*In the Alaska Court System's FY 2009 and FY 2010 budget requests, funding was sought for a new court initiative to improve courtroom operations around the state. The 2008 legislature appropriated funds for approximately one-fourth of the funding request and the 2009 legislature appropriated funding for another portion of the project, with the understanding that the court would seek further funding during the 2010 legislative session.*

*Past appropriations have supported projects in Palmer, Anchorage and Fairbanks resulting in courtroom efficiency through streamlining proceedings. In these locations, a second in-court clerk is now present during high volume proceedings so that case paperwork can be distributed to parties while in the courtroom, and data essential to public safety concerns can be immediately recorded in the court's electronic systems for dissemination throughout the justice system. Judgments, bail conditions, and court orders are available to defendants and attorneys without delay, promoting compliance and eliminating the need for subsequent paper processing and mailing. These improvements are not only a benefit to the court, but also to other justice agencies and ultimately the Department of Public Safety.*

*The court system was also able to add new court clerk positions in Kenai, Bethel, and Nome to address serious courtroom understaffing. The new positions help to ensure that no court proceedings are postponed or canceled due to the unavailability of court support staff, and reduce some of the pressure associated with inadequate staffing. The court system also added general clerical positions in Juneau, Naknek, Kotzebue, and Anchorage and was able to increase the hours of a position in Bethel.*

*For FY11, the court system is requesting the remaining positions needed to complete this initiative. The funding for the eighteen remaining positions will be used to hire additional range 10 clerical positions, range 12 courtroom personnel, and range 14 supervisory positions. The new courtroom positions will ensure that an adequate number of in-courts are available for court proceedings and also improve the court system's ability to train in-court staff. Given the complexity of the job, it currently takes approximately one year for an in-court clerk to be fully trained. The additional range 10 clerical positions will allow understaffed courts to keep up with data entry and distribution of orders and other documents.*

**Alaska Court System**  
**FY2011 Operating Budget Request**

**Trial Courts (continued)**

**New positions (continued)**

**First District**

**Deputy Clerk II, Craig, 10A, permanent, full-time**

**\$28,000**

*The Craig court is currently staffed with a magistrate III, a clerk of court, a full-time clerk and a part-time clerk. This request is to make the part-time clerk full-time to assist with the management of felonies and other superior court case filings now that the Craig court is a superior court filing site. The superior court judge based in Sitka regularly travels to Craig. The additional clerk hours will be used to support the additional work created by the superior court case activity.*

**Magistrate Trainer, Anchorage, 23A, permanent, part-time**

**\$66,000**

*The third district has 20 magistrates and masters. Six deputy magistrates are regularly assigned weekend duty. The recent addition of an active, dedicated statewide magistrate trainer has been very beneficial, however, more magistrate training resources are justified for a district the size of the third. Because the majority of the district's magistrates and masters are law-trained judicial officers who rarely perform clerical duties, this training is not an appropriate responsibility for the district's Rural Court Training Assistant.*

**Facility operations, maintenance and leasehold improvements**

**\$378,000**

**Second District**

**Nome Court Facility**

**\$278,800**

*The Nome court facility is owned by the federal government, which has advised the court system of its intent to remove this property from its inventory. Although current tenants are eligible to take over ownership of the property, so far the court system is the only entity that has expressed any interest. The building has been offered to the court system at no cost; however, the building is over 50 years old and has significant structural and system deficiencies. Ideally, the Nome court will be included in the plan to construct a Nome State Office Building. However, if that project does not materialize, then the best long term option for the court would be to take over ownership of the federal building it currently occupies.*

*There are several other tenants in addition to the court system. However, even when fully leased, the building operates at a loss due to high service and utility costs. At the end of the two years, depending on market conditions, it may be possible to increase the rental rate for other tenants. However, at least until then, additional funding is needed because the cost of utilities and maintenance, janitorial, parking lot sweeping, snowplowing, and elevator service contracts exceed the amount currently budgeted to be paid to the federal government in rent.*

*Again, this increment is needed only if a Nome State Office Building does not materialize and the court has to take over ownership of the Nome federal building.*

