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Supreme Court

www.mncourts.gov/

AT A GLANCE

- The seven members of the Supreme Court review petitions in approximately 760 cases a year and accept review in about 1 in 8 cases.
- In 2015, 143 direct appeals and 615 petitions for further review were filed with the Supreme Court.
- The Chief Justice is the administrative head of the Judicial Branch, which includes 316 justices and judges and 2,500 employees.
- The Supreme Court serves all Minnesota citizens.

PURPOSE

The Supreme Court is the highest court in Minnesota, serving as the final guardian of the Minnesota Constitution and interpreting/applying the United States Constitution.

The Supreme Court has original jurisdiction in remedial cases as prescribed by law, appellate jurisdiction over all cases, and supervisory jurisdiction over all courts in the state. These cases can come from the Minnesota Court of Appeals, Workers' Compensation Court of Appeals, Tax Court, Lawyers Professional Responsibility Board, and Board of Judicial Standards. Election contests and appeals for first-degree murder cases are automatically appealed to the Supreme Court.

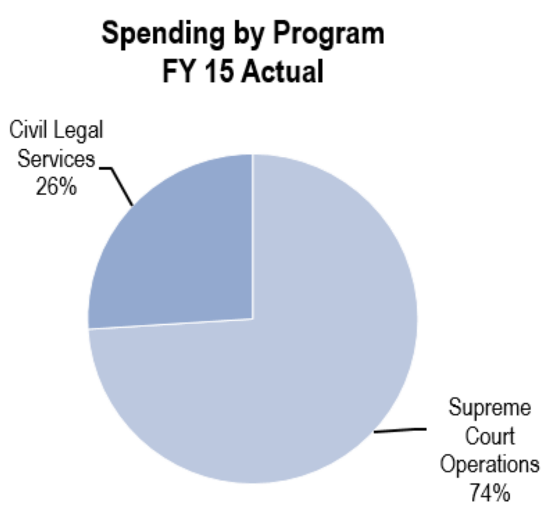
The Supreme Court is solely responsible for the regulation of the practice of law and for judicial and lawyer discipline. The Court also promulgates rules of practice and procedure for the legal system in the state.

The Chief Justice serves as the chair of the Judicial Council, the policy making body for the Judicial Branch. The Chief Justice is responsible for supervising administrative operations of the state court system.

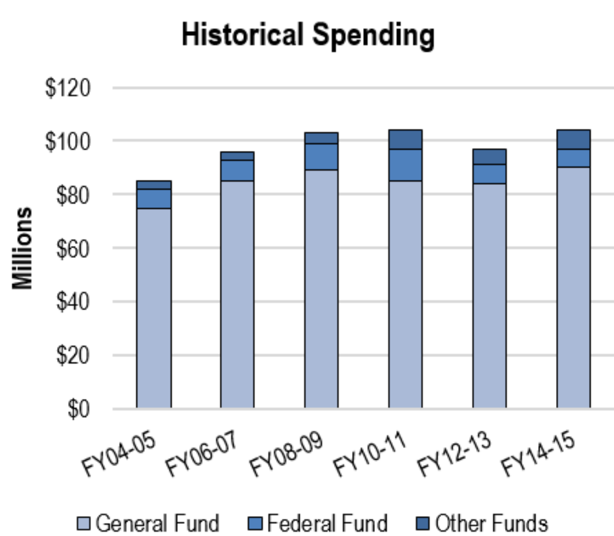
The Chief Justice is assisted by the State Court Administrator's Office, which provides the administrative infrastructure for the Judicial Branch. The State Court Administrator's Office is responsible for providing Judicial Branch finance, human resources, technology, education, communications, research/evaluation, caseload management and cross-district judicial assignments.

Supreme Court responsibilities contribute to strong and stable families and communities, and the administration of the state's court system ensures the people in Minnesota are safe and provides efficient and accountable government services.

BUDGET



Source: SWIFT



Source: Consolidated Fund Statement

The Supreme Court expended $54 million in FY2015. Of this amount, $47 million (87%) was from state general fund appropriations, with the remaining $7 million (13%) being funded through various sources such as federal and local government grants, Interest on Lawyers Trust Accounts, and fees.

STRATEGIES

As the state's highest court, the Supreme Court hears oral arguments in the State Capitol Courtroom and the Minnesota Judicial Center. The Supreme Court reviews matters on certiorari, meaning it reviews cases to set precedent, to clarify legal issues, to resolve statutory conflicts, and to answer constitutional questions.

In addition to hearing appeals, the Supreme Court is responsible for overseeing the machinery of justice in the state, for regulating the practice of law, and making recommendations for improvement of the judicial system.

The mission of the Judicial Branch is "To provide justice through a system that assures equal access for the fair and timely resolution of cases and controversies." The Supreme Court conducts its administrative functions in support of three strategic goals to deliver its mission and to support the statewide outcome of strong families and communities:

1. Access to Justice – Ensuring the justice system is open, affordable, effective and accountable to the people it serves.
2. Administration of Justice for Effective Results – Working across branches of government and with other justice system stakeholders to improve outcomes for and the delivery of services for children, families, and alcohol and other addicted offenders who come to its courts.
3. Public Trust, Accountability, and Impartiality – Through education, outreach to diverse communities and a commitment to effective and efficient customer service and accountability, improving citizens' understanding of and confidence in the Third Branch of government.

The Judicial Council – chaired by the Chief Justice of the Supreme Court – conducts a rigorous strategic planning process that guides the work of the State Court Administrator's Office in support of the Judicial Branch's three strategic goals. The strategic plan is reviewed and updated biennially.

