

State of Kansas

Office of Judicial Administration

Kansas Judicial Center 301 SW 10th Topeka, Kansas 66612-1507

(785) 296-2256

For More Information, Contact Ron Keefover Education-Information Officer

FOR IMMEDIATE RELEASE:

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The Kansas Supreme Court today announced dates for scheduled furloughs of court employees and the closing of Kansas courts. Statewide closings of all district and appellate courts are set for April 13 and 27th, May 11 and 25th, and June 8th.

The scheduled court closings are necessary because of the legislature's failure last week to approve a \$1.4 million supplemental appropriation for the judicial branch that had been agreed to earlier by House and Senate negotiators. That funding was held up due to an impasse over other unrelated issues included in the same appropriation measure.

"This impasse creates an operational dilemma for the state court system because without the supplemental appropriation, we do not have enough money to make our payroll through the end of the fiscal year. And as of today, we have no assurance we will have that appropriation to operate through the end of this fiscal year," explained Chief Justice Lawton R. Nuss.

In a letter Chief Justice Nuss sent to key legislators in February, he advised them that action on the supplemental appropriation would be required no later than March 31 to avoid employee furloughs and court closures. This date was picked because it allowed the judicial branch to spread out the furlough days required to make up the missing funds over the remaining pay periods in the fiscal year. To delay longer would require the judicial branch to concentrate furloughs over a shorter number of pay periods, if the supplemental appropriation failed for some reason after the legislature returns in late April. Having more than one furlough day per pay period would mean payroll losses would be greater and more difficult for 1,500 employees to manage. A one-day furlough each pay period reduces an employee's paycheck by about 10 percent.

"The Supreme Court simply believes it has no real choice but to act now, rather than face the uncertainties of what may happen when the legislature returns," Chief Justice Nuss continued. "If we gamble on getting the supplemental appropriation when the legislature returns, but something arises that prevents it, then the impact on our employees is more severe over the time that is left. We will rescind the remaining furlough days if the supplemental appropriation is approved."

The need for a supplemental appropriation was made known to the legislature in January when the judicial branch advised it had more than a \$1 million shortfall in its current FY 2012

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budget. The shortfall occurred because a portion of the judicial branch budget comes from case filing fees, and case filings were down during the first half of the fiscal year. This drop in case filings caused a loss of revenue.

The judicial branch budget is primarily made up of wages and salaries because most other judicial operations are paid by counties. The shortfall equates to about 5days of court operations for employee wages and salaries. There are about 1,500 judicial employees affected by the furlough order because salaries of judges cannot be lowered under the Kansas Constitution unless all state officers' salaries are reduced. Judges will be working in their offices on those days.

"The judicial branch does not have financial reserves to access" Chief Justice Nuss explained, "because for the past few years the legislature has specified that the court system must operate only with the bare minimum appropriation needed to keep our courts open, while maintaining at least 80 unfilled job vacancies from previous staff levels. Since almost all of the court budget is for salaries, we do not have the flexibility other governmental entities have to postpone other expenditures to manage cash flow."

"I also want to address the suggestion by some that the judicial branch has other funds it can access to make up shortfalls in operational cash flow," the Chief Justice continued. "This is simply not the case. The Bar Discipline Fee Fund, which is most commonly mentioned, is comprised of attorney registration fees paid annually by Kansas attorneys. That money is limited to paying for attorney discipline activities, a client protection fund that reimburses clients for losses caused by dishonest conduct of Kansas attorneys, and the Kansas lawyer assistance program. It is not available for ongoing judicial branch operations. And the funds in the judicial branch budget that are not used for payroll are limited by state law to other purposes. For example, the Judicial Branch Education Fund, which is money obtained from case filing fees, carries a statutory limitation that must be changed by the legislature before the money could be used for judicial branch wages and salaries. That statutory change was part of the supplemental appropriation that is stalled in the legislature."

"I know that legislators have been under pressure in the last few years due to economic conditions. But I hope they act quickly to fund the judicial branch of our government," the chief justice said.