**Alaska Court System**  
**FY2011 Operating Budget Request**

**Facility operations, maintenance and leasehold improvements (cont.)**

**Fourth District**

**Galena and Chevak Leased Space Increases**

**\$99,200**

*Galena and Chevak could function as district court trial sites with increased space, thus better supporting the court's fairness and access goals. Trials in the busy Chevak area are presently conducted in Bethel due to inadequate space at this facility. The Galena court facility is small and the building is very old and becoming increasingly difficult to maintain, so the court seeks newer and larger space. Space for each court would be increased to 1200SF, at a cost of \$4/SF in Chevak and \$5/SF in Galena.*

**Court-wide Budget Requests**

**Elimination of Vacancy Savings Requirement for Judicial Positions**

**\$574,300**

Based on its size, the court system falls within OMB staffing guidelines for managing its personal services budget within a 4% - 7% vacancy factor. The court system has been managing with a 6% - 7% vacancy factor by holding vacated positions open for a 30-day period. To prevent further case backlogs, the court system has asked retiring judges to give sufficient notice to permit selection and appointment of their replacements before leaving their positions. To attain 0% vacancy of judicial positions, the court system needs to increase personal services budgets of the appellate and trial courts. Towards this effort, the court system received \$250,000 in FY09 and FY10.

**Geographic Differential for Non-Judicial Employees**

**\$1,483,200**

The Department of Administration has received a consultant's recommendation for changes to the geographic differential applied to salaries throughout the state. The differential currently paid to court employees is established by Alaska Statute 39.27.02 and was last changed over 25 years ago.

Differentials currently paid in several rural court locations under the statute are less than the differentials paid to employees under either the SU or GGU contracts. The court system's increment reflects the cost of adopting the recommended geographic differentials for locations favorably impacted by the change. Employees working in locations negatively impacted by the changed geographic differentials would remain on the existing pay schedules. As these employees are replaced, newly hired staff would be placed on the new schedules with the reduced geographic differential.

**Transcripts Costs for Criminal Proceedings**

**\$125,000**

The court system prepares transcripts of criminal proceedings when the defense is provided at public expense. With the increased criminal caseloads, the demand for transcripts has dramatically increased. Coupled with this increased demand, fewer contractors are willing to accept work from the court because the payment rates are far below market standards. The court system is currently paying a per page rate of \$2.65 - \$3.05. The federal courts are paying a per page rate of \$3.65 - \$4.85.

**Alaska Court System**  
**FY2011 Operating Budget Request**

**Court-wide Budget Requests (continued)**

**Telephone and Teleconferencing Services**

**\$98,000**

In past years the court system used prepaid phone cards extensively to save on toll costs for long-distance phone calls. These cards were particularly useful for instate calls as local carriers charged from \$0.115 to \$0.18 per minute. With a prepaid phone card, the court system was paying \$0.0283 or less than three cents per minute for calls made with a Sprint prepaid calling card. Effective October 2008, Sprint sold its interest in prepaid calling cards to a carrier that was unable to provide the instate calling services at the rates formerly offered by Sprint and did not have the facilities to insure that calls made to remote locations would be of sufficient quality to conduct court business. The court system pursued other prepaid calling card vendors, but none could provide a reliable service at less cost than amounts charged by the local carriers, two of which have agreed to charge \$0.10 per minute for instate calls. The court system is requesting \$42,000 to pay for these increased telephony costs.

The court system regularly conducts hearings telephonically. By court rule, parties inconvenienced by holding a hearing telephonically must pay the cost of the hearing. The court pays the telephone cost if the judge is able to avoid traveling to the hearing (cost savings measure). For other situations, the defendant, public defender, plaintiff or prosecution would be responsible for the cost of the call. Frequently the payer is another state agency. In the past, the in-court clerk would collect calling cards from the payers and place the calls. This was time-consuming and caused delays in court proceedings. To address the efficiency issue in high-volume proceedings with multiple parties in attendance, the court piloted a project wherein the court system used a teleconferencing service to coordinate the calls. Using the service resolved many issues and placed the burden of calling into the hearing on the parties rather than on the in-court clerk who frequently had to track down parties who may be at home, on their cell phone, at their office, etc. The vendor is extremely reliable and charges \$0.059 per minute for each caller. The court system is requesting \$56,000 in additional funding to expand the pilot project to include all telephonic proceedings and to pay the long-distance charges for telephonic proceedings that would generally be borne by another state agency.

