

Public Safety**CABINET AGENCIES****CORRECTIONS DEPT****HUMAN RIGHTS DEPARTMENT****PUBLIC SAFETY DEPT****JUDICIAL BRANCH AGENCIES****COURT OF APPEALS****LEGAL PROFESSION BOARDS****PUBLIC DEFENSE BOARD****SUPREME COURT****TRIAL COURTS****OTHER NON CABINET AGENCIES****JUDICIAL STANDARDS BOARD****PEACE OFFICERS BOARD (POST)****PRIVATE DETECTIVE BOARD****SENTENCING GUIDELINES COMM****TAX COURT****UNIFORM LAWS COMMISSION**

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State of Minnesota
Minnesota Department of Corrections
Office of the Commissioner

January 25, 2005

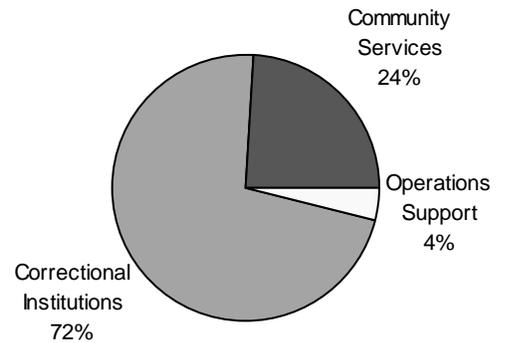
To the 2005 Legislature:

On behalf of Governor Pawlenty, I am pleased to submit the Department of Correction’s budget recommendation for the FY 2006-07 budget. This budget consists of \$824.2 million from the state’s General Fund and \$157.9 million from other funds, and is a 9.8% increase from FY 2004-05 spending.

This budget supports three program areas. The Correctional Institution program (72% of the budget) is responsible for incarcerating and providing therapeutic, industrial, vocational, and academic opportunities for offenders while in prison. The Community Services program (24% of the budget) provides a broad range of correctional services in the community with agency employees and through the Department’s oversight of state grants and subsidies. The Operations Support program (4% of the budget) provides direction and support that contributes to consistency across the agency and enables all programs to accomplish the Department’s mission.

The agency mission is to hold offenders accountable and offer opportunities for change, while restoring justice for victims and contributing to a safer Minnesota. The agency priorities are to incarcerate the most dangerous offenders and supervise offenders in the community. The Department has focused this biennial budget on core correctional services considering the extent to which the service contributes to a safer Minnesota, the risk to public safety if the service should change or be eliminated, the cost of the service, and the extent to which the service is needed to provide day-to-day operation of the agency.

Department of Corrections
\$824.2 Million
FY 2006-07 General Fund



The prison population increases continue to drive correctional costs upwards. The prison population in Minnesota has increased 45% since 1999 and we now incarcerate over 8,300 offenders in our prisons. Current prison population projections anticipate an additional 1,425 prisoners entering our system during the FY06-07 biennium. Over 1,300 beds have already been added to our existing prisons since 1999 and the only remaining options are to expand at existing prisons or rent beds from private or public entities. The budget includes additional funding for prison beds for methamphetamine and sex offenders under the Administration’s proposal to strengthen sentencing to ensure the public safety of Minnesotans. Funding is also provided for health care services, including supplies and equipment, which have been a cost driver for the increasing prison population.

In order to effectively manage sex offenders in all phases of the correctional system, it is essential to provide treatment and enforcement. Enforcement efforts will be increased for civil commitment review, revocation hearings, Intensive Supervised Release (ISR), global positional satellite (GPS) monitoring, housing, and fugitive recovery. Treatment will be increased in the prisons as well as in the community once offenders are released. Polygraph testing will also be utilized during post-adjudication treatment. Sex offender assessment funding will also be granted to local jurisdictions.

Thank you for consideration of this budget. As always, the Department of Corrections is committed to finding creative ways to provide cost efficient services while maintaining core correctional functions and enhancing public safety.

Sincerely,

A handwritten signature in cursive script that reads "Joan Fabian". The signature is written in black ink and is positioned below the word "Sincerely,".

Joan Fabian
Commissioner

<i>Dollars in Thousands</i>					
	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	358,654	362,871	362,871	362,871	725,742
Recommended	358,654	362,871	404,282	419,921	824,203
Change		0	41,411	57,050	98,461
% Biennial Change from 2004-05					14.2%
Special Revenue					
Current Appropriation	1,000	1,000	1,000	1,000	2,000
Recommended	1,000	1,000	890	890	1,780
Change		0	(110)	(110)	(220)
% Biennial Change from 2004-05					-11%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	350,442	373,273	404,282	419,921	824,203
Special Revenue	698	1,000	890	890	1,780
Statutory Appropriations					
General	3	15	0	0	0
Special Revenue	14,558	18,936	16,066	16,126	32,192
Federal	14,356	9,832	5,976	2,261	8,237
Miscellaneous Agency	20,393	20,832	20,888	20,965	41,853
Gift	31	59	21	17	38
Correctional Industries	30,490	39,783	36,261	37,541	73,802
Total	430,971	463,730	484,384	497,721	982,105
<u>Expenditures by Category</u>					
Total Compensation	230,710	239,313	246,882	248,645	495,527
Other Operating Expenses	103,745	138,445	153,149	164,451	317,600
Capital Outlay & Real Property	10,207	91	91	91	182
Payments To Individuals	22,712	21,695	21,486	21,758	43,244
Local Assistance	63,577	64,186	62,776	62,776	125,552
Other Financial Transactions	20	0	0	0	0
Total	430,971	463,730	484,384	497,721	982,105
<u>Expenditures by Program</u>					
Correctional Institutions	317,457	343,625	363,260	376,456	739,716
Community Services	98,064	102,293	104,389	104,530	208,919
Operations Support	15,450	17,812	16,735	16,735	33,470
Total	430,971	463,730	484,384	497,721	982,105
Full-Time Equivalents (FTE)	3,722.4	3,898.2	3,966.4	3,968.0	

<i>Dollars in Thousands</i>				
	FY2005	Governor's Recomm.		Biennium
		FY2006	FY2007	2006-07
Fund: GENERAL				
FY 2005 Appropriations	362,871	362,871	362,871	725,742
Technical Adjustments				
Current Law Base Change		(223)	(72)	(295)
End-of-session Estimate		10,728	17,267	27,995
November Forecast Adjustment	0	18,031	25,180	43,211
One-time Appropriations		(67)	(67)	(134)
Subtotal - Forecast Base	362,871	391,340	405,179	796,519
Change Items				
Sex Offender Enforcement	0	3,922	3,922	7,844
Sex Offender Treatment	0	3,100	3,100	6,200
Health Services	0	4,420	4,420	8,840
Sex & Meth Offender Sentencing Changes	0	1,500	3,300	4,800
Total Governor's Recommendations	362,871	404,282	419,921	824,203
Fund: SPECIAL REVENUE				
FY 2005 Appropriations	1,000	1,000	1,000	2,000
Technical Adjustments				
Receipt Adjustments		(110)	(110)	(220)
Subtotal - Forecast Base	1,000	890	890	1,780
Total Governor's Recommendations	1,000	890	890	1,780
Fund: GENERAL				
Planned Statutory Spending	15	0	0	0
Total Governor's Recommendations	15	0	0	0
Fund: SPECIAL REVENUE				
Planned Statutory Spending	18,936	16,066	16,126	32,192
Total Governor's Recommendations	18,936	16,066	16,126	32,192
Fund: FEDERAL				
Planned Statutory Spending	9,832	5,976	2,261	8,237
Total Governor's Recommendations	9,832	5,976	2,261	8,237
Fund: MISCELLANEOUS AGENCY				
Planned Statutory Spending	20,832	20,888	20,965	41,853
Total Governor's Recommendations	20,832	20,888	20,965	41,853
Fund: GIFT				
Planned Statutory Spending	59	21	17	38
Total Governor's Recommendations	59	21	17	38
Fund: CORRECTIONAL INDUSTRIES				
Planned Statutory Spending	39,783	36,261	37,541	73,802
Total Governor's Recommendations	39,783	36,261	37,541	73,802

CORRECTIONS DEPT

Change Item: Sex Offender Enforcement

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$3,922	\$3,922	\$3,922	\$3,922
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$3,922	\$3,922	\$3,922	\$3,922

Recommendation

The Governor recommends \$3.922 million in FY 2006 and \$3.922 million in FY 2007 for the enforcement of sex offenders under correctional jurisdiction.

Background

This budget increase will improve the effective management of sex offenders in all phases of the correctional system.

\$330,000 each year will provide for the restructuring of the current civil commitment review process to ensure all appropriate sex offenders are referred for consideration of civil commitment. This funding will support the addition of two psychologists, two support staff, and one management analyst.

\$190,000 each year will provide for the completion of all revocation hearings in a timely manner to ensure offenders are properly evaluated and placed into appropriate programming and/or secure placement to ensure public safety. This funding will support the addition of two hearings officers and one support staff.

\$1,800,000 each year will increase Intensive Supervised Release (ISR) services. This funding will ensure ISR funding for all unserved and underserved counties in the state. This funding will support the addition of six ISR agents for the Department of Corrections and 12 ISR agents for counties in the Community Corrections Act (CCA) which provide ISR supervision under contract with the DOC.

\$162,000 each year will provide Global Positioning Satellite (GPS) monitoring for the most serious sex offenders under the supervision of the commissioner during their ISR supervision. It is estimated that at any given time there will be 45 offenders on GPS for approximately 180 days.

\$1,370,000 each year will provide housing options for sex offenders to allow for maximum community surveillance and supervision. The affect of not currently having adequate housing is that offenders are sleeping in cars, living in emergency housing along with more vulnerable populations, cohabitating with other felons increasing the concentration of offenders in a particular neighborhood, or living the vagrant lifestyle. These situations make supervision almost impossible. This funding will provide a continuum of housing options such as half way houses, emergency housing, and temporary board and care.

\$70,000 each year will provide for the aggressive tracking and apprehension of Level III sex offenders. This will allow the department to maintain a "hot file resource" for fugitive investigators that contains pooled information from all databases and intelligence on released or soon to be released Level III offenders. This funding will support one intelligence officer.

Relationship to Base Budget

This funding will provide a major budget increase for sex offender enforcement. Funding for ISR agents would nearly triple. Funding for the Risk Assessment and Notification unit, which manages the civil commitment review process, would nearly double. The Hearings and Release unit would see an increase from ten to thirteen staff.

Key Measures

The funding will reduce caseloads for intensive supervised release agents and provide supervision in counties that are under served. It will also increase the number of reviews for civil commitment of sex offenders and ensure the completion of all revocation hearings in a timely manner.

Alternatives Considered

None. This is a new initiative to significantly enhance the supervision and enforcement of sex offenders in the community.

CORRECTIONS DEPT

Change Item: Sex Offender Treatment

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$3,100	\$3,100	\$3,100	\$3,100
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$3,100	\$3,100	\$3,100	\$3,100

Recommendation

The Governor recommends \$3.1 million in FY 2006 and \$3.1 million in FY 2007 for the treatment of sex offenders under correctional jurisdiction.

Background

This budget increase will improve the effective management of sex offenders in all phases of the correctional system.

\$350,000 each year will provide grant funding to counties for reimbursement of a portion of the costs for sex offender assessments required under M.S. 609.3452, Subd. 1. These assessments gauge the offender's need for sex offender treatment.

\$1.25 million each year will provide increased treatment for sex offenders on supervised release. This funding will be used to purchase treatment from various providers and to pay for polygraph testing while the offenders are in treatment.

\$1.5 million each year will provide expanded sex offender treatment and transitional services for offenders in prison. Successful transition to the community requires comprehensive release planning. This includes securing adequate housing, health insurance, on-going medical appointments, insuring medication compliance, and employment. It is essential to have mental health discharge planners working with the offenders to identify appropriate community resources. The prison treatment program will be residential in nature and provide treatment beds for offenders who will never reach medium custody classification. This program will focus on mental illness and chemical dependency issues, which may include severe personality disorders and will include a strong component addressing initial denial. Of this \$1.5 million, \$500,000 will be utilized to contract with private vendors to provide supportive transitional services.

Relationship to Base Budget

This funding will provide a major budget increase for sex offender treatment. The increase would more than double the current budget for sex offender treatment.

Key Measures

This funding will increase offender participation and length of time in sex offender treatment. This will include offenders in prison and under community supervision.

Alternatives Considered

None. This is a new initiative to significantly enhance the supervision and treatment of sex offenders in the community.

CORRECTIONS DEPTProgram: **CORRECTIONAL INSTITUTIONS**Change Item: **Health Services**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$4,420	\$4,420	\$4,420	\$4,420
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$4,420	\$4,420	\$4,420	\$4,420

Recommendation

The Governor recommends \$4.42 million in FY 2006 and \$4.42 million in FY 2007 to supplement the Health Services budget for the existing inmate population.

Background

The current health services budget has a base deficit of \$3.5 million. This deficit has been created by inflation on the contract for medical services, inflation on operating supplies and equipment, and a much lower turnover rate for employees than previously recognized. Turnover rates were often near 11% until the past years when the turnover rates dropped to approximately 5%. This greatly impacts the ability to establish enough salary savings to manage this budget.

In spite of effective management of health care costs through privatization, the increasing numbers of inmates and the conditions for which they are receiving care have overwhelmed the health services budget.

- ⇒ The inmate population in Minnesota has been steadily increasing from a population of 2,244 inmates in 1985 to a current population of more than 8,300. This growth in population has significantly increased the scope and the utilization of health care services. As of 1-1-04, there were 545 inmates over the age of 50 years incarcerated in the department. The Department of Justice estimates that an elderly offender costs approximately three times the cost of an offender who is not elderly.
- ⇒ The inmate population is “sicker” than the general public. Department of Corrections statistics reflect that 90% of the inmate population is chemically dependent or has chemical abuse issues. Approximately 25% of the general inmate population is on psychotropic medications, including approximately 40% of the female offender population.
- ⇒ In 2001 there were 139 offenders committed for methamphetamine crimes. This population has increased dramatically and totaled 869 in 2004. These offenders enter the prison system with a multitude of health and behavioral concerns. In particular, methamphetamine use causes significant damage to teeth resulting in a greater need for emergent and urgent dental services. This also results in delayed dental care for other offenders. Methamphetamine use also creates a gamut of mental health issues due to its chemically addictive nature. Methamphetamine literally changes the chemical make-up of a person’s brain, which only exacerbates existing mental health issues.

Federal funds (Residential Substance Abuse Treatment (RSAT) and Violent Offender Incarceration--Truth-in-Sentencing (VOITIS)) have been used in the past to fund fourteen chemical dependency positions throughout the system. These funds are being eliminated from the federal budget. Because of the high priority of the chemical dependency treatment beds at both Minnesota Correctional Facility (MCF)-Shakopee and MCF-Faribault and after care beds at MCF-LL, funding of \$920,000 a year is recommended to maintain these positions.

The health services unit has been able to provide a constitutional level of care by prioritizing services to meet the most critical and basic needs of the inmates. Without additional resources, the health care unit is at risk of not being able to continue meeting a required constitutional level of care.

CORRECTIONS DEPT

Program: CORRECTIONAL INSTITUTIONS

Change Item: Health Services

Relationship to Base Budget

This increase is ten percent of the current base budget for health services. This request is for on-going base funding.

Key Measures

Provide a constitutional level of care to offenders by ensuring adequate staffing levels and supplies and equipment are available.

CORRECTIONS DEPT**Program: CORRECTIONAL INSTITUTIONS****Change Item: Sex Offender and Methamphetamine Sentencing**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	1,500	3,300	5,000	7,500
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	1,500	3,300	5,000	7,500

Recommendation

The Governor recommends significant changes in the sentencing of sex and methamphetamine offenders as part of his plan to make Minnesotans safer.

Background

Recent events have heightened concerns about ensuring that dangerous sex offenders are kept locked up, in some cases for the rest of their lives. The Governor will set out new sentencing policies and practices for sex offenders. The proposal will include life sentences for the worst offenders and increased sentences for most other sex offenders. The Governor is also proposing changes in methamphetamine sentencing, including longer sentences for using precursor substances to manufacture this very dangerous drug. This funding initiative will provide the correctional resources to cover these sentencing changes.

Cost estimates presented in this budget for the Trial Courts, Board of Public Defense, and Department of Corrections are preliminary and subject to change based on the details of the plan.

Relationship to Base Budget

The Trial Courts and the Board of Public Defense will incur costs for additional cases and lengthier trials. The Department of Corrections will incur costs for additional prison beds.

Key Measures

Dangerous sex and methamphetamine offenders will receive longer sentences. Minnesotans will be safer when these offenders are off the street.

Statutory Change: To be available at a later date.

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Minnesota Department of Human Rights

January 25, 2005

To the 2005 Minnesota Legislature:

On behalf of Governor Pawlenty, I am pleased to submit the Department of Human Rights budget recommendation for the FY 2006-07 budget. This budget consists of \$6,980,000 from the state's General Fund and \$304,000 from other funds.

With this budget recommendation, we will be able to maintain our commitment to our mission of stopping unlawful discrimination and furthering equal opportunity for all people in Minnesota. As the graphic indicates, our primary activities fall into three major areas: Contract Compliance, Complaint Processing, and Management Services and Administration.

The Department currently provides enforcement and direct technical services to over 2,600 Minnesota businesses annually through its Contract Compliance Division. It is expected that 20% of the resources for the compliance activities will be funded by revenue generated from certificate of compliance fees.

The Complaint Processing Division of the Department investigates complaints of unlawful discrimination. Approximately 11,836 inquiries/referrals were received in CY 2004 resulting in 1,310 charges. This activity is 100% funded by the state General Fund and is projected to generate \$711,000 over the FY 2006-07 Biennium from its workshare agreement with U.S. Equal Employment Opportunities Commission (EEOC).

Management Services and Administrative activities exist to support the business divisions of the Department. This activity is 100% General Fund funded.

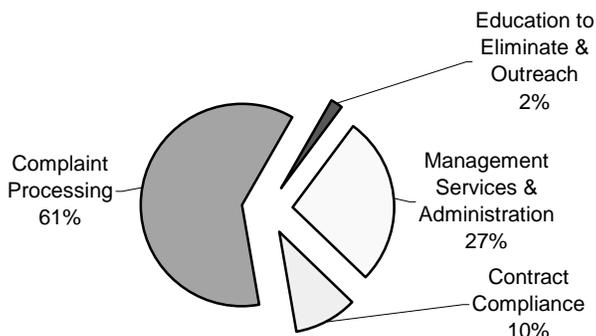
In addition to the functions in the three major areas, the Department's Education Division conducts quarterly community forums designed to educate the public about their rights and obligations under the Minnesota Human Rights Act (MHRA). 100% of the funding for this activity is generated by grants and dedicated funds.

