

Judiciary - Supreme Court

| | FY 2021 ACTUAL | FY 2022 ESTIMATE | FY 2023 APPROVED |
|---|-------------------|---------------------|-----------------------------------|
| OPERATING BUDGET | | | |
| <i>Full Time Equivalent Positions</i> | 184.0 | 187.0 | 202.0 ^{1/} |
| Personal Services | 7,500,700 | 7,406,000 | 7,550,900 |
| Employee Related Expenditures | 2,925,900 | 3,093,100 | 3,902,000 |
| Professional and Outside Services | 170,600 | 218,400 | 218,400 |
| Travel - In State | 179,600 | 149,900 | 149,900 |
| Travel - Out of State | 2,900 | 37,700 | 37,700 |
| Other Operating Expenditures | 4,325,300 | 4,823,500 | 4,824,600 |
| OPERATING SUBTOTAL | 15,105,000 | 15,728,600 | 16,683,500 ^{2/3/} |
| SPECIAL LINE ITEMS | | | |
| State Aid | 3,645,800 | 5,679,000 | 5,750,200 |
| County Reimbursements | 183,000 | 187,900 | 187,900 ^{4/} |
| Automation | 14,879,800 | 21,289,200 | 23,766,500 ^{5/6/} |
| Arizona Trial and Digital Evidence Fund Deposit | 0 | 0 | 1,620,000 |
| State Foster Care Review Board | 3,342,400 | 3,283,000 | 3,435,700 |
| Court Appointed Special Advocate | 3,518,200 | 3,987,300 | 4,971,300 |
| Model Court | 438,700 | 659,700 | 659,700 |
| Domestic Relations | 660,900 | 646,500 | 683,100 |
| Judicial Nominations and Performance Review | 537,600 | 543,900 | 573,300 |
| Commission on Judicial Conduct | 536,100 | 524,400 | 558,100 |
| Courthouse Security | 749,100 | 750,000 | 750,000 |
| FY 2023 Salary Increase | 0 | 0 | 2,719,000 |
| AGENCY TOTAL | 43,596,600 | 53,279,500 | 62,358,300 ^{7/8/} |
| FUND SOURCES | | | |
| General Fund | 21,317,700 | 22,234,700 | 29,047,400 |
| <u>Other Appropriated Funds</u> | | | |
| Confidential Intermediary and Fiduciary Fund | 354,500 | 494,300 | 546,500 |
| Court Appointed Special Advocate Fund | 3,597,100 | 4,068,000 | 5,416,000 |
| Criminal Justice Enhancement Fund | 3,101,700 | 4,407,800 | 4,722,800 |
| Defensive Driving School Fund | 3,188,600 | 4,233,500 | 4,487,700 |
| Judicial Collection Enhancement Fund | 10,173,600 | 14,895,800 | 15,191,400 |
| State Aid to the Courts Fund | 1,863,400 | 2,945,400 | 2,946,500 |
| SUBTOTAL - Other Appropriated Funds | 22,278,900 | 31,044,800 | 33,310,900 |
| SUBTOTAL - Appropriated Funds | 43,596,600 | 53,279,500 | 62,358,300 |
| Other Non-Appropriated Funds | 28,139,600 | 29,072,000 | 29,072,000 |
| TOTAL - ALL SOURCES | 71,736,200 | 82,351,500 | 91,430,300 |

AGENCY DESCRIPTION — The Supreme Court consists of 7 Supreme Court Justices, judicial support staff and the Administrative Office of the Courts (AOC). The Supreme Court, as the state's highest court, has the responsibility to review appeals and to provide rules of procedure for all the courts in Arizona. Under the direction of the Chief Justice, the AOC provides administrative supervision over the Arizona court system.