**Pro Tem Pay Increase**

**\$174,700**

Retired judicial officers are essential resources for the court. They are used for court coverage during judicial vacancies, to perform settlement conferences and cover proceedings when sitting judges are unavailable, and for special projects. In single judge locations, pro tem coverage is especially critical as no other judicial resource is available. Since 1997, pro tem judges have been paid a daily rate based on a \$30 hourly rate. The court system requests the daily rate pay basis be increased to \$75 per hour, which is comparable to the hourly rate for court-appointed attorneys and attorneys appointed by the Office of Public Advocacy (OPA).

**Alaska Court System**  
**FY2011 Operating Budget Request**

**Court-wide Budget Requests (continued)**

**Life-Cycle Replacement of Computer Systems**

**\$250,000**

Automation of its case management system requires the court to regularly update its operating systems to be compatible with software versions and licensing requirements. Rapid advancements in computer technology require the court system to continually evaluate and improve its base of technological equipment. In the past, the court has received sporadic grant and capital funding to replace equipment and operating systems. To ensure a planned, life-cycle approach to replacement of these systems, a sustained source of funding must be incorporated into the court's base operating budget. Experts recommend replacement cycles of three years for PCs and four years for printers. The court plans to keep its equipment in place for an additional year beyond the recommended guidelines, but requires a sustained funding source to facilitate this cycled approach.

**Language Interpreter Center**

**\$25,000**

The Alaska Court System is involved in a multi-agency collaboration to establish the Language Interpreter Center (LIC). The LIC has three goals: train interpreters on skills and ethics; train professionals on the roles and responsibilities of working with interpreters; and provide a referral service for government agencies, nonprofits, and businesses in need of qualified interpreters.

The court system is required to provide language interpreters for certain criminal proceedings. A recent interpretation of federal law suggests that parties, victims, and witnesses with limited English proficiency may be entitled to court-paid interpreter services for any type of court case. Prior to the development of the LIC, training and certification of interpreters was not available anywhere in Alaska. To support the on-going efforts of the LIC and to ensure that a pool of certified language interpreters is available to the court system, contractual funding is needed to pay for interpreter services and training.

**Increase Funding for Family Law Self-Help Center (FLSHC)**

**\$100,000**

The FLSHC assists pro se litigants (litigants without lawyers) throughout the state. Assistance is provided primarily over the phone and via the internet through the court's website for cases such as divorce, dissolution, child support and other family-related law. This operation is currently supported by federal funds that available to the Child Support Services Division, which has budgeted an additional \$100,000 for pass-through to the court system. This will be accomplished through an interagency agreement.

**Alaska Court System**  
**FY2011 Operating Budget Request**

**Court-wide Budget Requests (continued)**

**Custody Mediation Program**

**\$125,000**

Mediation offers parents an opportunity to create co-parenting plans for their children in a non-adversarial, confidential, informal setting with a trained and experienced neutral mediator. This request is an outgrowth of the success of the mediation services provided through the court system's Child Custody and Visitation Mediation Program (CCVMP) for over 10 years. Over a recent 18-month period, referrals to mediation increased sharply, resulting in a 250 percent increase in costs, an amount not sustainable by the federal grant that funds this program. The legislative intent of this recurring \$100,000 federal grant is to promote access of non-custodial parents to their children, and recent interpretation of allowable services under the grant suggests grant-funded mediation should be reserved for post-decree modifications of custody orders. While an important point for mediation, it does not offer the preventive impact of early intervention.

The court system seeks to leverage grant funds to provide an important continuum of mediation services to parents and maximize court resources. The focus of state funding will be to assist parents in conflict over physical and legal custody issues regarding their children and the initial court filing, prior to a decree. Mediation early in domestic relations cases helps parents resolve their conflicts, establish cooperative co-parenting, and reduce the negative impacts of on-going custody disputes on their children.

Mediation is not appropriate in every case and this project will develop referral protocols, including screening for domestic violence for the more than 3,000 annual filings, about 54 percent of which are pre-decree, involving custody disputes in domestic relations cases. The pool of private contract mediators will be expanded and given specialized training. The program will evaluate its outcomes, including the impact of early mediation on later litigation and expects to find that successful mediation of the initial co-parenting plan results in a significant decrease in later contested motions for modifications.