The biggest challenge facing the Department is to continue to provide the services provided to greater Minnesota consistent with services available to the Twin Cities Metro Area. We look forward to working with the legislature in the coming months.

Sincerely,

Velma Korb
Commissioner

Department of Human Rights
\$6.98 Million in FY 2006-07 General Fund
\$0.304 Million FY 2006-07 Dedicated Funds



HUMAN RIGHTS DEPARTMENT

Agency Overview

Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	3,520	3,490	3,490	3,490	6,980
Recommended	3,520	3,490	3,490	3,490	6,980
Change		0	0	0	0
% Biennial Change from 2004-05					-0.4%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	3,464	3,407	3,490	3,490	6,980
Statutory Appropriations					
Special Revenue	59	238	139	165	304
Total	3,523	3,645	3,629	3,655	7,284
<u>Expenditures by Category</u>					
Total Compensation	2,950	2,915	3,012	3,060	6,072
Other Operating Expenses	573	730	617	595	1,212
Total	3,523	3,645	3,629	3,655	7,284
<u>Expenditures by Program</u>					
Contract Compliance	309	339	347	363	710
Complaint Processing	2,413	2,196	2,207	2,271	4,478
Management Services And Admin	762	920	984	970	1,954
Education To Eliminate & Outreach	39	190	91	51	142
Total	3,523	3,645	3,629	3,655	7,284
Full-Time Equivalents (FTE)	44.8	44.8	44.0	42.0	

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MINNESOTA DEPARTMENT OF PUBLIC SAFETY



Office of the Commissioner

445 Minnesota Street, Suite 1000, North Central Life Tower, St. Paul, Minnesota 55101-5000

Phone: 651/296-6642 FAX: 651.297.5728 TTY: 651/282-6555

Internet: <http://www.dps.state.mn.us>

January 25, 2005

To the 2005 Legislature:

I submit the 2006-2007 biennial budget for your consideration with confidence and look forward to discussing these budget proposals with you during the upcoming budget deliberation process. These are challenging times to govern in the State of Minnesota, but challenge breeds opportunity. This budget proposal provides the opportunity to build on past successes while making a strong commitment to future public safety enhancements. Although we have met the challenge of doing more with less, our budget recommendations propose important future investments in the Department's core function of protecting Minnesotans.

Regardless of where you are in Minnesota, our dedicated public servants, who are your friends, neighbors and constituents, work to keep you safe. They are committed to executing our mission of protecting citizens and communities through prevention, preparedness, response, recovery, education, and enforcement.

The Governor's budget recommendation for the Department of Public Safety for the 2006-07 biennium is \$800,077,000. This budget consists of \$165,699,000 from the state's General Fund and \$634,378,000 from all other funds, and is a 3.1 % decrease from FY 2004-05 spending. The funding for DPS is comprised of 18% in Trunk Highway Funds, 21% State General Funds, 31% Federal Funds, 27% in Special Revenue Funds, 2% Highway User Tax Distribution Funds and 1% other funds.

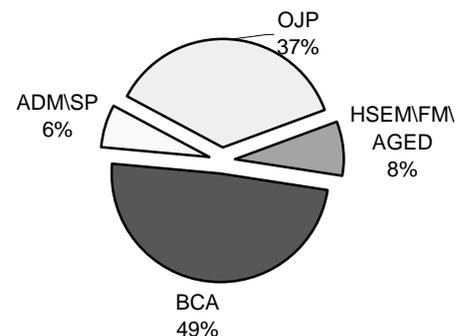
During the budget process, DPS began by assessing the importance of every program to ensure that the core services remained effective and that inefficiencies were eliminated.

The Department proposes to consolidate the 24-hour Emergency Management Centers in the divisions of Homeland Security and Emergency Management and Bureau of Criminal Apprehension (BCA). This will reduce the Department's budget by \$618,000 for the biennium. Other adjustments, reorganizations and consolidations will save DPS an additional \$4 million.

In addition to funding recommendations for the important day-to-day programs at the Department, this budget proposes funding and policy enhancements in the following key public safety areas:

- Special Agents at the BCA for enhanced monitoring of sexual predators and policy changes to close court identified loopholes with regard to homeless predators.
- Policy and personnel enhancements help to answer the pleas from our greater Minnesota officials for assistance with the methamphetamine crisis. This budget includes 10 BCA Special Agents to assist local law enforcement with investigations and arrests of Meth users and producers and the violent crimes associated with this drug.

Department of Public Safety
\$165.7 Million FY 2006-07 General Fund



- A new business-like funding mechanism for the state's largest customer service division; Drivers and Vehicle Services (DVS). This funding change directly ties fees paid to services provided. Enhanced fee revenue will allow for expanded web-based services and new technology aimed at reducing wait times and improving customer service.
- 911/ARMER program funding that allows for the implementation of short term and long term strategies for paying off past obligations, developing a more cost effective way of maintaining the 911 system and takes another important step toward the development of a statewide interoperability network for our local law enforcement partners.

I believe this budget addresses the concerns of public safety officials and citizens throughout Minnesota. It provides for the improved monitoring of dangerous sexual predators, addresses the growing methamphetamine epidemic, increases customer service at Driver Vehicle Services, sustains the 911 network, enhances the inspection of facilities for fire safety creates a statewide interoperable communication network, provides for the analysis of DNA samples of felony offenders, and promotes homeland security.

I welcome the opportunity to provide you with more detail about any of the initiatives highlighted in this letter or any division or program at the Department of Public Safety.

Sincerely,



Michael Campion
Commissioner

Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	70,084	69,592	69,592	69,592	139,184
Recommended	70,084	69,592	77,611	77,599	155,210
Change		0	8,019	8,007	16,026
% Biennial Change from 2004-05					11.1%
State Government Spec Revenue					
Current Appropriation	26,494	29,647	29,647	29,647	59,294
Recommended	26,494	29,647	44,745	35,432	80,177
Change		0	15,098	5,785	20,883
% Biennial Change from 2004-05					42.8%
Special Revenue					
Current Appropriation	785	785	785	785	1,570
Recommended	785	785	590	589	1,179
Change		0	(195)	(196)	(391)
% Biennial Change from 2004-05					-24.9%
Trunk Highway					
Current Appropriation	361	361	361	361	722
Recommended	361	361	361	361	722
Change		0	0	0	0
% Biennial Change from 2004-05					0%
Environmental					
Current Appropriation	49	49	49	49	98
Recommended	49	49	49	49	98
Change		0	0	0	0
% Biennial Change from 2004-05					0%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	65,730	74,583	77,611	77,599	155,210
State Government Spec Revenue	22,855	28,994	44,745	35,432	80,177
Special Revenue	718	668	590	589	1,179
Trunk Highway	331	391	361	361	722
Environmental	49	49	49	49	98
Statutory Appropriations					
General	1,650	1,596	1,583	1,583	3,166
State Government Spec Revenue	96	96	96	96	192
Special Revenue	11,851	13,648	10,633	10,478	21,111
Federal	104,729	154,890	93,434	94,479	187,913
Gift	60	13	0	0	0
Total	208,069	274,928	229,102	220,666	449,768
<u>Expenditures by Category</u>					
Total Compensation	32,786	36,748	37,130	37,230	74,360
Other Operating Expenses	45,974	71,907	65,447	59,938	125,385
Local Assistance	129,164	166,273	125,505	122,421	247,926
Other Financial Transactions	145	0	0	0	0
Transfers	0	0	1,020	1,077	2,097
Total	208,069	274,928	229,102	220,666	449,768

Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<i>Expenditures by Program</i>					
Homeland Security Emerg. Mgmt	69,448	109,947	64,796	64,628	129,424
Criminal Apprehension	42,926	53,859	56,035	57,094	113,129
Fire Marshal	3,901	4,269	4,167	4,154	8,321
Alcohol & Gambling Enforcement	2,530	2,765	2,648	2,648	5,296
Office Of Justice Programs	66,410	75,107	56,718	56,717	113,435
911 Emergency Services/Armer	22,854	28,981	44,738	35,425	80,163
Total	208,069	274,928	229,102	220,666	449,768
<i>Full-Time Equivalent (FTE)</i>	481.8	502.3	496.6	479.3	

<i>Dollars in Thousands</i>				
	FY2005	Governor's Recomm.		Biennium
		FY2006	FY2007	2006-07
Fund: GENERAL				
FY 2005 Appropriations	69,592	69,592	69,592	139,184
Technical Adjustments				
Current Law Base Change		835	817	1,652
Transfers Between Agencies		41	41	82
Subtotal - Forecast Base	69,592	70,468	70,450	140,918
Change Items				
Budget Reduction Plan-Criminal Justice	0	(2,309)	(2,309)	(4,618)
Automated Fingerprint ID System (AFIS)	0	1,533	2,318	3,851
Changes to Predatory Offender Law	0	1,146	564	1,710
Criminal Justice Info. Sys. Audit Trail	0	374	203	577
DNA Felony Database	0	659	670	1,329
Livescan	0	66	69	135
Methamphetamine Enforcement & Awareness	0	1,040	1,000	2,040
Crime Victim Assistance Funding Increase	0	532	532	1,064
Criminal Gang Strike Force Grants	0	2,650	2,650	5,300
Transfer of Youth Intervention Program	0	1,452	1,452	2,904
Total Governor's Recommendations	69,592	77,611	77,599	155,210
Fund: STATE GOVERNMENT SPEC REVENUE				
FY 2005 Appropriations	29,647	29,647	29,647	59,294
Technical Adjustments				
Receipt Adjustments		(2,111)	(1,302)	(3,413)
Subtotal - Forecast Base	29,647	27,536	28,345	55,881
Change Items				
9-1-1 Emergency Telecommunication Serv.	0	17,209	7,087	24,296
Total Governor's Recommendations	29,647	44,745	35,432	80,177
Fund: SPECIAL REVENUE				
FY 2005 Appropriations	785	785	785	1,570
Technical Adjustments				
Receipt Adjustments		(195)	(196)	(391)
Subtotal - Forecast Base	785	590	589	1,179
Total Governor's Recommendations	785	590	589	1,179
Fund: TRUNK HIGHWAY				
FY 2005 Appropriations	361	361	361	722
Subtotal - Forecast Base	361	361	361	722
Total Governor's Recommendations	361	361	361	722
Fund: ENVIRONMENTAL				
FY 2005 Appropriations	49	49	49	98
Subtotal - Forecast Base	49	49	49	98
Total Governor's Recommendations	49	49	49	98

<i>Dollars in Thousands</i>				
	FY2005	Governor's Recomm.		Biennium
		FY2006	FY2007	2006-07
Fund: GENERAL				
Planned Statutory Spending	1,596	1,583	1,583	3,166
Total Governor's Recommendations	1,596	1,583	1,583	3,166
Fund: STATE GOVERNMENT SPEC REVENUE				
Planned Statutory Spending	96	96	96	192
Total Governor's Recommendations	96	96	96	192
Fund: SPECIAL REVENUE				
Planned Statutory Spending	13,648	10,318	10,163	20,481
Change Items				
Fee for Internet Criminal History	0	75	75	150
Fire Inspections- Lodging Facilities	0	240	240	480
Total Governor's Recommendations	13,648	10,633	10,478	21,111
Fund: FEDERAL				
Planned Statutory Spending	154,890	88,234	87,934	176,168
Change Items				
Automated Fingerprint ID System (AFIS)	0	5,200	0	5,200
Livescan	0	0	6,545	6,545
Total Governor's Recommendations	154,890	93,434	94,479	187,913
Fund: GIFT				
Planned Statutory Spending	13	0	0	0
Total Governor's Recommendations	13	0	0	0
<u>Revenue Change Items</u>				
Fund: STATE GOVERNMENT SPEC REVENUE				
Change Items				
9-1-1 Emergency Telecommunication Serv.	0	17,209	7,087	24,296
Fund: SPECIAL REVENUE				
Change Items				
Fee for Internet Criminal History	0	75	75	150
Fire Inspections- Lodging Facilities	0	240	240	480
Fund: FEDERAL				
Change Items				
Automated Fingerprint ID System (AFIS)	0	5,200	0	5,200
Livescan	0	0	6,545	6,545

PUBLIC SAFETY DEPT**Change Item: Budget Reduction Plan-Criminal Justice**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	(\$2,309)	(\$2,309)	(\$2,309)	(\$2,309)
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	(\$2,309)	(\$2,309)	(\$2,309)	(\$2,309)

Recommendation

The Governor is recommending a reduction in General Fund appropriations of \$2,309,000 each year in operating costs of the Criminal Justice activities of the Department of Public Safety (DPS).

Background

The base budget reductions of \$2,309,000 are based on lower priority activities with the DPS. The reductions were made in the following programs and activities:

Homeland Security Emergency Management

- ◆ Emergency Management Center- \$309,000 each year and 6.0 FTE's 100% of base funding
- ◆ Duties to be absorbed by BCA's communications center.

Criminal Apprehension - CriMNet

- ◆ The base budget of the CriMNet activity has a technical base adjustment increase of \$1.5M each year. This base increase is eliminated in the Governor's recommendation.
- ◆ Suspense File Reduction funding is reduced by \$500,000 each year and seven FTE's. The suspense file reduction project was originally funded in the 2001 Session Laws with an expectation that the duration of the project would be four years.

Relationship to Base Budget

This overall annual reduction of \$2,309,000 is 3.3% of the \$70.5 million directly appropriated General Fund base budget for DPS (Crime).

PUBLIC SAFETY DEPT**Program: 911 EMERGENCY SERVICES/ARMER****Change Item: 9-1-1 Emergency Telecommunication Serv.**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$0	\$0	\$0	\$0
Revenues	0	0	0	0
Other Fund				
Expenditures	17,209	7,087	7,087	7,087
Revenues	17,209	7,087	7,087	7,087
Net Fiscal Impact	\$0	\$0	\$0	\$0

Recommendation

The Governor is recommending a 25¢ increase in the statutory cap on the 9-1-1 fee from the current amount of 40¢ per month on each customer access line, including cellular and other non-wire access service. Revenue increases will go to pay off prior year obligations to telephone utility companies and to pay for the state's cost in building the statewide trunked public safety radio system.

Background

There is a total of \$8.2 million in prior year obligations to telephone utility companies of which only \$1.7 million can be paid from existing 9-1-1 funds in FY 2005. Minnesota Statute 403.11 was amended in 2002 by allowing all wireless and wire line telecommunication service providers a 90-day window (1-1-03 through 3-31-03) to submit claims for reimbursement of all certifiable costs incurred anytime prior to 1-1-03. Over \$14 million in claims were submitted during this period. The changes to M.S. 403.11 reduced the undefined certification period to two years. This reduced certification period along with other 911 Emergency Telephone Program changes will ultimately provide greater predictability and control over program expenses.

The 911 Emergency Telephone Program traditionally provided for the reimbursement of Incumbent Local Exchange (ILEC) costs for providing 911 services and the expenses associated with selectively routing those calls, maintaining the automatic location database (ALI) and certain public safety answering point (PSAP) equipment and service costs. With the deregulation of the phone industry, competitive local exchanges (CLEC) were required to provide 911 services without reimbursement for a number of years. The legislature provided for CLEC reimbursement beginning June 2001. Minnesota is one of only a handful of states providing reimbursement to CLEC's. Minnesota law also provides for reimbursement of certain 911 expenses to wireless telecommunication providers who are required to provide 911 services by federal regulation regardless of eligibility for state reimbursement. Most states do not reimburse wireless providers for 911 expenses and many wireless providers collect a regulatory fee from their customers to cover these expenses. Wireless telecommunication providers do pay a monthly 911 fee on each phone line. As a result of Minnesota's statutory mandates to pay CLEC and wireless expenses, the 911 expenses continue to increase unpredictably. Additionally, industry transitions to Voice over I.P. technology, which presently cannot be regulated by the state, is potentially eroding 911 fee revenue. ILEC have been reimbursed for expenses since the program began. Over the long term a priority must be given to providing the core 911 network and evolving it to a network that is capable of routing 911 calls from any telecommunication technology. In this changing technological environment a technologically neutral approach would indicate a discontinuation of reimbursement for the expenses of connecting all telecommunication providers to the core 911 network; allowing them to determine the most cost effective way to connect to the selective router.

Relationship to Base Budget

The base level of funding for this program in the FY 2006-07 biennium is \$27,529,000 in FY 2006 and \$28,338,000 in FY 2007. The increased level of funding will provide for a payoff of the balance of prior year obligations by the closing of FY 2006 and provide on-going funding for the state's cost in building the regional trunked public safety radio system.

Key Measures

- ◆ Reduce 911 system costs.
- ◆ Reduce and eliminate all prior year obligations resulting from the two-year certification process.
- ◆ Implementation of a server based 911 system capable of providing access to the 911 emergency telephone system for all technologies.

Alternatives Considered

Eliminate CLEC reimbursement (begun in 2001) and wireless reimbursement (service required by federal regulations), but continue the historical reimbursement of ILEC's.

Limit the amount of reimbursement a phone company is entitled to based upon the amount of 911 fee collected by the provider. (Some states limit reimbursement to 150% of collections.)

Statutory Change: M.S. 403.11, subd. 1(c)

PUBLIC SAFETY DEPT**Program: CRIMINAL APPREHENSION****Change Item: Automated Fingerprint ID System (AFIS)**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$1,533	\$2,318	\$1,562	\$1,604
Revenues	0	0	0	0
Other Fund				
Expenditures	5,200	0	0	0
Revenues	5,200	0	0	0
Net Fiscal Impact	\$1,533	\$2,318	\$1,562	\$1,604

Recommendation

The Governor is recommending \$1.533 million in FY 2006 and \$2,318,000 in FY 2007 to replace the Automated Fingerprint ID System (AFIS).

