

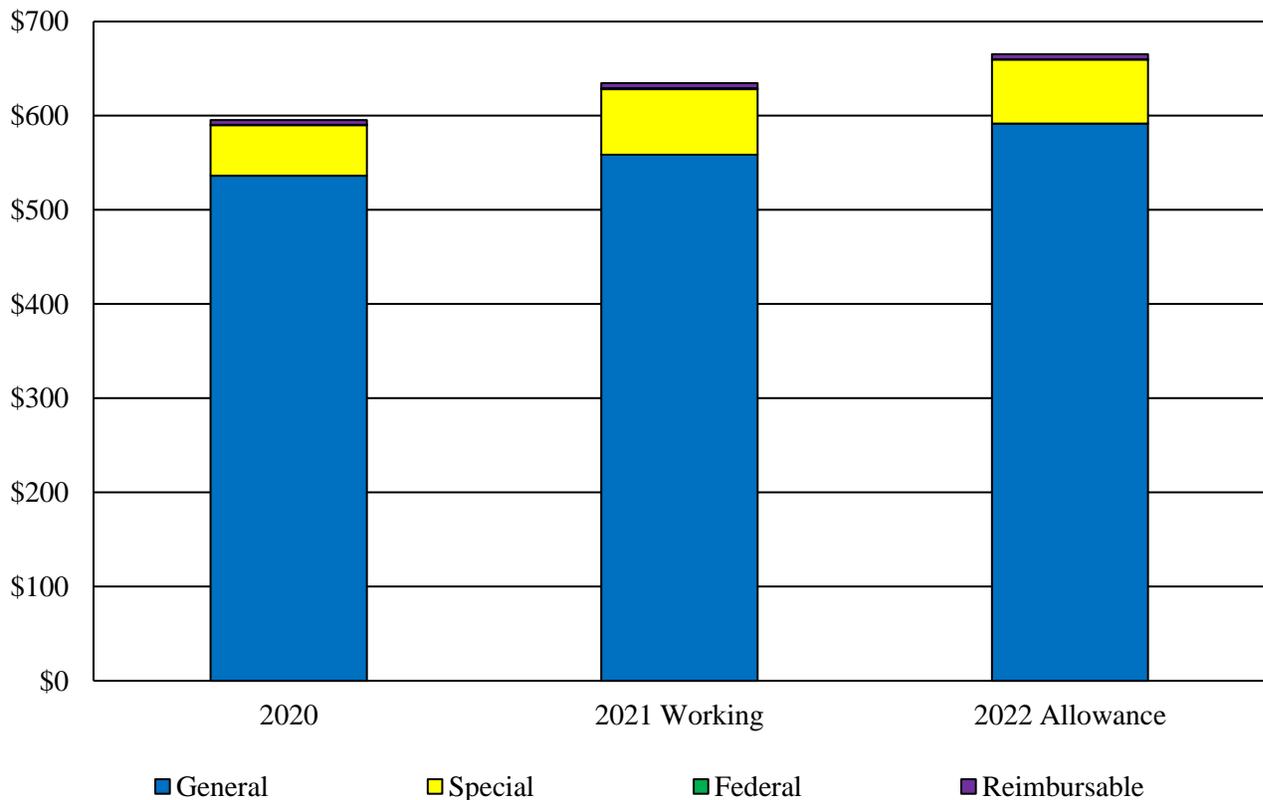
C00A00 Judiciary

Executive Summary

The Judiciary is the branch of State government tasked with adjudicating legal disputes and interpreting and applying the laws of the State. While the Judiciary’s budget request is submitted as part of the Governor’s budget, it is developed without Executive Branch oversight.

Operating Budget Summary

**Fiscal 2022 Budget Increases \$30.8 Million, or 4.8%, to \$665.4 Million
(\$ in Millions)**



Note: Numbers may not sum due to rounding.

- Judiciary’s fiscal 2022 allowance increases by \$30.8 million, which largely consists of \$26.0 million in personnel growth.

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Key Observations

- ***Judiciary Personnel Spending Growth Remains High:*** Personnel spending comprised roughly 85% of new spending in the fiscal 2022 budget.
- ***Maryland Judiciary Takes Action to Protect Marylanders from COVID-19:*** The Judiciary has undertaken a phased approach to handling operations during the COVID-19 pandemic. This is discussed in the Issues section of the analysis.
- ***Maryland Electronic Courts (MDEC) Deployment Falls Behind Schedule:*** The Judiciary has worked to ensure that MDEC has been implemented statewide; however, three jurisdictions still await deployment – Montgomery and Prince George’s counties and Baltimore City.

Operating Budget Recommended Actions

	<u>Funds</u>
1. Add language to increase turnover to 2.0%.	
2. Add language to delete funding provided for fiscal 2022 general salary increases.	
3. Add language to delete funding for a fiscal 2022 merit increase.	
4. Add language to restrict general funds to implement DeWolfe v. Richmond.	
5. Reduce funding to slow capital improvement projects implementation.	\$ 500,000
6. Adopt committee narrative requesting a report on the Appointed Attorney Program costs and utilization.	
7. Adopt committee narrative requesting a report on the Judiciary’s Major Information Technology Development Projects.	
8. Adopt committee narrative requesting a report on judgeship need for fiscal 2023.	
9. Adopt committee narrative requesting a report on the Judiciary’s court performance measures.	
Total Reductions	\$ 500,000

C00A00
Judiciary

Operating Budget Analysis

Program Description

The Judiciary is composed of four courts and five programs that support the administrative, personnel, technological, and regulatory functions of the Judicial Branch of the State government. Courts consist of the Court of Appeals, the Court of Special Appeals, circuit courts, and the District Court. The Chief Judge of the Court of Appeals is the administrative head of the State’s judicial system. The Chief Judge appoints the State Court Administrator as head of the Administrative Office of the Courts (AOC) to carry out administrative duties that include data analysis, personnel management, education, and training for judicial personnel.

Other agencies are included in the administrative and budgetary purview of the Judiciary. Judicial units include the Rules Committee, the Commission on Judicial Disabilities, and the Maryland State Board of Law Examiners. The State Law Library serves the legal information needs of the State. Judicial Information Systems (JIS) manages information systems maintenance and information technology (IT) development for the Judiciary

Performance Analysis: Managing for Results

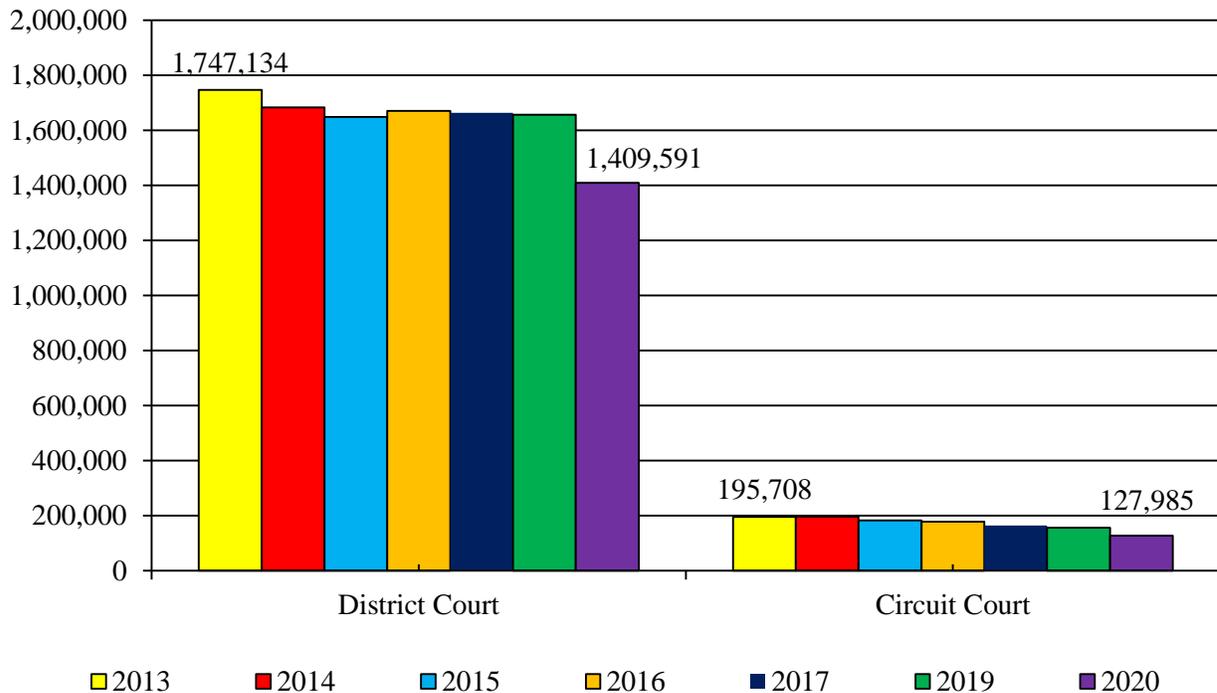
1. District and Circuit Courts: Case Totals and Case Types

Both District and Circuit Court Cases Decline Dramatically

In order to study the performance of the trial court system in the State, it is essential to collect the total number of cases and case types filed. Since fiscal 2019, the Judiciary has endeavored to use the most current workload methodology as developed by the National Center for State Courts. In addition, the agency uses the data acquired via this methodology to inform an assessment of its need for judicial resources such as judges, court staff, and courtroom space. While previous models used an average of 10 years of historical data for future projections, the newest model uses the most recent 3 years of data to allow the Judiciary to project its needs 1 year in the future. Because caseloads in State courts are declining nationwide, this relatively shorter timeframe allows more flexibility to increase resources in the event that trends change quickly.

