



The Judiciary, State of Hawaii

Testimony to the Senate Committee on Ways and Means

The Honorable David Y. Ige, Chair
The Honorable Michele Kidani, Vice Chair

Monday, April 2, 2012 10:30 a.m.
State Capitol, Room 211

By
W. Tom Mick
Policy and Planning Department Head

WRITTEN TESTIMONY ONLY

Bill No. and Title: House Bill No. 1800, H.D. 2, S.D. 1, Relating to the Judiciary

Purpose: To provide supplemental operating and capital improvement appropriations for FY 2013.

Judiciary's Position:

The Judiciary strongly urges your support of House Bill No. 1800, H.D. 2, S.D. 1, which reflects the Judiciary's resource requirements for the FY 2013 supplemental budget year.

The Judiciary is extremely grateful for the Senate Judiciary and Labor and House Finance Committees' approval of our supplemental budget requests of: \$100,000 for on-call nursing services for our Detention Home at Kapolei and our Shelter Facility on Alder Street; \$696,446 and \$78,209 to cover expiring maintenance/warranty contracts and two contract security guards, respectively, at the Ronald T.Y. Moon Judiciary Complex in Kapolei; \$234,728 to expand court interpreter services to all civil and administrative proceedings; and two positions and \$80,000 to support the Community Service Sentencing Program (CSSP) on Kaua'i that was discontinued by the Department of Public Safety (PSD). We are supportive of the two unrequested social worker positions provided for First Circuit by the House Finance Committee and maintained by the Senate Committee on Judiciary and Labor – one with \$40,000 in funding to assist with victim services at Kapolei and the other for Veterans Court (although without any funding being provided, this position may be problematic). And we are also very pleased with the Senate Committee on Judiciary and Labor's restoration of \$186,000 cut by the House Finance Committee for the Maui/Molokai Drug Court's in-custody substance abuse treatment program at



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the Maui Community Correctional Center; restoration of \$675,000 of our ceiling increase request for the Indigent Legal Assistance Special Fund; and for \$535,368 for an unrequested two District Family Court Judges and six related staff positions for the First Circuit.

However, the Judiciary has significant concerns regarding two areas of House Bill 1800, H.D. 2, S.D. 1. While we appreciate that the Senate Committee on Judiciary and Labor restored three juvenile detention worker (JDW) positions for the Detention Home at Kapolei and two Community Service Sentencing Program (CSSP) positions for Maui, as well as some related funding cut by House Finance Committee, it simultaneously reduced the payroll amounts for all six JDW and four CSSP positions requested by 25 percent, citing a three-month delay in hiring. This results in the Judiciary being short in its payroll funding by \$57,906 for the JDW positions and \$29,652 for the CSSP positions. Our concern regarding this payroll budgetary shortage in a supplemental year is that this will mean the Judiciary will always be short 25 percent in payroll for these positions, unless it seeks and is able to obtain full funding in subsequent year budget requests. Without full funding, the Judiciary will only be able to fill and pay for four of the six JDW positions and three of the four CSSP positions requested, thereby leaving the remaining positions vacant. Further, House Bill 1800, H.D. 2, S.D. 1, did not restore \$200,000 requested to cover unemployment insurance benefits no longer paid by the Executive branch for Judiciary employees. Not funding the costs for unemployment insurance benefits is equivalent to a budget cut as these costs must be paid and cannot be deferred, and as such, affected programs will have to make cuts elsewhere to pay for this. This could ultimately affect court services and court operations as programs already have major financial concerns because of the significant cuts to the Judiciary budget base the past few years, and because of the increasing unbudgeted utility costs and vacation leave payouts for retiring employees.

The second area of concern relates to the reductions to the Judiciary's budget base of \$1,383,671, identified as "vacancy savings" by program as follows: Courts of Appeal - \$48,461, First Circuit - \$448,646, Second Circuit - \$152,474, Third Circuit - \$33,846, Fifth Circuit - \$18,440, and Administration - \$681,804. If these reductions are not eliminated, they would offset much of the new funding provided by House Bill 1800, H.D. 2, S.D. 1 and may result in the Judiciary not being able to fully implement some of the items in the supplemental budget bill, or having to cut from already reduced funding programs elsewhere to try to fully implement the newly approved budget. It does not appear that these savings were for specific positions since no positions were eliminated and since, for example, the salary costs for the 13 Administration positions reported to the Senate Committee on Judiciary and Labor as being vacant on February 16, 2012 totaled \$654,087, less than the "vacancy savings" cut of \$681,804. The savings may relate to reducing vacant positions to entry level amounts (as was done last year) but totals did not seem to specifically correlate to the "vacancy savings" program amounts shown on the related budget worksheets. However, if this or a related type method was used to determine "savings," an additional burden would be placed on the Judiciary's already reduced payroll