Background

The current AFIS vendor has notified all of its customers that our model of AFIS will no longer be supported after December 2006. The current system, which was upgraded in 1990, has been operating 24/7/365 for 12 years after Minnesota led the nation by originally implementing AFIS in the 1980's. The AFIS system is tied directly to the Computerized Criminal History (CCH) system at the Bureau of Criminal Apprehension (BCA) and averages 2033 fingerprint based background check requests per month. AFIS stores the state's database of 1.3 million fingerprints to positively identify criminals as they are arrested or to identify latent fingerprints left at crime scenes. It is critical for positively tying an individual to a criminal history. Approximately 6,800 new fingerprints are added to AFIS each month and it is estimated that the system will reach full capacity by October 2006 (87% full today). The replacement is required to stay in compliance with MN 299C.09. North Dakota and South Dakota also enter fingerprints into the AFIS as part of the Midwest Fingerprint Identification Network (MAFIN). They purchase their own equipment and pay maintenance fees to the BCA.

Relationship to Base Budget

The General Fund expenditures include funding for one system administrator, one database administrator position, system maintenance, software development of \$870,000 in FY 2006 and \$1,305,000 in FY 2007. General Fund expenditures also include \$334,000 in principal & interest payments in FY 2006 and \$668,000 in FY 2007. This proposal includes the purchase of \$8 million in computer hardware of which \$3 million of the purchase would be financed through third party financing (lease purchase agreement). The \$3 million would be financed over five years with ten semi-annual payments of \$334,000 each. It is anticipated that \$5 million of the computer hardware purchase will come from federal terrorism grants. This updated technology could lead to more crimes solved because the new system will allow for the capture of palm prints. The new system will decrease booking times with Livescan devices from approximately two hours to 15 minutes. In 2003, the Minnesota legislature approved participation in the National Fingerprint File (NFF). Continued participation will not be possible without the new system because the current system cannot be upgraded to comply with the terms of the NFF compact. The NFF system is the tool for processing criminal fingerprints and fingerprint based background checks.

Key Measures

- ◆ 95% of applicant fingerprints sent to the BCA electronically by the end of FY 2008
- ◆ 90% of all applicant fingerprints turned-around within 72 hours by the end of FY 2008
- ◆ 98% of all identification and criminal fingerprints turned-around within two hours by the end of FY 2008
- ◆ 55% of all identification and criminal fingerprints turned-around within 30 minutes by the end of FY 2008
- ◆ 55% of fingerprints processed lights-out by the end of FY 2008
- ◆ 65% of fingerprints processed lights-out by the end of FY 2009
- ◆ 75% of fingerprints processed lights-out by the end of FY 2010

PUBLIC SAFETY DEPT**Program: CRIMINAL APPREHENSION****Change Item: Automated Fingerprint ID System (AFIS)****Technology Funding Detail (Dollars in Thousands)**

Funding Distribution	2006-2007 Biennium		2008-2009 Biennium		2010-2011 Biennium	
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personnel	\$190	\$198	\$198	\$198	\$198	\$198
Supplies	0	0	0	0	0	0
Hardware	5,534	668	668	668	668	334
Software	870	1,305	0	0	0	0
Facilities	0	0	0	0	0	0
Services	139	147	696	738	782	828
Training	0	0	0	0	0	0
Grants	0	0	0	0	0	0
TOTAL	\$6,733	\$2,318	\$1,562	\$1,604	\$1,648	\$1,360

Office of Technology Analysis

The Office of Technology recommends this work proceed in collaboration with the Drive to Excellence's work leveraging planning and technology when possible. This work must be carefully coordinated to address enterprise needs where applicable and the approach should be integrated within the larger technology delivery framework.

PUBLIC SAFETY DEPT**Program: CRIMINAL APPREHENSION****Change Item: Changes to Predatory Offender Law**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$1,146	\$564	\$636	\$564
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$1,146	\$564	\$636	\$564

Recommendation

The Governor is recommending \$1.146 million in FY 2006 and \$564,000 in FY 2007 to upgrade the Predatory Offender (POR) system and to increase the monitoring and tracking of registered offenders who become non-compliant with the law.

Background

Since the passage of the Katie Poirier legislation in 2000, several issues have been identified that were either not addressed in the law or were not clear. Our proposed changes will close loopholes that have been identified by case law. Specifically, the changes will clarify the law regarding homeless offenders and require them to register. Currently, the BCA has 15,419 offenders in the POR database.

Relationship to Base Budget

The funding sought in this proposal will cover training for law enforcement and corrections officials and increased monitoring of level two and level three offenders. The increased monitoring necessitates an upgrade to the POR system, which will allow law enforcement officials to submit information and photographs electronically. The system will also receive enhanced security and firewall protection. The increased monitoring and tracking of registered offenders who become non-compliant with their registration requirements is proposed to be completed by three new Special Agents, one criminal intelligence analyst and two office and administration specialists in the St. Paul office.

The current base funding for this activity within the Criminal Investigation budget activity is \$747,000 in General Fund moneys.

Key Measures

The proposed technical changes to the registration law, additional staffing and upgrades to the POR database will allow the BCA POR Unit to team effectively with local law enforcement agencies and increase the monitoring and tracking of registered offenders and reduce non-compliance. Currently, the BCA has 15,419 offenders in the POR database. As registration periods increase far beyond probation periods, including lifetime registration for over 800 offenders, these changes become imperative to ensure effective monitoring by law enforcement officials and are critical to maintaining the integrity of the POR program.

PUBLIC SAFETY DEPT**Program: CRIMINAL APPREHENSION****Change Item: Changes to Predatory Offender Law****Technology Funding Detail** (Dollars in Thousands)

Funding Distribution	2006-2007 Biennium		2008-2009 Biennium		2010-2011 Biennium	
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personnel	\$446	\$464	\$464	\$464	\$464	\$464
Supplies	0	0	0	0	0	0
Hardware	0	0	0	0	0	0
Software	585	0	0	0	0	0
Facilities	0	0	0	0	0	0
Services	0	100	100	100	100	100
Training	115	0	72	0	0	0
Grants	0	0	0	0	0	0
TOTAL	\$1,146	\$564	\$636	\$564	\$564	\$564

Office of Technology Analysis

The Office of Technology recommends this work proceed in collaboration with the Drive to Excellence's work leveraging planning and technology when possible. This work should be carefully coordinated to address the enterprise approach.

Statutory Change: M.S. 243.166 and 243.167

PUBLIC SAFETY DEPT**Program: CRIMINAL APPREHENSION****Change Item: Criminal Justice Info. Sys. Audit Trail**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$374	\$203	\$203	\$203
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$374	\$203	\$203	\$203

Recommendation

The Governor is recommending a \$374,000 and \$203,000 increase in funding for the Criminal Justice Information Systems (CJIS) audit trail.

Background

The 2004 Legislative Session introduced a bill (HF 2800) which required data audit trail functionality to be provided within criminal justice information systems. There is currently no single point audit system in the criminal justice information area and therefore citizens must initiate several contacts to discover what information government systems contain about them. Audit trail functionality would provide the ability to accept audit query information about individuals, maintain a repository for retrieval of those queries and other related information. A central source for obtaining that information will allow for citizen convenience and reduce state staff time to provide the information. Additionally a central audit trail will provide greater accountability to the users. To provide the audit trail capability, work must be done to identify an open architecture system or perform the analysis to provide the basis for the state to develop its own criminal justice audit system and then to acquire or develop, install, train users and begin retrofitting current criminal justice applications to enable them to place audit detail information into an audit trail repository.

Relationship to Base Budget

The General Fund base budget for the CJIS is \$12.2 million per year. The Bureau of Criminal Apprehension (BCA) has committed an estimate \$1.069 million to cover the start-up costs in FY 2005.

Key Measures

- ◆ Ability to accept audit trail information by end of FY 2006
- ◆ CrimNet and two BCA criminal justice systems depositing audit data into audit trail database by end of FY 2007

Alternatives Considered

Maintaining separate audit systems by application.

Technology Funding Detail (Dollars in Thousands)

Funding Distribution	2006-2007 Biennium		2008-2009 Biennium		2010-2011 Biennium	
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personnel	\$116	\$121	\$121	\$121	\$121	\$121
Supplies	0	0	0	0	0	0
Hardware	0	0	0	0	0	0
Software	176	0	0	0	0	0
Facilities	0	0	0	0	0	0
Services	82	82	82	82	82	82
Training	0	0	0	0	0	0
Grants	0	0	0	0	0	0
TOTAL	\$374	\$203	\$203	\$203	\$203	\$203

Office of Technology Analysis

The Office of Technology recommends this work proceed in collaboration with the Drive to Excellence's work, leveraging planning and technology. This project must integrate with the statewide commitment to common information architecture and data management in the future, and will help to define strategically important implementation approaches for statewide application. This work should be explicitly coordinated to address the enterprise approach.

PUBLIC SAFETY DEPT**Program: CRIMINAL APPREHENSION****Change Item: DNA Felony Database**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$659	\$670	\$670	\$670
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$659	\$670	\$670	\$670

Recommendation

The Governor is recommending \$659,000 in FY 2006 and \$670,000 in FY 2007 to fund the analyses of biological samples from felon offenders.

Background

The all felon law is due to sunset on 6-30-05. The legislature appropriated one-time funding for the collection and storage of biological samples from all convicted felon offenders in Minnesota, but did not appropriate funding for the analyses of such samples. In the past the Bureau of Criminal Apprehension (BCA) did obtain Federal funding for outsourcing of offender samples. This has not been a reliable source of funding for this activity and has resulted in backlogs in the processing of biological samples. NIJ grants can only be used for backlogged samples, delaying analysis from six months to two years. The BCA had over 240 hits in 2004 involving homicides, home invasions, violent rapes and robberies. These cases would not have been solved without the DNA offender database hits (links).

Relationship to Base Budget

The current funding of \$150,000 in FY 2004 and 2005 is a one-time appropriation to fund biological sample kits to obtain samples from felon offenders. There is no base funding in FY 2006-07 for this activity.

This proposal would allow the BCA to hire the staff and purchase the supplies to analyze these samples. This additional staffing of four forensic scientists and two evidence specialists should reduce turnaround time on DNA database offender samples to less than 30 days. Convicted offender samples are received at a rate of 250 per week. Currently, BCA scientists are only able to process a fraction of the samples, which is creating the backlog.

Key Measures

DNA analysis of Felony offenders will result in solving crimes and identifying offenders that would not have been identified by other means. Based on a rate of 10 hits per thousand samples entered in the database this program will result in over 200 cases being solved. The turn-around time on DNA database offender samples will be reduced to less than 30 days. As a result numerous crimes will be solved and prevented.

Alternatives Considered

Federal funding (NIJ Grant) was used to outsourcing the analysis of DNA from felony offender samples collected up to 6-30-04.

Statutory Change: MS 609.119 sunsets on 6-30-05.

PUBLIC SAFETY DEPT

Program: CRIMINAL APPREHENSION

Change Item: Fee for Internet Criminal History

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$0	\$0	\$0	\$0
Revenues	0	0	0	0
Other Fund				
Expenditures	75	75	75	75
Revenues	75	75	75	75
Net Fiscal Impact	\$0	\$0	\$0	\$0

Recommendation

The Governor is recommending that the current \$5 fee to access public criminal history data over the internet be continued and that the fees collected are directed to the Special Revenue Fund to cover the costs of providing this service over the internet.

Background

Current law imposes a \$5 fee for public criminal history requests over the internet. The fee goes to General Fund to repay the amount appropriated to develop the system. The fee ends in August 2005 under current law. Since the implementation of Public Criminal History access over the Internet the BCA has experienced additional network and hardware support workloads. This additional work was never added into the original project and fiscal note. Also there is a need to periodically update the application and hardware. The Department of Public Safety (DPS) proposes to continue the fee with receipts directed to the Non-criminal Background account in the Special Revenue Fund. A survey of other states with similar shows the following fee structure:

Colorado	\$6.85.	
Florida	\$23.00	
Kansas	\$17.50	
Texas	\$3.15	
Washington	\$10.00	No fee for non-profit.
Wisconsin	\$2.00	For non-profit,
	\$5.00	for government (i.e. licensing, etc.),
	\$13.00	for public and all others.

Relationship to Base Budget

The base funding for this activity is FY 2006-07 is \$28,000 per year. This amount is insufficient to cover the costs to provide this service over the internet.

Key Measures

- ⇒ The number of Background checks projected for FY 2005 is 30,000.
- ⇒ DPS anticipates the number to increase by 20% to 36,000 in FY 2006. This is based on the fact that the system has not been promoted to the public in any coordinated manner.
- ⇒ The number of contacts (phone calls, email questions and in-person contacts from the public) that directly result from the system being implemented are 1,200 in FY 2005. At an average of 15 minutes per contact the resulting staff time used to answer these contacts is estimated at 300 hours per year for FY 2005.
- ⇒ DPS anticipates the number of contacts to increase by 10% to 1,320 given the fact that there will be more repeat users and therefore less "training type" contacts in FY 2006.

Alternatives Considered

Absorbing costs and diminishing other services.

Statutory Change: M.S. 13.87, subd. 3 (b)

PUBLIC SAFETY DEPT**Program: CRIMINAL APPREHENSION****Change Item: Livescan**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$66	\$69	\$69	\$69
Revenues	0	0	0	0
Other Fund				
Expenditures	0	6,545	3,300	0
Revenues	0	6,545	3,300	0
Net Fiscal Impact	\$66	\$69	\$69	\$69

Recommendation

The Governor is recommending \$66,000 in FY 2006 and \$69,000 in FY 2007 to fund the ongoing costs of Livescan. The replacement of 119 Livescans in FY 2007 will be made with Federal Terrorism Prevention grant money.

Background

Local law enforcement officials operate Livescans, which electronically feed fingerprints to the Bureau of Criminal Apprehension's (BCA) Automated Fingerprint ID System (AFIS) system. A fingerprint database is critical for public safety and offering the Livescans makes the submission of fingerprints easy and provides real-time identification of an individual for local law enforcement officials. The BCA still receives approximately 2,000 paper fingerprint card submissions per month, which are manually scanned into the system.

Relationship to Base Budget

The Livescans have a shelf life of approximately five years and this proposal includes funding for the replacement of 119 Livescan units at \$55,000 per unit. The purchase of 60 new units is planned for FY 2007 with Federal Terrorism Prevention grant dollars. The vendor that supplied the majority of the Livescan devices has told the BCA that they expect to no longer offer support for them beginning in December of 2007. If the Livescans fail, law enforcement agencies would resort to paper fingerprint cards and mailing them to the BCA. Use of Livescans has resulted in a significant reduction in Suspense Files (courts dispositions that cannot be matched to a corresponding arrest with fingerprints). The device also allows for criminal histories to be created in hours instead of weeks. Because North and South Dakota use our fingerprint database, we are currently negotiating increased revenue participation from those jurisdictions. This proposal includes one FTE staff position but no funding for unit maintenance. Currently, there are 167 Livescans operating in MN.

There is currently no funding in the base budget of the Criminal Justice Information Systems Activity for the replacement of Livescans. The General Fund base for this activity is \$12.2 million per year.

Key Measures

The number of Livescans deployed by the BCA will be increased as follows (Note that some of the funds requested are to replace aging existing Livescans).

Current	167
End of FY 2007	195
End of FY 2008	215

Alternatives Considered

There are no alternatives that will achieve the same or similar results.

PUBLIC SAFETY DEPTProgram: **CRIMINAL APPREHENSION**Change Item: **Livescan****Technology Funding Detail** (Dollars in Thousands)

Funding Distribution	2006-2007 Biennium		2008-2009 Biennium		2010-2011 Biennium	
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personnel	\$66	\$69	\$69	\$69	\$69	\$69
Supplies	0	0	0	0	0	0
Hardware	0	6,545	3,300	0	0	0
Software	0	0	0	0	0	0
Facilities	0	0	0	0	0	0
Services	0	0	0	0	0	0
Training	0	0	0	0	0	0
Grants	0	0	0	0	0	0
TOTAL	\$66	\$6,614	\$3,369	\$69	\$69	\$69

Office of Technology Analysis

The Office of Technology recommends this work proceed in collaboration with the Drive to Excellence's work leveraging planning and technology when possible. This work must be carefully coordinated to address our strategic commitment to an enterprise approach.

PUBLIC SAFETY DEPT**Program: CRIMINAL APPREHENSION****Change Item: Methamphetamine Enforcement & Awareness**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$1,040	\$1,000	\$1,000	\$1,000
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$1,040	\$1,000	\$1,000	\$1,000

Recommendation

The Governor is recommending \$1.04 million in FY 2006 and \$1 million in FY 2007 to fund 10 new Special Agent positions for Methamphetamine drug enforcement activities. \$40,000 of the appropriation request in the first year is for a Methamphetamine awareness program.

Background

Our Law enforcement partners indicate that methamphetamine (meth) drug manufacturing and use are the number one issue in greater Minnesota. In Minnesota, federal, state and local officials seized 301 labs in 2003 and encountered more than 500 labs and other meth related events, 75% of which were located in rural areas. The Itasca County Sheriff reported at one of our stakeholder meetings that 94% of the people he locks up are either on meth or have meth on them. The Department of Human Services (DHS) reports that many of their out-of-home placements are due to meth. The Department of Health (DOH) reports that the long-term costs to care for meth users will be substantial. The Pollution Control Agency (PCA) has concerns with the toxic waste from meth production being dumped. The Department of Agriculture (Ag) has concerns about the chemicals being stolen from farmers for meth production. The State Fire Marshal's office has seen an increase in home fires due to meth production.

This initiative will increase the number of Bureau of Criminal Apprehension (BCA) agents by 10 to help local officials with this epidemic. This initiative will increase the number of BCA agents by 10 to help local officials with this epidemic. BCA agents regularly find themselves working meth cases that have very serious violent crimes associated with them. Moreover, most of the outstate murders in the past few years have direct links to meth. Violence and meth go hand in hand. More agents are essential for a coordinated, statewide effort to be effective.

Relationship to Base Budget

The base budget for the Criminal Investigation activity is \$8.4 million in General Fund dollars.

Key Measures

The proposed increase in BCA agents will allow for a more effective and comprehensive investigative approach to the widespread meth problem. Agents positioned strategically around the state, in partnership with local law enforcement, will combat the manufacturing and distributing of meth and related violence on every front. A holistic investigative approach will be possible; meth distribution, meth use, and meth violence will be reduced.

Alternatives Considered

No federal, local or other state law enforcement agency is positioned to provide the kind of comprehensive and coordinated investigative approach needed to aggressively and effectively combat the current statewide methamphetamine epidemic.