In recent years, as part of the Judicial Council's strategic planning, the Judicial Branch has begun implementing an ambitious reform agenda involving the use of technology and the re-engineering of business practices in a system-wide effort to expand services and ensure equal access to justice. The centerpiece of this effort – the eCourtMN Initiative – is transforming Minnesota's courts from a paper-based environment to an electronic information environment that will ensure convenient, timely, and appropriate access to case information for all stakeholders, and result in more timely and efficient processing of cases. Electronic filing of cases, at both the trial and appellate levels, became mandatory on July 1, 2016. Efforts continue to ensure convenient, timely, and appropriate access to case information for all stakeholders

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The Minnesota Constitution, Article VI, provides the legal authority for the Supreme Court: https://www.revisor.mn.gov/constitution/#article_6.

(Dollars in Thousands)

Expenditures By Fund

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecasted Base FY18	Forecasted Base FY19
1000 - General	43,207	46,528	45,429	50,378	48,011	48,011
2000 - Restrict Misc Special Revenue	3,072	3,998	4,492	5,263	4,424	3,674
2403 - Gift	0	2	131	2,181	1,415	1,313
3000 - Federal	4,075	3,202	3,555	5,183	4,719	4,719
6000 - Miscellaneous Agency	0	0	0	90	13	13
Total	**50,353**	**53,731**	**53,608**	**63,094**	**58,582**	**57,730**
Biennial Change				12,618		(389)
Biennial % Change				12		0

Expenditures by Program

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecasted Base FY18	Forecasted Base FY19
Program: Supreme Court Operations	36,196	39,562	38,436	47,736	43,237	42,385
Program: Civil Legal Services	14,157	14,169	15,172	15,359	15,345	15,345
Total	**50,353**	**53,731**	**53,608**	**63,094**	**58,582**	**57,730**

Expenditures by Category

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecasted Base FY18	Forecasted Base FY19
Compensation	23,153	24,700	27,394	29,701	29,532	29,532
Operating Expenses	11,740	11,661	8,685	11,335	9,669	9,667
Other Financial Transactions	748	1,730	807	1,586	1,416	1,416
Grants, Aids and Subsidies	14,686	15,544	16,663	20,473	17,965	17,115
Capital Outlay-Real Property	26	95	59			
Total	**50,353**	**53,731**	**53,608**	**63,094**	**58,582**	**57,730**

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecasted Base FY18	Forecasted Base FY19
Full-Time Equivalents	**238.7**	**234.7**	**251.7**	**263.6**	**246.1**	**238.0**

(Dollars in Thousands)

1000 - General

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	0	1,826	0	1,367	0	0
Direct Appropriation	44,548	45,191	46,796	49,011	48,011	48,011
Net Transfers	0	0	0	0	0	0
Cancellations	0	488	0	0	0	0
Expenditures	**43,207**	**46,528**	**45,429**	**50,378**	**48,011**	**48,011**
Balance Forward Out	1,341	0	1,367	0	0	0
Biennial Change in Expenditures				6,072		215
Biennial % Change in Expenditures				7		0
Full-Time Equivalents	218.3	214.1	221.6	231.1	217.0	210.9

2000 - Restrict Misc Special Revenue

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	1,207	2,130	2,208	2,038	740	370
Receipts	3,083	3,196	3,502	3,216	3,305	3,305
Net Transfers	855	834	820	750	750	0
Expenditures	**3,072**	**3,998**	**4,492**	**5,263**	**4,424**	**3,674**
Balance Forward Out	2,074	2,162	2,038	740	370	0
Biennial Change in Expenditures				2,685		(1,657)
Biennial % Change in Expenditures				38		(17)
Full-Time Equivalents	6.9	7.0	6.4	6.7	6.4	6.4

2403 - Gift

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	35	36	478	4,899	2,722	1,310
Receipts	0	445	4,552	3	3	3
Expenditures	0	**2**	**131**	**2,181**	**1,415**	**1,313**
Balance Forward Out	36	478	4,899	2,722	1,310	0
Biennial Change in Expenditures				2,310		416
Biennial % Change in Expenditures				94,992		18

(Dollars in Thousands)

3000 - Federal

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	1,055	1,384	980	1,140	400	200
Receipts	4,264	2,741	3,715	4,444	4,519	4,519
Expenditures	**4,075**	**3,202**	**3,555**	**5,183**	**4,719**	**4,719**
Balance Forward Out	1,244	924	1,140	400	200	0
Biennial Change in Expenditures				1,461		700
Biennial % Change in Expenditures				20		8
Full-Time Equivalents	13.5	13.6	23.6	25.8	22.7	20.7

6000 - Miscellaneous Agency

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	27	39	55	74	0	0
Receipts	13	16	18	16	13	13
Expenditures	0	0	0	**90**	**13**	**13**
Balance Forward Out	39	55	74	0	0	0
Biennial Change in Expenditures				90		(64)
Biennial % Change in Expenditures						(71)

THE SUPREME COURT OF MINNESOTA
MINNESOTA JUDICIAL CENTER
25 REV. DR. MARTIN LUTHER KING JR. BLVD.
SAINT PAUL, MINNESOTA 55155

CHAMBERS OF
LORIE S. GILDEA
CHIEF JUSTICE

(651) 296-3380

October 31, 2016

Governor Mark Dayton
Office of the Governor & Lieutenant Governor
116 Veterans Service Building
20 West 12th Street
Saint Paul, MN 55155

Commissioner Myron Frans
Minnesota Management & Budget
658 Cedar Street
Saint Paul, MN 55155

Dear Governor Dayton and Commissioner Frans:

On behalf of the people of Minnesota, and the employees and judges of the Minnesota Judicial Branch, I transmit the Judicial Branch's FY2018-19 biennial budget request.

The Judicial Branch's budget request is focused on a number of key priorities:

- Maintaining the caliber of employees and judges necessary to continue driving innovation in Minnesota's court system and improving our service to the public.
- Ensuring that Minnesota's district courts have the necessary judicial complement to process a rising caseload in an efficient and effective manner.
- Increasing long-term stability for the growing number of drug court and other treatment court programs in the state.
- Enhancing our information security and risk management program, which is aimed at ensuring the security and reliability of the Judicial Branch network and electronic tools and safeguarding the private data maintained by the Branch.
- Addressing the rising cost of providing mandated services for court participants, including psychological evaluations and interpreter services.

