

June 8, 2009

To All Judges, Marital Masters and Staff,

I want to update you on the status of the Judicial Branch FY 2010-11 budget and where things stand in the overall state budget process, which is now moving into the final stages. I know this has been a long and unsettling time for all of you, and your families, but we still have work to do.

The Senate last week approved a Judicial Branch operating budget of \$75.6 million for FY 2010 and \$75.7 million in FY 2011. Those amounts are about \$900,000 lower in FY 10 and \$1.4 million lower in FY 11 than what the House recommended when it passed its version of our budget in April. Before I discuss the details further, I want to let you know that neither the Senate nor House versions of the budget would require Judicial Branch layoffs. Our goal from the start of this process has always been to address needed budget cuts without resorting to layoffs. We remain committed to do so and we will continue to closely monitor the situation as final negotiations are underway.

Today a "Committee of Conference" composed of House and Senate members began negotiations on resolving the differences between the two versions of the budget. The committee's report is due June 18; the House and Senate are scheduled to vote on a final state budget June 25, which, if approved, would be sent to Governor Lynch for his signature.

In these very difficult times, the judges and court administrators believe we can operate with the House budget for the next two years and meet our constitutional obligations to those who use our courts everyday. If the Senate version of the budget prevails, the impact on our operations and on our ability to meet our responsibilities would be significant.

Here's how we project the Senate reductions could impact our work:

- The Senate version of our budget could require us to hold 59 clerical positions vacant, four more than the House version.
- In accordance with our current priorities, the Senate budget contains sufficient funds to fill two of three Superior Court judgeships that are now vacant. If however the Governor decided to fill more than two judgeships that would have a significant impact on the balance of our budget. (If Judge Conboy's nomination to the Supreme Court is confirmed, the Governor could fill her position on the Superior Court with no impact on the number of judicial vacancies we are asking the legislature to fund in FY10-11).

- The Senate budget could require us to eliminate \$207,000 used to pay senior active status judges on a per diem basis—money that has helped us get through a long period of Superior Court vacancies.
- The Senate version could also require us to eliminate funds that are used by the District Court to pay for per diem District Court judges when a salaried judge is ill or on vacation.
- The Senate version would compel us to cut our new equipment purchases approximately in half, down by \$300,000 in each year of the biennium.

Other important aspects of the House and Senate versions of the budget include:

- **Health care/current employees:** In the Senate version, Judicial Branch employees would pay \$30 for single person coverage per paycheck; \$50 for a two-person plan and \$70 for family; the House version charges \$10 per month more on the two-person and family plan. As you know, we vigorously objected to these increases, in both the House and the Senate, because they will not apply to state employees who are covered by a collective bargaining agreement. Nevertheless, both the Senate and the House have moved forward with those increases.
- **Retirement:** Under the Senate budget, non-judicial employees and part-time judges will continue to pay five percent of their gross pay to the retirement system—the House proposes a two percent increase. Under the Senate version, those hired after June 30, 2009, would pay seven percent. On retiree health insurance, under the Senate version, those under 65 including spouses would pay \$65 per person per month; the House would require the same retirees to pay a monthly premium of 11.5 percent of their retirement check for health care coverage in FY10 and 12 percent in FY 11.
- **Hillsborough North:** Both the Senate and House have approved up to \$17 million requested for asbestos abatement and renovation of the Superior Court building in Manchester. Any savings on Hillsborough North renovations will fund a master plan for the courts, requested by Administrative Services Commissioner Linda Hodgdon. The Senate version of the budget eliminates reimbursement for Hillsborough North employees to cover mileage and tolls during the 18-month temporary relocation to Hillsborough South Superior Court in Nashua.
- **IT funds:** Both the Senate and House have agreed to establish a dedicated fund that will generate \$1.8 million annually, through

increased penalty assessments and filings fees, to maintain and renew existing technical infrastructure.

- **Court Consolidation:** Claremont, Colebrook and Milford District Courts would be consolidated with other courts under the Senate's budget; the House wants to study those three courts further. The House consolidates New London and Plaistow District Courts with other courts; the Senate agrees on consolidating New London but keeps Plaistow open, rent-free for two years after an agreement with the town. Keene District Court stays in Keene in the Senate budget but lease payments are funded for only nine months.
- **Other capital budget proposals:** The Senate and House agreed to provide handicapped access at the front entrance of the Supreme Court building. The capital budget also includes funds for an additional parking lot adjacent to the Administrative Office of the Courts. The additional parking spaces are needed for staff from around the state who come to the AOC and the Supreme Court for training sessions and meetings and for attendees at other court events, including Supreme Court oral arguments and bar admission ceremonies.

We will continue to do all we can to ensure the best budget possible during what, by all accounts, has been the most difficult budget for state government in decades. I will update you as soon as the conference committee reaches an agreement. As always, thank you for your service to the administration of justice in our state.

John T. Broderick Jr.
Chief Justice