



Supreme Court of Kentucky

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John D. Minton, Jr.
Chief Justice of Kentucky

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Judicial Branch Budget Overview for FY 2014-2016

Chief Justice John D. Minton Jr.
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Capitol Annex
Frankfort, Kentucky

Chairman Gregory, Chairman Crenshaw and members of the Subcommittee,

Thank you for the opportunity to be here today to discuss the current state of the Judicial Branch budget and our budget needs for the next fiscal biennium.

As you know, over the past five years the Judicial Branch has taken significant steps to address its shrinking budget. We have reduced court personnel by nearly 10 percent, eliminated programs, cut operating costs, furloughed employees and streamlined the organizational structure of the Administrative Office of the Courts.

In spite of these extreme measures, I am proud to report that the Judicial Branch has emerged more resilient and resourceful. Our ongoing financial challenges have fostered an atmosphere of creativity, innovation and determination, which has allowed us to continue delivering justice at a high level under difficult circumstances.

Budget Cuts Hurt State's Lowest-Paid Employees

But these cuts have not come without pain and they have often come on the backs of some of the lowest-paid employees in state government. In most instances, these are the same employees whose duties have increased substantially to ensure the success of important policy initiatives.

This has been especially true since Kentucky began penal code reform through House Bill 463, which has had the intended benefit of keeping defendants out of jail through programs such as monitored conditional release and deferred prosecution. But these programs – which involve serious legal matters that depend on trained employees doing their jobs effectively – have significantly increased the responsibilities of our employees in Drug Court and Pretrial Services.

In addition, our court designated workers have been asked to take on additional duties as the result of House Bill 3, the human trafficking bill. CDWs will be asked to do even more when the Juvenile Code Task Force finalizes its recommendations.

It is no secret that Judicial Branch salaries have historically trailed those of the Executive and Legislative branches. It is an embarrassing fact that more than 800 – one-fourth – of our 3,300 non-elected employees fall under the federal poverty guidelines for a family of four. An even larger number qualify for food stamps based on their current salaries.

The effect of low salaries has been compounded by the years-long freeze in annual raises and the court system's three furlough days in 2012. We also ask our pretrial officers to provide their own transportation. Many of them travel over a large area and while we pay their mileage, they are not compensated for the wear on their personal vehicles. We also require pretrial officers to have four-year college degrees while offering them an entry-level salary of only \$24,500.

Face of the Working Poor

To put a face on this sobering problem, we compiled examples of how low salaries drastically affect the quality of life for hundreds of hard-working, conscientious court employees.

We asked a number of employees from across the state to email us their stories. Their responses were swift and heartfelt, and their stories were powerful. They thanked us for giving them a voice and for the chance to tell us how they live. And although many of them acknowledged that they are thankful and blessed to have a job, they pleaded with us to bring their salaries up to a living wage.

Many stories were similar to that of a deputy clerk in Wolfe County, who nets less than \$1,000 each pay period. With the new health insurance rates, she wonders how she can continue to live on her current salary. Similarly, one of the deputy clerks in Bath County qualifies for a medical card and free lunch for her children.

A pretrial officer in Floyd County told us about having to sell his house just to live. He has often gone without groceries to have money to make his monthly payments. And he expressed a concern repeated by many of our employees: that he is just one car repair, one broken furnace, one medical bill, away from financial ruin.

The situation is particularly hard for our employees in urban areas, where the cost of living is higher than in other parts of the state. A Drug Court recovery coordinator in Fayette County expressed how passionate she is about her job, but indicated that her passion is fading due to constantly worrying about her financial burdens. Despite working a second job to get by, she still qualifies for food stamps. And a Drug Court case specialist in Jefferson County, who is a single mother of three children, told us that she currently receives food stamps and lives in subsidized housing to make ends meet.

(To read the stories of court employees in their own words, see pages 4-6.)