- Holding court services harmless from unavoidable insurance cost increases and proposed employer contribution increases for the state's pension system.

In total, the Judicial Branch is seeking an increase of $51,436,000–or 7.9%–over the Branch's biennial base budget to address these important priorities.

Building on a decade of redesign and innovation

It has now been 11 years since Minnesota transitioned to a unified, state-funded court system under the strategic direction of the Minnesota Judicial Council. That transition sparked a decade of innovation and redesign within our court system, including the implementation of a statewide case management system, the statewide centralization of citation processing, and, most notably, our transition to an electronic case record. This historic effort–eCourtMN–has made it easier for Minnesotans to interact with and access their court system, and is increasing efficiency in the judiciary. This transition reached a major milestone in July 2016, when electronic filing and service of court documents became mandatory for the vast majority of court users. The eCourtMN transformation has also brought an increased focus on the reliability of our Judicial Branch network infrastructure and the security of the private data held by our courts.

In addition, the Judicial Branch has also embraced the implementation of drug courts and other treatment court programs. Supported by investments from all three branches of state government, local governments, and federal agencies–and backed by state and national research showing the effectiveness of these programs–the Judicial Branch has greatly expanded the availability of treatment courts over the past decade. Minnesota will soon have 57 operational treatment courts, including 11 multi-county programs, meaning that we will have treatment courts in over 70% of Minnesota's counties. While this expansion has served to combat drug crime recidivism and improve public safety in communities across the state, many of these programs are relying on short-term and uncertain funding sources to remain operational.

During this decade of innovation, the Minnesota Judicial Branch has also faced some significant challenges, including a series of funding cuts and freezes resulting from the state's difficult budget situation in the late-2000s.

Because of these funding challenges, the Judicial Branch implemented a 6-year salary freeze in order to preserve essential court functions. As a result, the Judicial Branch emerged from that difficult period with a salary structure well below similar public sector employers. Salaries for judicial officers had also fallen well below the national average. Over the last two budget cycles, the Governor and Legislature have provided increased funding to help us address the competitiveness of our salary structure, which has had a very positive impact on the Branch and our ability to attract high-quality employees. We believe that we need to build on this progress, especially as we are feeling and will continue to feel the effects of a retirement wave that will see one-third of current Judicial Branch staff reach retirement age in the next 10 years. In addition, by 2020, at least 37% of all judges that were on the Bench in 2015 will have either retired, or will have turned 65 years old.

The Minnesota Judicial Branch is also experiencing significant increases in the cost of providing services mandated under federal and state law. Under state law, courts are required to pay the court-related costs of psychological examination services in certain criminal proceedings. The cost of providing this mandated service has grown 13% from FY2012 to FY2016. In addition, federal and state laws require the court to provide interpreter services for individuals who are "handicapped in communication." Due to the fact that the hourly payment rate for non-English speaking interpreters has not been increased since 1999, and the hourly payment rate for sign language interpreters has not been raised since 2006, the Judicial Branch is finding it increasingly difficult to secure contract interpreters.

Our district courts are also seeing a significant increase in case filings. Notably, the biggest increases are in the types of cases that require the most time and resources–such as major criminal cases and cases involving Children in Need of Protection or Services (CHIPS). As a result, 8 of our 10 judicial districts have seen an upward trend in judge need. Since 1980, the Judicial Branch has used a weighted caseload analysis to estimate judicial resource needs. According to the most current weighted caseload analysis, the Judicial Branch is in need of two additional judge units to keep up with these increasing caseloads.

The Minnesota Judicial Council crafted the budget request that I am submitting on behalf of the Judicial Branch specifically to address some of these growing challenges our courts face, while also positioning the Judicial Branch to continue building on the innovation and redesign we have achieved in the past decade.

FY2018-19 Biennial Budget Request

The Judicial Branch's FY2018-19 biennial budget request seeks funding to increase employee and judge salaries, add two new judge units in our district courts, stabilize funding for our existing treatment court programs, enhance our information security and risk management program, address the rising cost of providing mandated services, and hold court services harmless from other unavoidable cost increases.

Judicial officer and staff salaries and benefits

In addition to the base budgets of the Supreme Court, the Court of Appeals, and the district courts, I present a change request of $42,060,000 to establish a 3.5% compensation increase pool for Judicial Branch employees in both FY2018 and FY2019, and increase judge salaries by 3.5% in both FY2018 and FY2019. This funding will ensure that the Judicial Branch will be ready to respond to the ongoing retirement wave of judges and court staff, while maintaining the caliber of workforce needed to continue driving innovation within the court system.

This additional funding will also hold court services harmless from unavoidable health insurance increases and statutorily mandated employer pension contribution increases. Health insurance premiums are estimated to increase by 8.9% in 2018 and 4.19% in 2019. The Judicial Branch does not negotiate its own insurance agreements–it participates in the general plan negotiated by Minnesota Management and Budget. The Minnesota State Retirement System (MSRS) will be seeking increases in the employer and employee contributions to the General Employees Retirement Plan which would result in a 1.5% increase in the Judicial Branch employer contribution. The Judicial Branch cannot absorb the increased insurance and pension contribution costs and would need to divert funding from court functions to pay for these increases without additional funding.

Additional trial court judge units

I am also presenting a change request of $1,702,000 in the FY2018-19 biennium to add two new trial court judge units (which include a judge, court reporter, and law clerk). The addition of two judge units will enable the trial courts to address current caseload pressures, especially in the areas of dependency and neglect cases, permanency cases, and major criminal cases. It is imperative that the trial courts meet federal and state mandates in cases of child abuse and neglect. It is equally imperative that the trial courts carry out their constitutional and legal mandates to protect the rights and safety of all citizens. To do so, the courts must be staffed sufficiently to ensure prompt service.

