

ANALYSIS

Item 2: Judicial Department Office of the State Court Administrator Reorganization

Analyst: John Borden

Request: Increase General Fund by \$2,285,608; increase Other Funds expenditure limitation by \$146,400; increase Criminal Fines Account allocation by \$146,400; and authorize the establishment of 15 permanent full-time positions (8.75 FTE), for the reorganization of the Office of the State Court Administrator.

Analysis: The Oregon Judicial Department (OJD) is requesting supplemental funding and position authority to reorganize the Office of the State Court Administrator (OSCA). The OSCA was statutorily created by the Legislative Assembly in 1971 (ORS 8.110-8.170). The Chief Justice of the Oregon Supreme Court, as the administrative head of the Judicial Department, appoints the State Court Administrator (SCA). In general, OSCA, under the SCA, assists the Chief Justice in the general administration of circuit, tax, and appellate courts in the state. The current SCA was appointed in 2018 after the retirement of the former SCA who had a tenure of 22 years from 1995 to 2017; there have been five SCAs since 1971.

The Administration and Central Support Program, which encompasses OSCA, has a 2021-23 legislatively adopted budget totaling \$81.1 million General Fund, \$10.2 million Other Funds, and \$1.5 million Federal Funds and includes 194 positions (184.91 FTE). The total funds budget for the program is 12% of entire department's budget and ten percent of the department's positions.

The Office provides services including: strategic planning, legislative affairs, centralized business services for the court system such as budget, accounting, federal and state grants, procurement, human resources, Equity Diversity Inclusion, legal, internal audit, education, communications, publications, statewide forms and materials, business continuity, and information technology. In addition, OSCA manages the Court Language Access Services Program (interpreter and shorthand reporter certification programs), Citizen Review Board, Juvenile Court Improvement Program, family law, specialty court activities, the Appellate Court Records Section, and State of Oregon Law Library.

OSCA was last reorganized in 2018 due in part to the implementation of the Oregon eCourt Program and to address budget constraints associated with the 2017-19 biennium, which resulted in the elimination of the Office of Education, Training, and Outreach. OJD's proposed reorganization and staff augmentation includes the following:

Executive Services Division: add a second Communications Analyst (Analyst 4) and one Management Assistant 2 for Judicial Services/Pro Tem Management

Judicial Marshal's Office: add a third Deputy Marshal

Internal Audit Program: add a second Internal Auditor 2

Operations Division: Add an Assistant Deputy State Court Administrator of Operations over Business and Fiscal Services, Enterprise Technology Services, and Human Resources Divisions

Court and Innovations Programs (establish): Create a new program or division with discrete civil and criminal components, Court Language Services, and Juvenile and Family Court Programs by transferring/merging existing programs and staff with newly requested positions. This will be

accomplished by adding: Assistant Deputy State Court Administrator of Court and Innovations Programs (Civil and Criminal) ; Civil Program Director; Civil Program Manager (Senior Staff Counsel); Legal Analyst - Criminal (Analyst 4); Criminal Forms Manager (Analyst 4); Civil Forms Manager (Analyst 4); Alternative Dispute Resolution (Analyst 4); Small Claims (Analyst 4); and Management Assistant 2 (2). The program would also include four existing staff (Criminal Program Manager; Pretrial Release Program Coordinator (Analyst 4); Criminal Specialty Courts (Analyst 4); and a Criminal Behavioral Health (Analyst 4).

The budgetary impact of the proposed reorganization for the 2021-23 biennium totals \$2.3 million General Fund and \$146,400 Other Funds (Criminal Fines Account) and the establishment of 15 positions (8.75 FTE). The positions are requested to begin May 1, 2022 and are budgeted at Step 2. The request includes \$212,000 in associated services and supplies, of which \$195,800 is General Fund and \$16,200 is Other Funds. The 2023-25 biennium cost of this request totals \$3.8 General Fund and \$239,400 Other Funds and 15 positions (15.00 FTE). Of note is that a select classification (e.g., Program Manager) is part of an ongoing classification and compensation study and the cost of the position may change.

