

**COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES**

*Salaries and Expenses*

**SUMMARY STATEMENT OF ACCOUNT REQUIREMENTS**

	<b>Mandatory</b>	<b>Discretionary</b>	<b>Total</b>
<b>Fiscal Year 2019 Salaries and Expenses Assumed Appropriation</b>	<b>\$415,125,000</b>	<b>\$5,154,461,000</b>	<b>\$5,569,586,000</b>
<b>Fiscal Year 2019 Vaccine Injury Compensation Trust Fund Assumed Appropriation</b>	<b>\$0</b>	<b>\$8,475,000</b>	<b>\$8,475,000</b>
<b>Total, Fiscal Year 2019 Assumed Appropriation</b>	<b>\$415,125,000</b>	<b>\$5,162,936,000</b>	<b>\$5,578,061,000</b>
<b>Fiscal Year 2020 Salaries and Expenses Appropriation Request</b>	<b>\$421,843,000</b>	<b>\$5,383,970,000</b>	<b>\$5,805,813,000</b>
<b>Fiscal Year 2020 Vaccine Injury Compensation Trust Fund Appropriation Request</b>	<b>\$0</b>	<b>\$9,012,000</b>	<b>\$9,012,000</b>
<b>Total, Fiscal Year 2020 Appropriation Request</b>	<b>\$421,843,000</b>	<b>\$5,392,982,000</b>	<b>\$5,814,825,000</b>
<b>Requested Increase from Fiscal Year 2019 Assumed Appropriation</b>	<b>\$6,718,000</b>	<b>\$230,046,000</b>	<b>\$236,764,000</b>

**APPROPRIATION LANGUAGE**

**COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES**

**SALARIES AND EXPENSES**

For the salaries of judges of the United States Court of Federal Claims, magistrate judges, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, necessary expenses of the courts, and the purchase, rental, repair, and cleaning of uniforms for Probation and Pretrial Services Office staff, as authorized by law, [~~\$5,154,461,000~~ \$5,383,970,000 (including the purchase of firearms and ammunition); of which not to exceed \$27,817,000 shall remain available until expended for space alteration projects and for furniture and furnishings related to new space alteration and construction projects.

In addition, there are appropriated such sums as may be necessary under current law for the salaries of circuit and district judges (including judges of the territorial courts of the United States), bankruptcy judges, and justices and judges retired from office or from regular active service.

In addition, for expenses of the United States Court of Federal Claims associated with processing cases under the National Childhood Vaccine Injury Act of 1986 (Public Law 99-660), not to exceed [~~\$8,475,000~~] \$9,012,000 to be appropriated from the Vaccine Injury Compensation Trust Fund.

(H.R. 6147 - Financial Services and General Government Appropriations Act, 2019, updated to reflect the judiciary's fiscal year 2019 assumed appropriation)

**SUMMARY OF REQUEST  
SALARIES AND EXPENSES  
FISCAL YEAR 2020  
(Dollar amounts in thousands)**

<b><u>Fiscal Year 2020 Resource Requirements:</u></b>	<b>Mandatory</b>		<b>Discretionary</b>		<b>Total</b>	
	<b><u>FTEs</u></b>	<b><u>Amount</u></b>	<b><u>FTEs</u></b>	<b><u>Amount</u></b>	<b><u>FTEs</u></b>	<b><u>Amount</u></b>
<b>Fiscal Year 2019 Assumed Available Resources (includes Vaccine Injury Fund).....</b>	<b>1,789</b>	<b>415,125</b>	<b>26,081</b>	<b>5,777,421</b>	<b>27,870</b>	<b>6,192,546</b>
FY 2018 Encumbered Carryforward .....	-	-	-	(184,650)	-	(184,650)
<b>Fiscal Year 2019 Assumed Obligations (includes Vaccine Injury Fund).....</b>	<b>1,789</b>	<b>415,125</b>	<b>26,081</b>	<b>5,592,771</b>	<b>27,870</b>	<b>6,007,896</b>
Non-appropriated sources of funding.....						
Estimated FY 2019 fee collections.....	-	-	-	(204,835)	-	(204,835)
Assumed carryforward balances from FY 2018 and prior years into FY 2019.....	-	-	-	(225,000)	-	(225,000)
<b>Fiscal Year 2019 Assumed Appropriation (includes Vaccine Injury Fund).....</b>	<b>1,789</b>	<b>415,125</b>	<b>26,081</b>	<b>5,162,936</b>	<b>27,870</b>	<b>5,578,061</b>