In terms of overall case filings, both District and circuit courts have seen decreases since fiscal 2013 of 19.3% and 34.6%, respectively. Since fiscal 2019, District Court cases have declined 14.9%, while circuit court cases were lower by 18.1%, as shown in **Exhibit 1**. The sharp decline in filings in fiscal 2020, for both District and circuit courts, coincides with the COVID-19 pandemic and Governor Lawrence J. Hogan, Jr.’s stay-at-home order.

**Exhibit 1
District and Circuit Court Case Filings
Fiscal 2013-2020**

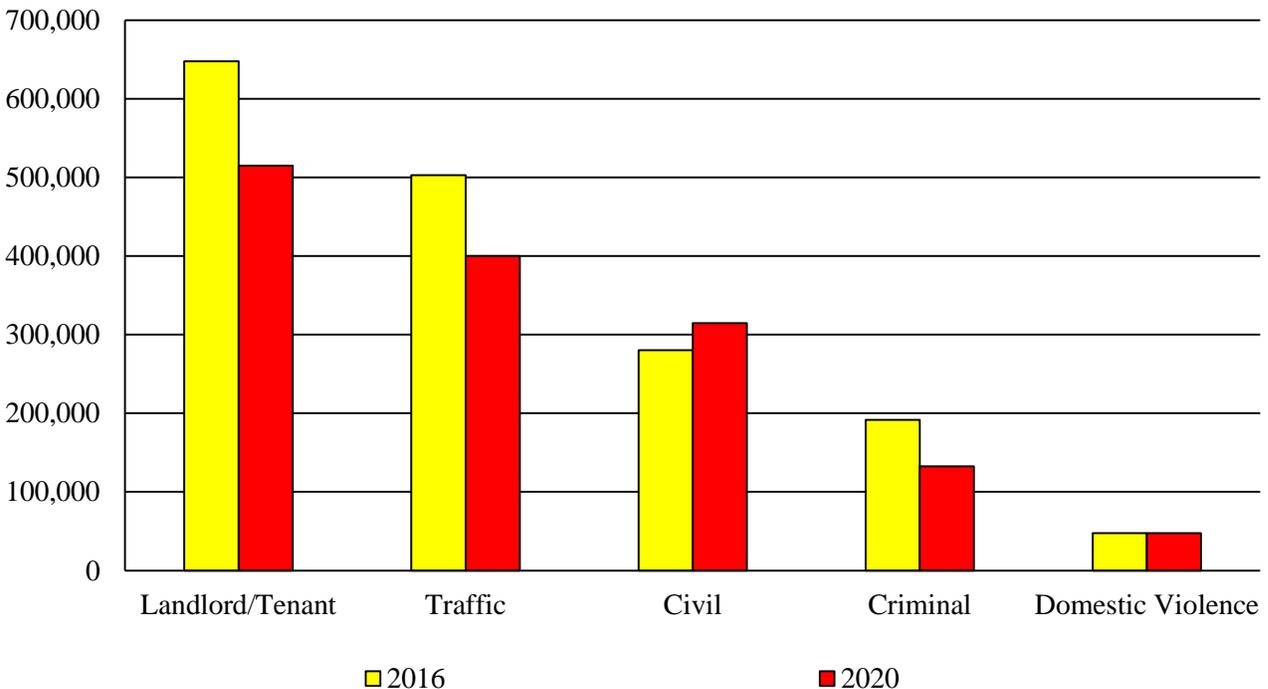


Source: Maryland Judiciary

Since 2016, Criminal Cases Decline 30.8%; Civil Cases Rise 12.2%

Civil and domestic violence cases have risen since fiscal 2016, by 12.2% and 0.4%, respectively. However, as illustrated in **Exhibit 2**, all other case types have seen declines since fiscal 2016, with criminal cases seeing the most dramatic decline of 30.8%. **The Department of Legislative Services (DLS) recommends that the Judiciary comment on the changes in different case types, and particularly the changes that can be traced to the impact of the COVID-19 pandemic and the actions taken by the State to combat COVID-19.**

Exhibit 2
Case Types – District Court
Fiscal 2016 vs. 2020

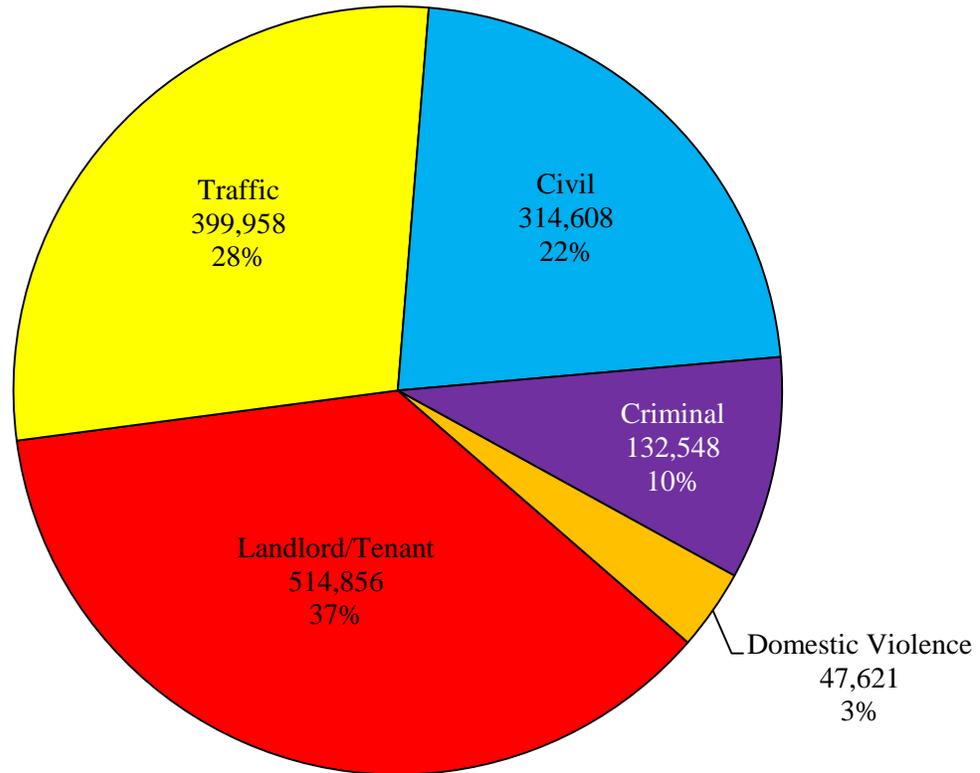


Source: Maryland Judiciary

The decriminalization of marijuana in recent years has contributed to this significant decline in criminal cases. Under current State law, possession of 10 grams of marijuana or less is no longer a criminal offense. This type of possession can result in a civil citation (not a civil case). Marijuana decriminalization is a major policy change and will continue to have downstream effects within the judicial system. In particular, the courts will see an increase in case adjudication and increased workloads in terms of both civil infractions and additional case expungements, as State residents may opt to have marijuana-related offenses expunged from their record.

Overall, while criminal cases are declining, it is important to note that in District Court, strictly criminal cases are a small percentage of total cases. Landlord/tenant and traffic cases make up 65% of all cases, as shown in **Exhibit 3**; however, the approximately 515,000 landlord/tenant cases in fiscal 2020 is nearly 160,000 cases below the previous year. During Phase 1 of the response to COVID-19, the courts were not open for failure to pay rent cases, which were scheduled for a later date. Additionally, the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act placed a moratorium on filing for cases that met specific criteria. Governor Hogan also issued an executive order that included a moratorium on evictions when certain defenses were presented.