Treatment court funding stabilization

On behalf of the Judicial Branch, I am also presenting a change request of $3,378,000 in the FY2018-19 biennium to provide funding stability for Minnesota's treatment court programs. This request is based on the recommendation of the Drug Court Funding Workgroup, which was established by the Minnesota Judicial Council in June 2015, in partnership with the National Center for State Courts, to develop recommendations for the long-term financial stability of treatment courts. The Workgroup's recommendations, as adopted by the Judicial Council, seek to establish a transparent, equitable, and predictable funding model for treatment courts, and ensure that Minnesota is able to provide long-term stability to the many new treatment court programs that have been established over the past decade.

Information security and risk management program

In an effort to mitigate the Judicial Branch's risk of major data breaches, data corruption, system outages, document/data loss, and cyber-attacks, I am also presenting a change request of $1,968,000 in the FY2018-19 biennium to enhance our information security and risk management program. The Judicial Branch recognizes that as our courts transition to our new eCourtMN environment, the strength and security of our technology infrastructure needs to be one of our highest priorities. The request addresses necessary staff, training, hardware, and software needs for this effort.

Mandated services

The Judicial Branch budget proposal also includes a change request of $2,328,000 in the FY2018-19 biennium to meet the increasing costs of providing state and federal mandated services, including psychological examinations and interpreter services. This funding will allow us to address the current deficit in our mandated services budget, and also increase long-frozen interpreter payment rates, thereby ensuring we can continue to find qualified interpreters to serve in our courts.

I am proud to present this budget request on behalf of the Minnesota Judicial Branch, and with the support of the Minnesota Judicial Council. The request focuses on the most important aspects of our work, and will help ensure that Minnesota's courts have the staff and resources we need to deliver justice effectively and efficiently, and continue to improve our service to the public through innovation and redesign.

The courts are one of the first promises made in our Constitution. A fully-functioning court system is essential to safeguarding our democracy, securing the rule of law, and ensuring public safety. Thank you for your past support, and we ask again for your support to preserve Minnesota's justice system.

Sincerely,

Lorie S. Gildea
Chief Justice

FY18-19 Biennial Budget Change Item

Change Item Title: Maintain Core Justice Operations

Fiscal Impact ($000s)	FY 2018	FY 2019	FY 2020	FY 2021
General Fund				
Expenditures	2,263	4,048	4,048	4,048
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,263	4,048	4,048	4,048
FTEs	**17.3**	**25.4**	**25.4**	**25.4**

Request:

Maintain Core Justice Operations.

The Judicial Branch seeks $6,311,000 in the FY2018-19 biennium to increase the compensation of Supreme Court justices by 3.5% each year of the biennium, provide a 3.5% each year compensation pool for employees, and fund unavoidable health insurance premium increases and statutorily mandated employer pension contribution increases. The request represents a 9.0% increase in the Supreme Court biennial base budget.

Rationale/Background:

In order for the Judicial Branch to continue driving innovation in our court system and improve services to Minnesotans, the Judicial Branch needs to retain and attract skilled and knowledgeable employees and judges who can maintain and operate a modern, efficient, and technology-based court system. However, the Judicial Branch faces two significant challenges:

- Following a six year salary freeze, which made it possible to preserve essential court functions while managing difficult budget cuts and freezes between FY2008 and FY2013, the Judicial Branch has made concerted efforts to improve the competitiveness of the Judicial Branch salary structure. To ensure the salary structure supports a competent workforce, and to not fall below market in the future, the Branch must continue to keep pace with public-sector market competitors. Retaining a skilled and knowledgeable workforce is important to maintain a technology-based court. Minnesota judges rank in the bottom half nationally in judicial pay. Judges in some counties make significantly less than the county attorneys who appear before them, and, in some cases even less than the assistant county attorneys.

- The second workforce challenge is a significant retirement wave among both employees and judges. Nearly one-third of current Judicial Branch staff will be 65 years old or older in the next 10 years. In the last two years, 36 new judges have been appointed/elected to the Bench—11% of all judges in the state. By 2020, at least 37% of all judges that were on the Bench in 2015 will have either retired, or will have turned 65 years old.

This incredible loss of experience and talent is especially concerning when paired with a salary structure that must remain competitive for the Judicial Branch to compete for workers with the necessary skills.

The Supreme Court also request funding for unavoidable health insurance increases and statutorily mandated employer pension contribution increases. Health insurance premiums are estimated to increase by 8.9% in 2018 and 4.19% in 2019. The Judicial Branch does not negotiate its own insurance agreements – it participates in the general plan negotiated by Minnesota Management and Budget. The Minnesota State Retirement System (MSRS) will be seeking increases in the employer and employee contributions to the General Employees Retirement Plan which would result in a 1.5% increase in the Judicial Branch employer contribution. The Judicial Branch cannot absorb the increased insurance and pension contribution costs and would need to divert funding from court functions to pay for these increases without additional funding.

Proposal:
This change level request is not a new initiative. The Judicial Branch's FY2018-19 biennial budget request seeks funding to increase employee and judge salaries, which will help ensure that the Judicial Branch will be ready to respond to this retirement wave, while maintaining the caliber of workforce needed to continue driving innovation within the court system.

In addition, the request for funding unavoidable health insurance increases and the employer pension contribution increase will hold court services harmless from rising insurance costs for Judicial Branch judges and employees.

Equity and Inclusion:
- The change level request does not directly impact any Racial and Ethnic groups.
- The change level request is not aimed at reducing or eliminating any disparities for Racial and Ethnic groups.
- There are no potential positive or negative impacts on the identified groups.
- The change level request will enable the Judicial Branch to continue efforts to attract and retain skilled and knowledgeable employees and judges who can maintain and operate a modern, efficient, and technology-based court system. In FY17, the Branch implemented a formal pay-for-performance structure for unrepresented staff, which recognizes exemplary performance and serves as a performance accountability mechanism.