**Mental Health Trust Authority Project Funds (MHTAAR)**

**\$955,300**

The therapeutic courts are requesting Mental Health Trust Authority funds for the following projects: Treatment Funding for Therapeutic Court Participants \$500,000; Fairbanks Juvenile Therapeutic Court \$245,900; Mental Health Court Expansion - Targeted Communities \$204,400; and Access to Timely Neuropsychiatric Evaluations \$5,000.

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**Total Operating Budget Increments**

**\$6,372,700**

## Alaska Court System Ten Year Expenditure Projection

The Alaska Court System is the primary entity in the Judicial Branch of state government. Its main purpose is to handle criminal and civil cases. The court system does not initiate this caseload; its work is generated entirely by the individuals, organizations, businesses, governmental agencies, and other entities that file cases.

Because the court system's workload is created entirely by others, it is difficult to predict how this workload might change in the future, other than to note that increases in population have historically meant more cases. The workload is also greatly impacted by the laws that are enacted by the legislature each session. The court system cannot predict future statutory changes that will impact the caseload.

FY11 Funding Levels – Amounts included for FY11 reflect the court system's FY11 operating and capital budget request.

FY11 Strategic Initiatives – In FY10, the court system requested and received partial funding for the second phase of a significant court initiative called "No Dark Courtrooms". This initiative improves courtroom operations around the state. In its FY11 operating budget, the court system is requesting the balance of the funding required (\$1,365,700) to completely implement this project. This initiative has a far-reaching impact on the justice agencies serving the state. Improvements made under the first two phases of the project have included expedited dissemination of data such as criminal judgments, bail, and conditions of release that are essential to public safety, as well as the distribution of documents such as copies of orders and notices of next hearing dates while the parties are in the courtroom.

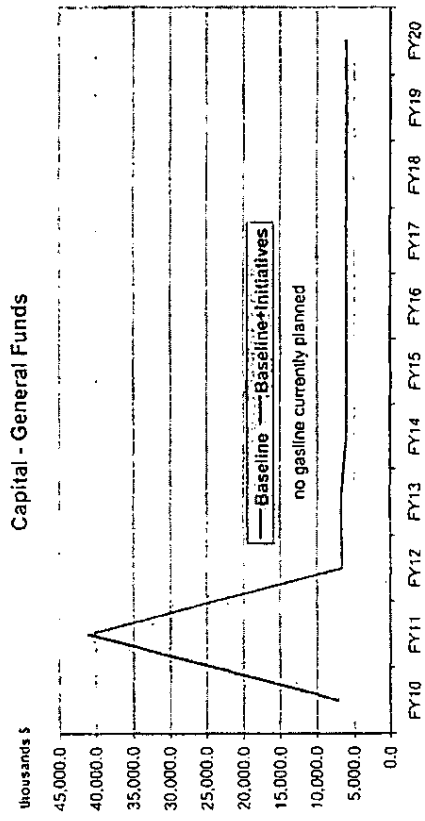
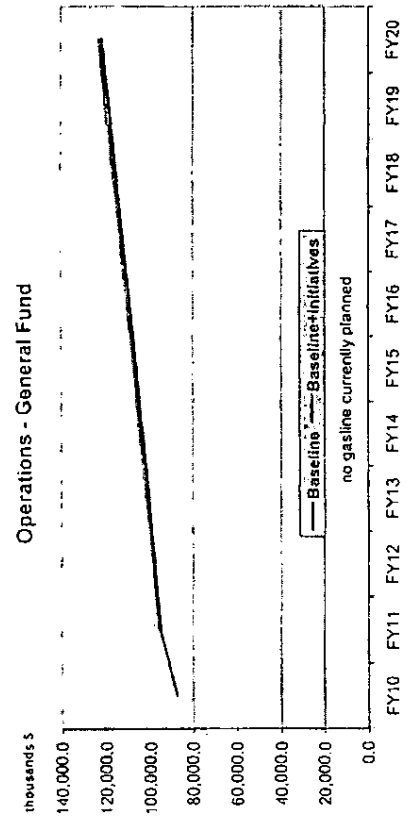
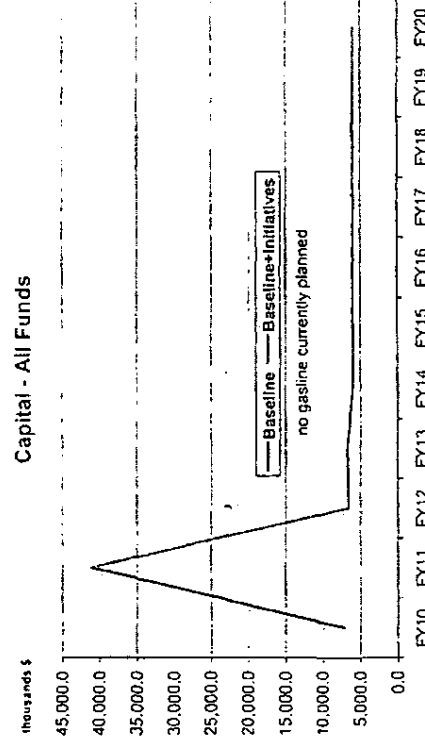
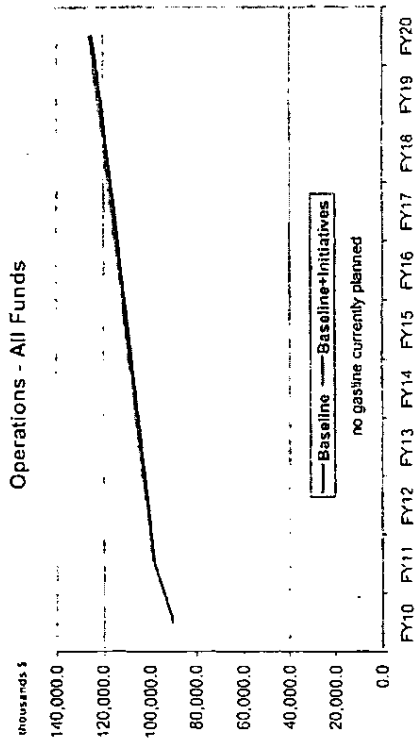
Another initiative included in the FY11 planning document is the addition of one superior court judge and related staff in FY11 with a second added in FY13. Long-term trends in the court system's caseload support adding the superior court judges in Anchorage. Additional superior court judges can only be added through legislation so the judge required in FY11 does not appear in the court system's FY11 operating budget request.