You can see why experienced employees and new hires alike are leaving the court system for higher wages in the private sector and the other branches of government. This brain drain is reducing the quality of service we provide and making it more difficult to handle the increasing demands on the courts.

That is why fixing the Judicial Branch's broken salary scale is my top legislative priority this session.

While our current compensation structure is woefully inadequate, I can't place the blame on the other branches of government. Over the past decade, the Judicial Branch failed to revise its salary schedule upward and we now have a gap so great that it cannot be rectified within our current appropriation. I realize that as chief justice I have the administrative authority to increase the salaries of non-elected employees and elected circuit court clerks, but we simply have not had the funding to implement a systemwide adjustment.

Compensation Commission Recommendations

Keenly aware of the urgency of this matter, I formed a Compensation Commission in 2010 to evaluate the Judicial Branch's salary scale. The group met regularly over the past three years and obtained a review of our compensation system from an outside expert.

As a result, the Compensation Commission has recommended a plan that raises entry-level salaries to bring everyone in the court system above the minimum federal poverty guidelines. The plan also recommends a comprehensive salary restructure for the entire Judicial Branch, which will make salaries more equitable within the court system and more competitive with jobs in the public and private sectors.

It's important to note that the Judicial Branch budget request will include the pay parity plan the circuit court clerks have been requesting for the past several years. Our request also will ask for authorization to gradually increase judicial salaries over the next several years to bring the compensation of Kentucky judges in line with judges in surrounding states.

Please know that we are not tone deaf to the budgetary challenges you are facing and we understand that full funding for our plan may currently be out of reach. However, we believe that if a portion of the plan is funded this biennium, we can continue to work with you to find opportunities to fund the entire plan over time.

Budget Priorities for FY 2014-2016

As we look to the upcoming session, I will primarily be asking you for two things to help fund the increase in the Judicial Branch operations budget. The first is to maintain the Judicial Branch appropriation at its current level without any further reductions. And the other is for you to reinvest into the Judicial Branch some of the savings realized through HB 463, as statutorily mandated by KRS 196.288.

In closing, I want to emphasize that what I am focusing on is not about pay raises. It is about making systemic revisions to our compensation structure to ensure that court employees – the people who provide indispensable services and provide access to justice in courthouses in your home counties and across the state – are adequately and fairly compensated.

Thank you for your time this morning. I will be happy to answer any questions you may have.

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Personal Stories From Kentucky Court of Justice Employees

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Deputy Clerk, Office of the Wolfe County Circuit Court Clerk:

I am typing this email because I am not sure how much longer I can take, or I should say survive, these working conditions as Deputy Clerk for AOC.

I have been employed since December of 2007 ... and I still don't gross \$1,000.00 dollars a pay period. My bring home pay is barely \$300.00 a week ... and will be even less when the new Health Insurance rates become effective

The quality of work we are responsible for are very serious matters. The things we open, file, mail, fax, email, hand deliver, stamp, date and sign all reflect on other peoples lives. We have to be accurate and very knowledgable of laws and rules of procdures to do our jobs and it is not something you learn over night.

The papers we touch send people to jail, take peoples childrens away from them, divides families, how they can spend their money, and many more personal things of peoples lives ...

Regional Supervisor, Pretrial Services:

In my twenty-three years with Pretrial Services, I have had to live off credit cards just to buy food, live at home with my parents because I couldn't afford my own apartment/home and daycare. I made \$10 too much for day care assistance. I didn't qualify for public housing and I couldn't get food stamps at the time because I owned my own vehicle (thank goodness that has since changed!)

... The cost of everything has risen: health insurance, car insurance, food, milk, gasoline, utilities (water & electric), garbage pickup, school fees, sports fees, car repairs, eye exams, dry cleaning, and so on. Our salaries have not kept up with the rising costs of living and we are sinking. We are, literally, the working poor.