IT Related Proposals:
This request contains no information technology recommendation.

Results:
This request is sought to support the core mission and services of the Supreme Court and to allow the Court to continue to undertake initiatives designed to increase efficiency, reduce costs, and improve public services.

Minnesotans bring their most important and complex matters to the courts for resolution. Judges and staff work every day to help the people resolve these disputes. At the same time staff and judges are driving major innovation within the court system. Their innovations are improving service to the public and creating new efficiencies throughout the justice system. It is critically important that the Judicial Branch continue to retain and attract a workforce that builds on this innovation.

Statutory Change(s):
The request will not require statutory changes.

Change Item Title: Information Security and Risk Management Program

Fiscal Impact ($000s)	FY 2018	FY 2019	FY 2020	FY 2021
General Fund				
Expenditures	984	984	984	984
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	984	984	984	984
FTEs	**4.0**	**4.0**	**4.0**	**4.0**

Request:

Information Security and Risk Management Program

The Judicial Branch seeks $1,968,000 in the FY2018-19 biennium to fund the Information Security and Risk Management Program. The request represents a 2.8% increase in the Supreme Court biennial base budget.

Rationale/Background:

The Judicial Branch seeks to develop and maintain an information security effort that will mitigate the Branch's risk of major data breaches, data corruption, system outages, document/data loss, and cyber-attacks. The Judicial Branch recently transitioned to statewide electronic filing of court cases, electronic case records and online sharing of court records. This has resulted in increased dependence on the Branch's technology infrastructure. The Branch recognizes that as an organization's dependence on technology increases, there are ever increasing risks – major outages and cybersecurity incidents become more common and more costly. The strength and security of the Judicial Branch technology infrastructure is one of the Branch's highest priorities. The request addresses necessary staff, training, hardware, and software needs for this effort.

Proposal:

The Information Security and Risk Management Program is a new initiative. The request includes four staff people, hardware, software, training, and on-going security assessments and monitoring activities. The efforts of this initiative will focus on ensuring the security of the Judicial Branch network, ensuring that court applications remain available to judges and staff, and ensuring that non-public data remains secure. The Judicial Branch does not currently have the resources or equipment needed to accomplish this initiative.

1. Staff:

    a. Information (IT) Security Officer/Security Architect, Manager.
    b. 2 Security Analysts
    c. Security Engineer

2. Training:

    a. Technical – Training for software development, infrastructure, and security staff.
    b. User – Security awareness training for all Branch staff and judicial officers.

3. Security Assessments and System Monitoring – Ongoing assessment of computing infrastructure to recognize improvements and identify new vulnerabilities; ongoing services to protect the Branch from cyber-attacks.

Equity and Inclusion:

- All Minnesotans are impacted by the proposed change item. Data breaches, data corruption, system outages, document/data loss, and cyber-attacks have a direct impact on the ability of Minnesotans to access the judicial system. Protection of Judicial Branch data and technology infrastructures is critical to the public trust and confidence placed in the Judicial Branch.
- The change item is a permanent addition to the Supreme Court and on-going funding will be included in the Branch base budget.

IT Related Proposals:

The initiative is not an information technology recommendation.

Results:

The Judicial Branch will develop specific program performance measures as part of the Program implementation. The following measures will be considered:

- **Quantity:** Have adequate policies and procedures been developed and are court staff and judicial officers sufficiently trained?
- **Quality:** Are all technology systems adequately secure?
- **Result:** The risk of data breaches, data corruption, system outages, document/data loss, and cyber-attacks is minimal.

Statutory Change(s):

The request will not require statutory changes.

Civil Legal Services

FY18-19 Biennial Budget Change Item

Change Item Title: Civil Legal Services

Fiscal Impact ($000s)	FY 2018	FY 2019	FY 2020	FY 2021
General Fund				
Expenditures	1,972	1,972	1,972	1,972
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,972	1,972	1,972	1,972
FTEs	**0**	**0**	**0**	**0**

Request:
Civil Legal Services (CLS), a core function of the justice system, requests an increase of $1,972,000 in each year of the 2018-2019 biennium. This increase will continue the improvement of legal outcomes and enhance services to Minnesotans who have low incomes or disabilities, or are elderly, and who need civil legal help to meet their basic human needs. Some of the increase will be used for compensation enhancement for CLS attorneys, whose salaries are significantly less than their other public sector counterparts, and to defray the network's increases in health insurance costs. The request is a 15% increase to CLS base funding. CLS programs total budget, including the appropriation is $37,790,859. The requested increase would be 5.2% of all CLS funding.

Rationale/Background:
CLS opens the doors of the justice system to the most vulnerable in our community. It helps victims of domestic violence achieve safety, prevents homelessness due to improper eviction and foreclosure, and maximizes the ability of people who are elderly or have disabilities to lives safely and independently in their community. CLS also increases efficiency in the justice system by redirecting cases that are without merit or can be resolved in another manner, and by ensuring efficient use of the courts when CLS clients come before a judge. CLS increases public access to easily understood legal resources by developing, and continuously expanding, the website www.LawHelpMN.org In addition, the return on investment (ROI) in CLS is high. The new Economic Impact Study conducted by the Minnesota Legal Services Coalition demonstrates a $3.30 ROI in CLS, with CLS generating $112 million for Minnesota in 2014.

However, Minnesota faces a wide and persistent justice gap – the difference between the necessary civil legal help to meet critical human needs and the CLS resources available. In 2009, CLS met the legal need for only one of every two eligible clients seeking services. This justice gap grew during the recession, and in 2016, CLS still only meets the need for 2 of every 5. Increased general fund support will help continue to narrow the justice gap by enabling CLS to enhance its service capacity, helping more vulnerable Minnesotans to meet their basic human needs.