Exhibit 3
Cases by Percentage – District Court
Fiscal 2020

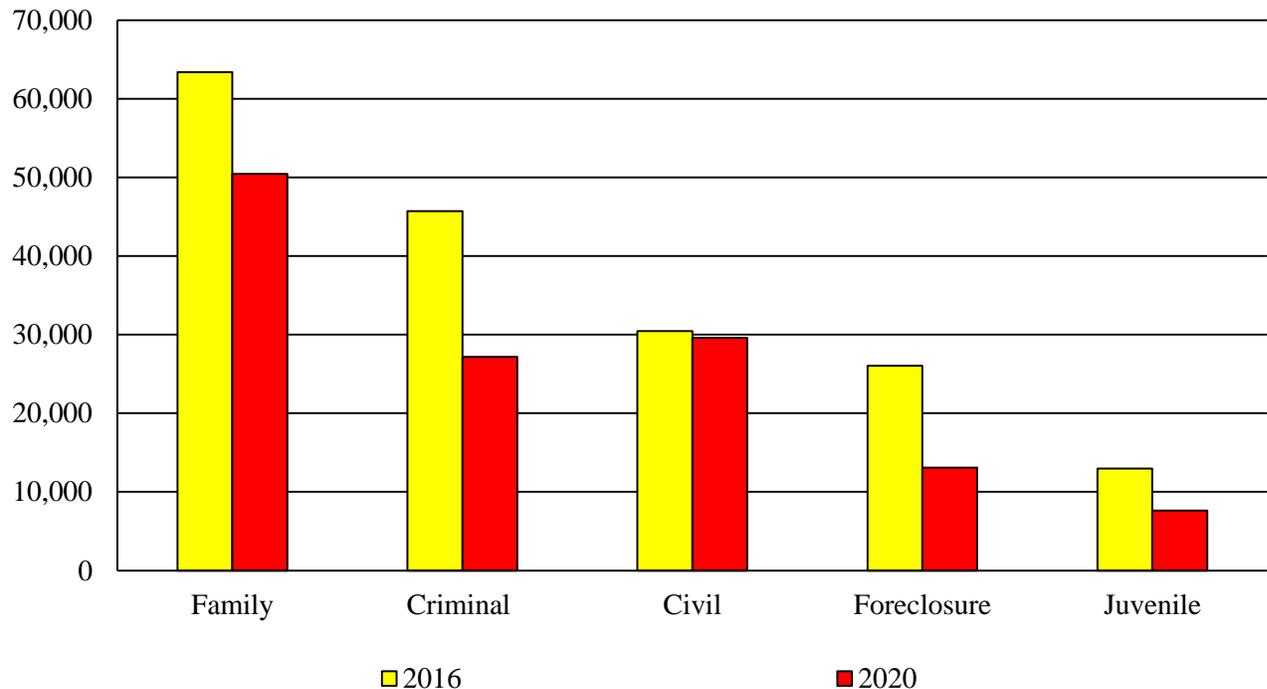


Source: Maryland Judiciary

Circuit Court Criminal, Foreclosure, and Juvenile Cases All See Dramatic Declines Since Fiscal 2016

While the largest case category for circuit courts is family-related cases, the most substantial area of change since fiscal 2016 was foreclosure cases, which declined 49.7%. However, juvenile and criminal cases also saw substantial declines since fiscal 2016 of 41.1% and 40.5%, respectively. Circuit court case filing trends can be seen in **Exhibit 4**.

Exhibit 4
Case Types – Circuit Court
Fiscal 2016 vs. 2020



Source: Maryland Judiciary

2. Judiciary Programs Expand Citizen Access to Justice

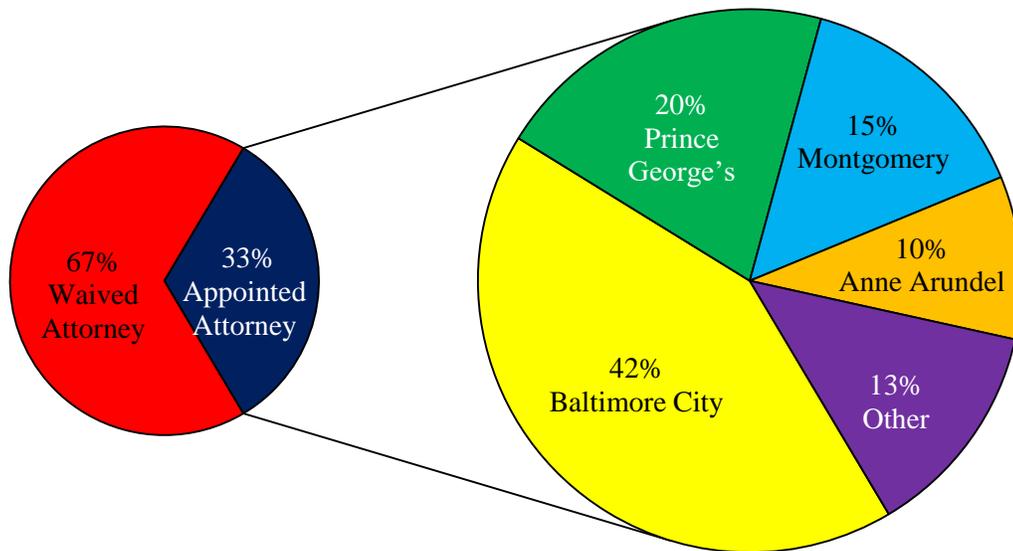
One of the major components of the Judiciary’s mission is not just the adjudication of cases but the administration of cases that provide a fair and equitable right to representation and trial, as set forth in the law. The Judiciary has a wide variety of direct and grant-funded programs as well as adherence to new rules that have resulted in more citizens having access to attorneys, more assistance in legal matters, and more alternatives to incarceration and detainment.

Appointed Attorneys

The Appointed Attorney Program was created by the General Assembly during the 2014 session to ensure State compliance with the Court of Appeals decision in *DeWolf v. Richmond*. Under the program, the Judiciary provides private attorneys to represent indigent defendants at initial appearances before District Court commissioners and compensates them at a rate of \$50 per hour. Each year since

the creation of the program, the budget committees have required the Judiciary to report on the costs and utilization of the program. **Exhibit 5** shows the utilization of the Appointed Attorney Program by different jurisdictions in the State.

Exhibit 5
Appointed Attorney Cases by County
Fiscal 2020



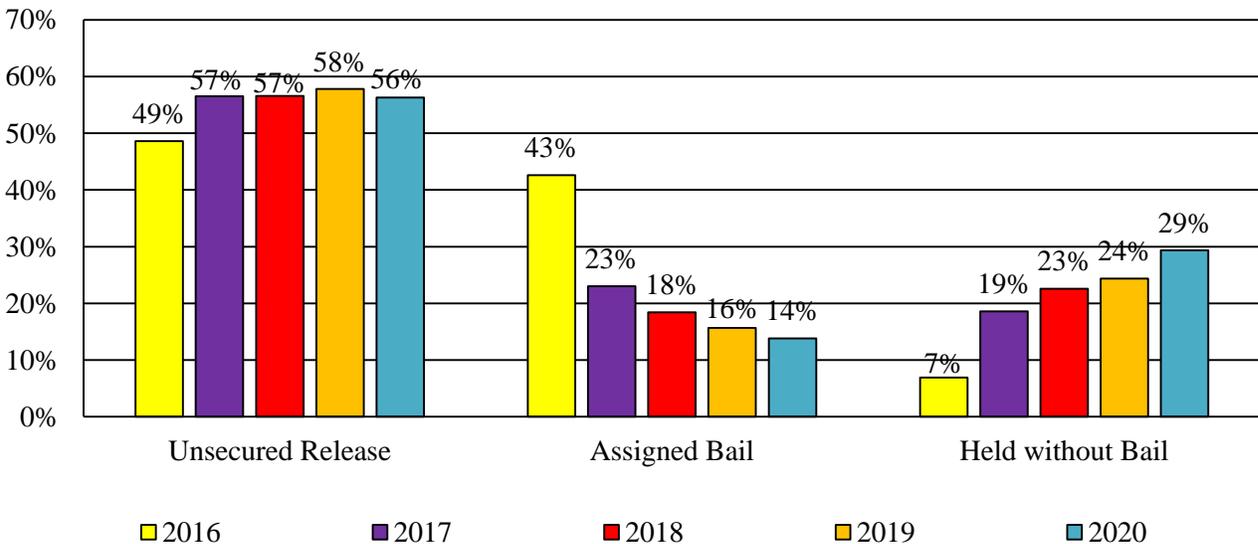
Source: Maryland Judiciary

Bail Reform Results in Significant Reduction in the Use of Cash Bail

In February 2017, the Court of Appeals adopted a new rule that reduced the utilization of cash bail in the State's criminal justice system and directs judges and commissioners to (1) release arrestees with conditions other than cash bail or (2) order that they be held without bond if they pose a threat to public safety. The rule went into effect on July 1, 2017. Since then, the percentage of individuals released without bail (unsecured release) has increased from 49% to 56%, while the proportion of individuals assigned cash bail declined significantly, from 43% to 14%. However, those held without bail (and deemed a threat to public safety) have more than tripled, from 7% to 29%. **Exhibit 6** shows that while unsecured releases have increased dramatically since 2016, the increase has reversed slightly from 2019 to 2020, dropping from 58% to 56%. The Maryland Judiciary states that they have maintained operations throughout the COVID-19 pandemic. It estimates that between 95% to 99% of cases (depending on case type) are disposed of without a trial. Additionally, the Judiciary continues to promote early resolution of cases using settlement conferences and acceptance of pleas. The Judiciary has also increased the use of video remote hearings in order to resolve cases. Administrative orders by

the Judiciary during the COVID-19 pandemic encouraged pretrial release when it was consistent with victim and public safety. This was undertaken in order to protect the health of at-risk incarcerated persons and correctional staff.