PUBLIC SAFETY DEPT**Program: FIRE MARSHAL****Change Item: Fire Inspections- Lodging Facilities**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$0	\$0	\$0	\$0
Revenues	0	0	0	0
Other Fund				
Expenditures	240	240	240	240
Revenues	240	240	240	240
Net Fiscal Impact	\$0	\$0	\$0	\$0

Recommendation

The Governor is recommending that M.S. 299F.46 be amended to require inspection of additional lodging facilities such as resorts, dormitories, bed and breakfasts, lodging houses, youth/family camps, juvenile group homes, and migrant worker camps. The Governor also recommends that M.S. 299F.46 be amended to establish inspection fees for these facilities, and remove the fee exemption provided for hotels with fewer than 35 rooms and resorts classified as 1C.

Background

The State Fire Marshal Division has historically inspected resorts on a three-year cycle and the other listed facilities upon request, however, a recent Attorney General's opinion has indicated that resorts are not in fact required to be inspected based on M.S. 299F.46. Current budget, staffing levels and workloads do not allow inspections of these additional lodging facilities to continue.

Relationship to Base Budget

The base budget for this activity includes the following sources of funding: \$226,000 in General Fund appropriations each year for hotel and day care inspections and \$70,000 for day care inspections and \$185,000 in hotel and resort inspections from dedicated fee collections (Special Revenue Fund). General Fund dollars were reallocated from other general funded activities in the Fire Marshal's Office.

Key Measures

- ⇒ This proposal would allow for tri-annual fire inspection of 1,014 small resorts, 526 hotels with fewer than 35 rooms, and 200 additional lodging facilities – of the type listed above – which are not currently being done.
- ⇒ The total number of facilities in the list above is not known. However, it is reasonably believed that the number of these facilities is small in comparison to hotels and resorts.
- ⇒ Fire inspections of these facilities will provide for a minimum level of public fire safety.

Alternatives Considered

- ⇒ Encourage local fire authorities to contract with the division (no contract fee) for conducting these inspections.

PUBLIC SAFETY DEPT**Program: OFFICE OF JUSTICE PROGRAMS****Change Item: Crime Victim Assistance Funding Increase**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$532	\$532	\$532	\$532
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$532	\$532	\$532	\$532

Recommendation

The Governor is recommending an increase in funding of \$532,000 per year for crime victim assistance grants.

Background

Programs to serve battered women, abused children, sexual assault and general crime victims are funded through state and federal funds. In the past, the same Crime Victim programs received funding year after year. As a result of strategic planning sessions conducted in 2002, a new grant distribution formula was implemented that allocated funds to judicial districts based on elements including population, crime rate, populations of color, availability of foundation funding and geographic areas to serve crime victims. The funding amount per district was determined using the formula and then we capped the overall amount of gains and losses that any one district would receive at 25%. Judicial districts then engaged in facilitated discussions to determine how funds would be allocated within the district to serve battered women, sexual assault, and general crime and abused children. Districts (2, 3, 5, & 7) received cuts and argued that cuts were too deep and would dramatically impact services. This proposal seeks to restore funding and hold the cuts to impacted districts to 12%.

Relationship to Base Budget

The General Fund base level for this activity is \$5.184 million per year. This is the base level of funding for sexual assault, general crime, abused children, battered women, and domestic abuse grants.

Key Measures

These funds support programs in the areas of domestic violence, sexual assault, child abuse and general crime. Key measures vary based on program type, i.e., number of victims served, types of services provided.

PUBLIC SAFETY DEPT**Program: OFFICE OF JUSTICE PROGRAMS****Change Item: Criminal Gang Strike Force Grants**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$2,650	\$2,650	\$2,650	\$2,650
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$2,650	\$2,650	\$2,650	\$2,650

Recommendation

The Governor is recommending a \$2.65 million increase in funding per year for Criminal Gang Strike Force grants as authorized under M.S. 299A.64.

Background

The Criminal Gang Strike Force is a state funded initiative created in 1997 to address criminal gang activity statewide. The MN Gang Strike Force Oversight Council directs its activities. The multi-jurisdictional Narcotics Task Force is federally funded. There are 22 task forces around the state, which have been in existence since 1988. The Narcotics Enforcement Coordination Committee, which is an advisory body to the Commissioner of Public Safety, has provided operations and funding recommendations since 1988. This proposed initiative seeks to better coordinate these law enforcement activities by establishing a joint advisory board, coordinating state and federal funding streams, establishing a coordinating position to facilitate joint training, identifying best practices, and coordination of information systems.

Relationship to Base Budget

Base level of funding the Criminal Gang Strike Force is \$352,000 in General Fund appropriations. The Narcotics Task Force has a base of \$2.6 million per year in federal funds.

Key Measures

- ⇒ Improved coordination of gang and drug efforts
- ⇒ Development of statewide strategy
- ⇒ Improved communication/collaboration through shared information database and joint training.

Alternatives Considered

There are no alternatives that would achieve the same results.

PUBLIC SAFETY DEPT**Program: OFFICE OF JUSTICE PROGRAMS****Change Item: Transfer of Youth Intervention Program**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$1,452	\$1,452	\$1,452	\$1,452
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$1,452	\$1,452	\$1,452	\$1,452

Recommendation

The Governor is recommending the transfer of the Youth Intervention program from the Department of Employment & Economic Development to the Department of Public Safety and \$1.452 million in General Fund appropriations each year of the FY 2006-07 biennium.

Background

The Youth Intervention Program (YIP) provides prevention and early intervention services for at-risk youth, including leadership development, mentoring, restorative justice services, pre-court diversion services, counseling services, education programs, and gender or culturally specific services. This program fits well with others with similar missions in the Office of Justice Programs.

Relationship to Base Budget

The Youth Intervention Program is being transferred in whole to the Department of Public Safety.

Statutory Change: M.S. 268.30

Judicial Branch Agencies



**State of Minnesota
Department of Finance**

400 Centennial Building
658 Cedar Street
St. Paul, Minnesota 55155
Voice: (651) 296-5900
Fax: (651) 296-8685
TTY: 1-800-627-3529

January 25, 2005

The Minnesota Legislature
State Capitol
St. Paul, Minnesota

To the 2005 Legislature:

I respectfully submit for your consideration the Governor's FY 2006-07 budget proposal for the judicial branch agencies, including the Supreme Court, the Court of Appeals, the Trial Courts, the Legal Profession Boards, and the Board of Public Defense. The Governor respects the separation of powers and the desire of constitutional officers and officials in the judicial and legislative branches to independently present their budget requests directly to the legislature without specific recommendations from the Governor. However, since the Governor is required by law to submit a balanced budget to the legislature, it is necessary to identify funding for those offices as part of preparing a complete budget.

For the judicial branch, the Governor recommends an increase of \$20 million to recognize current caseload increases and other cost pressures in the criminal justice area. The funding recommendation has been pro-rated among the judicial branch agencies supported by the general fund. The Legal Profession Boards are fully funded by fees collected under court rules.

The Governor recommends funding for significant changes in the sentencing of sex and methamphetamine offenders. His budget includes \$22.2 million for additional trial and other court-related costs anticipated for the Trial Courts and the Board of Public Defense as a result of these sentencing changes.

The Governor recommends \$15.4 million for the Board of Public Defense relating to the funding deficiency in the agency's FY 2005 budget as a result of the determination that the public defender co-pay statute is unconstitutional. He has separately recommended funding of the current year deficiency in legislation that he has requested the legislature pass early in the current session.

Finally, the Governor recommends a \$10 increase in the criminal/traffic surcharge the state currently collects, raising it from \$60 to \$70. This increase is expected to raise \$11.4 million for the general fund in the FY 2006-07 biennium, which will help fund public safety and criminal justice initiatives in his budget.

Sincerely,

A handwritten signature in cursive script that reads "Peggy S. Ingison".

Peggy Ingison
Commissioner

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Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	7,898	7,939	7,939	7,939	15,878
Recommended	7,898	7,939	8,189	8,189	16,378
Change		0	250	250	500
% Biennial Change from 2004-05					3.4%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	7,897	7,940	8,189	8,189	16,378
Total	7,897	7,940	8,189	8,189	16,378
<u>Expenditures by Category</u>					
Total Compensation	6,802	6,903	6,903	6,903	13,806
Other Operating Expenses	1,095	1,037	1,286	1,286	2,572
Total	7,897	7,940	8,189	8,189	16,378
<u>Expenditures by Program</u>					
Court Of Appeals	7,897	7,940	8,189	8,189	16,378
Total	7,897	7,940	8,189	8,189	16,378
Full-Time Equivalent (FTE)	80.8	80.8	80.8	80.8	

<i>Dollars in Thousands</i>				
	FY2005	Governor's Recomm.		Biennium
		FY2006	FY2007	2006-07
Fund: GENERAL				
FY 2005 Appropriations	7,939	7,939	7,939	15,878
Subtotal - Forecast Base	7,939	7,939	7,939	15,878
Change Items				
Caseload Increase	0	250	250	500
Total Governor's Recommendations	7,939	8,189	8,189	16,378

COURT OF APPEALS

Change Item: Caseload Increase

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$250	\$250	\$250	\$250
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$250	\$250	\$250	\$250

Recommendation

The Governor recommends \$20 million in additional funding for the judicial branch in the FY 2006-07 biennium to recognize current caseload increases and other cost pressures in the criminal justice area. The funding recommendation amount has been pro-rated among the Supreme Court, Court of Appeals, Trial Courts, and Board of Public Defense. The Governor makes no specific recommendations on judicial branch agency change requests.

Background

The Governor respects the separation of powers and the desire of officials in the judicial and legislative branches and other constitutional officers to independently present their requests directly to the legislature without specific recommendations from the Governor. However, since the Governor is required by law to submit a balanced budget to the legislature, it is necessary to identify funding for those offices as part of preparing a complete and balanced budget.

The Governor's recommendation for the judicial branch recognizes that caseload increases and other cost pressures provide constant challenges for officials to administer justice in a fair and timely manner.

Relationship to Base Budget

Base funding for the judicial branch agencies in the FY 2006-07 biennium is \$621 million. For purposes of calculating the distribution of this funding, ongoing costs for a deficiency request by the Board of Public Defense were added to the underlying base amount. With that adjustment, the funding increase recommended is about 3.14% for judicial branch agencies.



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

CHAMBERS OF
KATHLEEN A. BLATZ
CHIEF JUSTICE

(651) 296-3380

January 18, 2005

The 2005 Minnesota Legislature:

On behalf of the hundreds of thousands of litigants, 298 judges, and approximately 2900 employees of the judicial branch of the State of Minnesota, I transmit the FY 06-07 budget request for the judicial branch.

In addition to the FY 06-07 base budget for the Supreme Court, the Court of Appeals, and the Trial Courts, I am transmitting five change requests highlighting additional needs of the judicial branch for the next biennium. Those requests are:

- \$31,853,000 in projected salary and insurance increases to Maintain Core Justice Operations by funding current staffing levels
- \$ 1,776,000 for caseload growth in mandated services of interpreters and psychological services
- \$ 470,000 for Expedited Child Support adjudication
- \$ 176,000 for Court of Appeals to restore retired judge funding
- \$ 7,000,000 for Civil Legal Services for the Poor

The Minnesota judiciary is in a period of transition on a number of legislatively authorized, mission-critical initiatives including the completion of the Minnesota Court Information System (a key component of CriMNet); transfer of Districts 6 and 10 to state funding; and aggressive efforts to meet federal and state mandates regarding protection of children in cases of abuse and neglect and the establishment and modification of child support. At the same time the judiciary is undertaking these major initiatives, enormous caseload pressures continue, including the pervasive impact of methamphetamines on nearly every case type. The judiciary recognizes that in a time of budgetary restraint there is a need for a shared solution. However, we believe the Minnesota judicial branch is different and unique as compared to many Executive Branch agencies and other state funded programs.

Constitutional Promise to Minnesota Citizens

The Minnesota Constitution dictates the manner and boundaries under which the Judiciary must operate. Article I, Section 8 provides:

“Every person is entitled to a certain remedy in the laws for all injuries or wrongs which he may receive to his person, property or character and to obtain justice freely and without purchase, completely and without denial, promptly and without delay, conformable to the laws.”

Other provisions of the Minnesota Constitution promise citizens a right to a speedy and public trial by an impartial jury. It is imperative that the judicial branch carries out its constitutional and legal mandates to protect the rights and safety of our citizens. In order to meet these requirements, we must provide court services “promptly and without delay.” To do so, courts must be staffed sufficiently to ensure prompt service because justice delayed is justice denied. The judicial branch is also required by law to ensure that courts, even those in rural areas, remain open for those residents who need to seek justice. Inadequate funding of the court’s budget will threaten the ability of the judiciary to meet these constitutional and statutory imperatives.

The budget that we have proposed provides timely adjudication of the more than 2 million cases presented to the courts for disposition each year. It protects public safety by the fair, but swift disposition of criminal cases and the enforcement of court sanctions, including collection of fines, in those cases. It protects the most vulnerable of our citizens -- children -- through guardians ad litem who advocate for their best interests and through additional child support collection efforts. By providing sufficient resources to maintain our current staffing levels and meet justice mandates, this budget protects the rights of each citizen to due process, to well reasoned decisions, and to the fair and impartial administration of justice.

No Control Over Workload

The Minnesota judiciary is an open door for justice in the state. Our workload is dictated by the will of prosecutors enforcing state and local laws, the desires of citizens and businesses for redress, and the needs of children and other vulnerable citizens for protection. The judiciary is unable to turn away those who enter the courthouse and has an impact on the lives of citizens from birth to death. Unlike other agencies, we do not run programs and have no discretionary budget to cut. All resources of the court system support the adjudication of matters brought to us by other entities.

Resources to fund current staffing levels; growth in mandated services for interpreters, psychological services, and expedited child support; and increases for civil legal services and for Court of Appeals retired judge use are needed to meet the fundamental constitutional and statutory mandates of the judicial branch. I am therefore presenting to the Legislature for its consideration a FY 06-07 budget request, which funds these core services.

Very truly yours,



Kathleen A. Blatz
Chief Justice

Court of Appeals

	FY06	FY07	Total
Adjusted Base Budget	\$ 7,939	\$ 7,939	\$ 15,878
<i>Change Requests:</i>			
Maintain Core Justice Operations	303	681	984
Retired Judge	88	88	176
Total Request	\$ 8,330	\$ 8,708	\$ 17,068

The Court of Appeals processes more than 2500 appeals annually. For most citizens, it is the court of last resort. In order to continue to expedite child protection, child custody, and civil commitment cases, the court seeks to restore retired judge funding to prioritize those cases. The FY04-05 budget cuts have resulted in a doubling of time to case consideration. This request will fund current staffing levels and restore a modest amount of retired judge assistance.

The Court of Appeals is requesting additional funding as follows:

- **Maintain Core Justice Operations** seeks to fund employee compensation costs and projected insurance cost increases to be negotiated by the Department of Employee Relations.
- **Retired Judge Funding** allows for the restoration of one panel of judges to ensure cases are heard in a sufficient time period.

COURT OF APPEALS

Agency Change Item: Maintain Core Justice Operations

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$303	\$681	\$681	\$681
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$303	\$681	\$681	\$681

Recommendation

Agency Request: Submitted for Reference Only

Background

The Supreme Court is responsible for pay plans for the approximately 2,850 court employees at all levels within the judicial branch and is responsible for administering the payroll for judges at the appellate and trial court level. Court of Appeals employees are paid within the judicial branch compensation and pay plan.

The judicial branch non-judicial pay plan consists of the same three basic components as the executive branch: across the board adjustments to the salary range, merit or step increases, and the insurance benefit program negotiated by the Department of Employee Relations for all state employees.

During the FY 2006-07 biennium the judicial branch has estimated that additional salary funding will be necessary to implement a pay plan commensurate with other negotiated state and local agreements and to provide a salary increase for judges in FY 2006 and FY 2007. Especially problematic is the expected double digit cost increase for insurance costs.

Relationship to Base Budget

This request represents a 6.2% increase to the Court of Appeals operations biennial base budget.

Key Measures

Failure to fund negotiated pay plans and mandated employee health insurance costs will result in layoffs. These will significantly impact the ability of the courts to accomplish their constitutional role of adjudicating disputes.

Alternatives Considered

Because human resources costs are greater than 85% of the judicial branch, the effective alternatives available to fund salary increases are few. A reduction in the workforce is the most likely and least desirable.

COURT OF APPEALS

Agency Change Item: Retired Judge Funding

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$88	\$88	\$88	\$88
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$88	\$88	\$88	\$88

Recommendation

Agency Request: Submitted for Reference Only

Background

In the late 90's, the legislature recognized the need for judicial resources and authorized funding for retired judges and two and one-half law clerk positions. These additional funds enabled the Minnesota Court of Appeals to create an additional panel allowing approximately 180 additional cases to be resolved annually. This further allowed the Court of Appeals to expedite primary physical custody cases, Children in the Need of Protective Services, and created more opportunities to reduce the time on appeal for most cases. Since 2003, funding has been reduced. This has prevented the formation of the additional panel. As a result the time on appeal has been increased by 60–90 days. Funds are again being requested in order to process cases on appeal more expeditiously. Expeditiously processing appeals aids in the stabilization of families and children.

Relationship to Base Budget

This request represents a 1.1% increase to the Court of Appeals base biennial budget.

Key Measures

This funding allows the formation of an additional panel of judges. As a result the time on appeal will be reduced. Ultimately this benefits the people who use the Court of Appeals and helps create the public's confidence in the judiciary.

Alternatives Considered

The Court of Appeals is committed to evaluating its procedures to ensure that appeals are handled as expeditiously as possible, with the resources available.