FY12 – FY19 – Lacking information about future changes in the law and other factors that may increase the number of case filings (such as the state of the economy or the number of municipal law enforcement officers), the funding requirements for FY12 – FY19 assume no significantly changed workload. For future years, the court system has applied the 2.75% inflation factor suggested by OMB for projecting operating funding required for the future periods. Capital funding required for FY12 – FY13 is based on capital projects currently identified in the court system's capital budget request. The annual capital project funding requirement for FY14 – FY20 is projected to be \$6 million.

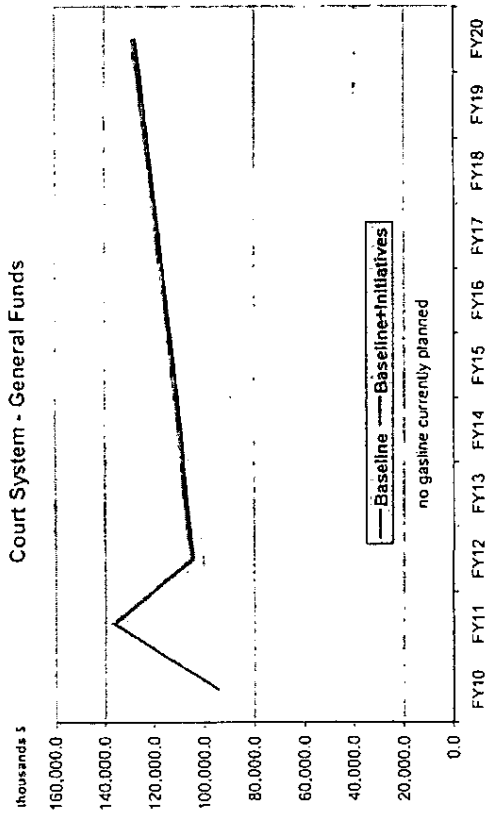
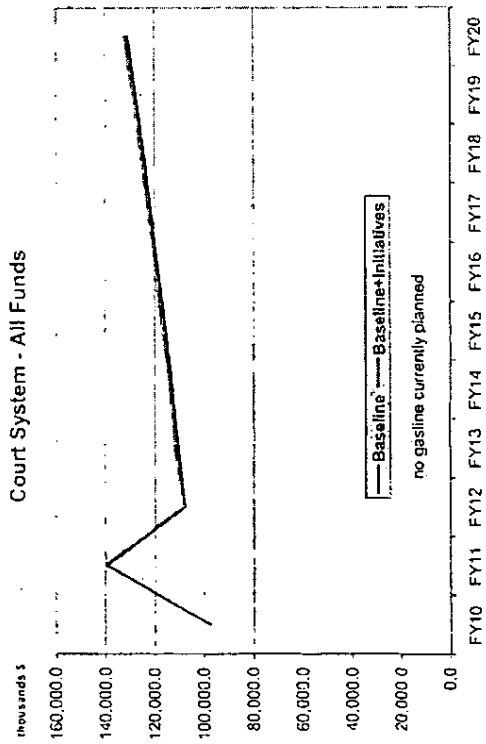
Impact of Gasline Project on Court Operations – The court system is unable to determine the increased costs that will result from the development of the gasline with the information it has available. During the 1970s, the criminal and civil caseload of the court system was impacted by the construction of the Trans Alaska Pipeline System (TAPS). This increased workload was the inevitable result of oil field

