

April 10, 2009

To all Judges, Marital Masters and Non-Judicial Staff:

I want to bring you all up-to-date on where we are with the Judicial Branch budget following the House vote earlier this week.

The New Hampshire House passed its versions of an operating budget and a capital budget for fiscal years 2010 and 2011, which begin on July 1, 2009. These budgets now move on to the Senate, which will work on them between now and the beginning of June. Following the Senate's work, conference committees will be formed to resolve differences between the House and Senate versions of these budgets. The goal of the conference committees is to have final versions of these budgets to Governor Lynch for his action by the end of June.

On the operating budget side, the Judicial Branch receives a budget appropriation of \$77,090,158 in FY 10 and \$77,803,163 in FY 11, including funds for information technology. In FY 10, the budget numbers represent a 6.6% increase over our reduced FY 09 appropriation. In FY 11, that increase is 7.6%. Our appropriation has been more generous than that allotted to many others in state government.

Our budget appropriation, however, is reduced by an across-the-board .86% reduction in all general fund appropriations in FY 10 and an across-the-board .87% reduction in FY 11. For the Judicial Branch, these across-the-board cuts would reduce our budget appropriation by about \$627,000 in FY 10 and \$640,000 in FY 11. In addition, HB 2, which is known as the "trailer bill" since it trails the budget to implement it, contains provisions that the department of health and human services "shall have no responsibility for the payment of the cost of assigned counsel for any party under [the chapters dealing with delinquency, abuse and neglect, and CHINS]." These payments amount to approximately \$1.3 million annually. The problem is that the responsibility for payment was not given to anyone else and would fall upon the Judicial Branch under RSA 490:31. If this issue is not addressed in the Senate, our budget appropriation would be reduced by \$1.3 million annually.

Regarding other budget issues, the House voted to consolidate the Plaistow District Court with Salem and the New London District Court with Newport. District courts, which had been considered for consolidation but which are not consolidated in HB 2, include Colebrook, Claremont, Milford, and Hooksett, although a study committee has been set up to study the relocation/consolidation of Colebrook, Claremont, and Milford District Courts with others.

On employee issues, HB 2 does require the Judicial Branch to lapse \$345,563 in FY 10 and \$748,725 in FY 11 "in connection with the implementation of the revised health benefit plan for unclassified and nonclassified state employees." As you by now know, I communicated with all 400 House members opposing changes in the health benefit plan if those changes do not apply to all state employees. Despite my plea, the provision remains in HB 2 as passed by the House. Another employee issue is that under the House budget, all non-judicial employees and part-time district court judges who belong to the New Hampshire Retirement System will see their contribution to the system increase from 5% of gross pay to 7%. Finally, any former state employees who are retired, under 65, and receiving state-paid health insurance will have to contribute 11.5% of their retirement toward health insurance in FY 10 and 12% in FY 11. These contributions end when the retiree turns 65.

As for the capital budget, all of the items requested by the bureau of court facilities which made it into the Governor's capital budget request have been adopted by the House in its capital budget. These include the following:

1. Hillsborough County North - Asbestos Abatement: \$17,000,000.
2. Hillsborough County South - Roof Replacement: \$507,000.
3. Northern Carroll County New Roof: \$130,000.
4. Manchester District Renovate Family Division: \$120,000.
5. Master Plan for Courts: \$450,000.
6. Hillsborough County North-Renovate-Lead Certification: \$30,000.

In addition to the above items, the House added to its capital budget a parking lot for the Supreme Court campus at a cost of \$394,295 and disability access to the front of the Supreme Court Building at a cost of \$275,000.

During April and May our budget requests will be reviewed by the Senate Finance Committee. We will have an opportunity to testify and to work with the Senate. At this point, we are in the fourth inning of a nine-inning game.

I will continue to keep you informed as the budget process continues. I know these are difficult and stressful times for all of you. Be assured that my colleagues and I at the Supreme Court as well as Chief Justice Lynn, Judge Kelly and Judge King are working tirelessly to secure the best budget possible in these unprecedented times.

John T. Broderick, Jr.
Chief Justice