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Agency Overview

1

LEGAL PROFESSION BOARDS

Agency Overview

Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Expenditures by Fund</u>					
Statutory Appropriations					
Special Revenue	4,492	5,063	4,933	5,183	10,116
Total	4,492	5,063	4,933	5,183	10,116
<u>Expenditures by Category</u>					
Total Compensation	2,399	2,784	2,963	3,157	6,120
Other Operating Expenses	1,883	2,064	1,748	1,797	3,545
Local Assistance	210	215	222	229	451
Total	4,492	5,063	4,933	5,183	10,116
<u>Expenditures by Program</u>					
Continuing Legal Education Bd	4,492	5,063	4,933	5,183	10,116
Total	4,492	5,063	4,933	5,183	10,116
Full-Time Equivalentents (FTE)	36.5	36.4	36.4	36.4	

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Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	53,763	46,082	46,082	46,082	92,164
Recommended	53,763	46,082	59,403	63,251	122,654
Change		0	13,321	17,169	30,490
% Biennial Change from 2004-05					22.8%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	52,571	47,274	59,403	63,251	122,654
Gift	13	0	0	0	0
Statutory Appropriations					
General	323	638	500	500	1,000
Gift	63	58	0	0	0
Total	52,970	47,970	59,903	63,751	123,654
<u>Expenditures by Category</u>					
Total Compensation	34,031	29,836	28,769	28,817	57,586
Other Operating Expenses	5,082	5,127	18,127	21,927	40,054
Local Assistance	13,857	13,007	13,007	13,007	26,014
Total	52,970	47,970	59,903	63,751	123,654
<u>Expenditures by Program</u>					
Appellate Office	3,739	3,345	3,279	3,279	6,558
Administrative Services Office	1,838	1,924	14,976	18,776	33,752
District Public Defense	47,393	42,701	41,648	41,696	83,344
Total	52,970	47,970	59,903	63,751	123,654
Full-Time Equivalent (FTE)	456.5	452.7	452.7	452.7	

<i>Dollars in Thousands</i>				
	FY2005	Governor's Recomm.		Biennium
		FY2006	FY2007	2006-07
Fund: GENERAL				
FY 2005 Appropriations	46,082	46,082	46,082	92,164
Technical Adjustments				
Current Law Base Change		145	193	338
Subtotal - Forecast Base	46,082	46,227	46,275	92,502
Change Items				
Caseload Increase	0	1,695	1,695	3,390
Sex and Meth Offender Sentencing Changes	0	3,800	7,600	11,400
Ongoing Deficiency Costs	0	7,681	7,681	15,362
Total Governor's Recommendations	46,082	59,403	63,251	122,654
Fund: GENERAL				
Planned Statutory Spending	638	500	500	1,000
Total Governor's Recommendations	638	500	500	1,000
Fund: GIFT				
Planned Statutory Spending	58	0	0	0
Total Governor's Recommendations	58	0	0	0

PUBLIC DEFENSE BOARD

Change Item: Caseload Increase

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$1,695	\$1,695	\$1,695	\$1,695
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$1,695	\$1,695	\$1,695	\$1,695

Recommendation

The Governor recommends \$20 million in additional funding for the judicial branch in the FY 2006-07 biennium to recognize current caseload increases and other cost pressures in the criminal justice area. The funding recommendation amount has been pro-rated among the Supreme Court, Court of Appeals, Trial Courts, and Board of Public Defense. The Governor makes no specific recommendations on judicial branch agency change requests.

Background

The Governor respects the separation of powers and the desire of officials in the judicial and legislative branches and other constitutional officers to independently present their requests directly to the legislature without specific recommendations from the Governor. However, since the Governor is required by law to submit a balanced budget to the legislature, it is necessary to identify funding for those offices as part of preparing a complete and balanced budget.

The Governor's recommendation for the judicial branch recognizes that caseload increases and other cost pressures provide constant challenges for officials to administer justice in a fair and timely manner.

Relationship to Base Budget

Base funding for the judicial branch agencies in the FY 2006-07 biennium is \$621 million. For purposes of calculating the distribution of this funding, ongoing costs for a deficiency request by the Board of Public Defense were added to the underlying base amount. With that adjustment, the funding increase recommended is about 3.14% for judicial branch agencies.

PUBLIC DEFENSE BOARD

Change Item: Sex and Meth Offender Sentencing Changes

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$3,800	\$7,600	\$7,600	\$7,600
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$3,800	\$7,600	\$7,600	\$7,600

Recommendation

The Governor recommends significant changes in the sentencing of sex and methamphetamine offenders as part of his plan to make Minnesotans safer.

Background

Recent events have heightened concerns about ensuring that dangerous sex offenders are kept locked up, in some cases for the rest of their lives. The Governor will set out new sentencing policies and practices for sex offenders. The proposal will include life sentences for the worst offenders and increased sentences for most other sex offenders. The Governor is also proposing changes in methamphetamine sentencing, including longer sentences for using precursor substances to manufacture this very dangerous drug. This funding initiative will provide the public defender resources to cover these sentencing changes.

Cost estimates presented in this budget for the Trial Courts, Board of Public Defense, and Department of Corrections are preliminary and subject to change based on the details of the plan.

Relationship to Base Budget

The Trial Courts and the Board of Public Defense will incur costs for additional cases and lengthier trials. The Department of Corrections will incur costs for additional prison beds.

Key Measures

Dangerous sex and methamphetamine offenders will receive longer sentences. Minnesotans will be safer when these offenders are off the street.

Statutory Change: To be available at a later date.

PUBLIC DEFENSE BOARD**Change Item: Ongoing Deficiency Costs**

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$7,681	\$7,681	\$7,681	\$7,681
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$7,681	\$7,681	\$7,681	\$7,681

Recommendation

The Governor recommends \$7,681,000 each year for ongoing costs of the deficiency created in the agency's FY 2005 budget as a result of the Supreme Court decision holding that the public defender co-pay statute is unconstitutional. The Governor has separately recommended FY 2005 funding to the agency in a deficiency bill.

Background

Legislation enacted in 2003 instituted a public defender co-pay statute. Anticipated co-pay receipts were dedicated to the agency's budget in FY 2005, and the underlying General Fund appropriation was reduced by a like amount. The Minnesota Supreme Court later held that the co-pay statute was unconstitutional. Without these receipts available, the agency's FY 2005 budget would be cut by \$7,681,000, a 14% decrease. Legislation introduced in the 2004 addressed the funding issue, but other funding issues were not resolved and the legislation did not pass. Faced with the possible layoff of a significant number of public defender staff later in the summer, the Governor and legislative leaders from both parties directed the agency to maintain operations and promised quick action on a deficiency bill early in the 2005 session. That bill is pending as this budget is being prepared. This recommendation would maintain that funding level in FY 2006 and FY 2007.

Relationship to Base Budget

The current law funding level for the Board of Public Defense in FY 2006-07 is \$92,502,000. If the ongoing costs related to the deficiency are added, that amount is \$107,864,000.



**STATE OF MINNESOTA
BOARD OF PUBLIC DEFENSE**

Kevin L. Kajer
Chief Administrator

331 Second Avenue South
Suite 900
Minneapolis, MN 55401

(612) 349-2565
FAX: (612) 349-2568
kevin.kajer@state.mn.us

January 25, 2005

To the 2005 Minnesota Legislature:

The purpose of this correspondence is to transmit to you the 2006-2007 biennial budget request for the state of Minnesota Board of Public Defense.

The public defense system is the largest customer of the courts. Public defenders provide service in every courthouse in Minnesota, handling over 165,000 cases per year. The Appellate Office provides mandated services to individuals in appellate cases in the Minnesota Court of Appeals and Supreme Court; post conviction proceedings in the District Courts; supervised release/parole revocation; and representation in sex offender community notification hearings. The budget also includes partial funding for five non-profit public defense corporations. The corporations provide high quality, independent criminal and juvenile defense services primarily to minority indigents, who otherwise would need public defense services.

As most of you know, Governor Pawlenty and the legislative leadership have committed to passing a deficiency appropriation to restore a \$7.6 million budget reduction. When passed, this would restore the base budget to just over \$53 million. This is \$1.1 million less than the original FY 2003 appropriation, and approximately the same amount as in FY 2004.

At this level the Board will not have the resources to maintain its existing staff. During the last several years, the Board has not received the funding necessary to accommodate personnel cost increases. Insurance costs alone have increased over 70% in the last five years. These increases along with the budget reductions taken in FY 2003 have combined to create the situation where the Board cannot continue to maintain its existing staff and services to the court. In a recent Legislative Auditor's Report on the District Courts, 70% of judges stated that a major cause for delay in the criminal justice system was that there were too few public defenders. This report was conducted prior to the fiscal problems that the Board has encountered in the last two years. In addition, the Department of Finance is anticipating personnel costs to increase four percent each year of the biennium. If this occurs with no additional funding it could mean the elimination of an additional 50-75 attorney positions.

The Board is requesting funding to address the issues mentioned above, as well as issues that have arisen due to changes in prosecution patterns, changes in juvenile court proceedings, technology changes, court rulings, and legislative changes. All of these factors are out of the control of the public defense system, but they have a huge impact on the system.

PUBLIC DEFENDER VIABILITY

The Board is requesting an additional \$6,122,000 in fiscal year 2006 and \$8,412,000 in fiscal year 2007 to address the issues that most threaten the viability of the public defender system. The request would bring caseloads down to a more manageable level of 715 case units per full time equivalent, provide attorneys to handle the 29,000 excess hours part time defenders are now putting in, fund twenty attorney positions that the Board cannot fund in 2006/2007, fund the increased personnel costs of existing staff, and provide a minimal amount to the public defense corporations to keep the five thousand cases a year that they provide service to out of the public defender system.

APPELLATE OFFICE

The Board is requesting \$616,000 in fiscal year 2006 and \$365,000 in fiscal year 2007 to deal with a 60% increase in sex offender notification cases, cases arising from the Blakely decision, and an increase in appeals arising from the increase in inmates at the state correctional facilities.

TRIAL/D.N.A. TEAM

The Board is requesting \$574,000 in FY 2006 and \$572,000 in FY 2007 for a traveling trial team to deal with the increased number of trials related to methamphetamine cases, sexual assault cases, and increased use of DNA. The trial of major felonies has increasingly involved complex scientific evidence. Methamphetamine lab cases, sex offenses, and other violent crimes where blood and body fluids are at issue, are appearing more and more frequently in rural counties. County attorneys routinely bring in attorneys from the Attorney General's Criminal Division to conduct the prosecutions. The Board has no similar ability to bring in resources on these cases. The county attorneys also have access to individuals well-trained in DNA science and well-trained at testifying in court. Again the Board has no similar ability.

INFORMATION SYSTEMS

The Board is requesting \$215,000 in FY 2006 and \$260,000 in FY 2007 for development of a records management system (RMS) for Public Defenders to replace the system that has been in use since 1995. The existing RMS is not compatible with new systems developed by the rest of the criminal justice system, primarily MNCIS and the Statewide Supervision System. A new RMS will allow greater information sharing and reduce redundant data entry, allowing the public defender system to keep pace with its partners in the criminal justice system.

CHILD PROTECTION CASES (CHIPS) - CHILDRENS JUSTICE INITIATIVE (CJI)

The Board is requesting \$9,098,000 in FY 2006 and \$8,986,000 in FY 2007 to fund representation for parents in child protection cases (CHIPS) and to give the proper time and attention to child protection cases. While there is no statutory requirement to do so, the Board has represented parents in these cases. Under M.S. 260C.331, Subd. d, representation of parents is a county responsibility. Also, the state currently does not provide funding for appeals in termination of parental rights (TPR) cases. This remains a county responsibility.

Over the last five years, the Supreme Court has developed its Children's Justice Initiative (CJI). The CJI emphasizes the urgency of responding to child welfare cases much more quickly, and with much better standards of practice than in the past. It is now the practice in all 87 counties in Minnesota. The challenge for the Board is to find the attorney time to carry out the "best practices." Based on the time commitments in the CJI, there is a need for an additional 189,000 hours of attorney time to meet the CJI protocol. In addition, the CJI proposes that public defenders represent non-custodial parents. This could add another 3,000 public defender appointments to the caseload. Finally, there is need for a small team for appeals in TPR cases.

Thank you for your consideration of this budget proposal. I look forward to working with you.

Sincerely,



Kevin Kajer
Chief Administrator

Technology Funding Detail (Dollars in Thousands)

Funding Distribution	2006-2007 Biennium		2008-2009 Biennium		2010-2011 Biennium	
	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personnel	0	0	0	0	0	0
Supplies	5	0	0	0	0	0
Hardware	0	0	0	0	0	0
Software	20	10	0	0	0	0
Facilities	0	0	0	0	0	0
Services	190	200	160	160	160	160
Training	0	50	0	0	0	0
Grants	0	0	0	0	0	0
TOTAL	\$215	\$260	\$160	\$160	\$160	\$160

Recommendation

Agency Request: Submitted for Reference Only

Background

The board requests \$215,000 in FY 2006 and \$260,000 in FY 2007 for development of a records management system (RMS) for Public Defenders to replace the system that has been in use since 1995. The existing RMS is not compatible with new systems developed by the rest of the criminal justice system, primarily the Minnesota Court Information System (MNCIS) and the Statewide Supervision System. A new RMS will allow greater information sharing and reduce redundant data entry, allowing Public Defense to keep pace with its partners in the criminal justice system.

The arrival of CriMNet and one of its components, MNCIS, requires extensive changes to the agency's databases in order for them to interface with MNCIS. This interface will allow the board to capture court staff keystrokes thus eliminating the need for Public Defender staff to re-enter the same data. The existing system was built at a time when data sharing between agencies amounted to faxed pieces of paper. Data integration initiatives over the past decade have resulted in systems like MNCIS being built in a way that allows real-time sharing of data that is essential to the business of public defenders, like defendant identifying information, charge information calendaring and disposition data. This initiative will provide in FY 2006 for the hiring of a project manager, who will guide the RFP process, select a software vendor, finalize the system design, and begin software development. FY 2007 funding will allow for completion of software development and purchase/configuration of the hardware necessary to deploy the new RMS.

Because of the need to interface with MNCIS, there is a need to replace the board's data-base which is written in an obsolete 10 year old programming language. Other essential areas requiring funding include increased expenses of employee education, increased cost of data lines allowing communication via internet, contract programming assistance to maintain our programming, software licensing and the replacement of servers

Relationship to the Base Budget

The board has not had funds appropriated for regular ongoing replacement of computer equipment.

The office is seeking to fund projects that will enable the board to capture information that the state already has entered, thereby reducing the need for data entry. It is also requesting funding in order to maintain existing information systems, and replace obsolete hardware and software. These items have no base level funding.

Key Measures

- ◆ Eliminate the need for information to be entered more than once by state employees.
- ◆ The number of keystrokes needed to open a public defender file will be reduced by putting in place a new RMS utilizing shared data instead of data that is redundantly entered.

- ◆ Public defender time will be reduced as the need to access parallel systems (publicly funded) to do ad hoc searches for essential information will be reduced.
- ◆ Interface with the courts and criminal justice systems essential for largest user of court system.
- ◆ Eliminate the need for information to be entered more than once by public employees.

Alternatives Considered

The board is requesting funding to address technology changes mandated by changes in the information systems of court.

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$616	\$365	\$365	\$365
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$616	\$365	\$365	\$365

Recommendation

Agency Request: Submitted for Reference Only

Background

The board requests funding of \$616,000 in FY 2006 and \$365,000 in FY 2007 to deal with increased sex offender notification cases, cases arising from the Blakely decision, and increased appeals arising from the increase in inmates at the state correctional facilities.

The budget request is an attempt to improve the efficiency of the court system. The office continues to labor under heavy and dramatically increasing caseloads. These caseloads are brought about by factors totally outside the control of the office.

In the past year the number of appellate files opened increased by 27%, sex offender notification hearings increased by 60%, and parole revocation hearings increased by 17%. The state's prison population is increasing dramatically. (25% between FY 2001 and FY 2004) As this population increases so do appeals, post conviction cases, supervised release/parole violations, and community notification hearings. As more individuals are incarcerated for longer periods of time appeals become more frequent and more complicated.

A recent U.S. Supreme Court decision (Blakely v. Washington) has called into question upward departures from presumptive sentences imposed under the Minnesota Sentencing Guidelines. This decision means a minimum of 300 to 500 additional cases for the Appellate Office. These cases have already begun to show up with a 50% increase in cases during July and August 2004. It is also possible that Blakely will be ruled retroactive to 2000. This would mean that there are more than 4,000 cases subject to re-sentencing under Blakely.

Under a 1996 law the Appellate Office represents clients in community notification hearings for sex offenders. In the past the Office of the State Public Defender only represented those individuals recommended for Level II or III. (About 40% of offenders.) Given recent events it is believed that this percentage will increase to 50%. The Department of Human Services (DHS) is also now doing a substantial number of these hearings. Review of Level I and II offenders who violate parole, and the automatic referral of all Level III offenders for possible civil commitment will increase the number and length of these hearings. Based on caseloads to date this could mean 150-175 additional cases per year.

Relationship to Base Budget

The office does not have the funding for the increased caseloads, renewed emphasis on sex offender notification hearings, or for the new cases generated as a result of the Blakely decision. The board is requesting funding to keep up with the demand of increased sex offender notification hearings, increased number of appeals, and one time funding to handle cases resulting from the Blakely decision.

Key Measures

- ◆ 60% increase in sex offender notification hearings 2003-2004
- ◆ 27% increase in appeals 2003-2004
- ◆ 17% increase in parole revocation hearings 2003-2004
- ◆ 25% increase in DOC inmate population 2001-2004

- ◆ Hundreds and potentially thousands of cases as a result of Blakely decision.

Alternatives Considered

The public defender system does not and cannot control its client intake or workload. These important variables are controlled by external circumstances, such as; police and prosecution patterns, constitutional mandates, Supreme Court Rules and decisions, statutory changes, court policy all of which the board has no control of.

PUBLIC DEFENSE BOARD

Agency Change Item: District Public Defender Viability

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$6,122	\$8,412	\$8,412	\$8,412
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$6,122	\$8,412	\$8,412	\$8,412

Recommendation

Agency Request: Submitted for Reference Only

Background

The board requests \$6,122,000 in FY 2006 and \$8,412,000 in FY 2007 to maintain the public defender system.

It is important to note that the board does not and cannot control its caseload. The board must provide the services specified in statute. In addition, the Minnesota State Supreme Court (*Dzubiak v Mott*) has recognized that a public defender “may not reject a client, but is obligated to represent whoever is assigned to her or him...” At the same time public defenders are being held to the same ethical standards as private attorneys in regard to the handling of cases.

This request is an attempt to maintain Minnesota’s public defender system and its cost effective part time model of service delivery. The request would address the issues that most threaten the viability of the public defender system. These issues include; caseloads in excess of double the board’s adopted caseload standards, excess hours put in by part time defenders, the filling of vacant positions, personnel costs of existing staff, and the continued existence of public defense corporations.

