



**RESOLUTION # \_\_\_\_\_**

**ITEM # \_\_\_\_\_**

**BOARD ACTION**

Adopted: \_\_\_\_\_

For: \_\_\_\_\_

Against: \_\_\_\_\_

Abstain: \_\_\_\_\_

Abs/Excd: \_\_\_\_\_

Vote Req: \_\_\_\_\_

Other Action: \_\_\_\_\_

**JUDICIARY & LAW COMMITTEE ACTION**

Adopted: \_\_\_\_\_

For: \_\_\_\_\_

Against: \_\_\_\_\_

Abstain: \_\_\_\_\_

Abs/Excd: \_\_\_\_\_

**TO: HONORABLE MEMBERS OF THE LA CROSSE COUNTY BOARD OF SUPERVISORS**

**RE: OPPOSITION TO PROPOSED LAPSE IN STATE FUNDING TO CIRCUIT COURT SYSTEM**

**WHEREAS**, the 2013-15 State Biennial Budget requires the Wisconsin court system to return a total of \$11.8 million to the state general fund over the next two-year period, resulting in budget cuts affecting the La Crosse County circuit court system; and,

**WHEREAS**, if said budget cuts are made, the La Crosse County circuit court system will no longer receive State funding at its previous level in the form of circuit court payments; interpreter assistance; and guardian ad litem assistance; and,

**WHEREAS**, the proposed reduction of funding and resulting budget cuts would create an enormous financial challenge to La Crosse County, potentially resulting in an increased tax levy, while striving to meet the challenge of the state levy cap; and,

**WHEREAS**, it is in the best interests of La Crosse County to oppose this proposed budget reduction.

**NOW THEREFORE BE IT RESOLVED** that the La Crosse County Board hereby states its opposition to the lapse of Wisconsin judicial branch funding to the State general fund over the next two-year period; and,

**BE IT FURTHER RESOLVED**, that the La Crosse County Clerk shall forward a copy of this resolution to La Crosse County's State Legislators, Governor Scott Walker, the Director of State Courts, and all other Wisconsin Counties.

**FISCAL NOTE:** No cost to La Crosse County.

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**JUDICIARY & LAW COMMITTEE CHAIR**

**RECORDING CLERK**

Reviewed  
Only

Recommended

Not  
Recommended

Co. Admin. \_\_\_\_\_

Fin. Director \_\_\_\_\_

Corp. Counsel \_\_\_\_\_

Board Chair \_\_\_\_\_

Requested By: Vicki Burke

Date Requested: May 19, 2014

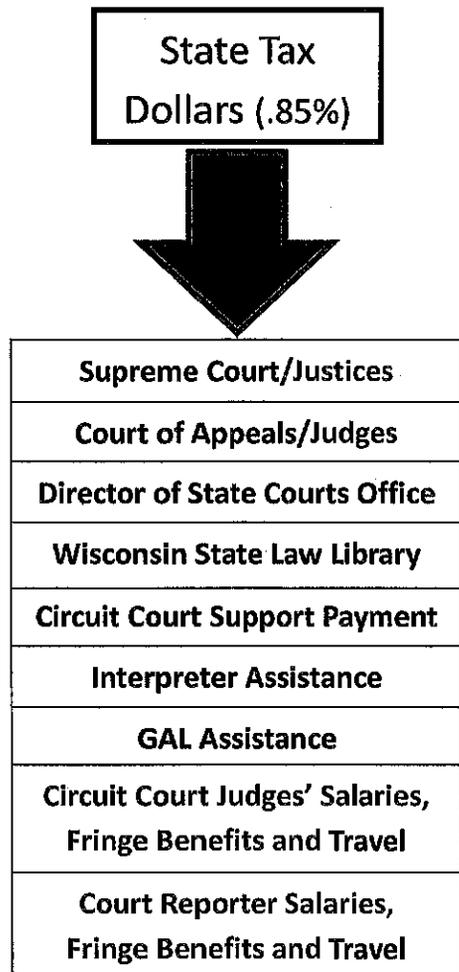
Drafted By: Corporation Counsel

Adopted by the La Crosse County Board this \_\_\_\_\_ Day of \_\_\_\_\_, 2014

# WISCONSIN JUDICIAL BRANCH FUNDING STRUCTURE

The Wisconsin court system funding structure is basically a three legged stool. One funding leg is the state tax dollars. The second funding leg is fees and surcharges. And the third funding leg is county tax dollars. Unfortunately we have reached a point where each of these legs has challenges/ weaknesses.

