



NEWS RELEASE

Administrative Office of the U.S. Courts

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Conference Adopts Cost-Containment Plan in Wake of Limited Congressional Funding: Continues Push for Court Funds

The Judicial Conference of the United States today agreed to implement a number of sweeping cost-containment measures, including a two-year moratorium on 42 federal courthouse construction projects.

Judiciary leaders also continue to work vigorously to secure necessary funding from Congress to maintain vital court programs, operations, and staff.

Funding shortfalls in recent years, which are expected to continue in fiscal year 2005 and beyond, as well as built-in growth in rent, pay, drug-testing and treatment, offenders, and caseload, prompted the Conference's action today. It is part of a two-pronged strategy. First, in an effort to avoid further staff cutbacks, judges throughout the country have been educating their local congressional delegations about the anticipated impact of lower than needed funding levels. The second step is the list of long- and short-term measures designed to limit the rate at which costs are growing.

The Judiciary's total costs are driven primarily by the number of cases filed in courts, the number of judges and staff needed to adjudicate those cases, and the courtrooms and office space needed to house them. These personnel and space costs represent 84 percent of the Salaries and Expenses account that funds court operations.

For court facilities, the Judiciary currently pays the General Services Administration about \$900 million in rent, which represents 22 percent of the Judiciary's budget. It is anticipated that if current growth continues, rent will increase about 6-8 percent a year. To help reduce the rate of growth in rental expenses in future years, the Judicial Conference approved today a courthouse construction moratorium for 24 months on the planning, authorizing, and budgeting for new courthouse construction projects. Forty-two courthouse projects that are currently on the Judicial Conference's five-year courthouse project plan will be delayed while the Judiciary re-evaluates how courts can satisfy their space needs with minimal costs in the current constrained budgetary environment. Design of the remaining 11 projects on the five-year plan will continue. It is uncertain when construction funding will be sought for these projects. Securing full funding for the four additional projects designated as judicial space emergencies (Los Angeles, CA; El Paso, TX; San Diego, CA; and Las Cruces, NM) will continue to remain an urgent priority for the Judicial Conference.

In the area of Judiciary staffing needs, the primary influence is workload. Between 2004 and 2009, criminal filings are projected to rise by 8 percent, the number of persons under supervision is projected to rise 12 percent, and the number of Criminal Justice Act representations is projected to

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increase by 34 percent. In order to control the future growth in staff, the Conference approved steps to re-engineer work processes, reorganize functions to increase efficiency, and employ updated staffing formulae. The expansion of the new electronic case file systems in the courts is expected to allow for greater efficiency in case administration practices.

The Executive Committee has spent the past six months soliciting cost-containment ideas from throughout the Judiciary. It reviewed spending patterns, and Committee chair, Chief Judge Carolyn Dineen King, wrote to ten different Judicial Conference committees urging them to examine specific policy, fiscal, operational, and procedural issues that affect the Judiciary's budget. This broad and intensive review yielded distinct and interrelated potential avenues for cost-containment. In addition to space and facilities and workforce efficiency, the areas are:

- ▶ Compensation Review: The Conference agreed to explore fair and reasonable opportunities to limit future compensation costs.
- ▶ Effective Use of Technology: The Conference agreed to target its technology investments to enhance productivity and service, while controlling operating costs by revamping the service-delivery model for national information technology systems.
- ▶ Program Modifications in Defender Services, Court Security, and Law Enforcement: The Conference will study and implement cost-effective modifications to these programs.
- ▶ Fees: The Conference agreed to examine court fees regularly and when necessary adjust them to reflect economic changes.

The various cost-containment measures approved by the Conference today are intended to serve as a roadmap. Short- and long-term strategies to save money will continue to be discussed and studied.

In July, the House approved a \$4.2 billion funding level for the Judiciary's Salaries and Expenses account, a 5.6 percent increase over FY 2004, which is \$143 million below the Judiciary's full request, but approximates the amount necessary to maintain current operating levels. Last week the Senate Appropriations Committee reported out its version of the Judiciary's appropriations bill, funding the Judiciary's Salaries and Expenses account at \$4.13 billion, which is in effect a 3 percent increase over FY 2004.

Earlier this month, the Chief Justice wrote to Congress and the President on behalf of the Judicial Conference to ask for an exemption from any long-term continuing resolution (CR) and instead to provide full-year funding at least at the current services levels contained in the House bill. If the Judiciary is included in a long-term CR for FY 2005, it would amount to a hard freeze at FY 2004 levels, which would be "devastating," as the Chief Justice said in his letter.

The Judicial Conference of the United States is the principal policy-making body for the federal court system. The Chief Justice serves as the presiding officer of the Conference, which is composed of the chief judges of the 13 courts of appeals, a district judge from each of the 12 geographic circuits, and the chief judge of the Court of International Trade. The Conference meets twice a year to consider administrative and policy issues affecting the court system and to make recommendations to Congress concerning legislation involving the Judicial Branch. A list of Conference members is attached.

JUDICIAL CONFERENCE OF THE UNITED STATES

September 2004

Chief Justice William H. Rehnquist, Presiding

Chief Judge Michael Boudin Chief Judge Hector M. Laffitte	First Circuit District of Puerto Rico
Chief Judge John M. Walker, Jr. Chief Judge Frederick J. Scullin, Jr.	Second Circuit Northern District of New York
Chief Judge Anthony J. Scirica Chief Judge Thomas I. Vanaskie	Third Circuit Middle District of Pennsylvania
Chief Judge William W. Wilkins Judge David C. Norton	Fourth Circuit District of South Carolina
Chief Judge Carolyn Dineen King Judge Martin L.C. Feldman	Fifth Circuit Eastern District of Louisiana
Chief Judge Danny J. Boggs Chief Judge Lawrence P. Zatkoff	Sixth Circuit Eastern District of Michigan
Chief Judge Joel M. Flaum Judge J. P. Stadtmueller	Seventh Circuit Eastern District of Wisconsin
Chief Judge James B. Loken Chief Judge James M. Rosenbaum	Eighth Circuit District of Minnesota
Chief Judge Mary M. Schroeder Chief Judge David Alan Ezra	Ninth Circuit District of Hawaii
Chief Judge Deanell R. Tacha Judge David L. Russell	Tenth Circuit Western District of Oklahoma
Chief Judge J. L. Edmondson Judge J. Owen Forrester	Eleventh Circuit Northern District of Georgia
Chief Judge Douglas H. Ginsburg Chief Judge Thomas F. Hogan	District of Columbia Circuit District of Columbia
Chief Judge Haldane Robert Mayer	Federal Circuit
Chief Judge Jane A. Restani	Court of International Trade

Conference Secretary:
Leonidas Ralph Mecham, Director
Administrative Office of the U.S. Courts