construction projects that employed over 30,000 persons. The surge in workers resulted in significantly higher caseloads and court costs in Interior Alaska, with lesser impacts in other parts of the state. While the scope of the gasoline project will not be as great as the TAPS project, we do not have enough information to project increased costs at this time. More accurate cost information will be available as this project progresses.

Courts



Courts



**Court System**

**Baseline Budget Growth 1/  
(Thousands \$)**

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
<b>Total Appropriations</b>	97,508.2	139,611.1	107,753.7	110,574.9	112,634.5	115,477.9	118,399.5	121,401.5	124,486.0	127,655.4	130,911.9
General Fund	94,351.3	136,374.2	104,516.8	107,338.0	109,397.6	112,241.0	115,162.6	118,164.6	121,249.1	124,418.5	127,675.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
<b>Operations</b>	90,368.2	98,552.7	101,173.9	103,867.2	106,634.5	109,477.9	112,399.5	115,401.5	118,486.0	121,655.4	124,911.9
General Fund	87,211.3	95,315.8	97,937.0	100,630.3	103,397.6	106,241.0	109,162.6	112,164.6	115,249.1	118,418.5	121,675.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
<b>Formula Programs</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Non-formula Programs</b>	90,368.2	98,552.7	101,173.9	103,867.2	106,634.5	109,477.9	112,399.5	115,401.5	118,486.0	121,655.4	124,911.9
General Fund	87,211.3	95,315.8	97,937.0	100,630.3	103,397.6	106,241.0	109,162.6	112,164.6	115,249.1	118,418.5	121,675.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
<b>Capital</b>	7,140.0	41,058.4	6,579.8	6,707.7	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0
General Fund	7,140.0	41,058.4	6,579.8	6,707.7	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

1. Baseline wage and benefit increases are handled in the statewide spreadsheet.  
See detailed assumptions.

Court System

Initiatives (Except Gasline)  
(thousands \$)

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
<b>Total Appropriations</b>	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Operations</b>	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Formula Programs</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Non-formula Programs</b>	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund	0.0	498.8	512.5	1,025.4	1,053.6	1,082.6	1,112.4	1,142.9	1,174.4	1,206.7	1,239.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Capital</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

See detailed assumptions.