**Exhibit 6
Bail Reform: Pretrial Dispositions
Fiscal 2016-2020**



Source: Maryland Judiciary

Help Centers Serve Marylanders’ Legal Needs

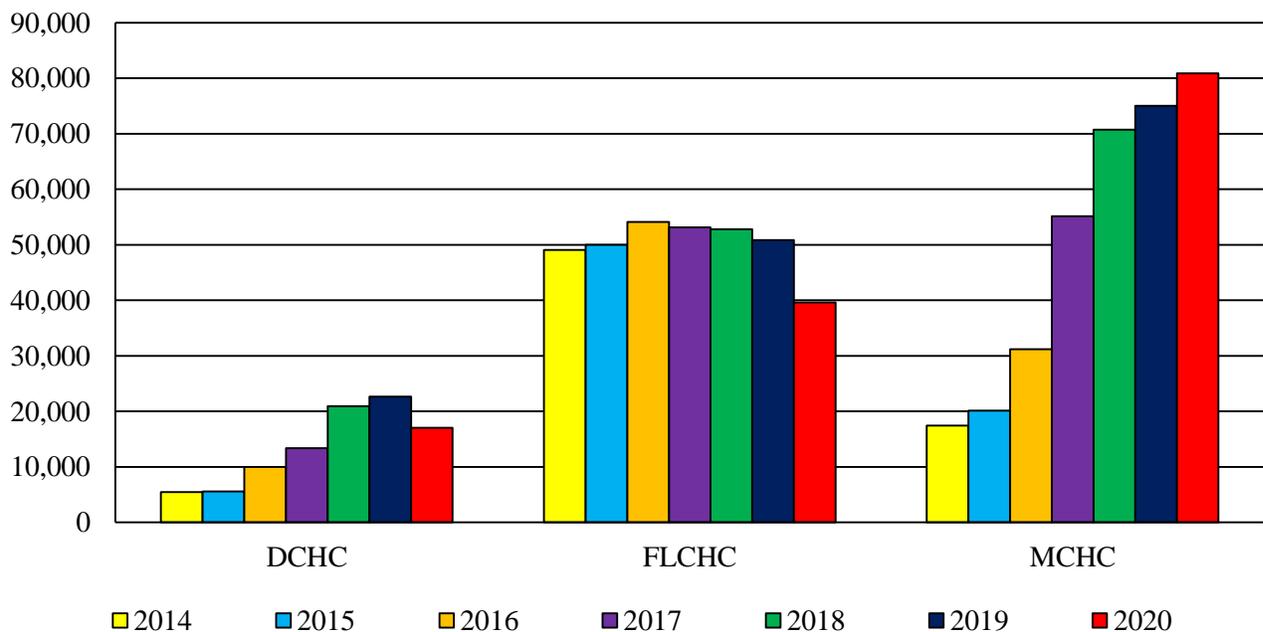
During the last decade, the Judiciary and *pro bono* legal service providers in the State have continued to expand the legal assistance offerings available to individuals involved in noncriminal cases in the State. For certain types of cases and clients, organizations such as the Office of the Public Defender and Maryland Legal Aid have offered free legal representation for decades. More recently, the Judiciary and others have also established programs to assist litigants in dealing with court matters by providing attorneys for short duration, limited representation, or resources to facilitate effective self-representation. These services allow legal aid to be spread more broadly across State courts and, when properly staffed and operated, should improve access to justice. As of fiscal 2021, the Judiciary offered three principal classes of help centers.

- ***The Maryland Court Help Centers:*** A remote call and contact center that provides assistance via phone, live chat, or email and is staffed by the Maryland Center for Legal Assistance (MCLA).

- **Family Law Help Centers:** These walk-in centers support litigants in family law cases statewide and are supported by grants provided by AOC.
- **District Court Help Centers:** The Judiciary contracts with MCLA to staff these walk-in centers. New locations opened in Hagerstown and Catonsville. This brings the total number to eight.

The Judiciary reports on the number of individuals served by these help programs each year, as shown in **Exhibit 7**. Since 2014, each of these programs has seen a dramatic increase in the number of individuals that they serve. This reflects both the expansion of services offered, locations, and hours of operation. The fiscal 2022 allowance includes \$5.7 million in funds for the operation of these help centers. The Maryland Court Help Center has remained fully functional throughout the COVID-19 pandemic due to operating remotely. The District Court and Family Law Help Centers are walk-in and, therefore, were impacted by COVID-19 closures in fiscal 2020.

Exhibit 7
Utilization of Judicial Self-help Programs
Fiscal 2014-2020



DCHC: District Court Help Center
 FLCHC: Family Law Court Help Center
 MCHC: Maryland Court Help Centers

Source: Maryland Judiciary; Department of Legislative Services

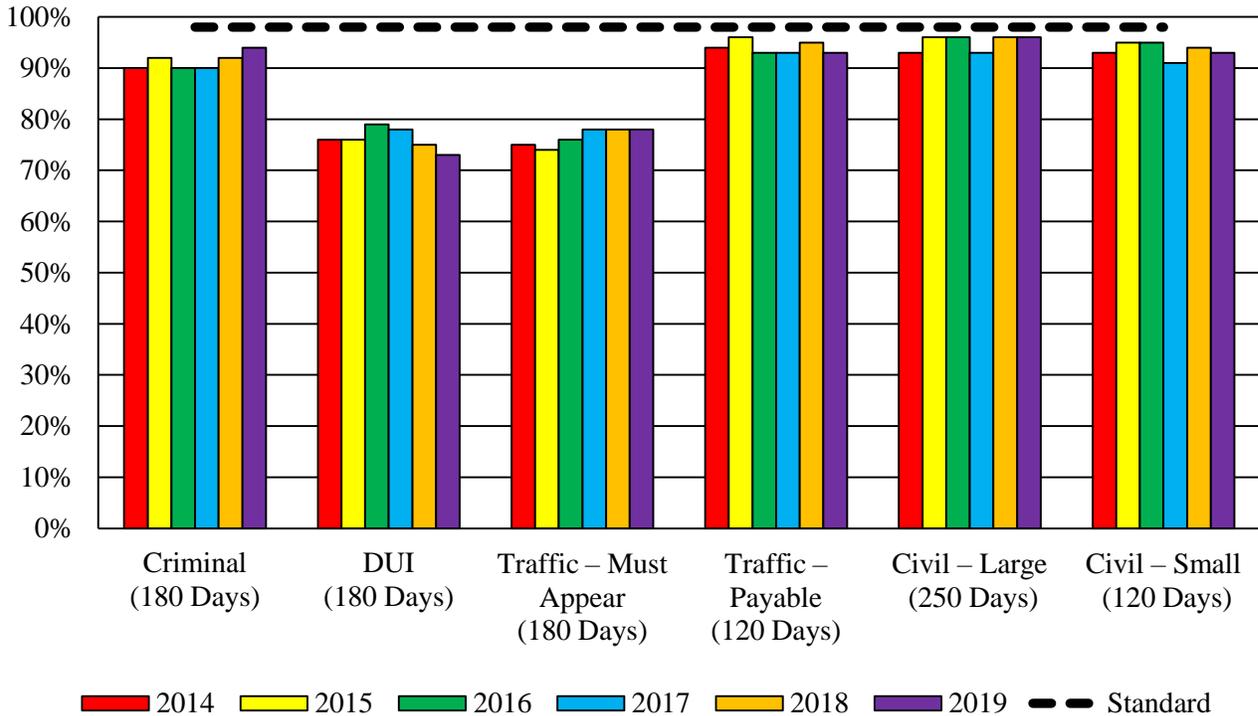
3. Judiciary Court Clearance Rates

District Court Clearance Rates

The Judiciary incorporates case flow standards adopted by the Maryland Judicial Council into its annual Managing for Results data in order to evaluate access to justice; expedition and timeliness; equity, fairness, and integrity; independence and accountability; and public trust and confidence. The Judiciary utilizes standards set by the American Bar Association that determine the amount of time that it should take to process a particular type of case. The standards were modified to account for statutes and rules that impact the ways in which Maryland courts can process certain cases.

The Judiciary analyzes and reports case time standards and rates for each court based on a random sample of cases from each district and applies a weight based on the total number of cases in the district. **Exhibit 8** shows the percentage of cases disposed within the time standard each year since fiscal 2014 for the District Court. While the average time in disposition was well within the time standard for each of the case types, the District Court has failed to meet the performance standard of 98% of cases within the standard for all case types. In terms of volume, the largest case types are criminal, traffic-payable, and all civil cases; together these cases have an average clearance rate of 94%.