Proposal:
The funding requested will support the existing CLS program which provides legal help to vulnerable Minnesotans in all 87 counties. From 2013 to 2015, CLS doubled the number of its clients who are victims of domestic violence who achieved safety; increased by almost 1/3 the number of clients faced with foreclosure or eviction who remained housed, and also increased by 1/3 the number of people obtaining education and self-help resources about legal rights and responsibilities through technological innovation. The intended result of the requested increase is additional improved outcomes for Minnesotans with low incomes needing legal representation or advice to meet their need for safety, shelter, food, health care and basic income. CLS partners with the courts, the public libraries, domestic violence shelters, social service systems, and volunteers to achieve these results. Because the CLS infrastructure already exists throughout the state, continued enhancement of services will be possible as the additional funds are distributed by the Supreme Court to CLS. Increased access to justice to meet basic needs will take place for Minnesotans who have low incomes or disabilities, or are elderly, without the need to create new systems or steps.

- $825,102 of the request will go to salary improvement. This request will enable a 4 percent increase in salaries. It would bring the average starting CLS attorney's salary of $46,000 up to approximately 87% of the current public defender starting salary.
- $465,442 of the request will go to offset an average anticipated increase in health insurance and other benefits costs of 8%.
- $681,206 will be used to mitigate losses in funding due to realigned priorities by foundations, the United Ways, and federal government grantors; and to make service delivery more efficient and effective with improved technology, use of interpreters, and expanded outreach into underserved communities.

Equity and Inclusion:

CLS provides improves access to justice and access to the justice system for people of color, people with disabilities, LGBT people, and veterans. These groups are disproportionately people with low incomes and therefore qualify for CLS services. While most CLS providers serve all of these populations and do outreach targeted to these populations, CLS has specific programs to address the unique legal needs of people with disabilities and LGBT people.

In 2015, 51% of clients served by CLS were non-white (28% Black, 12% Hispanic, 4% Native American, 4% Asian, and 3% other).

Equity and Inclusion efforts are sustainable because equity is a core value of CLS and central to our mission.

IT Related Proposals:

This request contains no information technology recommendation.

Results:

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Results	Percentage of families and individuals served who successfully resolved critical legal problems.	89% of 48,043	89% of 46,881	2013 and 2015
Results	Number of children and women who are victims of domestic violence who achieved safety.	1,965	3,910	2013 and 2015
Results	Number of families and individuals faced with foreclosure or eviction who remained housed.	3,252	4,211	2013 and 2015
Results	Number of seniors and people with disabilities who continue to live safely and independently in the community.	3,587	3,500	2013 and 2015
Quantity	Number of people obtaining education and self-help resources about legal rights and responsibilities through technological innovation.	350,381	448,842	2013 and 2015

Statutory Change(s):

The request will not require statutory changes.

Program: Supreme Court Operations

www.mncourts.gov/

AT A GLANCE

- In 2015, 143 direct appeals and 615 petitions for further review were filed with the Supreme Court.
- The Chief Justice is the administrative head of the Judicial Branch, which includes 316 justices and judges and 2,500 employees.
- The Supreme Court publicly disciplined 65 Minnesota lawyers in 2015.

PURPOSE & CONTEXT

The Supreme Court is the highest court in Minnesota, serving as the final guardian of the Minnesota Constitution and interpreting/applying the United States Constitution.

The Supreme Court is solely responsible for the regulation of the practice of law and for judicial and lawyer discipline.

The mission of the Judicial Branch is *"To provide justice through a system that assures equal access for the fair and timely resolution of cases and controversies."* The Supreme Court conducts its adjudicative and administrative functions in support of three strategic goals to deliver its mission and to support the statewide outcome of strong families and communities:

1. Access to Justice – Ensuring the justice system is open, affordable, effective and accountable to the people it serves.
2. Administration of Justice for Effective Results – Working across branches of government and with other justice system stakeholders to improve outcomes for and the delivery of services for children, families, and alcohol and other addicted offenders who come to its courts.
3. Public Trust, Accountability, and Impartiality – Through education, outreach to diverse communities and a commitment to effective and efficient customer service and accountability, improving citizens' understanding of and confidence in the Third Branch of government.

The Supreme Court serves all Minnesota citizens. The administrative and adjudicative functions of the Supreme Court support the following statewide outcomes:

- Strong and stable families and communities;
- People in Minnesota are safe; and
- Efficient and accountable government services.

SERVICES PROVIDED

The Minnesota Supreme Court considers appeals from judgments from the Court of Appeals, the Workers Compensation Court of Appeals, and the Tax Court. It hears special term matters, motions, and petitions for extraordinary relief. The Supreme Court also hears mandatory cases, including first degree murder convictions and election contests. The Court promulgates rules of practice and procedure for the legal system in the state.

The Chief Justice is responsible for supervising administrative operations of the state court system. The Chief Justice serves as the chair of the Judicial Council, the policy making body for the Judicial Branch.

The Chief Justice is assisted by the State Court Administrator's Office, which provides the administrative infrastructure for the Judicial Branch. The State Court Administrator's Office is responsible for providing Judicial Branch finance, human resources, technology, education, communications, research/evaluation, caseload management and cross-district judicial assignments.

RESULTS

It is the policy of the Minnesota Judicial Branch to establish core performance goals and to monitor key results that measure progress toward meeting these goals in order to ensure accountability of the Branch, improve overall operations of the court and enhance the public's trust and confidence in the Judiciary. Throughout the year the Supreme Court reviews performance measure results. This review is shared with the Judicial Council (the Branch's governing body) twice a year.

The Supreme Court adopted revised timing objectives in January, 2015 that were effective April 1, 2015. The new timing objectives identify the Court's performance based on case type: Mandatory/Original Cases (e.g. First Degree Murder cases and Election Contests); Discretionary Cases (e.g. appeals from judgments from the Court of Appeals, the Workers Compensation Court of Appeals, and the Tax Court); and Expedited Cases (Appeals in termination of parental rights and adoption cases).