FOOTNOTES

- 1/ Includes 56.5 GF and 36.8 OF FTE Positions funded from Special Line Items in FY 2023.
- 2/ Included in the operating lump sum appropriation for the supreme court is \$1,000 for the purchase of mementos and items for visiting officials. (General Appropriation Act footnote)
- 3/ The operating lump sum includes \$263,500 for a pay increase for supreme court justices. Pursuant to section 41-1904, Arizona Revised Statutes, as of January 1, 2023, the annual salary for the chief justice of the supreme court is \$212,000 and the annual salary for the other justices of the supreme court is \$205,000. (General Appropriation Act footnote)

- 4/ Of the \$187,900 appropriated for county reimbursements, state grand jury is limited to \$97,900 and capital postconviction relief is limited to \$90,000. (General Appropriation Act footnote)
- 5/ On or before September 1, 2022, the supreme court shall report to the joint legislative budget committee and the governor's office of strategic planning and budgeting on current and future automation projects coordinated by the administrative office of the courts. The report shall include a list of court automation projects that receive or are anticipated to receive state monies in the current or next two fiscal years as well as a description of each project, the number of FTE positions, the entities involved and the goals and anticipated results for each automation project. The report shall be submitted in one summary document. The report shall indicate each project's total multiyear cost by fund source and budget line item, including any prior-year, current-year and future-year expenditures. (General Appropriation Act footnote)
- 6/ Automation expenses of the judiciary shall be funded only from the automation line item. Monies in the operating lump sum appropriation or other line items intended for automation purposes shall be transferred to the automation line item before expenditure. (General Appropriation Act footnote)
- 7/ Laws 2021, Chapter 432 appropriated \$500,000 from the General Fund for a new records sealing law. Because this appropriation is in separate legislation, this amount is not included in the General Appropriation Act.
- 8/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

Operating Budget

The budget includes \$16,683,500 and 108.7 FTE Positions in FY 2023 for the operating budget. These amounts consist of:

| | FY 2023 |
|--|----------------|
| General Fund | \$12,741,900 |
| Confidential Intermediary and Fiduciary Fund | 506,500 |
| Criminal Justice Enhancement Fund (CJEF) | 7,700 |
| Defensive Driving School Fund | 733,700 |
| Judicial Collection Enhancement Fund (JCEF) | 2,693,700 |

FY 2023 adjustments are as follows:

Judicial Salary Increase

The budget includes an increase of \$263,500 from the General Fund in FY 2023 to increase the Chief Justice salary from \$164,800 to \$212,000 and Associate Justice salary from \$159,650 to \$205,000 effective January 1, 2023.

The 3-year spending plan increases this appropriation to \$527,000 in FY 2024 for the full-year implementation.

Statewide Adjustments

The budget includes an increase of \$691,400 in FY 2023 for statewide adjustments. This amount consists of:

| | |
|--|---------|
| General Fund | 611,900 |
| Confidential Intermediary and Fiduciary Fund | 12,200 |
| Defensive Driving School Fund | 18,500 |
| JCEF | 48,800 |

(Please see the Agency Detail and Allocations section.)

State Aid

The budget includes \$5,750,200 and 3.3 FTE Positions in FY 2023 for State Aid. These amounts consist of:

| | |
|------------------------------|-----------|
| CJEF | 2,803,700 |
| State Aid to the Courts Fund | 2,946,500 |

FY 2023 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$71,200 in FY 2023 for statewide adjustments. This amount consists of:

| | |
|------------------------------|--------|
| CJEF | 70,100 |
| State Aid to the Courts Fund | 1,100 |

The State Aid line item provides state aid to counties for the payment of judges pro tempore salaries, and for projects designed to improve the processing of criminal cases in the Superior Court and Justice Courts.

County Reimbursements

The budget includes \$187,900 from the General Fund in FY 2023 for County Reimbursements. This amount is unchanged from FY 2022.

The County Reimbursements line item provides reimbursement to counties for grand jury expenses and for state-funded representation of indigent defendants in first-time capital postconviction relief proceedings. Statute limits reimbursements to counties for grand jury expenses and state-funded representation of indigent defendants in first-time capital postconviction relief proceedings to the amount appropriated for those purposes.

A General Appropriation Act footnote limits the appropriation for the State Grand Jury to \$97,900 and for Capital Postconviction Relief to \$90,000. The budget continues this in FY 2023.