During 2004, district public defenders will provide service in over 185,000 cases. Under Board and American Bar Association standards, this will equate to 288,000 case units with each “unit” representing the equivalent of a misdemeanor case. If the vacancy and personnel costs are not addressed, during FY 2006-07 caseloads will increase to an average of over 1,000 case units, two and one half times what the Board of Public Defense Weighted Caseload Standards and A.B.A. standards call for. The request would provide the resources to bring the average caseload down to a more manageable level of 710 case units, provide staff to address the 30,000 excess hours that part time defenders put in, and allow the board to fill the 34 vacant positions it will not be able to fill in FY 2006-07. It would also provide for personnel cost increases thus preventing the board from having to hold positions vacant, or lay off staff. Finally, the request would provide the public defense corporations with minimal funding to help ensure their survival and keep the cases they now have out of the public defense system.

During FY 2004, part time defenders provided more than 30,000 uncompensated hours. In addition, increased cases in the complicated areas of methamphetamine, and sex offenders and additional court calendars (18 new judgeships in the last four years) continue to hamper the board’s ability to provide adequate services to clients and the court in criminal cases. Oftentimes court must be stopped because of a lack of public defenders.

In both criminal and juvenile court client services deteriorate and the entire criminal justice system stops while waiting for public defenders. Part time public defenders find it difficult to continue to provide this service. Under this stress and without additional resources the public defense system is in serious jeopardy of failing, and with it the prosecution and court functions.

In recent years the board has not received funding for salary and benefit increases. Insurance costs alone have risen 72% in the last four years. It received a \$1.1 million budget reduction in FY 2003. The result has been layoffs and an inability to fund positions. With the cost increases that the Department of Finance is now projecting for FY 2006-07 additional positions would need to go unfilled or be eliminated.

The five public defense corporations provide cost-effective quality legal defense services primarily to the state's minority communities. These cases (approximately 5,000) would otherwise be public defender cases. The request would provide funding to maintain current staff and provide small technology upgrades in order to keep these cases from becoming public defender cases.

Relationship to Base Budget

The annual base budget of the board for FY 2006-07 is in flux. Governor Pawlenty and the legislative leadership have committed to passing a deficiency appropriation to restore a \$7.6 million budget reduction. When passed, this would restore the base budget to just over \$53 million. This is \$1.1 million less than the original FY 2003 appropriation, and approximately the same amount as in FY 2004.

Key Measures

- ◆ Caseloads for 2006-07 could increase to 1,000 case units, more than two and one half times board and A.B.A. standards
- ◆ 30,000 excess hours provided by part-time public defenders
- ◆ 34 vacant positions
- ◆ 75-100 potential positions left vacant or layoffs in FY 2006-07
- ◆ Criminal justice system delayed or stopped
- ◆ 70% of judges believe that there are too few public defenders

Alternatives Considered

The public defender system does not and cannot control its client intake or workload. These important variables are controlled by external circumstances, such as; police and prosecution patterns, constitutional mandates, Supreme Court Rules and decisions, statutory changes, court policy all of which the board has no control of.

PUBLIC DEFENSE BOARD

Agency Change Item: Trial/D.N.A. Team

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$574	\$572	\$572	\$572
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$574	\$572	572	\$572

Recommendation

Agency Request: Submitted for Reference Only

Background

The board requests \$574,000 in FY 2006 and \$572,000 in FY 2007 for a statewide trial unit to deal with the increased number of trials related to methamphetamine cases, sexual assault cases, and increased use of DNA.

The trial of major felonies has increasingly involved complex scientific evidence. Methamphetamine lab cases, sex offenses, and other violent crimes where blood and body fluids are at issue, are appearing more and more frequently in rural counties. Law enforcement relies on the Bureau of Criminal Apprehension (BCA) to help with these cases. County attorneys in small counties routinely bring in attorneys from the Attorney General's Office (AG) Criminal Division to conduct the prosecutions. In these instances a single part time public defender must try a case against two full time assistant attorney generals. In many instances a retired judge will also be brought in to the county. The result is that either a part time public defender must now try a major case and handle the regular court calendar, or another public defender from a neighboring county must be brought in to handle the court calendar. These cases often involve co-defendants who require separate counsel, requiring another part time defender to travel, leaving another court calendar uncovered. Justice is not well served, and the court system suffers from a situation where the defense is short staffed.

Rural public defenders are generally part-time employees, general practitioners who, like the local county attorneys, do not try enough complex scientific cases to develop expertise in DNA or controlled substance forensics. Increasingly the outcome of these cases hinges on DNA evidence. Over the last several years numerous defendants have been cleared by the use of DNA. Likewise several cases have been solved with the use of DNA evidence. Prosecutors have a distinct advantage over the defense in this area. The BCA, State Patrol and some police departments have crime labs and some analyze DNA. The county attorneys have access to individuals well-trained in this science who are also well-trained at testifying in court. Given the practical impossibility of every public defender becoming knowledgeable enough in this area, a team to assist or take over a case would provide the defense with at least some help against the extensive state and federal resources.

Relationship to the Base Budget

A small team with expertise in scientific evidence would provide representation to clients facing major sex and drug charges throughout the state. This group would enable the Board of Public Defense to respond quickly and appropriately to these serious felonies across Minnesota, freeing up the district public defenders to respond to their heavy caseloads and court calendars with less risk of interruption to the flow of judicial business. They would also be available to train other public defender staff in DNA analysis. The agency does not have this service available.

Key Measures

- ◆ Keep court calendars running
- ◆ Maximize limited resources, by cost effective sharing of resources across districts.
- ◆ Provide a consistent and better service throughout the state.
- ◆ Reduce expert analysis costs
- ◆ Staying current on DNA testing and analysis

Alternatives Considered

The public defender system does not and cannot control its client intake or workload. These important variables are controlled by external circumstances, such as; police and prosecution patterns, constitutional mandates, Supreme Court Rules and decisions, statutory changes, court policy all of which the board has no control of.

PUBLIC DEFENSE BOARD

Agency Change Item: Children's Justice Initiative - C.H.I.P.s

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$9,098	\$8,986	\$8,986	\$8,986
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$9,098	\$8,986	\$8,986	\$8,986

Recommendation

Agency Request: Submitted for Reference Only

Background

The board requests \$9,098,000 in FY 2006 and \$8,986,000 in FY 2007 to fund representation for parents in Child In Need of Protective Service (CHIPS) and to give the proper time and attention to child protection cases.

While there is no statutory requirement to do so, the board has represented parents in these cases. Under M.S. 260C.331, subd. d, representation of parents is a county responsibility. Also, the state currently does not provide funding for appeals in termination of parental rights (TPR cases). This remains a county responsibility. In calendar year 1995 public defenders were appointed to 4,055 CHIPS cases, and Termination of Parental Rights (TPR) cases. By 2004 that number had increased to just less than 8,500.

Over the last five years, the Supreme Court has developed its Children's Justice Initiative (CJI). The CJI, emphasizes the urgency of responding to child welfare cases much more quickly, and with much better standards of practice than in the past. This is a major step forward for children and for the judicial branch, and it now is the practice in all 87 counties in Minnesota. The representation of parties to CHIPS and Termination of Parental Rights cases has taken up an ever-increasing proportion of staff time and resources. The challenge for the board is to find the attorney time to carry out the "best practices", for example, doubling the number of minutes scheduled for a CHIPS hearing while moving the case forward on an accelerated court calendar.

Under the current budget conditions the board does not have the resources to continue to provide non-mandated services, let alone meet the expectations of the CJI. The CJI includes a best practices guide for CHIPS cases. This includes guidelines for attorney time and resources devoted to each stage of a CHIPS case. Using these best practices, and estimates from public defenders on the length of trials, the board developed an estimate of the staffing needs based on these guidelines and current practice. A CHIPS or TPR case includes the following stages and time commitments based on the CJI protocol; Emergency protective care hearing two hours, pre trial conference six hours, CHIPS trial (not all cases) 24 hours, permanency trial 64 hours, and review hearings (Est. 3 hearings per case) 12 hours.

Based on the time commitments outlined there would be a need for an additional 189,000 hours of attorney time to meet the CJI protocol. While most public defenders around the state provide service in a variety of cases, it is estimated that there are 66 FTE attorneys that do work in CHIPS cases. To meet the protocol would require 38 new FTE attorneys and associated support staff.

In addition, the CJI would like to see public defenders represent non-custodial parents. Currently, in most CHIPS cases public defenders do not represent non-custodial parents. Data from the Trial Court Information System (TCIS) indicates that in FY 2004 there were 5,035 dependency/neglect filings. Assuming that there would be a non-custodial parent in 75% of the cases, and an 80% public defender representation rate, there would be 3,021 additional public defender appointments. The board's Weighted Case Load Study (WCLS) calls for an attorney to handle no more than 80 CHIPS cases per year. Based on this there would be a need for an additional 38 FTE attorneys and associated support staff.

Relationship to Base Budget

The agency does not currently have funding for these services.

Key Measures

- ◆ Devote resources to important cases
- ◆ 189,000 hours of attorney time needed
- ◆ Provide quality services to children and parents throughout the state
- ◆ 3,000 potential non custodial parents

Alternatives Considered

Discontinue the service, which by statute is a county function.

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Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	38,806	36,084	36,084	36,084	72,168
Recommended	38,806	36,084	37,218	37,218	74,436
Change		0	1,134	1,134	2,268
% Biennial Change from 2004-05					-0.6%
 <u>Expenditures by Fund</u>					
Direct Appropriations					
General	35,333	39,557	37,218	37,218	74,436
Statutory Appropriations					
General	369	253	0	0	0
Special Revenue	1,230	1,222	1,225	1,223	2,448
Federal	3,699	3,664	3,510	3,451	6,961
Miscellaneous Agency	509	1	1	1	2
Gift	53	46	46	46	92
Total	41,193	44,743	42,000	41,939	83,939
 <u>Expenditures by Category</u>					
Total Compensation	17,570	19,315	20,074	20,048	40,122
Other Operating Expenses	14,746	16,441	13,464	13,429	26,893
Local Assistance	8,700	8,633	8,462	8,462	16,924
Other Financial Transactions	177	354	0	0	0
Total	41,193	44,743	42,000	41,939	83,939
 <u>Expenditures by Program</u>					
Supreme Court Operations	32,786	36,383	33,643	33,582	67,225
Civil Legal Services	8,407	8,360	8,357	8,357	16,714
Total	41,193	44,743	42,000	41,939	83,939
 Full-Time Equivalent (FTE)	 256.3	 253.8	 253.8	 253.8	

<i>Dollars in Thousands</i>				
	FY2005	Governor's Recomm.		Biennium
		FY2006	FY2007	2006-07
Fund: GENERAL				
FY 2005 Appropriations	36,084	36,084	36,084	72,168
Subtotal - Forecast Base	36,084	36,084	36,084	72,168
Change Items				
Caseload Increase	0	1,134	1,134	2,268
Total Governor's Recommendations	36,084	37,218	37,218	74,436
Fund: GENERAL				
Planned Statutory Spending	253	0	0	0
Total Governor's Recommendations	253	0	0	0
Fund: SPECIAL REVENUE				
Planned Statutory Spending	1,222	1,225	1,223	2,448
Total Governor's Recommendations	1,222	1,225	1,223	2,448
Fund: FEDERAL				
Planned Statutory Spending	3,664	3,510	3,451	6,961
Total Governor's Recommendations	3,664	3,510	3,451	6,961
Fund: MISCELLANEOUS AGENCY				
Planned Statutory Spending	1	1	1	2
Total Governor's Recommendations	1	1	1	2
Fund: GIFT				
Planned Statutory Spending	46	46	46	92
Total Governor's Recommendations	46	46	46	92
Revenue Change Items				
Fund: GENERAL				
Change Items				
Increase Criminal/Traffic Surcharge \$10	0	4,900	6,500	11,400

SUPREME COURT

Change Item: Caseload Increase

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$1,134	\$1,134	\$1,134	\$1,134
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$1,134	\$1,134	\$1,134	\$1,134

Recommendation

The Governor recommends \$20 million in additional funding for the judicial branch in the FY 2006-07 biennium to recognize current caseload increases and other cost pressures in the criminal justice area. The funding recommendation amount has been pro-rated among the Supreme Court, Court of Appeals, Trial Courts, and Board of Public Defense. The Governor makes no specific recommendations on judicial branch agency change requests.

Background

The Governor respects the separation of powers and the desire of officials in the judicial and legislative branches and other constitutional officers, to independently present their requests directly to the legislature without specific recommendations from the Governor. However, since the Governor is required by law to submit a balanced budget to the legislature, it is necessary to identify funding for those offices as part of preparing a complete and balanced budget.

The Governor's recommendation for the judicial branch recognizes that caseload increases and other cost pressures provide constant challenges for officials to administer justice in a fair and timely manner.

Relationship to Base Budget

Base funding for the judicial branch agencies in the FY 2006-07 biennium is \$621 million. For purposes of calculating the distribution of this funding, ongoing costs for a deficiency request by the Board of Public Defense were added to the underlying base amount. With that adjustment, the funding increase recommended is about 3.14% for judicial branch agencies.

SUPREME COURT

Change Item: Increase Criminal/Traffic Surcharge \$10

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	0	0	0	0
Revenues	\$4,900	\$6,500	\$6,500	\$6,500
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	(\$4,900)	(\$6,500)	(\$6,500)	(\$6,500)

Recommendation

The Governor recommends a \$10 increase in the criminal/traffic surcharge to help fund public safety and criminal justice initiatives in his budget. The surcharge increase is expected to raise \$4.9 million in FY 2006 and \$6.5 million in 2007 in non-dedicated General Fund receipts.

Background

Persons convicted of any felony, gross misdemeanor, misdemeanor, or petty offenses, including traffic offenses, but not including parking offenses, must now pay a \$60 surcharge in addition to any other fines or charges required under law. Of the current surcharge, \$50 is deposited in the General Fund as a non-dedicated receipt, \$9.75 is deposited in the special revenue fund for peace officer training, and \$.25 is deposited in the game and fish fund for peace officer training for Department of Natural Resources employees. This proposal would raise the surcharge by \$10 to \$70 and deposit the additional proceeds into the General Fund.

Persons who are convicted of criminal or traffic offenses now pay fines, surcharges, and other charges required by law, which are used to help partially reimburse state and local costs for public safety and criminal justice activities. As those costs continue to increase, the Governor believes it appropriate to increase the surcharge to help offset some of those costs.

Relationship to Base Budget

The current surcharge of \$60 raised \$36.3 million in FY 2004 and is expected to raise \$40 million in FY 2005 and thereafter. The most recent increase of \$25 took effect in FY 2004. First year revenues from increases generally raise about 75% of the annual amounts collected after the surcharge has been in effect for more than a year due to typical payment delays and monthly deposit of receipts with the state.

State costs for public safety include the judicial branch, the Departments of Public Safety, Corrections, and Human Rights, and other related agencies.

Statutory Change: M.S. 357.021, subd. 6 and 7.



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

CHAMBERS OF
KATHLEEN A. BLATZ
CHIEF JUSTICE

(651) 296-3380

January 18, 2005

The 2005 Minnesota Legislature:

On behalf of the hundreds of thousands of litigants, 298 judges, and approximately 2900 employees of the judicial branch of the State of Minnesota, I transmit the FY 06-07 budget request for the judicial branch.

In addition to the FY 06-07 base budget for the Supreme Court, the Court of Appeals, and the Trial Courts, I am transmitting five change requests highlighting additional needs of the judicial branch for the next biennium. Those requests are:

- \$31,853,000 in projected salary and insurance increases to Maintain Core Justice Operations by funding current staffing levels
- \$ 1,776,000 for caseload growth in mandated services of interpreters and psychological services
- \$ 470,000 for Expedited Child Support adjudication
- \$ 176,000 for Court of Appeals to restore retired judge funding
- \$ 7,000,000 for Civil Legal Services for the Poor

The Minnesota judiciary is in a period of transition on a number of legislatively authorized, mission-critical initiatives including the completion of the Minnesota Court Information System (a key component of CriMNet); transfer of Districts 6 and 10 to state funding; and aggressive efforts to meet federal and state mandates regarding protection of children in cases of abuse and neglect and the establishment and modification of child support. At the same time the judiciary is undertaking these major initiatives, enormous caseload pressures continue, including the pervasive impact of methamphetamines on nearly every case type. The judiciary recognizes that in a time of budgetary restraint there is a need for a shared solution. However, we believe the Minnesota judicial branch is different and unique as compared to many Executive Branch agencies and other state funded programs.

Constitutional Promise to Minnesota Citizens

The Minnesota Constitution dictates the manner and boundaries under which the Judiciary must operate. Article I, Section 8 provides:

“Every person is entitled to a certain remedy in the laws for all injuries or wrongs which he may receive to his person, property or character and to obtain justice freely and without purchase, completely and without denial, promptly and without delay, conformable to the laws.”

Other provisions of the Minnesota Constitution promise citizens a right to a speedy and public trial by an impartial jury. It is imperative that the judicial branch carries out its constitutional and legal mandates to protect the rights and safety of our citizens. In order to meet these requirements, we must provide court services “promptly and without delay.” To do so, courts must be staffed sufficiently to ensure prompt service because justice delayed is justice denied. The judicial branch is also required by law to ensure that courts, even those in rural areas, remain open for those residents who need to seek justice. Inadequate funding of the court’s budget will threaten the ability of the judiciary to meet these constitutional and statutory imperatives.

The budget that we have proposed provides timely adjudication of the more than 2 million cases presented to the courts for disposition each year. It protects public safety by the fair, but swift disposition of criminal cases and the enforcement of court sanctions, including collection of fines, in those cases. It protects the most vulnerable of our citizens -- children -- through guardians ad litem who advocate for their best interests and through additional child support collection efforts. By providing sufficient resources to maintain our current staffing levels and meet justice mandates, this budget protects the rights of each citizen to due process, to well reasoned decisions, and to the fair and impartial administration of justice.

No Control Over Workload

The Minnesota judiciary is an open door for justice in the state. Our workload is dictated by the will of prosecutors enforcing state and local laws, the desires of citizens and businesses for redress, and the needs of children and other vulnerable citizens for protection. The judiciary is unable to turn away those who enter the courthouse and has an impact on the lives of citizens from birth to death. Unlike other agencies, we do not run programs and have no discretionary budget to cut. All resources of the court system support the adjudication of matters brought to us by other entities.