The Legislative Fiscal Office (LFO) recommends that the single Deputy Marshal position be funded with General Fund rather than by indirect General Fund (i.e., Criminal Fines Account), as the functioning of the state's judiciary is a General Fund responsibility. In addition, a reorganization has implications for an agency's budgetary framework, which include, for example, the budget structure in the Oregon Budget Information Tracking System (ORBITS). With a reorganization, there exists the need to align the programmatic and operational units within the agency's ORBITS budget structure. This is important as the agency's budget structure is determinative of budget narratives and presentations used to explain the budget to the Legislature and the public. Therefore, LFO recommends that OJD work with the LFO to update the agency ORBITS budget structures for the 2023-25 biennium budget development cycle.

Recommendation: The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means recommend including an increase of \$2,432,008 General Fund and authorizing the establishment of 15 permanent full-time positions (8.75 FTE) for the Judicial Department, Office of the State Court Administrator, in a budget reconciliation bill during the 2022 legislative session to reorganize the Office of the State Court Administrator, with instructions that the Judicial Department work with the Legislative Fiscal Office to align the Department's 2023-25 budget structure with the reorganization.

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Oregon Judicial Department
Gibson

Request: Appropriate \$2.3 million from the General Fund; allocate \$146,400 Criminal Fines revenue; increase Other Funds expenditure limitation by \$146,400; and establish 15 new, permanent, full-time positions (8.75 FTE) to support a reorganization of the Office of State Court Administrator.

Recommendation: The Oregon Judicial Department is not under Executive Branch budgetary authority.

Discussion: The Office of State Court Administrator is established through ORS 8.110. The Office oversees the executive services and day-to-day operations of the Oregon Judicial Department (OJD). The work functions under this office include Special Counsel to the State Court Administrator, Office of Policy and Education, Office of General Counsel, Plan B and Pro Tem Services, Communications and Administrative Services, and the Marshal’s Office. OJD is requesting the following funds to support the reorganization of the Office of State Court Administrator.

- General Fund

OJD is requesting an appropriation of \$2,285,608 from the General Fund to establish 14 new permanent, full-time positions (8.17 FTE) in the Office of the State Court Administrator. The office is currently undergoing reorganization and the additional request represents a 25% position increase for the Office of State Court Administrator.

There will be additional roll-up costs associated with this request next biennium, when the FTE increases from 8.17 FTE in 2021-23 to 14.00 FTE in 2023-25. The estimated future expense of this investment will increase to \$3.8 million General Fund.

- Criminal Fines Revenue

OJD is requesting allocation of \$146,400 in Criminal Fines revenue with a corresponding Other Funds expenditure limitation increase to fund a new, permanent, full-time Deputy Marshal Position (0.58 FTE). The Criminal Fines Account is established to collect Criminal Fines revenue and ORS 137.300 defines allowable allocations from this account, which includes allocations for public safety standards, training, and facilities as one of the top five priority funding categories.

There will be additional roll-up costs associated with this request next biennium, when the FTE increases from 0.53 FTE in 2021-23 to 1.00 FTE in 2023-25. The estimated future expense of this investment will be \$239,400 in Criminal Fines revenue.

POSITION FUNCTION	POSITION COUNT	FTE	FUNDING	
			General Fund	Criminal Fines Acct (Other Fund)
Admin Leadership	4	2.33	867,816	--
Admin Staff	10	5.83	1,417,792	--
Deputy Marshal	1	0.58	--	146,400
2021-23 TOTAL	15	8.75	2,285,608	146,400
2023-25 TOTAL	15	15.00	3,778,328	239,400

Legal Reference: Appropriate \$2,285,608 from the General Fund to supplement the appropriation made by chapter 557, section 1(2), Oregon Law 2021, for the Oregon Judicial Department, Office of State Court Administrator for the 2021-23 biennium.

Increase the allocation from the Criminal Fine Account made by Chapter 661, section 20(1), Oregon Law 2021 for state court security and emergency preparedness by \$146,000 for the 2021-23 biennium.

Increase the Other Funds expenditure limitation established by chapter 557, section 2(1), Oregon Laws 2021, for the Oregon Judicial Department, Office of the State Court Administrator, by \$146,400 for the 2021-23 biennium.



OREGON JUDICIAL DEPARTMENT
Office of the State Court Administrator

December 10, 2021
(SENT BY EMAIL)

Senator Elizabeth Steiner Hayward, Co-Chair
Representative Dan Rayfield, Co-Chair
Interim Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Re: Report on Reorganization in the Office of the State Court Administrator

Dear Co-Chairpersons:

Nature of Request

The Oregon Judicial Department (OJD) requests that the committee recommend to the February 2022 legislative session an increase in OJD's budget by \$2.3 million General Fund and \$146,400 Other Funds from the Criminal Fines Account, and authorize 15 positions (8.75 FTE) to support a reorganization of the Office of the State Court Administrator (OSCA).