Drug Court Recovery Coordinator, Fayette County:

First off, I LOVE my job . . . [h]owever, some days I can feel the passion for my work start to fade away. This deficit in passion can be attributed by the constant worries of financial burdens I have.

I have been working a second job for several years in order to help make ends meet at home. I am a very budget conscious, frugal person and would technically still qualify for food stamps based on my wages (from both jobs). In fact, I have made my supervisor aware that I am always actively seeking other employment opportunities because of my current salary (haven't had a raise in over 5.5 years).

Pretrial Officer, Floyd County:

I built a house on my own in 1999 and there have been times in the past that I struggled to make the payment every month. Especially with having a car payment, full coverage insurance, etc. But, it wasn't every month. I haven't had a car payment for several years now and I am struggling more now trying to make my house payments than ever before.

I have always made them but I have done without groceries, cable TV and I have had to put laundry off because I ran out of detergent. I have had to stay home many times so I would have enough gas to get back and forth to work. So, I am having to try to sell my house just so I can live.

If something happens to my car, my furnace, the washer or dryer...anything, I have no earthly idea what I would do because I have no disposable money at all. Everything has gone up from groceries, gas, electricity to cleaning supplies and my income has not gone up and last year, it actually went down with the furloughs. The furloughs are another story all together. I am still trying to get caught up from them where I couldn't pay all my bills those months.

Pretrial Officer, Floyd County:

... My husband and I both work full-time jobs and every day I worry about needing to decide on gas money, or lunch money. We have a son getting ready to graduate high school ... and the worry of sending him to college and how I will do it keeps me awake most nights.

When you are constantly struggling and worrying which bill to pay, it affects everything including your work, health, etc. I strongly feel with my education and experience, and the sheer passion I have for my job it should be worth more ...

... None of us are sitting down asking for handouts, we all show up everyday willing to perform in the utmost professional standard, that should strongly be recognized with pay comparable to those in other areas doing the same work ... proving adequate compensation would make for greater productivity, better health, and far less turnover.

Drug Court Counselor, Jefferson County:

I am a single parent and a home owner who does not receive any assistants of any kind. I have had to obtain a second job in order to make ends meet and to be able to provide for my child and myself ...

... Everything has gone up gas, food, water, electricity and etc. however my pay check remains the same as it did in 2007. So with rising inflation and no cost of living or annual raise it has left me with no choice but to obtain a second job.

Drug Court Program Supervisor, Bullitt County:

I tried to apply for Governmental assistance for me and my family and was turned down. I've applied more than once. My son moved back in with my family and I have a special needs child too. I have had to work construction to make things work out.

Drug Court Case Specialist, Jefferson County:

... I thought I would be able to work with the AOC full-time and go back to school to work on my Masters degree ... I currently receive food stamps in the amount of \$200 a month and I also live in subsidized living where my rent is based on my income.

I'm a college graduate and I have a multitude of experience, and I know people who don't have as much education as I do, but they make \$20,000 more than I do ... I won't be able to further my education if I have to work two jobs to make ends meet. My food stamps will be getting reduced as well as my rent increasing based on my monthly gross income ... I also want to become a home owner, but due to my income I was only able to get approved for a \$45,000 loan, which isn't enough to get any type of home for me and my daughters.

Drug Court Case Specialist, Rowan, Bath and Menifee Counties:

I have been a Case Specialist for almost two years ... Due to the low salary I earn in this position I work a second job as well. Sometimes my work days last from 8:30 a.m. to 11:30 p.m. It is not unusual for me to work a combined 70 hour work week. It is disheartening to everyday have to get off work from my professional career and go work another 2 to 7 hours for minimum wage just to make ends meet.

Without my second job there is no way I could afford to live on my own. There have been times I have had to ask family for money as well. To be financially stable is a dream. The constant worry of not having enough money and the juggling of bills leads to a great deal of anxiety for me ... I love my job as a Case Specialist, however I wish it provided the financial stability so that I did not have to live paycheck to paycheck ...