**Exhibit 8
Maryland District Court
Cases Terminated within Time Standard
Fiscal 2014-2019**



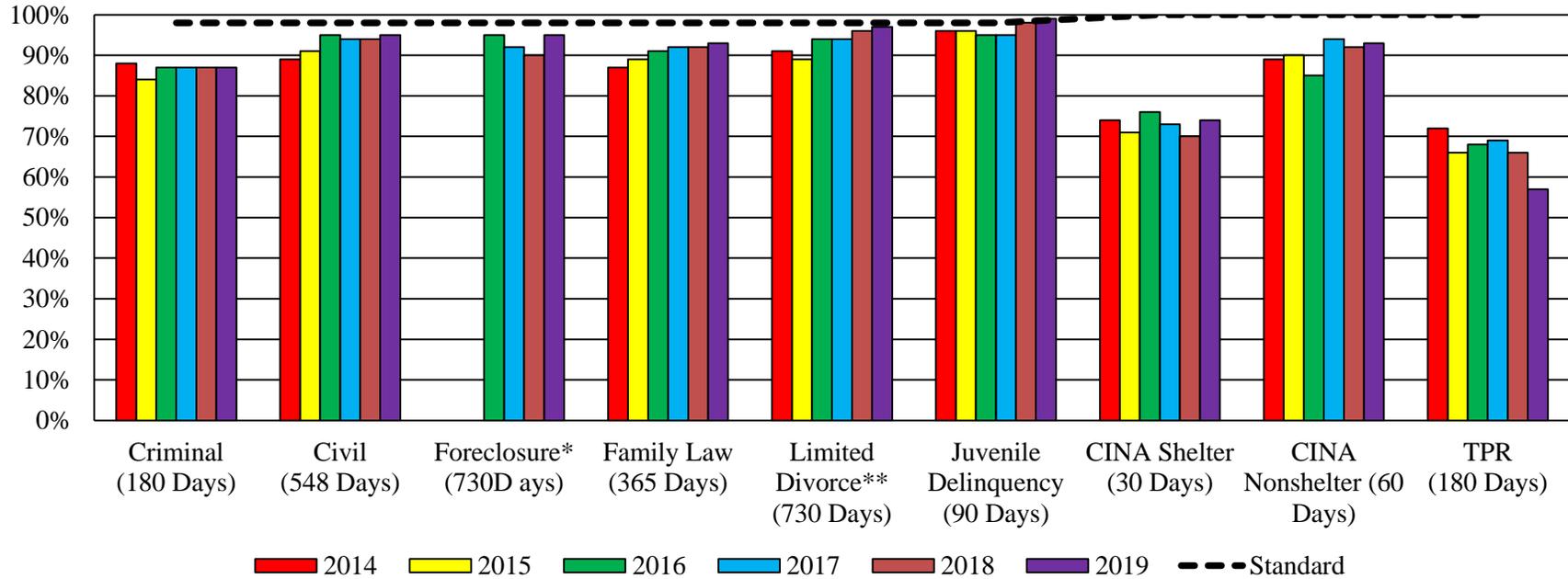
DUI: driving under the influence

Source: Maryland Judiciary

Circuit Court Clearance Rates

Exhibit 9 illustrates the percentage of circuit court cases terminated within the time standard. Similar to the District Court, while the fiscal 2019 average processing time is within the standard for the majority of case types, the circuit courts only met the established target for percentage of cases resolved within the time standard for juvenile delinquency.

Exhibit 9
Maryland Circuit Courts
Cases Terminated within Time Standard
Fiscal 2014 -2019



CINA: child in need of assistance
 TPR: termination of parental rights

* The foreclosure category was introduced in fiscal 2016. Foreclosure cases were previously included in the civil category.
 **The limited divorce category was introduced in fiscal 2014. Limited divorce cases were previously included in family law category.

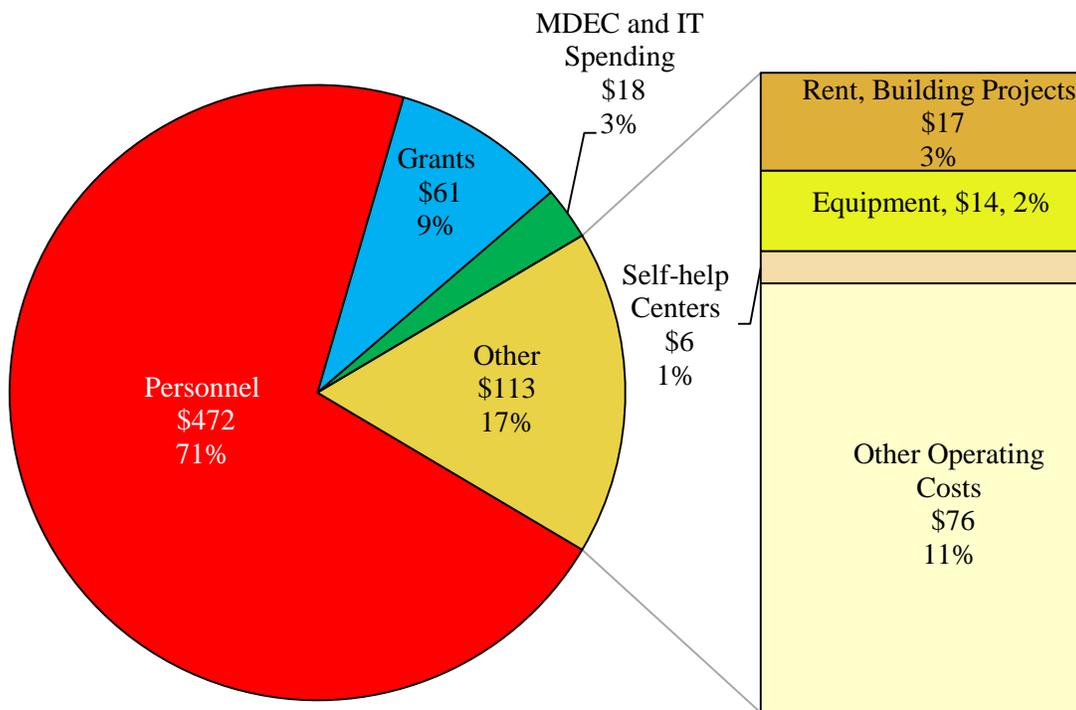
Note: The standard for all areas is 98%, with the exception of CINA, CINA non-shelter, and TPR, which have the standard of 100%.

Source: Maryland Judiciary

Fiscal 2022 Overview of Agency Spending

Exhibit 10 depicts the Judiciary’s budget request by major spending category. Consistent with recent years, the majority (71%) is for personnel expenses to support the Judiciary’s 4,068 regular and 356 contractual employees. The second largest portion (9%) is grants.

Exhibit 10
Overview of Judiciary Spending
Fiscal 2022 Allowance
(\$ in Millions)

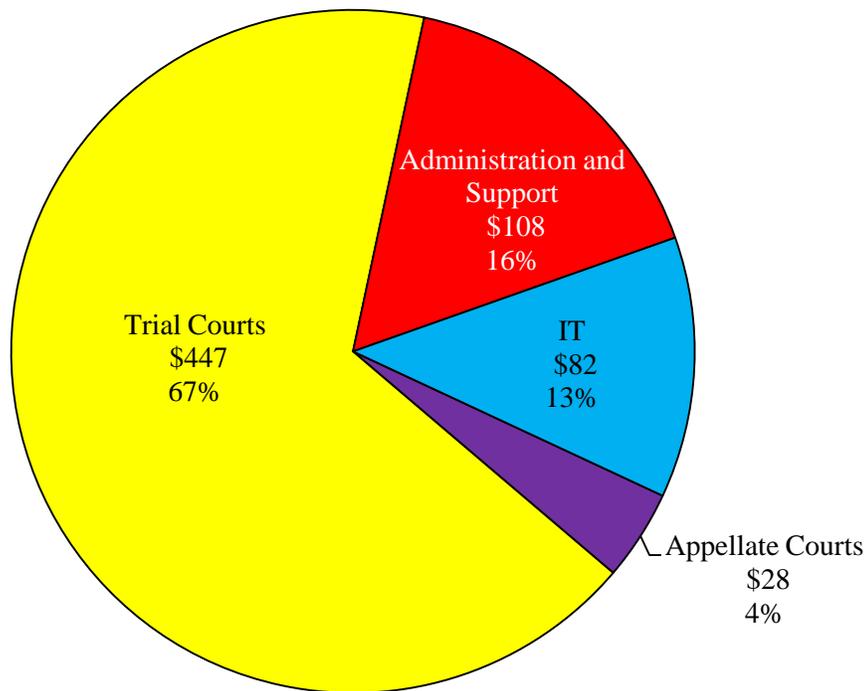


IT: information technology
MDEC: Maryland Electronic Courts

Source: Department of Legislative Services

As the Judiciary has 10 main programs, ranging from IT court functions to JIS and the State Law Library, **Exhibit 11** shows these programs delineated by four key functions: Appellate Courts; Trial Courts; Administration and Support; and IT.

Exhibit 11
Spending by Judiciary Program
Fiscal 2022
(\$ in Millions)



IT: information technology

Source: Department of Legislative Services

Proposed Budget Change

In fiscal 2022, the Judiciary’s budget request increases by \$30.8 million, or 4.8%, as seen in **Exhibit 12**. Over three-fourths of this change is attributable to compensation-related increases with the remainder in IT spending and various lease, equipment, and program costs.