Let's look at each leg.



## State Tax Dollar Leg

**Description:** The judicial branch receives only .85% of total state tax dollars. Less than one penny for each tax dollar collected.

The state tax dollars cover the items listed in each row at left.

Basically, state tax dollars cover people and payments because only 3% of the state tax dollar leg is supplies and services.

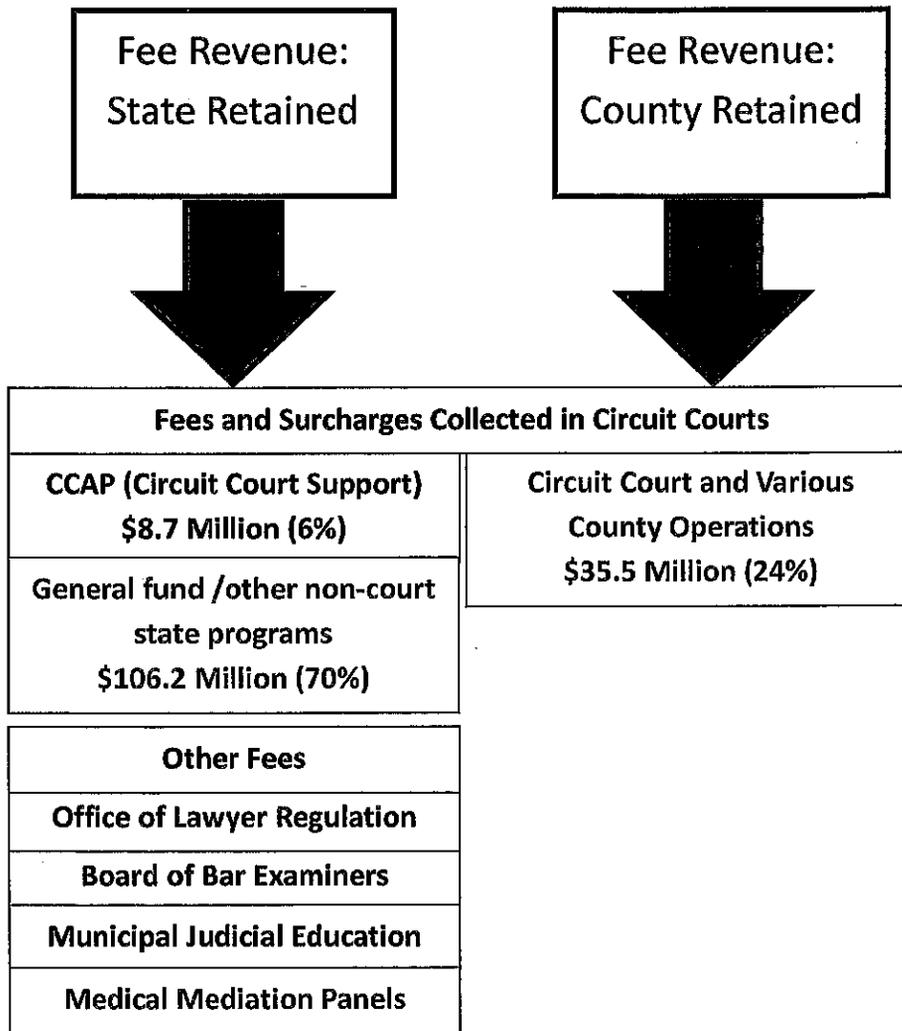
About 70% of the positions covered by state tax dollars are not discretionary because they are required by the constitution or statute (Justices, judges, and court reporters), so there is little budget flexibility with personnel.

The circuit court support payment, interpreter assistance, and GAL assistance are payments made to the counties to help support circuit court operations.

When cuts or lapses are imposed, it essentially leaves the 30% of discretionary personnel or the payment programs as sources for those savings.

**Weakness:** The courts have had continual lapse requirements, resulting in less state support for the state and counties to operate the system. The 2013-2015 state biennial budget requires the court system to lapse \$11.8 million of state funding (state tax dollars and/or state fee revenues) to the General Fund over the two-year period beginning July 1, 2013 and ending June 30, 2015. This is the largest operational reduction in the court's history.