<u>Page</u>	Fiscal Year 2019 Base Assumed Appropriation (including Vaccine Injury Fund).....	Mandatory		Discretionary		Total	
		<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>
		1,789	415,125	26,081	5,162,936	27,870	5,578,061
	<b><u>Adjustments to Base to Maintain Current Services:</u></b>						
	<b>A. Judges</b>						
4.31	1. Pay and benefit cost adjustments						
4.31	a. Annualization of assumed 2019 pay adjustment (1.4% for three months).....	-	1,453	-	485	-	1,938
4.31	b. Benefits increases.....	-	992	-	490	-	1,482
4.32	c. Federal Employee Retirement System adjustment.....	-	1,321	-	2,315	-	3,636
4.32	2. Increase in average number of filled Article III judgeships (8 judge FTE/41 staff FTE)....	8	1,905	41	5,854	49	7,759
4.33	3. Increase in average number of senior judges (4 judge FTE/13 staff FTE).....	4	923	13	1,597	17	2,520
4.34	4. Increase in average number of filled bankruptcy judgeships (1 judge FTE/2 staff FTE) .....	1	124	2	281	3	405
	<b>B. Court Personnel and Programs</b>						
4.36	5. Pay and benefit cost adjustments						
4.36	a. Annualization of assumed 2019 pay adjustment (1.9% for three months).....	-	-	-	16,031	-	16,031
4.36	b. Promotions and within-grade increases.....	-	-	-	25,432	-	25,432
4.36	c. Benefits increases.....	-	-	-	5,690	-	5,690
4.36	d. Federal Employee Retirement System adjustment.....	-	-	-	58,326	-	58,326
4.37	e. One more compensable day.....	-	-	-	13,050	-	13,050
4.37	6. Funding necessary to maintain FY 2019 service levels due to anticipated decline in non-appropriated funds .....	-	-	-	28,170	-	28,170