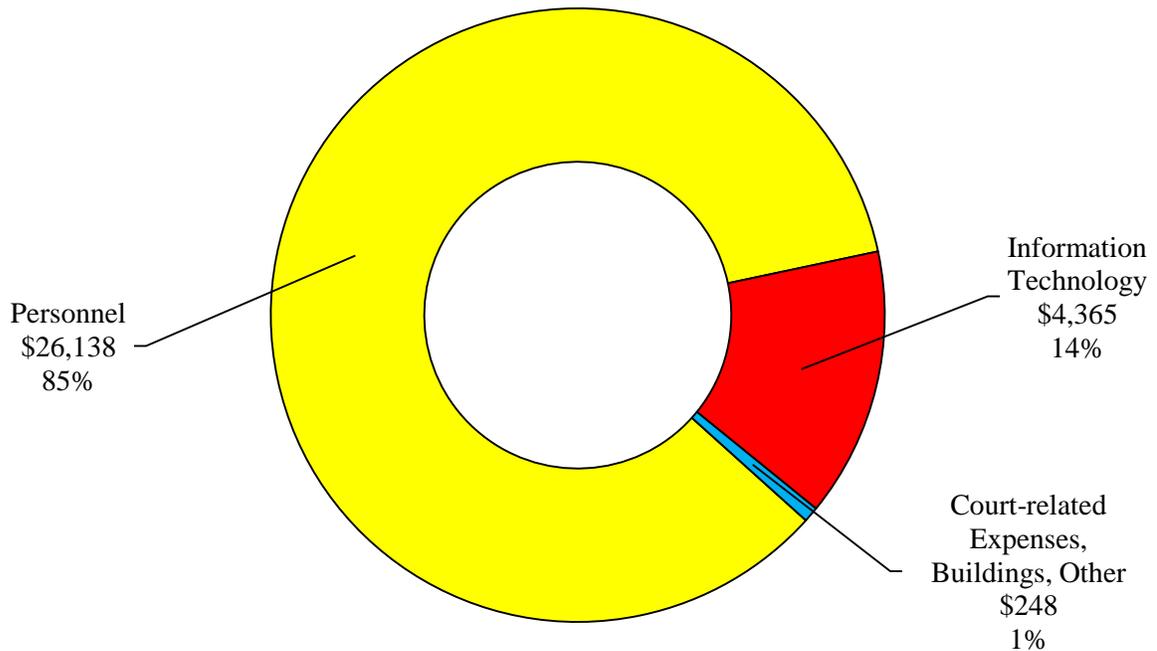
Exhibit 12
Proposed Budget
Judiciary
(\$ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2020 Actual	\$536,254	\$53,667	\$374	\$5,005	\$595,300
Fiscal 2021 Working Appropriation	558,587	69,698	1,019	5,326	634,630
Fiscal 2022 Allowance	<u>591,665</u>	<u>67,954</u>	<u>321</u>	<u>5,440</u>	<u>665,380</u>
Fiscal 2021-2022 Amount Change	\$33,078	-\$1,744	-\$698	\$114	\$30,751
Fiscal 2021-2022 Percent Change	5.9%	-2.5%	-68.5%	2.1%	4.8%
Where It Goes:					
Personnel Expenses					
Fiscal 2022 3.5% merit increase.....					\$8,147
Fiscal 2022 2% cost-of living adjustment (COLA).....					5,141
Turnover adjustments.....					4,554
Reclassifications and salary increases.....					3,514
Annualization of January 1, 2021 2% COLA.....					2,570
Health insurance.....					2,000
Judges' Pension System.....					1,544
Other fringe benefit adjustments.....					-369
Employees' Retirement System.....					-1,130
Other Changes					
Start of digital evidence information technology (IT) project.....					1,600
Start of data analytics IT project.....					1,500
Funding for critical Core Data Center network upgrades.....					1,103
Start of enterprise content/records management IT project.....					1,000
District court security facilities upgrades and other minor facilities renovations.....					906
Costs associated with moving Judicial Information Systems (JIS) offices and increased security for judges and commissioners.....					750
Increase in Maryland Electronic Courts costs due to custom software development.....					664
Replacement of computers in circuit court clerks' offices for Lower Eastern Shore.....					531
Increase in janitorial services funding due to COVID-19-related cleaning and other cost increases.....					179
Decrease in JIS data processing expenses (i.e., jury systems).....					-951
Savings due to new contract with Verizon for Multiprotocol Label Switching network.....					-1,041
Other adjustments.....					-1,461
Total					\$30,751

Note: Numbers may not sum to total due to rounding.

As illustrated in **Exhibit 13**, the majority of the budget change is for personnel with growth three times as large as all other spending increases combined, providing a net increase of \$26.1 million. Spending for major IT projects comprises the second largest increase of roughly \$4.4 million.

Exhibit 13
Budget Request Change
Fiscal 2022
(\$ in Thousands)



Source: Department of Legislative Services

Statewide Salary Enhancements

The fiscal 2022 budget request for the Judiciary continues to include salary enhancements inconsistent with statewide salary enhancements provided to the Executive Branch. In addition to the annualization of the fiscal 2021 2% general salary increase, the Judiciary’s budget request provides a 2% general salary increase and a 3.5% merit increase both effective July 1, 2021. The Judiciary is a separate branch of government and therefore a separate employer; the branch is fully sanctioned by law to offer increased compensation to its employees over and above what the State offers other employees. However, legislative intent expressed in the fiscal 2021 budget indicated that judicial employees should receive compensation enhancements consistent with other State employees and that those enhancements should be allocated via the Department of Budget and Management. The fiscal 2022

allowance does not include funding for statewide compensation enhancements. **In order to keep Judiciary’s personnel spending in line with other personnel expenses, DLS recommends deleting the funding for the merit and general salary increases included in the Judiciary’s fiscal 2022 budget request.**

Major IT Spending

The fiscal 2022 budget request for the Judiciary includes money for a number of IT projects that are ongoing and new projects scheduled to begin in fiscal 2022. The Maryland Electronic Courts (MDEC) has \$663,553 in additional funding in fiscal 2022 above the fiscal 2021 amount. The other notable ongoing project is the mobile information project, which has an increase of \$2.3 million in spending in fiscal 2022. Projects that start receiving funding in fiscal 2022 include data analytics, digital evidence, enterprise content/records management, and Attorney Information System enhancements.

Personnel Data

	FY 20 <u>Actual</u>	FY 21 <u>Working</u>	FY 22 <u>Allowance</u>	FY 21-22 <u>Change</u>
Regular Positions	4,048.00	4,068.00	4,068.00	0.00
Contractual FTEs	<u>356.00</u>	<u>356.00</u>	<u>356.00</u>	<u>0.00</u>
Total Personnel	4,404.00	4,424.00	4,424.00	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	65.90	1.62%
Positions and Percentage Vacant as of 12/31/20	118.40	2.91%
Vacancies Above Turnover	52.50	1.29%

The fiscal 2022 budgeted turnover rate for the Judiciary is nearly half of the rate budgeted in fiscal 2021, despite the fact that the actual vacancy rate at the end of calendar 2020 is approximately 0.1 percentage point higher than the same time a year ago.

With a vacancy rate consistently above 2% and 52.5 positions currently vacant beyond what is necessary to meet budgeted turnover, DLS recommends increasing the turnover rate to 2.0%.

Issues

1. Maryland Judiciary’s Response to COVID-19

The Maryland Judiciary has undertaken a range of different operational phases over the past year to protect State employees and Marylanders from COVID-19.

Phase 1, which the courts operated under from March 16, 2020, to June 5, 2020, limited operations to emergencies only with a few exceptions. On June 5, 2020, operating under Phase 2, the courts began to hear more matters, which included remote hearings and some in-person activities. Phase 2 included some matters that were postponed during Phase 1 of the health emergency and other priority matters. The Judiciary operated under this phase until July 20, 2020, and again from December 22, 2020, until March 12, 2021 (projected).

On July 20, 2020, the Judiciary moved to Phase 3 of the COVID-19 response. In addition to the cases that were being heard under Phases 1 and 2, the courts began to hear a wider range of cases, including trials for incarcerated defendants. Phase 3 lasted until August 31, 2020. On August 31, 2020, the courts moved to Phase 4, which included all criminal matters, minor traffic matters, all civil matters, landlord/tenant cases, and the full operation of problem-solving courts.

Maryland Courts began full operations on October 5, 2020, under Phase 5 of the COVID-19 response. However, as mentioned previously, the courts moved back to operating under Phase 2 starting on December 22, 2020. **The Judiciary should comment on the impact of COVID-19 on the ability of the courts to fulfill their mission and provide judicial services for Marylanders.**

Maryland Legal Services Corporation Facing Severe Budget Constraints

The Maryland Legal Services Corporation (MLSC) is a nonprofit corporation that provides civil legal services to low-income Marylanders. The mission of MLSC is to provide stable, efficient, and effective civil legal assistance through the distribution of funds to nonprofit legal service organizations. MLSC receives funding from the Interest on Lawyer Trust Accounts (IOLTA) program, surcharges from court filing fees, and a distribution from the Abandoned Property Fund. In fiscal 2021, MLSC provided funding to 37 nonprofits to ensure access to legal assistance for Marylanders.

Due to the impacts of COVID-19 and the resulting economic crisis, two of MLSC’s three funding sources saw dramatic declines. IOLTA funding was impacted by low interest rates, and the surcharges from court filing fees were also negatively impacted when the Maryland Courts closed in response to COVID-19. As a result, MLSC stated that they reduced their fiscal 2021 grants by roughly 9%. In response to the growing budget deficit for the corporation, the Maryland Office of the Attorney General (OAG) provided \$8.7 million in fiscal 2021 funding to backfill the grant commitments of MLSC. These funds from OAG must be used for housing security services. Additionally, Governor Hogan allocated \$3 million in CARES Act funding to MLSC to be used for any COVID-19-related legal purpose. The appropriation for MLSC remains consistent across fiscal 2021 and 2022 at \$22 million.

As passed by the General Assembly, the RELIEF Act (SB 496) provides MLSC with an additional \$3 million in fiscal 2021. **The Judiciary and MLSC should comment on if these funds will be sufficient to backfill any deficits in MLSC’s fiscal 2021 budget or if additional funds will be needed.**

2. Maryland Electronic Courts Deployment Continues

For fiscal 2022, the Judiciary continues to provide a master planning document that gives a detailed review of its current IT projects that are funded by the Land Records Improvement Fund (LRIF). First among these is the MDEC initiative. Starting in fiscal 2012, MDEC has been the central IT project for the Judiciary and is a large, complex project designed to move the Maryland court system online. Twenty-one counties in the State have fully implemented MDEC, with Montgomery County being the next to go live followed by Prince George’s County and Baltimore City. By the end of calendar 2022, all jurisdictions in the State are projected to be on MDEC.