# WISCONSIN JUDICIAL BRANCH FUNDING STRUCTURE



## Fees and Surcharges Leg

**Description:** There is a significant amount of revenue collected in the court system through fees and surcharges.

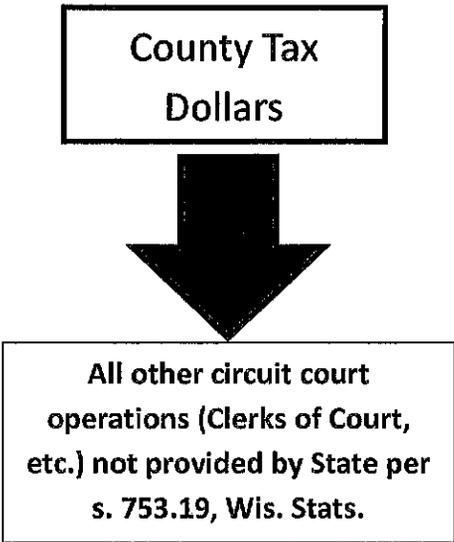
Overall, a very small amount of the fee/surcharge revenue actually supports court operations.

Of the revenue collected:

- 6% supports the services provided by CCAP to the circuit courts.
- 24% is retained by the counties, but not all of it is required to support the circuit courts.
- 70% goes to the general fund or to fund other state programs.

Other fees are also assessed on users and collected at the state level to fund the operations of the Office of Lawyer Regulation, Board of Bar Examiners, and municipal judge education.

**Weakness:** The combination of little fee/surcharge revenue supporting the court system and the 5 year trend of declining revenues limits this funding source. (For example, in FY 2009, CCAP revenue from fees/surcharges exceeded \$10 million, now at \$8.7 million)



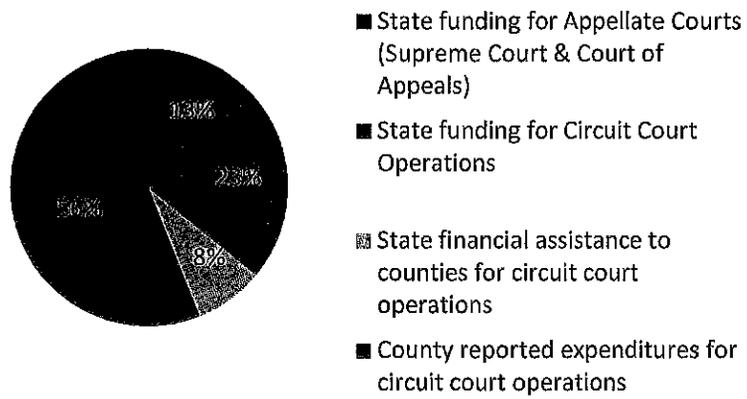
**County Tax Dollar Leg**

**Description:** By statute, counties are responsible for all other circuit court operations not provided by the State. Some of the revenue may come from fee revenue, but it primarily it comes from county property taxes.

**Weakness:** The counties' share of circuit court costs has increased from 47.47% (or \$80.8 million) in calendar year 2001 to 55.90% (or \$134.9 million) in calendar year 2012.

Counties are faced with a combination of lower state support, through reduced payments, and strict limits on the amount that can be taxed through levy limits. This combination puts increasing pressure on county government to reduce services/resources for the circuit courts.

**State versus County Annual Funding**



**Overall Summary**

Each of the funding legs has weaknesses, with continual lapse requirements, declining fee revenues, and strict levy limits at a time of reduced state aid, and this court funding structure is developing significant cracks in its foundation. The weaknesses need to be addressed to avoid significant reduction in services to litigants that have developed in other states, such as civil jury trials suspended for a year due to budget constraints. See information from the ABA Task Force on the Preservation of the Justice System for information about other states' funding challenges. [http://www.americanbar.org/groups/leadership/office\\_of\\_the\\_president/courtunderfunding.html](http://www.americanbar.org/groups/leadership/office_of_the_president/courtunderfunding.html)

One approach would be to move toward the state providing 1% of state tax dollars (one penny of each dollar collected) to the judicial branch. That would contribute approximately \$29 million to court services and make the state a more equal partner in funding the judicial branch.