<u>Page</u>	<b>C. Other Adjustments</b>	<b>Mandatory</b>		<b>Discretionary</b>		<b>Total</b>	
		<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>	<u>FTEs</u>	<u>Amount</u>
4.38	7. Inflationary and miscellaneous adjustments.....	-	-	-	18,352	-	18,352
4.38	8. Vaccine Injury Compensation Trust Fund adjustment.....	-	-	-	537	-	537
4.38	9. GSA space rental and related services						
4.39	a. New space to be delivered in FY 2020.....	-	-	-	936	-	936
4.39	b. Inflationary adjustment to the GSA space rental base costs.....	-	-	-	36,356	-	36,356
4.39	c. Reduction associated with Space Reduction Program.....	-	-	-	(4,000)	-	(4,000)
4.39	d. Other space-related adjustments.....	-	-	-	(4,639)	-	(4,639)
4.42	10. Evidence-based practices non-recurring costs.....	-	-	-	(2,719)	-	(2,719)
4.42	11. Information technology requirements .....						
4.42	a. Continued implementation of ongoing information technology projects.....	-	-	-	15,551	-	15,551
4.42	b. Probation and Pretrial Automated Case Tracking System (PACTS) non-recurring costs...	-	-	-	(13,385)	-	(13,385)
4.43	c. Contractor conversion savings.....	-	-	-	(1,700)	-	(1,700)
	<b>Subtotal, Adjustments to Base to Maintain Current Services.....</b>	<b>13</b>	<b>6,718</b>	<b>56</b>	<b>203,010</b>	<b>69</b>	<b>209,728</b>
	<b>Total Current Services Appropriation Required.....</b>	<b>1,802</b>	<b>421,843</b>	<b>26,137</b>	<b>5,365,946</b>	<b>27,939</b>	<b>5,787,789</b>
	<b><u>Program Changes:</u></b>						
4.43	12. New FY 2020 full-time magistrate judges and staff (6 new judgeships/ 6 FTE and 18 staff FTE).....	-	-	24	6,031	24	6,031
4.44	13. FY 2020 court support staffing due to workload changes.....	-	-	(42)	(5,234)	(42)	(5,234)
4.45	14. Financial Disclosure Reporting System replacement.....	-	-	-	2,784	-	2,784
4.45	15. Upgrade to the Payroll Projection System.....	-	-	-	1,723	-	1,723
4.46	16. Infrastructure costs for new courthouse construction projects .....	-	-	-	21,732	-	21,732
	<b>Subtotal, Program Increases.....</b>	<b>-</b>	<b>-</b>	<b>(18)</b>	<b>27,036</b>	<b>(18)</b>	<b>27,036</b>
	<b>Total Fiscal Year 2020 Appropriation Request.....</b>	<b>1,802</b>	<b>421,843</b>	<b>26,119</b>	<b>5,392,982</b>	<b>27,921</b>	<b>5,814,825</b>
	<b>Total Appropriation Increase, Fiscal Year 2019 to Fiscal Year 2020.....</b>	<b>13</b>	<b>6,718</b>	<b>38</b>	<b>230,046</b>	<b>51</b>	<b>236,764</b>
	<b><u>Financing the Fiscal Year 2020 Request:</u></b>						
	<b>Total Appropriation Request, Fiscal Year 2020.....</b>	<b>1,802</b>	<b>421,843</b>	<b>26,119</b>	<b>5,392,982</b>	<b>27,921</b>	<b>5,814,825</b>
4.46	17. Estimated FY 2020 fee collections.....	-	-	-	201,665	-	201,665
4.48	18. Anticipated unencumbered carryforward from FY 2019.....	-	-	-	200,000	-	200,000
	<b>Total Estimated Obligations, Fiscal Year 2020.....</b>	<b>1,802</b>	<b>421,843</b>	<b>26,119</b>	<b>5,794,647</b>	<b>27,921</b>	<b>6,216,490</b>

**COURTS OF APPEALS, DISTRICT COURTS AND OTHER JUDICIAL SERVICES**

**Salaries and Expenses**

Activity (\$000)	FY 2018 Actuals			FY 2019 Assumed Obligations			FY 2020 Request		
	Direct	Offsetting Coll.	Total Oblig.	Direct	Offsetting Coll.	Total Oblig.	Direct	Offsetting Coll.	Total Oblig.
Appeals	679,921	29,057	708,978	688,106	76,965	765,071	717,291	50,738	768,029
District	2,587,410	110,574	2,697,984	2,618,557	292,887	2,911,444	2,729,620	193,081	2,922,701
Bankruptcy	819,545	35,024	854,569	829,411	92,770	922,181	864,590	61,157	925,747
Probation/Pretrial	1,416,459	60,533	1,476,992	1,433,511	160,339	1,593,850	1,494,312	105,701	1,600,013
Total Obligations	5,503,336	235,187	5,738,523	5,569,586	622,960	6,192,546	5,805,813	410,677	6,216,490
Encumbered Carryforward <sup>1</sup>	-	-	-	-	(184,650)	(184,650)	-	-	-
<b>Revised Obligations</b>	<b>5,503,336</b>	<b>235,187</b>	<b>5,738,523</b>	<b>5,569,586</b>	<b>438,310</b>	<b>6,007,896</b>	<b>5,805,813</b>	<b>410,677</b>	<b>6,216,490</b>
Fee Availability		(211,324)	(211,324)		(204,835)	(204,835)		(201,665)	(201,665)
Vaccine Injury Trust Fund		(8,230)	(8,230)		(8,475)	(8,475)		(9,012)	(9,012)
Prior Year Recoveries		(18,327)	(18,327)						
Unobligated Balance, Start of Year:									
Unencumbered Fee Carryforward		(208,869)	(208,869)		(225,000)	(225,000)		(200,000)	(200,000)
Encumbered Fee Carryforward		(140,738)	(140,738)						
Information Technology Funds		(24,879)	(24,879)		(44,961)	(44,961)			
S&E No-Year Funds		(8,362)	(8,362)		(11,612)	(11,612)			
Unobligated Balance, End of Year:									
Encumbered Funds into Following Year		92,140	92,140						
Fee Carryforward into Following Year		225,000	225,000		200,000	200,000			
Information Technology Funds		44,961	44,961						
S&E No-Year Funds		11,612	11,612						
Other Adjustments		11,829	11,829		56,573	56,573			
Anticipated Financial Plan Savings					(200,000)	(200,000)			
<b>Available Appropriation (Direct)</b>	<b>5,503,336</b>	<b>-</b>	<b>5,503,336</b>	<b>5,569,586</b>	<b>-</b>	<b>5,569,586</b>	<b>5,805,813</b>	<b>-</b>	<b>5,805,813</b>
<b>Appropriation (Direct)</b>	<b>5,503,336</b>	<b>-</b>	<b>5,503,336</b>	<b>5,569,586</b>	<b>-</b>	<b>5,569,586</b>	<b>5,805,813</b>	<b>-</b>	<b>5,805,813</b>
<b>Mandatory</b>			<b>404,275</b>			<b>415,125</b>			<b>421,843</b>
<b>Discretionary</b>			<b>5,099,061</b>			<b>5,154,461</b>			<b>5,383,970</b>