There is no historic information available to compare the Supreme Court's performance to past years because of the new timing objectives.

Type of Measure	***Name of Measure***	***Total Cases***	***Current***	***Dates***
Results	*Mandatory/Original Cases* Ninety five percent of the cases will be disposed of within 180 days of submission to the Supreme Court.	30	88%	2015
Results	*Discretionary Cases* Ninety five percent of petitions for further review should be disposed of within sixty days of the filing of the request for review.	479	96%	2015
Results	*Expedited Cases* Ninety five percent of expedited appeals (termination of parental rights, adoptions) should be disposed of within 25 days of filing the appeal.	25	100%	2015

Data are from the *Judicial Branch 2015 Performance Measures – Key Results and Measures Annual Report*. The report can be found at www.mncourts.gov/.

The Minnesota State Constitution, Article VI, provides the legal authority for the Supreme Court. M.S. 2.724 https://www.revisor.mn.gov/statutes/?id=2.724 provides the legal authority for the chief justice's administrative responsibilities. M.S. 480.05 https://www.revisor.mn.gov/statutes/?id=480.05 provides legal authority for the Supreme Court's rule making authority. M.S. 480.13-.17 https://www.revisor.mn.gov/statutes/?id=480 provides legal authority for the position and duties of the state court administrator.

(Dollars in Thousands)

Expenditures By Fund

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
1000 - General	30,941	34,254	32,284	37,233	34,866	34,866
2000 - Restrict Misc Special Revenue	1,180	2,104	2,465	3,049	2,224	1,474
2403 - Gift	0	2	131	2,181	1,415	1,313
3000 - Federal	4,075	3,202	3,555	5,183	4,719	4,719
6000 - Miscellaneous Agency	0	0	0	90	13	13
Total	36,196	39,562	38,436	47,736	43,237	42,385
Biennial Change				10,413		(549)
Biennial % Change				14		(1)

Expenditures by Budget Activity

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Budget Activity: Supreme Court Operations	6,820	6,752	6,506	9,474	8,446	8,344
Budget Activity: State Court Administration	27,256	30,225	29,730	35,927	32,494	31,744
Budget Activity: Law Library Operations	2,121	2,586	2,200	2,335	2,298	2,298
Total	**36,196**	**39,562**	**38,436**	**47,736**	**43,237**	**42,385**

Expenditures by Category

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Compensation	23,055	24,594	27,285	29,586	29,417	29,417
Operating Expenses	11,708	11,633	8,659	11,300	9,634	9,632
Other Financial Transactions	748	1,730	807	1,586	1,416	1,416
Grants, Aids and Subsidies	660	1,510	1,625	5,264	2,770	1,920
Capital Outlay-Real Property	26	95	59	0	0	0
Total	**36,196**	**39,562**	**38,436**	**47,736**	**43,237**	**42,385**

	Actual FY14	Actual FY15	Actual FY16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Full-Time Equivalents	**237.7**	**233.7**	**250.7**	**262.6**	**245.1**	**237.0**

(Dollars in Thousands)

1000 - General

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	0	1,817	0	1,367	0	0
Direct Appropriation	32,282	32,925	33,651	35,866	34,866	34,866
Net Transfers	0	0	0	0	0	0
Cancellations	0	488	0	0	0	0
Expenditures	**30,941**	**34,254**	**32,284**	**37,233**	**34,866**	**34,866**
Balance Forward Out	1,341	0	1,367	0	0	0
Biennial Change in Expenditures				4,323		215
Biennial % Change in Expenditures				7		0
Full-Time Equivalents	218.3	214.1	221.6	231.1	217.0	210.9

2000 - Restrict Misc Special Revenue

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	770	1,601	1,589	1,424	340	170
Receipts	1,115	1,226	1,480	1,216	1,305	1,305
Net Transfers	855	834	820	750	750	0
Expenditures	**1,180**	**2,104**	**2,465**	**3,049**	**2,224**	**1,474**
Balance Forward Out	1,559	1,558	1,424	340	170	0
Biennial Change in Expenditures				2,230		(1,816)
Biennial % Change in Expenditures				68		(33)
Full-Time Equivalents	5.9	6.0	5.4	5.7	5.4	5.4

2403 - Gift

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	35	36	478	4,899	2,722	1,310
Receipts	0	445	4,552	3	3	3
Expenditures	0	**2**	**131**	**2,181**	**1,415**	**1,313**
Balance Forward Out	36	478	4,899	2,722	1,310	0
Biennial Change in Expenditures				2,310		416
Biennial % Change in Expenditures				94,992		18

(Dollars in Thousands)

3000 - Federal

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	1,055	1,384	980	1,140	400	200
Receipts	4,264	2,741	3,715	4,444	4,519	4,519
Expenditures	**4,075**	**3,202**	**3,555**	**5,183**	**4,719**	**4,719**
Balance Forward Out	1,244	924	1,140	400	200	0
Biennial Change in Expenditures				1,461		700
Biennial % Change in Expenditures				20		8
Full-Time Equivalents	13.5	13.6	23.6	25.8	22.7	20.7

6000 - Miscellaneous Agency

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	27	39	55	74	0	0
Receipts	13	16	18	16	13	13
Expenditures	0	0	0	**90**	**13**	**13**
Balance Forward Out	39	55	74	0	0	0
Biennial Change in Expenditures				90		(64)
Biennial % Change in Expenditures						(71)

Program: Civil and Family Legal Services

www.mncourts.gov/

AT A GLANCE

- In 2015, Civil Legal Services served 46,881 households consisting of more than 115,000 people throughout all 87 Minnesota counties.
- There is one Civil Legal Services attorney for every 3,437 eligible clients, compared with one practicing attorney for every 363 Minnesotans.
- Eighteen percent (18%) of clients represented are seniors, 24% are people with disabilities, and 65% are women.