Resources to fund current staffing levels; growth in mandated services for interpreters, psychological services, and expedited child support; and increases for civil legal services and for Court of Appeals retired judge use are needed to meet the fundamental constitutional and statutory mandates of the judicial branch. I am therefore presenting to the Legislature for its consideration a FY 06-07 budget request, which funds these core services.

Very truly yours,



Kathleen A. Blatz
Chief Justice

Supreme Court

	FY06	FY07	Total
Adjusted Base Budget	\$ 36,084	\$ 36,084	\$ 72,168
<i>Change Requests:</i>			
Maintain Core Justice Operations	812	1,791	2,603
Expedited Child Support	190	280	470
Civil Legal Services	3,500	3,500	7,000
Total Request	\$ 40,586	\$ 41,655	\$ 82,241

Total base funding for the Supreme Court for FY06-07 is \$72,168,000 or 4.1% less than the appropriated FY04-05 biennial budget. The Supreme Court and State Court Administrator's Office are coordinating the legislatively authorized mission-critical initiatives including implementation of MNCIS, transition to state funding of all trial courts, and the Children's Justice Initiative. This request seeks to maintain current staffing levels to assure the success of these initiatives, provide required mandated services, and support under-funded civil legal services.

The Supreme Court requests additional funding as follows:

- **Maintain Core Justice Operations** seeks to fund employee compensation and projected insurance cost increases to be negotiated by the Department of Employee Relations.
- **Expedited Child Support** seeks funding to comply with the federal requirements to process 75% of the IV-D child support cases within six months from service of process to filing of the final order. The number of hearings has increased 89% since 1998 while the state appropriation has remained the same. During the period of economic downturn, accelerated caseload growth for modification of child support orders is projected. Each state dollar is matched by 2 federal dollars. The request leverages \$940,000 in additional federal funds.
- **Civil Legal Services** seeks funding for representation for more than 20,000 vulnerable Minnesotans whose incomes are below the federal poverty guidelines to (1) protect the safety of children and help families break the cycle of abuse; (2) assist in securing child support and federal aid for low income families; (3) assist farm families to remain on their homesteads; (4) help prevent homelessness; (5) repair substandard housing; and (6) assist adults to move from welfare to work by overcoming legal obstacles.

SUPREME COURT

Agency Change Item: Maintain Core Justice Operations

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$812	\$1,791	\$1,791	\$1,791
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$812	\$1,791	\$1,791	\$1,791

Recommendation

Agency Request: Submitted for Reference Only

Background

The Supreme Court is responsible for pay plans for the approximately 2,850 court employees at all levels within the judicial branch and is responsible for administering the payroll for judges at the appellate and trial court level. The Supreme Court, State Court Administration and Law Library employees are paid within this pay plan.

The judicial branch non-judicial pay plan consists of the same three basic components as the executive branch: across the board adjustments to the salary range, merit or step increases, and the insurance benefit program negotiated by the Department of Employee Relations for all state employees.

During the FY 2006-07 biennium the judicial branch has estimated that additional salary funding will be necessary to implement a pay plan commensurate with other negotiated state and local agreements and to provide a salary increase for judges in FY 2006 and FY 2007. Especially problematic is the expected double digit cost increase for insurance costs.

Relationship to Base Budget

This request represents a 4.5% increase to the Supreme Court operations biennial base budget request exclusive of funding for Legal Services.

Key Measures

Failure to fund negotiated pay plans and mandated employee health insurance costs will result in layoffs. These will significantly impact the ability of the courts to accomplish their constitutional role of adjudicating disputes.

Alternatives Considered

Because human resources costs are greater than 85% of the judicial branch, the effective alternatives available to fund salary increases are few. A reduction in the workforce is the most likely and least desirable.

SUPREME COURT

Agency Change Item: Child Support Enforcement

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$190	\$280	\$280	\$280
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$190	\$280	\$280	\$280

Recommendation

Agency Request: Submitted for Reference Only

Background

Federal law requires all states to have an "expedited child support process" for the adjudication of Title IV-D cases establishing, modifying or enforcing child support obligations. The Federal government requires that 75% of the IV-D matters in the expedited process move from service of process to filing of the final order in six months or less. In Minnesota, Child Support Magistrates are utilized to hear cases and provide the mandatory expedited process. By using Child Support Magistrates rather than district court judges, 66% of the cost of handling these matters is borne by the federal government and 34% of the cost is state dollars. This is not a grant of a specific amount of federal money; it is a reimbursement process. The state must pay 34% of the cost, to get the federal government to pay the other 66%. If no state money is spent, no federal dollars are received.

The current annual state appropriation of \$1.17 million has remained unchanged since FY 1998 (eight fiscal years through FY 2005). Since 1998 (through 2003), the number of hearings has increased 89%. Initially, cost shifts occurred when the process moved from the executive branch to the judicial branch, which allowed the program to live within the original appropriation despite tremendous workload growth. In FY 2003 actual spending exceeded the appropriation by \$61,000 state dollars (\$179,412 total dollars), which was covered by the general judicial branch budget. Due to the budget restrictions of FY 2004, the expedited process was limited to the original appropriation (it was recognized that any reduction in the state appropriation results in a loss of federal money). In FY04, in recognition of budget restrictions and the need to work within the existing appropriation, every aspect of the program was explored and further efficiency measures were implemented, including significant reductions in travel time and in the number of calendars. The forced reductions have caused hearing calendars in some locations to become unreasonably large, and sometimes pushed the first available hearing date beyond the target of 60 days from date of service.

Greater than 98% of the appropriation is expended to pay the people who hear and decide the cases, those who process the paperwork and the minimal number of people who support the program statewide. There is no overhead that can be reallocated to meet this need. The program makes extensive use of magistrates on a contract basis. This creates a flexible and efficient workforce for this program.

For every additional state dollar that is expended on this program we receive two federal dollars to help pay the cost. If the federal timelines are not met, the state could face the loss of other federal funding for TANF/MFIP and Medical Assistance/MN Care. If these cases are forced onto the calendars of district court judges, due to a lack of hearing time in the expedited process, 100% of the cost is state dollars, rather than just 34%.

Relationship to Base Budget

This request represents an increase of 20% over the Expedited Child Support biennial base budget. This increase will be matched on a 1/3 state; 2/3 federal basis. Therefore, it will bring in additional federal funds of \$940,000 for the biennium.

Key Measures

The number of hearings has increased from 12,419 in calendar year 1998 to 23,485 in calendar year 2003, an increase of 89%. The appropriation has not changed in eight fiscal years. The federal government requires that 75% of the cases go from service of process to final order in six months or less and that 90% of cases go from service of process to final order in 12 months. The program is currently meeting these requirements, although compliance will be difficult, if not impossible, unless new resources are provided to address the increase in the caseload.

Alternatives Considered

Several efficiencies have already been put into practice. Costs related to travel time by magistrates have been reduced through the use of interactive video (ITV), by reducing the number of half-day calendars, and by continuing cases on small calendars that require significant travel time. Districts are making every effort to schedule the magistrate who lives or works closest to a hearing location. The number of hearing dates has been reduced in all districts. We have encouraged county agencies to look for cases that may be able to proceed without a hearing. We are working with court administrators to improve the number of hearings actually held to make the best use of the court calendar. No additional reductions are possible without risking violation of federal timing requirements.

The Child Support Magistrates have no support staff and prepare their own orders. The magistrates are very efficient at moving cases, despite the fact that the vast majority of the parties appear without an attorney and a large amount of information must be gathered from the parties and the county. Child support helps the custodial parent meet the needs of the child or children. The longer it takes to get into court and establish a child support order, the longer it takes to get the money to the household with the children. This impacts the ability of the custodial parent to provide food, clothing and shelter for children.

SUPREME COURT

Agency Change Item: Civil Legal Services

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$3,500	\$3,500	\$3,500	\$3,500
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$3,500	\$3,500	\$3,500	\$3,500

Recommendation

Agency Request: Submitted for Reference Only

Background

To address the well documented and serious unmet need for civil legal services described in the base budget narrative, a bipartisan, statewide Supreme Court Committee on Funding for Legal Services and the Minnesota State Bar Association have recommended that the legislature and lawyers make a joint commitment to substantially increase funding for civil legal services. Because of the even greater need for civil legal services due to difficult economic times, and the decline in leveraged federal, state, and local public and private funds for civil legal services, increased base funding for civil legal services of \$7 million during this biennium is requested.

More than 20,000 of Minnesota's most vulnerable and least powerful citizens – the poor, elderly, disabled, and children – who have critical legal needs and are eligible for legal aid are denied access to Minnesota's justice system each year due to lack of legal aid resources. If legal aid services are not provided, the state could lose as much as \$10 million each year in child support orders, new federal disability benefits and other savings. Also, more persons will attempt to represent themselves, further clogging the court system and causing the inefficient use of judicial resources. Without the recommended increase, over 11,000 additional families facing crisis situations will go without needed legal assistance; at least three rural legal aid offices will close.

State support for civil legal services started with direct funding through dedicated fees on civil court filings. Later funding increases were tied to increases in real estate document filing fees. While the funding mechanism has changed to a General Fund appropriation, the fee increases have remained in effect. As a result civil legal aid funding is almost, perhaps entirely, supported by revenues created for this purpose. Until the 2001 session, civil legal services had not had an increase in the funding base since 1997. In 2002 and 2003, its base was reduced by over 8%, or \$530,000 per year.

Starting civil legal aid salaries in 2004 average just \$32,000, which is only 72% of starting public defender salaries. This disparity grows worse with seniority, so that, according to former MSBA President, Kent Gernander, "Legal aid lawyers are typically paid as little as 60% of the salaries paid to other public sector lawyers." Like other parts of the justice system, civil legal aid providers have had to absorb increased costs in health insurance (over 80% in the last six years) and other operations.

Legal aid lawyers do not accumulate pensions. Furthermore, new attorney student loan debt loads reach or exceed \$100,000. While volunteer attorneys provide free services well in excess of \$5 million per year, the Supreme Court Committee also recognized the need to strengthen volunteer programs by providing additional funds for recruitment, training and administration.

With this additional funding, civil legal aid lawyers will provide legal advice, negotiation, conciliation, and representation to persons unable to afford private counsel in court and administrative law hearings, and will engage in preventive law and community education activities. This work focuses on the critical civil legal problems confronting low-income Minnesotans. Specifically, legal aid will address family instability, abuse, deprivation, and school instability, which are risk factors in producing violent crime. This work will thus help to save the state prison and correction costs. As noted by the Minnesota Supreme Court Committee, these legal services **"stabilize families, maintain communities and make society safer; save taxpayer money; help to**

prevent legal problems which would further clog the court system; and help people to become self-sufficient and participate effectively in society.”

The broader community will also be impacted in a beneficial way with these additional resources. Legal aid will use the legal process to:

- ◆ protect the safety of children and help families break the cycle of abuse, which domestic violence generates;
- ◆ assist low income farm families to remain on their homestead, or make the adjustment away from farming;
- ◆ help prevent homelessness and the social and government costs which attend homelessness (for example, Legal Aid's homelessness prevention work saves the state almost \$4 million in tax-supported shelter costs annually);
- ◆ repair substandard housing;
- ◆ assist adults to move from welfare to work by overcoming legal obstacles.

The proposed appropriation increase is accompanied by a proposed increase in real estate document filing fees. The revenue would fully offset the appropriation cost.

Relationship to Base Budget

Because of national census adjustments, Minnesota's civil legal aid programs have dropped over 17% in federal Legal Services Corporation funding (over \$700,000 annually) since 2002. Interest On Lawyer Trust Account (IOLTA) support for Legal Aid is down over 60% or \$1.1 million because of low interest rates. Because of the poor economy, other federal, state, local and private foundation funding for civil legal aid services has also declined. Total annualized losses from all sources over the last three years exceed \$3.6 million, or more than \$7.2 million for the biennium.

This request represents approximately a 54% increase over the biennium base budget.

Key Measures

At an average cost of \$600 per case, 6,700 Minnesota families would receive assistance with critical legal needs from the use of a \$7 million appropriation for direct services. The quantifiable measures will include:

- ◆ 4,800 single parent families and their children will be protected from domestic abuse;
- ◆ 400 families will be prevented from becoming homeless;
- ◆ 400 disabled persons, including veterans, will obtain stable income and access to medical care;
- ◆ 1,000 potential workers will overcome barriers and move from welfare to productive employment;
- ◆ 900 families will obtain needed access to healthcare;
- ◆ 700 children will remain in school;
- ◆ 900 vulnerable senior citizens will be protected from victimization; and
- ◆ 500 farm families will remain on their homestead or make the adjustment away from farming.

Alternatives Considered

The Legal Services programs aggressively seek funding from corporations and foundations, as well as private individuals. State funding for Legal aid is leveraged by over \$10 million in local, private, foundation, United Way, law firm and corporate funding.

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Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	175,287	196,633	196,633	196,633	393,266
Recommended	175,287	196,633	230,712	234,342	465,054
Change		0	34,079	37,709	71,788
% Biennial Change from 2004-05					25%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	165,502	206,439	230,712	234,342	465,054
Statutory Appropriations					
General	459	419	428	442	870
Federal	463	463	205	205	410
Miscellaneous Agency	717	1,452	17	18	35
Total	167,141	208,773	231,362	235,007	466,369
<u>Expenditures by Category</u>					
Total Compensation	139,790	164,870	184,941	184,978	369,919
Other Operating Expenses	26,430	42,444	46,421	50,029	96,450
Local Assistance	221	24	0	0	0
Other Financial Transactions	700	1,435	0	0	0
Total	167,141	208,773	231,362	235,007	466,369
<u>Expenditures by Program</u>					
Trial Courts	167,141	208,773	231,362	235,007	466,369
Total	167,141	208,773	231,362	235,007	466,369
Full-Time Equivalent (FTE)	2,028.4	2,330.6	2,661.9	2,661.9	

TRIAL COURTS

Change Summary

<i>Dollars in Thousands</i>				
	FY2005	Governor's Recomm.		Biennium
		FY2006	FY2007	2006-07
Fund: GENERAL				
FY 2005 Appropriations	196,633	196,633	196,633	393,266
Technical Adjustments				
Current Law Base Change		23,558	23,588	47,146
Subtotal - Forecast Base	196,633	220,191	220,221	440,412
Change Items				
Caseload Increase	0	6,921	6,921	13,842
Sex and Meth Offender Sentencing Changes	0	3,600	7,200	10,800
Total Governor's Recommendations	196,633	230,712	234,342	465,054
Fund: GENERAL				
Planned Statutory Spending	419	428	442	870
Total Governor's Recommendations	419	428	442	870
Fund: FEDERAL				
Planned Statutory Spending	463	205	205	410
Total Governor's Recommendations	463	205	205	410
Fund: MISCELLANEOUS AGENCY				
Planned Statutory Spending	1,452	17	18	35
Total Governor's Recommendations	1,452	17	18	35

TRIAL COURTS

Change Item: Caseload Increase

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$6,921	\$6,921	\$6,921	\$6,921
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$6,921	\$6,921	\$6,921	\$6,921

Recommendation

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TRIAL COURTS

Change Item: Sex and Meth Offender Sentencing Changes

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$3,600	\$7,200	\$7,200	\$7,200
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$3,600	\$7,200	\$7,200	\$7,200

Recommendation

The Governor recommends significant changes in the sentencing of sex and methamphetamine offenders as part of his plan to make Minnesotans safer.

Background

Recent events have heightened concerns about ensuring that dangerous sex offenders are kept locked up, in some cases for the rest of their lives. The Governor will set out new sentencing policies and practices for sex offenders. The proposal will include life sentences for the worst offenders and increased sentences for most other sex offenders. The Governor is also proposing changes in methamphetamine sentencing, including longer sentences for using precursor substances to manufacture this very dangerous drug. This funding initiative will provide the judicial resources to cover these sentencing changes.

Cost estimates presented in this budget for the Trial Courts, Board of Public Defense, and Department of Corrections are preliminary and subject to change based on the details of the plan.

Relationship to Base Budget

The Trial Courts and the Board of Public Defense will incur costs for additional cases and lengthier trials. The Department of Corrections will incur costs for additional prison beds.

Key Measures

Dangerous sex and methamphetamine offenders will receive longer sentences. Minnesotans will be safer when these offenders are off the street.

Statutory Change: To be available at a later date.



THE SUPREME COURT OF MINNESOTA
MINNESOTA JUDICIAL CENTER
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CHAMBERS OF
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CHIEF JUSTICE

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The budget that we have proposed provides timely adjudication of the more than 2 million cases presented to the courts for disposition each year. It protects public safety by the fair, but swift disposition of criminal cases and the enforcement of court sanctions, including collection of fines, in those cases. It protects the most vulnerable of our citizens -- children -- through guardians ad litem who advocate for their best interests and through additional child support collection efforts. By providing sufficient resources to maintain our current staffing levels and meet justice mandates, this budget protects the rights of each citizen to due process, to well reasoned decisions, and to the fair and impartial administration of justice.

No Control Over Workload

The Minnesota judiciary is an open door for justice in the state. Our workload is dictated by the will of prosecutors enforcing state and local laws, the desires of citizens and businesses for redress, and the needs of children and other vulnerable citizens for protection. The judiciary is unable to turn away those who enter the courthouse and has an impact on the lives of citizens from birth to death. Unlike other agencies, we do not run programs and have no discretionary budget to cut. All resources of the court system support the adjudication of matters brought to us by other entities.

Resources to fund current staffing levels; growth in mandated services for interpreters, psychological services, and expedited child support; and increases for civil legal services and for Court of Appeals retired judge use are needed to meet the fundamental constitutional and statutory mandates of the judicial branch. I am therefore presenting to the Legislature for its consideration a FY 06-07 budget request, which funds these core services.

Very truly yours,



Kathleen A. Blatz
Chief Justice

Trial Courts

	FY06	FY07	Total
Adjusted Base Budget	\$ 220,191	\$ 220,221	\$ 440,412
<i>Change Requests:</i>			
Maintain Core Justice Operations	9,723	18,543	28,266
Interpreter and Psychological Services Mandates	676	1,100	1,776
Total Request	\$ 230,590	\$ 239,864	\$ 470,454

More than 2,000,000 cases are disposed of annually by 275 trial court judges and their support staff. Caseloads have increased significantly in the last decade and the time to process each case has dropped dramatically in many critical areas.