Court System

Baseline plus Initiatives

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
<b>Total Appropriations</b>	97,508.2	140,109.9	108,286.2	111,600.3	113,688.1	116,580.5	119,511.9	122,544.5	125,660.4	128,862.1	132,151.8
General Fund	94,351.3	136,873.0	105,029.3	108,363.4	110,451.2	113,323.6	116,275.0	119,307.6	122,423.5	125,625.2	128,914.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
<b>Operations</b>	90,368.2	99,051.5	101,686.4	104,892.6	107,688.1	110,580.5	113,511.9	116,544.5	119,660.4	122,862.1	126,151.8
General Fund	87,211.3	95,814.6	98,449.5	101,655.7	104,451.2	107,323.6	110,275.0	113,307.6	116,423.5	119,625.2	122,914.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
<b>Formula Programs</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Non-formula Programs</b>	90,368.2	99,051.5	101,686.4	104,892.6	107,688.1	110,580.5	113,511.9	116,544.5	119,660.4	122,862.1	126,151.8
General Fund	87,211.3	95,814.6	98,449.5	101,655.7	104,451.2	107,323.6	110,275.0	113,307.6	116,423.5	119,625.2	122,914.9
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6	1,675.6
Other State Funds	1,481.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3	1,561.3
<b>Capital</b>	7,140.0	41,058.4	6,579.8	6,707.7	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0
General Fund	7,140.0	41,058.4	6,579.8	6,707.7	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0	6,000.0
General Fund Match	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other State Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

1. We have a relatively small budget (adjusted base this year is about \$91 million); about 1% of the total state budget. Smaller than many departments.

HOW WE PREPARE OUR BUDGET – similar to the multi-step process the Exec goes through: local court→ACA→Admin→supreme court. However, we don't prepare a political budget. Basically it is what we can absorb in a fiscal year that would let us operate at peak efficiency. We don't expect it to be fully funded, and we work closely with the chairman and Leg Finance to decide what is most needed, taking into account the money that is actually available.

Like the legislature, we are not covered by the Executive Budget Act. The governor does not have the authority under the constitution to prepare our budget for submission to the legislature. His authority is limited to vetoes on the way out of the legislature. We had a problem last year, same problem as with Hickel 1, Hammond, Hickel 2, Murkowski. Tried to reduce our budget on the way in. This year they just passed it through.

2. CHALLENGES We have several big challenges:

A. We told you last year that we had just received word that ASEA and APEA were going to try to unionize us. IBEW in the mid-90's (didn't get pay raise), expensive, decrease of managerial prerogative at a time of declining revenue. They are continuing these efforts and have had a number of informational meetings around the state. The very low geographic differential paid to many court employees compared to the union rate is the major selling point. I'll get back to that in a moment.

B. Escalating costs. One way we address these with a 30 day hiring freeze. We rarely have a supplemental; we typically do a good job of living within limits you set. That being said, we have a small one this year which actually is a request that you let us keep \$35,000 that we got in a legal settlement that we turned over to the general fund. Phone cards: by using phone cards, we've been saving over \$40,000 year. That has ended."

C. Criminal caseload increases (more arrests even though the crime rate is down).

D. We don't control our own workload. We have to take every case that comes through the door. Most have to be handled within certain timeframes.

3. INITIATIVES two big ones that were in the FY09 and FY10 budgets and were partially funded in both.

A. No Dark Courtrooms. Put more clerks in courtrooms. In FY 09, funded 8 positions, and in FY10 funded 6 plus 2 upgrades.

Busy in courtroom (reporter, stenographer, bailiff) more complex than past, not enough to have court in some locations, not enough to do stuff on the bench.

(FY09 projects in Anch, Fairbanks, Palmer, and fixed understaffing in Nome, Kenai, Bethel; in FY10 Anch, Juneau, Seward, Naknek, Kotzebue, Bethel.

B. reduce judicial underfunding

We run about a 6 - 7% underfunding in personnel services. We really should be about 3%. We make it work with clerical staff with hiring freeze. More problematic with judges. Making effort to fill judgeships immediately. Our goal is 0% underfunding for judicial positions; 250,000 last year and 250,000 year before. 575,000 to get to 0%.

C. New superior court judge in Anchorage for civil cases. Anchorage is one of the busiest courts in the state; statistically could justify 3 new judges in superior court, 1 in district court. \$440,000 court system cost plus other agencies.

D. Nome building

The Nome court is in the federal building, which is being surplus. No place else to go in Nome. We have right of first refusal, and have said we will take it if the legislature funds it (279,000 operating increase, FY11 3.8 million capital, FY12 4.8 million). If it is given to someone else, we would have 2 years to find new space. DOT has designed a Nome State Office Building which is not in the capital budget.

E. geographic differential

\$1.4 million to implement McDowell Study w/grandfathering. We are currently covered by statute but can change geo dif through budget process.