PURPOSE & CONTEXT

The statewide civil legal services network (CLS) is a core function of the justice system. It ensures access to justice for vulnerable Minnesotans and increases efficiency in the justice system. CLS focuses on resolving civil legal matters that directly affect the basic human needs for safety, shelter and household sustenance. All CLS clients have low incomes, disabilities, or are elderly. Network innovations to increase efficiency include expanded public access to services through technology, controlled cost through shared service coordination, and leveraging of volunteer resources.

The Supreme Court administers CLS funding. There are three sources of Court-administered funding: general fund, Interest on Lawyers Trust Accounts and attorney registration fees. The Court administers these funds through its Legal Services Advisory Committee. By statute, 85% of the general fund support is distributed on a poverty population basis to the Minnesota Legal Services Coalition, six regional CLS organizations that provide a full range of civil legal help in all 87 counties. The remaining 15% of general fund support is awarded on a competitive basis to CLS organizations. CLS also receives funding from federal and local government grants, foundations, the United Way, law firms, corporations, and individual private donors.

SERVICES PROVIDED

CLS opens the doors of the justice system to the most vulnerable in our community. It creates strong and stable families and communities by helping people find solutions to civil legal disputes. In 2015, CLS provided legal representation and advice to 46,881 families and individuals. Additionally, CLS provided education and self-help services to nearly 449,000 Minnesotans. CLS attorneys and advocates work from offices throughout the state, giving direct service to people in all 87 Minnesota counties. CLS also developed, and is continuously expanding, a public internet resource, www.LawHelpMN.org. This website has dozens of self-help resources including easy-to-use legal forms, and is used by the court system, public libraries, and social service agencies as well as the general public.

CLS priorities are: helping victims of domestic violence achieve safety; preventing homelessness due to improper eviction or foreclosure; protecting vulnerable Minnesotans from financial exploitation; and maximizing the ability of people who are elderly or have disabilities to live safely and independently in their community. An essential part of the state's domestic violence intervention system, CLS gives legal help to women and children served by the state's network of domestic violence shelters and support programs. CLS has a similar relationship with social service systems that address homelessness or independent living for seniors or people with disabilities. The CLS partnership with the justice system is also critical. CLS creates efficiencies in the justice system by redirecting cases that are without merit or can be resolved in another manner, and by ensuring efficient use of the courts when CLS clients come before a judge. CLS also creates efficiency by providing essential infrastructure to leverage and support volunteer attorneys through training, mentoring, www.ProJusticeMN.org, and a new volunteer program Minnesota Legal Advice Online (MLAO).

In 2009, CLS met the legal need for one of every two eligible clients seeking services. By 2012, the gap had grown, and CLS met the need for only one of every three eligible clients seeking help. This gap persisted through 2014. In 2015, CLS narrowed this gap slightly by meeting the legal need for almost two of every five eligible clients seeking services. CLS still lags behind the 2009 level of service. CLS seeks to narrow the gap by increasing service capacity. CLS will also continue to create efficiencies through technological innovations, coordination, and leveraging volunteers.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Results	Percentage of families and individuals served who successfully resolved critical legal problems.	89% of 48,043	89% of 46,881	2013 and 2015
Results	Number of children and women who are victims of domestic violence who achieved safety.	1,965	3,910	2013 and 2015
Results	Number of families and individuals faced with foreclosure or eviction who remained housed.	3,252	4,211	2013 and 2015
Results	Number of seniors and people with disabilities who continue to live safely and independently in the community.	3,587	3,500	2013 and 2015
Quantity	Number of people obtaining education and self-help resources about legal rights and responsibilities through technological innovation.	350,381	448,842	2013 and 2015

M.S. 480.24 https://www.revisor.mn.gov/statutes/?id=480.24 to 480.244 https://www.revisor.mn.gov/statutes/?id=480.244 provides the legal authority for Civil and Family Legal Services.

(Dollars in Thousands)

Expenditures By Fund

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY14	FY15	FY16	FY17	FY18	FY19
1000 - General	12,266	12,275	13,145	13,145	13,145	13,145
2000 - Restrict Misc Special Revenue	1,891	1,895	2,027	2,214	2,200	2,200
Total	14,157	14,169	15,172	15,359	15,345	15,345
Biennial Change				2,204		159
Biennial % Change				8		1

Expenditures by Budget Activity

Budget Activity: Legal Services	14,157	14,169	15,172	15,359	15,345	15,345
Total	**14,157**	**14,169**	**15,172**	**15,359**	**15,345**	**15,345**

Expenditures by Category

Compensation	98	107	108	115	115	115
Operating Expenses	33	28	26	35	35	35
Grants, Aids and Subsidies	14,026	14,035	15,038	15,209	15,195	15,195
Total	**14,157**	**14,169**	**15,172**	**15,359**	**15,345**	**15,345**

Full-Time Equivalents	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**	**1.0**

(Dollars in Thousands)

1000 - General

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	0	9	0	0	0	0
Direct Appropriation	12,266	12,266	13,145	13,145	13,145	13,145
Cancellations	0	0	0	0	0	0
Expenditures	**12,266**	**12,275**	**13,145**	**13,145**	**13,145**	**13,145**
Balance Forward Out	0	0	0	0	0	0
Biennial Change in Expenditures				1,749		0
Biennial % Change in Expenditures				7		0

2000 - Restrict Misc Special Revenue

	Actual FY14	Actual FY 15	Actual FY 16	Estimate FY17	Forecast Base FY18	Forecast Base FY19
Balance Forward In	438	529	619	614	400	200
Receipts	1,968	1,970	2,022	2,000	2,000	2,000
Expenditures	**1,891**	**1,895**	**2,027**	**2,214**	**2,200**	**2,200**
Balance Forward Out	514	605	614	400	200	0
Biennial Change in Expenditures				455		159
Biennial % Change in Expenditures				12		4
Full-Time Equivalents	1.0	1.0	1.0	1.0	1.0	1.0