The trial courts are implementing legislatively authorized mission-critical initiatives including MNCIS/CriMNet, the Children's Justice Initiative, and the transfer to state funding of all trial court operation costs. The transfer to state funding exchanges state aid (Homestead and Agriculture Credit Aid) dollars and revenue paid to counties for a general fund appropriation to the courts. Court administration offices in the twelve counties in the Sixth and Tenth Judicial Districts will be transferred to state funding July 2005, which will complete this 15-year initiative.

Total base funding for the Trial Courts for FY06-07 is \$440,412,000. If the change level requests were granted, the FY06-07 total base funding would be 6.8% more than the FY06-07 adjusted base budget.

The District Courts are requesting additional funding to retain current staffing levels as follows:

- **Maintain Core Justice Initiatives** to fund employee compensation costs subject to collective bargaining and projected insurance cost increases to be negotiated by the Department of Employee Relations.
- **Interpreter and Psychological Services Mandates** to meet state and federal mandates by providing services to the additional citizens that do not speak English and to fund the additional psychological evaluations required.

TRIAL COURTS

Agency Change Item: Maintain Core Justice Operations

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$9,723	\$18,543	\$18,543	\$18,543
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$9,723	\$18,543	\$18,543	\$18,543

Recommendation

Agency Request: Submitted for Reference Only

Background

The Supreme Court is responsible for pay plans for the approximately 2,850 court employees at all levels within the judicial branch and is responsible for administering the payroll for judges at the appellate and trial court levels. In addition to the eight judicial districts that are currently state funded, the state will be transitioning the remaining two districts to state funding in FY 2006. This will increase the number of employees that are state funded by approximately 350. Employees will be integrated into the state pay plan during the first year of the biennium. Salary and benefit costs will be incurred as employees are transferred from the disparate county pay and benefit programs.

The judicial branch non-judicial pay plan consists of the same three basic components as the executive branch: across the board adjustments to the salary range, merit or step increases, and the insurance benefit program negotiated by the Department of Employee Relations for all state employees.

During the FY 2006-07 biennium the judicial branch has estimated that additional salary funding will be necessary to implement a pay plan commensurate with other negotiated state and local agreements and to provide a salary increase for judges in FY 2006 and FY 2007. Especially problematic is the expected double digit cost increase for insurance costs.

Relationship to Base Budget

This request represents a 6.4% increase to the Trial Court operations biennial base budget.

Key Measures

Failure to fund negotiated pay plans and mandated employee health insurance will result in layoffs. These will significantly impact the ability of the courts to accomplish their constitutional role of adjudicating disputes.

Alternatives Considered

Because human resources costs are greater than 85% of the judicial branch, the effective alternatives available to fund salary increases are few. A reduction in the workforce is the most likely and least desirable.

TRIAL COURTS

Agency Change Item: Interpreter

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$300	\$600	\$600	\$600
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$300	\$600	\$600	\$600

Recommendation

Agency Request. Submitted for Reference Only

Background

Both federal and state law mandate that courts provide interpreter services for individuals who are "handicapped in communication" (M.S. 611.31 (2002)). This includes both deaf/hard of hearing and non-English speaking persons.

The past decade has seen a dramatic, even exponential increase in the demand for court interpreter services in Minnesota. The 1993 Minnesota Race Bias Task Force Report identified provision of adequate court interpreter services as a critical need in assuring equal access to justice for all Minnesota citizens. The dramatic increase in demand for interpreter services is reflected in the nearly tenfold increase in annual interpreter expenses in the period from 1992 (approx. \$300,000) to 2004 (approx. \$2.7 million).

The increase in interpreter need has paralleled the increase in the number of non-English speaking persons in Minnesota during this same period, most notably the influx of substantial numbers of Hmong- and Somali-speaking immigrants. Currently, the Minnesota Court Interpreter Program maintains a roster of nearly 900 interpreters in over 100 languages. The languages for which interpreters are currently in highest demand are Spanish, Hmong, Somali and American Sign Language (ASL), respectively.

The need for interpreter services (both current and projected) is not confined solely to the Twin Cities metropolitan area. Substantial communities of non-English speaking and deaf and hard of hearing persons currently exist (or are developing) throughout the state, including, for example, a substantial Somali-speaking community in Olmsted County, a Laotian-speaking community in Roseau County, an Anuak-speaking community in Nobles County, and Spanish-speaking communities throughout greater Minnesota.

The Court Interpreter Program became state-funded on 7-1-01. In order to bring greater consistency and predictability to interpreter costs, the Supreme Court implemented a statewide Interpreter Payment Policy in November 2001. The policy sets maximum and minimum rates for payment of interpreters that vary depending on the interpreter's qualification and skill level. The rates set by the policy have remained unchanged since 2001. In the several years preceding implementation of the payment policy, annual statewide interpreter expenses were generally increasing at a rate of approximately 21% per year (averaged out over the five years from 1996-2001). In the years since the payment policy was implemented, annual statewide interpreter expenses have been generally increasing at a rate of approximately 11% per year (averaged over the period from 2001-2004).

The demand for court interpreter services is expected to continue increasing with the influx of new immigrants and other non-English speaking persons into the state, including the current group of Hmong refugees relocating to Minnesota from the Wat Tham Krabok camp in Thailand. A report published by the Minnesota State Demographic Center in June 2004 anticipates continued growth in non-English speaking populations.

Virtually all of the current appropriation is expended to pay the people who actually interpret in court and a very small number of court administrative staff (4.0 FTE statewide) who coordinate and schedule interpreter services. There is no overhead that can be reallocated to meet this need. The program makes extensive use of interpreters on a freelance basis. This creates a flexible and efficient workforce for this program.

Relationship to Base Budget

Federal law, Minnesota statutes and constitutional due process requirements mandate the provision of interpreter services for non-English speaking and deaf and hard of hearing persons. Based on historical increases and demographic projections, a 16.7% increase is requested for the Interpreter biennial base budget.

Key Measures

The key measure for this change request will be the number of deaf and hard of hearing and non-English speaking persons for whom interpreter services are provided. This will be reflected primarily in the total statewide number of requests for court interpreter services.

These performance measures are directly related to two of the Minnesota Judiciary's four Strategic Focus Areas – namely, Access to Justice, and Public Trust and Confidence. As noted in the 1993 Race Bias Task Force Report, timely and adequate court interpreter services are critical to insuring access to justice for non-English speaking citizens. Such services are also critical to maintaining public trust and confidence in the state's courts.

Alternatives Considered

Data on interpreter requests and interpreter utilization are continually being monitored and analyzed in order to identify program efficiencies and cost-saving strategies. To date, the primary cost-saving strategy has been the hiring of staff interpreters in judicial districts where the demand among particular languages (most notably, Spanish, Hmong or Somali) has been sufficient to make this option feasible and cost-effective. Other strategies that are currently either being contemplated or utilized include:

- ⇒ Reassignment of interpreters whose primary assignment has either been cancelled, or completed well before the time allotted. For assignments of longer duration, this can also include reassignment across district lines.
- ⇒ Sharing of staff interpreters across district lines, where feasible.
- ⇒ Use of telephone interpreting where feasible and appropriate (i.e., for proceedings of limited scope, complexity and/or duration). This can help to reduce expenses for interpreter travel, especially in non-metro counties and districts.

In 2003 "best practice recommendations" were developed and disseminated to court staff around the state in an effort to maximize efficiency in the use of interpreter services; e.g.:

- ⇒ Schedule interpreter cases on the same day of the week when possible.
- ⇒ Schedule cases on the calendar so that minimal "waiting time" has to be paid to the interpreter.
- ⇒ Recruit interpreters (including staff interpreters, where cost effective) in languages/regions/localities where the need is significant and the supply is scarce (in order to reduce the amount of travel time paid to interpreters to travel from other parts of the state).
- ⇒ Consolidate assignments with same language interpreters in the same and/or nearby counties in order to maximize utilization and minimize billed travel time.

No additional significant reductions or efficiencies are possible without risking violation of federal (Americans with Disabilities Act for deaf and hard of hearing persons; Federal Department of Justice regulations for Limited English Proficiency persons), state or constitutional due process requirements.

TRIAL COURTS

Agency Change Item: Psychological Services

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	\$376	\$500	\$500	\$500
Revenues	0	0	0	0
Other Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact	\$376	\$500	\$500	\$500

Recommendation

Agency Request: Submitted for Reference Only

Background

M.S. 480.182 provides that the courts will pay the court related costs of examinations under Rule 20 of the Criminal Rules of Procedure and under M.S. Chapter 253B, the civil commitments, including commitments of persons who are mentally ill and dangerous, persons with sexual psychopathic personalities and sexually dangerous persons. Each court in counties throughout the state contract with licensed psychologists, licensed psychiatrists, and licensed medical doctors for these services. In some instances the services of the State Security Hospitals are used. In those instances a daily rate for the examination costs is charged for commitment examinations and a flat fee for Rule 20 examinations is charged. The Department of Human Services usually sets service rates for the next year in June.

Court costs are increasing for several reasons:

- ⇒ Increased commitment petitions under the sexual psychopath or sexually dangerous persons statute is anticipated. Since 2003 the Department of Corrections (DOC) has increased the number of sex offender referrals to county attorneys for civil commitment evaluation. In FY 2004 exclusive of the December 2003 DOC referrals, DOC referred 114 cases. The highest number of referrals in a single year in the previous decade had been 58. The average number of monthly referrals from 2001 through November 2003 was 12. The DOC estimated annual referral rate for FY 2006 and FY 2007 is 80 cases. The examination costs for completed cases generally ranges from \$5-10,000 with an average of approximately \$7,000.
- ⇒ The availability of qualified service providers is limited in parts of the state and for certain types of examinations. In the past two years some hourly rates have increased in a range from 2.5% to 25%. Additional increases are anticipated.
- ⇒ Commitment examinations were provided by a hospital in one county under its charter free of charge until the state became responsible for the trial court costs.

Relationship to Base Budget

Before the changes noted above occurred, the actual expenditures in FY 2002 for psychological examinations were \$2.483 million and in FY 2003 \$2.834 million. In FY 2004 a total of \$3.109 million was spent for mandated psychological examinations. Cost increases in the FY 2004-05 biennium were met by cutting other program areas. Those cuts are not sustainable.

This request represents approximately a 14% increase over the base biennial budget.

Key Measures

Funding for Rule 20 and commitment psychiatric examinations is required by due process considerations.

- ⇒ Increased sexual psychopath and sexually dangerous persons petitions. An estimated 50% of the 68 additional referred petitions (80 estimated referrals less 12 average annual 2001-2003 referrals) are estimated to seek commitment examinations at an average cost of \$7,000 per petition. An annual cost of \$238,000 is estimated.
- ⇒ Escalating examination rate costs (\$93,000 in FY 2006 assuming a 3% increase and \$217,000 assuming a 7% increase in FY 2007).

TRIAL COURTS

Agency Change Item: Psychological Services

⇒ Replacement of free examination services to the county at \$45,000 each year.

<u>Summary</u>	<u>FY 2006</u>	<u>FY 2007</u>
Increased Number of Sexually Dangerous Commitment Petitions	\$238,000	\$238,000
Exam Rate Increase	\$93,000	\$217,000
Replacement of Formerly Free Services	<u>\$45,000</u>	<u>\$45,000</u>
Total Estimated Increase	\$376,000	\$500,000

Alternatives Considered

The courts have developed standardized court orders to clarify the scope and focus Criminal Rule 20 psychiatric examinations with the expectation of reducing costs. In addition a list of frequently used vendors and their rates has been made available with the expectation of allowing courts to reduce costs.

Other Non Cabinet Agencies

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Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	252	252	252	252	504
Recommended	252	252	252	252	504
Change		0	0	0	0
% Biennial Change from 2004-05					0%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	262	277	252	252	504
Total	262	277	252	252	504
<u>Expenditures by Category</u>					
Total Compensation	197	207	210	217	427
Other Operating Expenses	65	70	42	35	77
Total	262	277	252	252	504
<u>Expenditures by Program</u>					
Judicial Standards Board	262	277	252	252	504
Total	262	277	252	252	504
Full-Time Equivalentents (FTE)	2.0	2.0	2.0	2.0	

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Increase Training Reimbursements	3

Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
Special Revenue					
Current Appropriation	3,943	3,943	3,943	3,943	7,886
Recommended	3,943	3,943	3,943	3,943	7,886
Change		0	0	0	0
% Biennial Change from 2004-05					0%
<u>Expenditures by Fund</u>					
Direct Appropriations					
Special Revenue	3,907	3,979	3,943	3,943	7,886
Statutory Appropriations					
Special Revenue	0	0	763	832	1,595
Total	3,907	3,979	4,706	4,775	9,481
<u>Expenditures by Category</u>					
Total Compensation	824	852	820	820	1,640
Other Operating Expenses	174	218	214	214	428
Local Assistance	2,909	2,909	3,672	3,741	7,413
Total	3,907	3,979	4,706	4,775	9,481
<u>Expenditures by Program</u>					
Peace Officers Standards&Train	3,907	3,979	4,706	4,775	9,481
Total	3,907	3,979	4,706	4,775	9,481
Full-Time Equivalent (FTE)	12.8	13.0	11.7	11.1	

PEACE OFFICERS BOARD (POST)

Change Summary

Dollars in Thousands

	FY2005	Governor's Recomm.		Biennium
		FY2006	FY2007	2006-07
<i>Fund: SPECIAL REVENUE</i>				
FY 2005 Appropriations	3,943	3,943	3,943	7,886
Subtotal - Forecast Base	3,943	3,943	3,943	7,886
Total Governor's Recommendations	3,943	3,943	3,943	7,886
<i>Fund: SPECIAL REVENUE</i>				
Planned Statutory Spending	0	0	0	0
Change Items				
Increase Training Reimbursements	0	763	832	1,595
Total Governor's Recommendations	0	763	832	1,595
<i>Revenue Change Items</i>				
<i>Fund: SPECIAL REVENUE</i>				
Change Items				
Increase Training Reimbursements	0	763	832	1,595

PEACE OFFICERS BOARD (POST)

Change Item: Increase Training Reimbursements

Fiscal Impact (\$000s)	FY 2006	FY 2007	FY 2008	FY 2009
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Special Revenue Fund				
Expenditures	\$763	\$832	\$832	\$832
Revenues	763	832	832	832
Net Fiscal Impact	0	0	0	0

Recommendation

The Governor recommends an increase of \$763,000 in FY 2006 and \$832,000 in FY 2007 for reimbursements to local units of government for continuing education training of peace officers. The recommended funding source is dedicated receipts from adding driver's license reinstatement fees when the suspension was the result of failure to pay fines or failure to appear in court.

Background

The Peace Officers Standards and Training Board (POST) receives an appropriation to partially reimburse local governments for peace officer training costs. Mandated training is essential for law enforcement to have the skills to provide necessary public safety. Training needs have become more complex and costly while the reimbursement amount has not increased. Increased funding will help defray basic training costs and should allow for more specialized training based on the needs of the community.

Current law requires that a fee of \$20 be paid for the reinstatement of a driver's license in a number of non-DWI related instances under M.S. 171.20, subd. 4. This proposal would add suspension for failure to appear (29,457 suspensions in FY 2004) and suspension for unpaid fines (12,112 in FY 2004) to the list of instances for which the \$20 fee must be paid and would dedicate the receipts to POST for training reimbursement. Offenders who fail to appear or to pay fines create additional public safety costs. It is appropriate to charge those offenders for those costs and use the proceeds to pay for law enforcement training.

Relationship to Base Budget

Current funding for training reimbursements is \$5,818,000 per biennium. This recommendation would increase the reimbursements to \$7,413,000 in the FY 2006-07 biennium, a 27% increase.

Key Measures

FY 2004 reimbursements paid \$358 for per-officer share. This recommendation would increase the per-officer share to approximately \$455. Local government units would have more flexibility in planning and budgeting for peace officer training.

Statutory Change: M.S. 171.20 subd. 4; M.S. 171.26.

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Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	126	126	126	126	252
Recommended	126	126	126	126	252
Change		0	0	0	0
% Biennial Change from 2004-05					0%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	116	154	126	126	252
Total	116	154	126	126	252
<u>Expenditures by Category</u>					
Total Compensation	96	105	105	105	210
Other Operating Expenses	20	49	21	21	42
Total	116	154	126	126	252
<u>Expenditures by Program</u>					
Priv Detect/Protect Agents Bd	116	154	126	126	252
Total	116	154	126	126	252
Full-Time Equivalentents (FTE)	1.5	1.7	1.8	1.7	

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Agency Overview

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Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	436	436	436	436	872
Recommended	436	436	436	436	872
Change		0	0	0	0
% Biennial Change from 2004-05					0%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	466	527	436	436	872
Statutory Appropriations					
Gift	4	3	0	0	0
Total	470	530	436	436	872
<u>Expenditures by Category</u>					
Total Compensation	382	398	388	388	776
Other Operating Expenses	88	132	48	48	96
Total	470	530	436	436	872
<u>Expenditures by Program</u>					
Mn Sentencing Guideline Com	470	530	436	436	872
Total	470	530	436	436	872
Full-Time Equivalents (FTE)	6.6	5.8	5.8	5.8	

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Agency Overview

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Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	726	726	726	726	1,452
Recommended	726	726	726	726	1,452
Change		0	0	0	0
% Biennial Change from 2004-05					0%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	702	739	726	726	1,452
Total	702	739	726	726	1,452
<u>Expenditures by Category</u>					
Total Compensation	572	582	581	581	1,162
Other Operating Expenses	130	157	145	145	290
Total	702	739	726	726	1,452
<u>Expenditures by Program</u>					
Tax Court	702	739	726	726	1,452
Total	702	739	726	726	1,452
Full-Time Equivalentents (FTE)	6.0	6.0	6.0	6.0	

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Agency Overview

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UNIFORM LAWS COMMISSION

Agency Overview

Dollars in Thousands

	Current		Governor Recomm.		Biennium
	FY2004	FY2005	FY2006	FY2007	2006-07
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	38	39	39	39	78
Recommended	38	39	39	39	78
Change		0	0	0	0
% Biennial Change from 2004-05					1.3%
<u>Expenditures by Fund</u>					
Direct Appropriations					
General	40	39	39	39	78
Total	40	39	39	39	78
<u>Expenditures by Category</u>					
Other Operating Expenses	40	39	39	39	78
Total	40	39	39	39	78
<u>Expenditures by Program</u>					
Uniform Laws Cmsn	40	39	39	39	78
Total	40	39	39	39	78