1\ FY 2019 Encumbered Carryforward includes \$80.9 million in slipped requirements from the Judiciary Information Technology Fund. See table 11.3 in Chapter 11, Judiciary Information Technology Fund for more information.

**COURTS OF APPEALS, DISTRICT COURTS AND OTHER JUDICIAL SERVICES**

**Salaries and Expenses**

**Obligations by Budget Object Class (\$000)**

Description (\$000)	FY 2018 Actuals			FY 2019 Assumed Obligations			FY 2020 Request		
	Direct	Offsetting Coll.	Total Oblig.	Direct	Offsetting Coll.	Total Oblig.	Direct	Offsetting Coll.	Total Oblig.
1100 Personnel compensation	2,569,783	109,820	2,679,603	2,641,991	295,507	2,937,498	2,766,197	195,668	2,961,865
1200 Personnel benefits	871,140	37,228	908,368	878,082	98,214	976,296	919,020	65,007	984,027
1300 Benefits for former personnel	8,177	349	8,526	9,313	1,042	10,355	10,977	776	11,753
2100 Travel	65,130	2,783	67,913	68,460	7,657	76,117	72,765	5,147	77,912
2200 Transportation of Things	4,362	186	4,548	4,484	502	4,986	5,068	359	5,427
2310 Rental payments to GSA	1,000,039	42,737	1,042,776	943,420	105,522	1,048,942	980,067	69,326	1,049,393
2320 Rental payments to others	34,668	1,482	36,150	40,022	4,477	44,499	42,494	3,006	45,500
2330 Communications, utilities & misc	115,594	4,940	120,534	118,257	13,227	131,484	122,003	8,630	130,633
2400 Printing and reproduction	6,786	290	7,076	7,201	805	8,006	8,007	566	8,573
2500 Other services	614,252	26,250	640,502	638,000	71,360	709,360	647,719	45,817	693,536
2600 Supplies and materials	17,273	738	18,011	19,161	2,143	21,304	20,101	1,422	21,523
3100 Equipment	196,134	8,382	204,516	201,195	22,504	223,699	211,396	14,953	226,349
<b>Total Obligations</b>	<b>5,503,336</b>	<b>235,187</b>	<b>5,738,523</b>	<b>5,569,586</b>	<b>622,960</b>	<b>6,192,546</b>	<b>5,805,813</b>	<b>410,677</b>	<b>6,216,490</b>
Encumbered Carryforward	-	-	-	-	(184,650)	(184,650)	-	-	-
<b>Revised Obligations</b>	<b>5,503,336</b>	<b>235,187</b>	<b>5,738,523</b>	<b>5,569,586</b>	<b>438,310</b>	<b>6,007,896</b>	<b>5,805,813</b>	<b>410,677</b>	<b>6,216,490</b>