Automation

The budget includes \$23,766,500 and 15 FTE Positions in FY 2023 for Automation. These amounts consist of:

| | |
|--|------------|
| General Fund | 6,337,900 |
| Court Appointed Special Advocate (CASA) Fund | 382,900 |
| CJEF | 1,710,900 |
| Defensive Driving School Fund | 3,589,300 |
| JCEF | 11,745,500 |

FY 2023 adjustments are as follows:

Funding for Dependent Children Tracking System

The budget includes an increase of \$300,000 from the CASA Fund in FY 2023 for funding to upgrade the Dependent Children Automated Tracking System (DCATS). Of this amount, \$183,000 is one-time funding in FY 2023 for start-up costs of the new system.

DCATS helps manage the work of Foster Care Review Boards and CASA volunteers and tracks the review process for children in the child welfare system.

One-Time General Fund Increase

The budget includes a one-time increase of \$1,000,000 from the General Fund in FY 2023 to address a shortfall in revenues that support the Automation line.

Appellate Case Management System

The budget includes an increase of \$59,100 from the General Fund in FY 2023 for Appellate Case Management System licensing and maintenance costs in accordance with the 3-year spending plan as enacted in the FY 2022 budget.

Digital Evidence Storage One-Time Funding

The budget includes an increase of \$90,000 from the General Fund in FY 2023 for digital evidence storage. This adjustment includes a decrease of \$(400,000) to remove funding designated as one-time in the FY 2022 budget and a one-time increase of \$490,000 in FY 2023 for these purposes.

Records Sealing One-Time Funding

The budget includes a one-time increase of \$500,000 from the General Fund in FY 2023 for costs to implement a new records sealing law. This amount was advance appropriated by Laws 2021, Chapter 432. As a result, this

funding does not appear in the FY 2023 General Appropriation Act.

The funding will be used for automation changes for implementing the law, which may require contracting services, in addition to costs involved in updating documents and training staff on updated procedures.

Statewide Adjustments

The budget includes an increase of \$528,200 in FY 2023 for statewide adjustments. This amount consists of:

| | |
|-------------------------------|---------|
| General Fund | 166,000 |
| CASA Fund | 2,200 |
| CJEF | 44,400 |
| Defensive Driving School Fund | 71,000 |
| JCEF | 244,600 |

The Automation line item provides funding for court automation projects throughout the state. Automation costs are to be solely funded from the Automation line item. As required by a General Appropriation Act footnote, any additional monies expended from other line items for automation projects are to be transferred to the Automation line item prior to expenditure.

Arizona Trial and Digital Evidence Fund Deposit

The budget includes \$1,620,000 from the General Fund in FY 2023 for the Arizona Trial and Digital Evidence Fund Deposit. FY 2023 adjustments are as follows:

Juror Day 1 Wage Compensation Funding

The budget includes an increase of \$1,620,000 from the General Fund in FY 2023 for deposit into the Arizona Trial and Digital Evidence Fund.

Monies in this line item are used for replacement and supplemental earnings for petit jurors in the Superior Court eligible after 1 day of jury service.

As permanent law, the Courts Budget Reconciliation Bill (BRB) changes the name of the Arizona Lengthy Trial and Digital Evidence Fund to the Arizona Trial and Digital Evidence Fund and allows a petit juror in the Superior Court to be eligible for replacement and supplemental earnings after one day of service. A.R.S. § 22-122 previously allowed for compensation beginning after 5 days of service. *(Please see Other Issues – Statutory Changes for more information.)*

State Foster Care Review Board

The budget includes \$3,435,700 and 40 FTE Positions from the General Fund in FY 2023 for the State Foster Care Review Board. FY 2023 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$152,700 from the General Fund in FY 2023 for statewide adjustments.

The State Foster Care Review Board line item coordinates local volunteer review boards for foster care children in out-of-home placement.

Court Appointed Special Advocate

The budget includes \$4,971,300 and 20.5 FTE Positions from the CASA Fund in FY 2023 for CASA. FY 2023 adjustments are as follows:

CASA Volunteer Retention

The budget includes an increase of \$959,000 and 15 FTE Positions from the CASA Fund for funding to support CASA volunteer retention efforts. These monies are used for 14 additional volunteer coordinator positions and 1 volunteer retention specialist.