Background

OSCA provides the central infrastructure and services needed to operate Oregon's circuit courts, the Tax Court, Court of Appeals, and Oregon Supreme Court. The State Court Administrator (SCA) position in OJD was first statutorily created by the 1971 Legislative Assembly. The duties of the SCA are established and defined primarily in ORS chapter 8; however, a wide variety of other statutes assign additional responsibilities. The position supports and assists the Chief Justice in exercising administrative authority and supervision over the circuit, tax, and appellate courts of this state and in establishing and managing statewide administrative policies and procedures for OJD as both an entity and a branch of state government. In this capacity, the SCA supervises administration of OJD's central business and infrastructure services for the court system such as budget, accounting, revenue/collections, procurement, human resources, legal, internal audit, public information, data analysis, education and outreach, statewide forms and materials, business continuity planning, and information technology.

The SCA promotes the efficient use of statewide resources to develop innovative court programs and services, judicial and staff education, program evaluation, and internal controls. In addition to administration and program development, the SCA is responsible for the long-range planning for the future needs of the courts. This includes adequate staffing and judicial resources, safe court facilities, secure information technology systems, equitable compensation for staff and judges, and a fully funded court system. Most importantly, the SCA fosters a culture of community engagement and public service with equity and access to justice as leading principles.

The work of the courts is complex and is everchanging to be responsive to changes in legislation, societal needs, and advances in available treatment and therapy resources. OJD trains and adapts to meet these needs and expectations, and OSCA leads the department in these changes. The SCA regularly reviews the performance of the OSCA units, making adjustments as needed. The change outlined here will add necessary structures in OSCA to better support the courts and local communities by providing much needed positions that add management and subject-matter expertise. There are several factors that inform this request.

1. Significant work assigned during legislative session. With multiple juvenile, criminal, and behavioral health reform efforts underway, OJD needs more capacity to coordinate between subject matter areas both internally and externally, to make in-person and online court services more available to the public, including forms (both fillable and guide and file) and other automated interfaces, and to have sufficient capacity to actively lead, and engage in conversations hosted by other entities, that will require additional changes in court processes and procedures.
2. Significant work associated with pandemic shifts in workload. Courts are expecting an influx of landlord tenant, small claims, domestic relations, and other cases, increasing the need for internal expertise in those areas, and for staffing to support alternative dispute resolution programs across multiple case types. The public has also become reliant on remote services, and OJD needs additional capacity to fully develop and support a more permanent combination of in-person and remote service options for court operations that span multiple case types, including remote jury service options, website interfaces, court programming to make remote services available to those who lack the needed technology, and signage.
3. Succession planning. Creating a deeper organizational structure will provide greater ability to transition information and keep the judicial branch stable when leadership transitions and retirements occur.

The costs for the current and subsequent biennium are detailed in the table below.

Biennium	General Fund	Criminal Fines
2021-23 Biennium	\$2.3 million	\$146,400
2023-25 Biennium	\$3.8 million	\$239,400

Action Requested

OJD requests that the committee recommend to the February 2022 legislative session an increase in General Funds appropriation of \$2,285,608, an increase in Criminal Fines Account allocation of \$146,400 and corresponding \$146,400 increase in Other Funds limitation, and position authority for 15 positions (8.75 FTE) to support a reorganization in the Office of the State Court Administrator.

Legislation Affected

General Fund appropriation and Other Fund limitation established under HB 5012 (Oregon Laws 2021, chapter 557, section 1(2) \$2,285,608, and section 2(3) \$146,400) during the 2021 Regular Legislative Session.

\$146,400 Criminal Fine allocation established under SB 5533 (Oregon Laws 2021, chapter 661, section 20(1)).

Sincerely,



Nancy Cozine
State Court Administrator

NC:jm/21eNC029jm.3

cc: Chief Justice Martha L. Walters
John Borden, Principal Legislative Analyst, LFO
April McDonald, Policy and Budget, DAS-CFO
David Moon, Director of BFSD, OJD