**COURTS OF APPEALS, DISTRICT COURTS AND OTHER JUDICIAL SERVICES**  
**SALARIES AND EXPENSES**  
**Summary of Mandatory Obligations**

	FY 2019 Assumed		FY 2020		Increase (\$000)
	No. of Authorized Judgeships	Compensation (\$000)	No. of Authorized Judgeships	Compensation (\$000)	
Circuit Judgeships	167	37,959	167	38,984	1,025
District Judgeships	677	131,696	677	134,325	2,629
Senior/Retired Judgeships		162,719		163,844	1,125
Bankruptcy Judgeships	348	82,751	347	84,690	1,939
<b>Total</b>	<b>1,192</b>	<b>415,125</b>	<b>1,191</b>	<b>421,843</b>	<b>6,718</b>

**COURTS OF APPEALS, DISTRICT COURTS AND OTHER JUDICIAL SERVICES**

**Summary of Personnel Compensation and Benefits by Activity**

Program	FY 2018		FY 2019		Adj. to Base		FY 2020		Total Request	
	Actual		Assumed		FTE		Workload Adj.		FTE	
	FTE	Amount (\$000)	FTE	Amount (\$000)	FTE	Amount (\$000)	FTE	Amount (\$000)	FTE	Amount (\$000)
<b>Appeals</b>										
Judges			-							
Article III Judges										
Active	158	36,728	155	37,959	2	1,025	-	-	157	38,984
Senior	106	26,537	110	26,135	1	175	-	-	111	26,310
Retired	27	6,317	31	7,477	-	95	-	-	31	7,572
Court Staff										
Article III Judges' Staff	1,081	110,736	1,122	118,598	10	5,434	-	-	1,132	124,032
Circuit Executives	273	39,017	298	45,110	-	1,588	(4)	(381)	294	46,317
Clerks Offices	605	65,166	616	72,262	-	2,546	(8)	(599)	608	74,209
Staff and Preargument Attorneys	568	81,294	536	85,717	-	3,019	(4)	(621)	532	88,115
Librarians	214	25,358	217	28,154	-	991	3	232	220	29,377
Bankruptcy Appellate Panels	12	1,667	12	1,863	-	66	1	38	13	1,967
<b>Total Appeals</b>	<b>3,044</b>	<b>392,821</b>	<b>3,098</b>	<b>423,274</b>	<b>13</b>	<b>14,939</b>	<b>(13)</b>	<b>(1,331)</b>	<b>3,098</b>	<b>436,882</b>
<b>District</b>										
Judges										
Article III Judges										
Active	552	127,426	569	131,696	6	2,629	-	-	575	134,325
Senior	457	105,722	473	107,595	3	750	-	-	476	108,345
Retired	101	21,490	117	21,512	-	105	-	-	117	21,617
Magistrate Judges	557	133,503	559	135,337	-	3,274	6	1,475	565	140,086
Court of Federal Claims Judges	18	2,501	16	3,140	-	15	-	-	16	3,155
Court Staff										
Article III Judges' Staff	2,807	320,003	2,868	336,902	36	14,691	-	-	2,904	351,592
Magistrate Judges' Staff	1,082	140,308	1,085	144,783	-	5,071	18	1,858	1,103	151,712
Federal Claims Judges' Staff	46	5,213	53	6,116	-	213	-	-	53	6,329
Clerks Offices	5,693	619,762	5,703	677,366	-	23,845	8	622	5,711	701,833
Pro Se and death penalty	464	76,274	485	81,668	-	2,875	(17)	(2,817)	468	81,726
Court Reporters	675	86,133	676	94,122	8	4,276	(8)	(816)	676	97,582
Court Interpreters	95	16,040	86	16,118	-	568	-	-	86	16,686
<b>Total District</b>	<b>12,546</b>	<b>1,654,375</b>	<b>12,690</b>	<b>1,756,355</b>	<b>53</b>	<b>58,310</b>	<b>7</b>	<b>322</b>	<b>12,750</b>	<b>1,814,988</b>
<b>Bankruptcy</b>										
Judges										
Bankruptcy Judges	332	80,055	334	82,751	1	1,939	-	-	335	84,690
Court Staff										
Bankruptcy Judges' Staff	678	86,254	693	90,016	2	3,307	-	-	695	93,323
Clerks	3,034	343,194	3,044	358,183	-	13,038	(18)	(1,393)	3,027	369,828
Bankruptcy Administrators	46	6,155	46	6,281	-	144	-	-	46	6,425
<b>Total Bankruptcy</b>	<b>4,090</b>	<b>515,658</b>	<b>4,116</b>	<b>537,231</b>	<b>3</b>	<b>18,428</b>	<b>(18)</b>	<b>(1,393)</b>	<b>4,102</b>	<b>554,266</b>
<b>Probation/Pretrial Services</b>	<b>7,954</b>	<b>1,025,118</b>	<b>7,965</b>	<b>1,100,464</b>	<b>-</b>	<b>38,791</b>	<b>5</b>	<b>501</b>	<b>7,970</b>	<b>1,139,756</b>
<b>Total Judges</b>	<b>2,306</b>	<b>540,279</b>	<b>2,365</b>	<b>553,603</b>	<b>13</b>	<b>10,006</b>	<b>6</b>	<b>1,475</b>	<b>2,384</b>	<b>565,084</b>
<b>Total Chambers</b>	<b>6,159</b>	<b>738,788</b>	<b>6,305</b>	<b>778,082</b>	<b>48</b>	<b>31,590</b>	<b>1</b>	<b>(959)</b>	<b>6,354</b>	<b>808,713</b>
<b>Total Court Staff</b>	<b>19,169</b>	<b>2,308,904</b>	<b>19,200</b>	<b>2,485,639</b>	<b>8</b>	<b>88,872</b>	<b>(25)</b>	<b>(2,417)</b>	<b>19,183</b>	<b>2,572,094</b>
<b>GRAND TOTAL</b>	<b>27,634</b>	<b>3,587,971</b>	<b>27,870</b>	<b>3,817,324</b>	<b>69</b>	<b>130,469</b>	<b>(18)</b>	<b>(1,901)</b>	<b>27,921</b>	<b>3,945,892</b>