Statewide Adjustments

The budget includes an increase of \$25,000 from the CASA Fund in FY 2023 for statewide adjustments.

The CASA line item administers and monitors a community-based volunteer advocacy program for abused and neglected children in the Juvenile Court System.

Model Court

The budget includes \$659,700 and 1 FTE Position from the General Fund in FY 2023 for Model Court. These amounts are unchanged from FY 2022.

Monies in this line item fund a Dependency Alternative Program (DAP) coordinator in the AOC and the remaining monies are passed through to counties to improve processing of dependency cases. DAP is a voluntary program for eligible families that provides access to legal and child welfare services to quickly determine the best option for a child's custody and prevent a dependency case. Both Maricopa and Pima have existing programs.

Domestic Relations

The budget includes \$683,100 and 4.9 FTE Positions from the General Fund in FY 2023 for Domestic Relations. FY 2023 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$36,600 from the General Fund in FY 2023 for statewide adjustments.

The Domestic Relations line item provides coordination and technical support for groups formed to develop and review policies and programs related to domestic relations and child support.

Judicial Nominations and Performance Review

The budget includes \$573,300 and 4.6 FTE Positions from the General Fund in FY 2023 for Judicial Nominations and Performance Review. FY 2023 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$29,400 from the General Fund in FY 2023 for statewide adjustments.

This line item funds administrative costs to oversee the nominations for the Supreme Court, the Court of Appeals, and the Superior Court in Maricopa, Pima, Pinal, Coconino and Yavapai Counties, as well as evaluating the performance of all merit retention justices and judges. The results of the performance evaluations are provided to the voters before each retention election.

Commission on Judicial Conduct

The budget includes \$558,100 and 4 FTE Positions from the General Fund in FY 2023 for the Commission on Judicial Conduct. FY 2023 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$33,700 from the General Fund in FY 2023 for statewide adjustments.

The Commission on Judicial Conduct investigates and resolves all complaints of judicial misconduct.

Courthouse Security

The budget includes \$750,000 from JCEF in FY 2023 for Courthouse Security. This amount is unchanged from FY 2022.

The Courthouse Security line item includes funding for training, assistance, and grants to courts to meet the

minimum standards of courthouse security as adopted by the Supreme Court.

FY 2023 Salary Increase

The budget includes an increase of \$2,719,000 in FY 2023 for a statewide employee salary increase. This amount consists of:

| | |
|--|-----------|
| General Fund | 2,249,800 |
| Confidential Intermediary and Fiduciary Fund | 40,000 |
| CASA Fund | 61,800 |
| CJEF | 200,500 |
| Defensive Driving School Fund | 164,700 |
| JCEF | 2,200 |

This amount does not include salary increases for judges, as those are addressed separately. Of these amounts, \$2,165,100 is for a 10% minimum state employee salary increase and \$553,900 is for selected market adjustments above 10%. *(Please see the Agency Detail and Allocations section.)*

The budget requires all agencies receiving salary increases to transfer the monies in this line item to the relevant line items as part of the FY 2024 budget request submittals. These submittals will include the reallocation for both FY 2023 and FY 2024.

Other Issues

Statutory Changes

The Courts BRB makes the following statutory changes:

- As session law, amend Laws 2018, Chapter 278, Section 17 as amended by Laws 2021, Chapter 403, Section 24 to allow the Supreme Court to spend money on a new appellate case management system in FY 2023.
- As permanent law, allow a petit juror in the Superior Court to be eligible for replacement and supplemental earnings after one day of service.
- As permanent law, changes the name of the Arizona Lengthy Trial and Digital Evidence Fund to the "Arizona Trial and Digital Evidence Fund."

Long-Term Budget Impacts

As part of the budget's 3-year spending plan, the Supreme Court's General Fund appropriations will increase by \$263,500 in FY 2024 above FY 2023 for full-year implementation of salary increases for Supreme Court Justices.