The cost of the MDEC project has increased by \$2.9 million, from \$73.6 million in the fiscal 2021 budget to \$76.5 million in the fiscal 2022 budget. The Judiciary states that there have been delays to the rollout of MDEC due to COVID-19. Judiciary had to devote significant IT resources to enhancing infrastructure and technologies to support remote court proceedings. The rollout of MDEC in Montgomery County has also been delayed by approximately one year. The go-live date is now scheduled for October 2021. The vendor delivery of custom software for the Montgomery County implementation was delayed, but it has now been received and is in the process of being tested. **Exhibit 14** provides more detail on the Judiciary’s entire slate of IT projects. A description of each project can be found in **Appendix 2**. **The Judiciary should comment on why the rollout of MDEC has slowed, especially with the focus that COVID-19 has placed on the ability to work and operate remotely.**

Exhibit 14
Judiciary Information Technology Master Plan
Fiscal 2022

Project	Pre-2020 Expenditures	2020 Cost	2021 Projected Cost	2022 Request	2023-2026 Planned Expenditures	Total Projected Funding	Previous Estimate	Cost Increase/Decrease
MDEC	\$56,202,487	\$5,332,154	\$4,460,930	\$5,124,483	\$5,360,060	\$76,480,114	\$73,570,311	\$2,909,803
Courthouse eReadiness	6,517,560	1,146,914	3,308,946	2,053,086	1,250,000	14,276,506	14,276,506	0
Cyber Security	2,133,197	245,733	554,267	0	0	2,933,197	2,933,197	0
Attorney Information System	1,367,860	546,069	429,773	0	0	2,343,702	2,343,702	0
CaseSearch Version 2.0	671,808	380,832	603,096	500,000	500,000	2,655,736	1,655,736	1,000,000
Infrastructure Initiative	909,581	1,028,407	1,376,593	1,215,000	0	4,529,581	4,529,581	0
VoIP Phase I	0	0	750,000	1,415,500	0	2,165,500	2,165,500	0
Data Analytics	0	0	0	1,500,000	7,500,000	9,000,000	9,000,000	0
Case Notification	0	0	250,000	750,000	2,200,000	3,200,000	3,200,000	0
Mobile Information	0	0	500,000	2,750,000	6,000,000	9,250,000	9,250,000	0
Digital Evidence	0	0	0	1,600,000	5,000,000	6,600,000	6,600,000	0
Enterprise Content/Records Management	0	0	0	1,000,000	8,500,000	9,500,000	9,500,000	0
Cashiering Upgrade	0	0	200,000	250,000	1,700,000	2,150,000	2,150,000	0
AIS Enhancements	0	0	0	250,000	2,500,000	2,750,000	2,750,000	0
VoIP – Enterprise Deployment	0	0	0	0	7,000,000	7,000,000	7,000,000	0
Total	\$67,802,493	\$8,680,109	\$12,433,605	\$18,408,069	\$47,510,060	\$154,834,336	\$150,924,533	\$3,909,803

C00A00 – Judiciary

AIS: Attorney Information System
MDEC: Maryland Electronic Courts
VoIP: Voice over Internet Protocol

Source: Maryland Judiciary

3. Stress on the LRIF Continues

The LRIF, or the Circuit Court Real Property Records Improvement Fund, was created to stabilize and modernize operations in the land records offices of the circuit court. The LRIF remains funded by a surcharge on recordable land instruments that are items related to property matters, such as deeds, mortgages, leases, and grants. These items, when filed or recorded, are then assessed a charge. In calendar 2011, the LRIF surcharge was increased from \$20 to \$40 by the Budget Reconciliation and Financing Act (BRFA) of 2011, and that increase was supposed to sunset at the end of fiscal 2020. However, the BRFA of 2020 (Chapter 538) made the \$40 surcharge permanent. This has stabilized the LRIF in the short term; however, the long-term stress on the fund remains. **Exhibit 15** shows how continuing deficits starting in fiscal 2021 are projected to erode the fund balance in the out-years of the forecast. This indicates that, despite the action to maintain the elevated fee amount, expenditures are still outpacing revenues, and a fee increase or deferment of planned projects will be needed in the near future to avoid the complete draw down of the existing fund balance.

Exhibit 15
Land Records Improvement Fund Financial Statement
Fiscal 2020-2025 Est.

	<u>2020 Actual</u>	<u>2021 Est.</u>	<u>2022 Est.</u>	<u>2023 Est.</u>	<u>2024 Est.</u>	<u>2025 Est.</u>
Revenues						
Surcharge/Copy Fees	\$32,298,874	\$29,296,029	\$29,296,029	\$29,296,029	\$29,296,029	\$29,296,029
e-Filing Service Fees	4,756,244	5,754,781	5,754,781	5,754,781	5,754,781	5,754,781
Subtotal	\$37,055,118	\$35,050,810	\$35,050,810	\$35,050,810	\$35,050,810	\$35,050,810
Operations						
ELROI Operations/ Maintenance	\$1,382,708	\$1,844,600	\$1,726,810	\$2,145,100	\$1,845,350	\$1,845,350
e-Filing Operations/ Maintenance	3,840,000	3,950,000	4,200,000	4,320,000	4,645,000	5,000,000
Archives – mdlandrec	500,000	500,000	500,000	500,000	500,000	500,000
Circuit Court Offices	17,920,129	18,368,132	18,827,335	19,298,019	19,780,469	20,274,981
Major Information Technology Projects	8,680,108	12,433,605	18,408,069	16,910,060	11,400,000	11,700,000
Subtotal	\$32,322,945	\$37,096,337	\$43,662,214	\$43,173,179	\$38,170,819	\$39,320,331
Projected Structural	\$4,732,173	-\$2,045,527	-\$8,611,404	-\$8,122,369	-\$3,120,009	-\$4,269,521
Less Prior Year Encumbrances Spent	\$1,047,087					
Less Open Prior Year Encumbrances		\$2,744,767				
Total Fund Balance (Accrual Basis)	\$36,279,749	\$31,489,455	\$22,878,051	\$14,755,682	\$11,635,673	\$7,366,152

ELROI: Electronic Land Records Online Imagery

Source: Maryland Judiciary

Operating Budget Recommended Actions

1. Add the following language:

Provided that \$1,392,469 in general funds, \$43,013 in special funds, and \$14,443 in reimbursable funds are reduced to increase the turnover rate to 2%. The Chief Judge is authorized to allocate this reduction across the Judiciary.

Explanation: This action reduces funds to a level consistent with a turnover rate of 2.0% to be more in line with actual vacancies.

2. Add the following language:

Provided that \$4,776,357 in general funds, \$296,999 in special funds, and \$67,213 in reimbursable funds for fiscal 2022 general salary increases are reduced. The Chief Judge is authorized to allocate this reduction across the Judiciary.

Explanation: This action reduces funding in the fiscal 2022 budget provided for a 2.0% general salary increase beginning July 1, 2021. Legislative intent expressed in the fiscal 2021 budget indicated that funding for judicial employee compensation enhancements should be provided consistent with what is funded for Executive Branch employees and should be provided via the Department of Budget and Management. There is no funding provided in the Governor’s fiscal 2022 allowance for statewide employee compensation enhancements.

3. Add the following language:

Provided that \$7,531,417 in general funds, \$502,053 in special funds, and \$113,598 in reimbursable funds for fiscal 2022 merit increases are reduced. The Chief Judge is authorized to allocate this reduction across the Judiciary.

Explanation: This action reduces funds in the fiscal 2022 budget for a 3.5% merit increase beginning July 1, 2021. Legislative intent expressed in the fiscal 2021 budget indicated that funding for judicial employee compensation enhancements should be provided consistent with what is funded for Executive Branch employees and should be provided via the Department of Budget and Management. There is no funding provided in the Governor’s fiscal 2022 allowance for statewide employee compensation enhancements.

4. Add the following language to the general fund appropriation:

. provided that \$8,250,000 of the general fund appropriation may be expended only for the purpose of providing attorneys for required representation at initial appearances before District Court Commissioners consistent with the holding of the Court of Appeals in DeWolfe v. Richmond. Any funds not expended for this purpose shall revert to the General Fund.

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Explanation: This language restricts the use of \$8.25 million of the Judiciary’s general fund appropriation for the implementation of DeWolfe v. Richmond.

- | | <u>Amount
Reduction</u> | |
|---|------------------------------------|----|
| 5. Reduce the funding for capital improvement projects.
The Chief Judge is authorized to allocate this reduction across the Judiciary. | \$ 500,000 | GF |

6. Adopt the following narrative:

Appointed Attorney Program Costs and Utilization: The committees remain interested in the costs and operations of the Appointed Attorney Program. The committees request a report, to be submitted by October 1, 2021, detailing the fiscal 2021 costs and utilization of the Appointed Attorney Program.

Information Request	Author	Due Date
Appointed Attorney Program costs and utilization	Judiciary	October 1, 2021

7. Adopt the following narrative:

Judiciary Status Report on Major Information Technology Development: The committees remain interested in the Judiciary’s Major Information Technology Development Projects (MITDP). The committees request a report, to be submitted by December 15, 2021, detailing the MITDPs being undertaken by the Judiciary.

Information Request	Author	Due Date
Judiciary status report on MITDPs	Judiciary	December 15, 2021

8. Adopt the following narrative:

Judgeship Need for Fiscal 2023: The committees remain interested in the judgeship needs at the Judiciary. The committees request a report, to be submitted by December 1, 2021, detailing the fiscal 2023 judgeship needs.

Information Request	Author	Due Date
Judgeship need for fiscal 2023	Judiciary	December 1, 2021

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9. Adopt the following narrative:

Judiciary Report on Court Performance Measures: The committees remain interested in the court performance measures. The committees request a report on court performance measures, to be submitted by November 1, 2021.