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budget base since the Judiciary already applies up to a 5% “turnover savings” and funds programs at less than 100% of their salary requirements in anticipation that positions will be vacated due to retirement, resignation, or separation from employment. Thus, the proposed “savings” have already been captured and offset by the built in shortfall in the Judiciary’s payroll budget, and applying this additional cut to again capture the same “savings,” cuts funds that are no longer there. Further, if vacant positions are filled with experienced workers from within the Judiciary that are paid at higher salaries than entry level amounts, the impact could be devastating (for example, a Social Worker IV’s entry level salary is about \$45,000 and the maximum step amount is about \$67,000, almost 50% more). Another factor affecting the already reduced Judiciary payroll budget base is the fact that the Judiciary must pay for unbudgeted vacation leave payouts when employees retire and separate; such unbudgeted payments have lately totaled more than \$1 million annually.

House Bill 1800, H.D. 2, S.D. 1, also provided six positions and \$705,158 related to the Justice Reinvestment Initiative (Senate Bill 2776, S.D. 2, H.D. 1) and \$500,000 for a statewide methamphetamine prevention program for Hawai’i teenagers. Although the Judiciary did not request these items in its supplemental budget request, we understand the importance of these programs in addressing public safety, prisoner, and drug concerns in Hawai’i. The Judiciary’s only concern is that the addition of these items does not come at the expense of items included in our supplemental budget request.

With regard to the Capital Improvement Program (CIP) budget included in House Bill 1800, H.D. 2, S.D. 1, the Judiciary is very appreciative that by restoring \$540,000 for our Ali’iōlani Hale Exterior Improvements and \$250,000 for an environmental analysis on our status offender shelter and juvenile services center site on Alder Street, the Senate Committee on Judiciary and Labor fully funded all seven of our CIP supplemental budget request items.

The Judiciary understands the economic realities and the budget conditions faced by the State yet at the same time believes that its proposed supplemental budget is very conservative in its requests, and is the Judiciary’s best estimate of the resources necessary to maintain the integrity of the courts and to fulfill our statutory, constitutional, and public service mandates. The Judiciary respectfully requests your support of House Bill 1800, H.D. 2, S.D. 1, which includes the Judiciary’s supplemental budget request, and that you strongly consider restoring complete funding for the six JDW and four CSSP positions, as well as \$200,000 for unemployment insurance benefits in the Judiciary, and that you restore the approximate \$1.4 million in “vacancy savings” reductions to the Judiciary’s budget base.

I hope that the information provided today will assist your committee in its deliberations relating to this bill. Thank you for your consideration and the opportunity to testify on this measure.



TO: Chair Ige
Vice Chair Kidani
Members of the Committee on Ways and means

FR: Nanci Kreidman, M.A.
Chief Executive Officer

RE: H.B. 1800 HD 2

Aloha!. We thought it important to offer for consideration budget information related to the Domestic Violence Action Center (DVAC). The Domestic Violence Action Center provides specialized, unduplicated services to victims of domestic violence. The agency is the only one of its kind, exclusively dedicated to domestic violence, with the needs of victims in sharp focus.

This fiscal year (FY 2012), DVAC is thriving with Rainy Day Funds (\$390,000), appropriated to offset the enormous budget cuts the agency sustained in 2009. The loss of these funds are imminent – June 30, 2011, and catapults the agency and its services into a spin. The original loss of funding, \$570,000 was devastating.

More staff will be laid off and additional services will be eliminated.

At fiscal year end 2011, DVAC had 11,155 callers on its Helpline, with victims on our caseload and the community. We received 399 requests for legal representation, opened legal 215 cases, with attorneys making 366 appearances in court. Advocates opened an additional 189 cases, and staff completed 4,500 safety plans, as well as 3,514 risk assessments. At the half year point for FY 2012, domestic violence shows no signs of abating. Staff has had 2,635 contacts with agency clients, answered 741 Helpline calls, accepted 74 complex and potentially lethal cases, and closed an additional 61 cases.

It is our greatest hope for the community, that these unique program services can be maintained with an appropriation to the Judiciary for contracting with the Domestic Violence Action Center.

Thank you for allowing this comment and giving consideration to the importance of preserving these key services, bringing peace to island families.