Information Request	Author	Due Date
Judiciary report on court performance measures	Judiciary	November 1, 2021
Total General Fund Reductions		\$ 500,000

Appendix 1
2020 Joint Chairmen’s Report Responses from Agency

The 2020 *Joint Chairmen’s Report* (JCR) requested that the Judiciary prepare four reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Appointed Attorney Program Costs and Utilization:*** This JCR response details the utilization of the Appointed Attorney Program and the cost of this program in fiscal 2020. Performance measures related to the Appointed Attorney program appear in Exhibit 5.
- ***Adult Drug Court Evaluations and Transparency:*** This JCR report covers the implementation of adult drug courts, the associated performance measures/metrics, and the amount of other State savings associated with the use of these courts.
- ***Judicial Transfers Report:*** This JCR report covers ways that the Judiciary can better use its personnel to carry out the work of the Judiciary. This includes better allocation of staff across jurisdictions.
- ***Statewide Expungement Report:*** This JCR report covers the progress that the Judiciary is making on allowing Maryland citizens to have certain criminal records expunged and removed from public inspection. This report includes details on the implementation of the law requiring the Maryland Judiciary to carry this out.

Appendix 2
Major Information Technology Projects
Judiciary

- **Maryland Electronic Courts (MDEC):** The central component of Judiciary’s information technology (IT) program. Full deployment will take place in calendar 2022.
- **Courthouse eReadiness:** This project will improve the State’s courthouse infrastructure by preparing systems, particularly telecommunications, to bear the load required by MDEC. Additionally, audiovisual equipment will be installed in the courthouses to facilitate interactive technology capability, including Court TV, which will offer streaming video and live updates about court proceedings.
- **Cybersecurity:** This project is designed to enhance the Judiciary’s IT security and now includes disaster management capabilities in case of a natural disaster or other emergency even that may compromise the Judiciary’s computer networks.
- **Attorney Information System (AIS):** AIS is a centralized, web-based focused platform that allows attorneys to store key information about their practice, including certifications and bar admissions, and has an electronic payment portal so that they can pay required fees.
- **CaseSearch Version 2.0:** This project creates a public web interface for accessing District and circuit court case information. Stakeholders with access will also include law enforcement agencies, the Department of Public Safety and Correctional Services, and the State’s Attorney’s and Attorney General’s offices.
- **Infrastructure Initiative:** The Judiciary has implemented a new virtual server system with various cloud-computer solutions to assist with its database and large image archive.
- **Voice over Internet Protocol (VoIP) Phase I:** The Judiciary is replacing its legacy phone networks with VoIP systems that will enhance and expand its communications abilities. The current phase of this project will provide a pilot program in Annapolis to test the capabilities of this new system.
- **Data Analytics:** This project will help Judiciary’s ability to better consolidate data from multiple source databases to allow internal users to access, analyze, and report on specific data sets.
- **Case Notification:** The pilot project for this initiative enables the Judiciary to send text notifications to criminal defendants, notifying them of their hearings. The next phase is designed to expand the branch’s capability in terms of notifying and reminding litigants when and where their hearings will take place and increase the likelihood that individuals will be present in court.

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- ***Mobile Information:*** This project will support MDEC by providing newer mobile technologies to provide personalized remote interactions with the Judiciary.
- ***Digital Evidence:*** This project will help the Judiciary integrate digital evidence into the normal flow of court proceedings. In addition, guidelines, policies, and rules governing the submission and chain of custody of digital evidence and the use electronic devices in courtrooms will be considered.
- ***Enterprise Content/Records Management:*** This project will examine and assess the current records management systems and processes in place across all Judiciary locations, establish a statewide records management strategy and policies, and implement key recommendations including records management software capabilities.
- ***Cashiering Upgrade:*** This initiative will replace the current Revenue Collection System, which is reaching its end-of-life expectancy. An evaluation of system requirements and current industry technology will allow for the incorporation of new processes and capabilities and afford the opportunity for the development of a more streamlined, modern, statewide cashiering system.
- ***AIS Enhancements:*** Future AIS enhancements under consideration will allow for online payments to be accepted for fees required by the Court of Appeals, integrate with the State Board of Law Examiners to display bar documents, simplify the user login and registration experience, store documents required for the validation of attorney status, and provide for the integration of attorney data with MDEC.
- ***VoIP – Enterprise Deployment:*** The last portion of the VoIP project is to pilot the use of VoIP in the Annapolis offices of the Maryland Judiciary. Assuming the success of the project, an enterprisewide deployment of the technology is planned to extend the functions and features of VoIP communications to the entire Judiciary.

**Appendix 3
Object/Fund Difference Report
Judiciary**

<u>Object/Fund</u>	<u>FY 20 Actual</u>	<u>FY 21 Working Appropriation</u>	<u>FY 22 Allowance</u>	<u>FY 21 - FY 22 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	4,048.00	4,068.00	4,068.00	0.00	0%
Total Positions	4,048.00	4,068.00	4,068.00	0.00	0%
Objects					
01 Salaries and Wages	\$ 403,276,040	\$ 423,231,180	\$ 449,202,088	\$ 25,970,908	6.1%
02 Technical and Spec. Fees	20,718,168	22,956,404	23,123,408	167,004	0.7%
03 Communication	8,610,225	10,600,906	9,649,096	-951,810	-9.0%
04 Travel	1,212,441	1,807,122	1,624,223	-182,899	-10.1%
06 Fuel and Utilities	797,603	877,158	845,765	-31,393	-3.6%
07 Motor Vehicles	246,408	179,357	186,162	6,805	3.8%
08 Contractual Services	70,036,419	81,806,777	78,914,027	-2,892,750	-3.5%
09 Supplies and Materials	6,621,742	5,498,717	5,930,695	431,978	7.9%
10 Equipment – Replacement	4,130,877	3,666,166	4,811,445	1,145,279	31.2%
11 Equipment – Additional	6,536,011	3,517,815	9,434,264	5,916,449	168.2%
12 Grants, Subsidies, and Contributions	56,646,489	60,786,160	61,173,594	387,434	0.6%
13 Fixed Charges	15,885,952	18,826,758	18,704,604	-122,154	-0.6%
14 Land and Structures	581,483	875,000	1,781,000	906,000	103.5%
Total Objects	\$ 595,299,858	\$ 634,629,520	\$ 665,380,371	\$ 30,750,851	4.8%
Funds					
01 General Fund	\$ 536,253,974	\$ 558,586,982	\$ 591,664,998	\$ 33,078,016	5.9%
03 Special Fund	53,666,769	69,698,004	67,953,926	-1,744,078	-2.5%
05 Federal Fund	373,679	1,018,806	321,265	-697,541	-68.5%
09 Reimbursable Fund	5,005,436	5,325,728	5,440,182	114,454	2.1%
Total Funds	\$ 595,299,858	\$ 634,629,520	\$ 665,380,371	\$ 30,750,851	4.8%

Note: The fiscal 2021 appropriation does not include deficiencies, targeted revenues, or across-the-board reductions. The fiscal 2022 allowance does not include contingent reductions or cost-of-living adjustments.

**Appendix 4
Fiscal Summary
Judiciary**

<u>Program/Unit</u>	<u>FY 20 Actual</u>	<u>FY 21 Wrk Approp</u>	<u>FY 22 Allowance</u>	<u>Change</u>	<u>FY 21 - FY 22 % Change</u>
01 Court of Appeals	\$ 11,754,196	\$ 13,923,988	\$ 14,215,886	\$ 291,898	2.1%
02 Court of Special Appeals	13,285,017	13,824,871	14,280,480	455,609	3.3%
03 Circuit Court Judges	71,745,713	76,964,593	79,690,066	2,725,473	3.5%
04 District Court	203,249,781	213,946,756	224,316,272	10,369,516	4.8%
06 Administrative Office of the Courts	94,113,135	96,308,161	100,486,619	4,178,458	4.3%
07 Judiciary Units	3,020,488	3,559,447	3,699,406	139,959	3.9%
08 State Law Library	3,530,034	3,868,108	4,007,716	139,608	3.6%
09 Judicial Information Systems	61,376,602	59,428,607	63,793,642	4,365,035	7.3%
10 Clerks of the Circuit Court	124,544,784	134,444,988	142,482,215	8,037,227	6.0%
12 Major Information Technology Development Projects	8,680,108	18,360,001	18,408,069	48,068	0.3%
Total Expenditures	\$ 595,299,858	\$ 634,629,520	\$ 665,380,371	\$ 30,750,851	4.8%
General Fund	\$ 536,253,974	\$ 558,586,982	\$ 591,664,998	\$ 33,078,016	5.9%
Special Fund	53,666,769	69,698,004	67,953,926	-1,744,078	-2.5%
Federal Fund	373,679	1,018,806	321,265	-697,541	-68.5%
Total Appropriations	\$ 590,294,422	\$ 629,303,792	\$ 659,940,189	\$ 30,636,397	4.9%
Reimbursable Fund	\$ 5,005,436	\$ 5,325,728	\$ 5,440,182	\$ 114,454	2.1%
Total Funds	\$ 595,299,858	\$ 634,629,520	\$ 665,380,371	\$ 30,750,851	4.8%

Note: The fiscal 2021 appropriation does not include deficiencies, targeted revenues, or across-the-board reductions. The fiscal 2022 allowance does not include contingent reductions or cost-of-living adjustments.