**COURTS OF APPEALS, DISTRICT COURTS AND OTHER JUDICIAL SERVICES**  
**Salaries and Expenses**  
**Relation of Obligations to Outlays (\$000)**

	<b>FY 2018 Actual</b>		<b>FY 2019 Assumed Obligations</b>		<b>FY 2020 Request</b>		<b>Difference (+) or (-)</b>
Total Obligations	5,738,523		6,192,546		6,216,490		23,944
Obligated balance, start of year	199,322		153,672		163,354		9,682
Change in uncollected payments	(51,320)		-		-		0
Obligated balance, end of year	<u>(153,672)</u>		<u>(163,354)</u>		<u>(166,471)</u>		<u>(3,117)</u>
<b>Total Outlays</b>	<b>5,732,853</b>		<b>6,182,864</b>		<b>6,213,373</b>		<b>30,509</b>
Less offsetting from:							
Fee Collections and Other Carryforward	(138,858)		(126,742)		(186,433)		(59,691)
Use of JITF No-Year Balance	(24,879)		(44,961)				
Vaccine Injury Trust Fund	(8,362)		(8,475)		(9,012)		
<b>Net Outlays</b>	<b>5,560,754</b>		<b>6,002,686</b>		<b>6,017,928</b>		<b>(29,182)</b>

## **GENERAL OVERVIEW**

The judiciary performs a core government function that is a pillar of our democratic system of government. The scope and volume of the judiciary's work is dictated by the functions assigned to it by the Constitution and by statute. The judiciary must adjudicate all criminal, bankruptcy, civil, and appellate cases that are filed with the courts and must protect the community by supervising defendants awaiting trial and persons under supervision on post-conviction release.

The rulings of the federal courts protect the rights and liberties guaranteed by the Constitution. Through fair and impartial judgments, the federal courts interpret and apply the law to resolve disputes. The district courts, courts of appeals, bankruptcy courts, and federal probation and pretrial services offices all work to ensure a fair and independent judicial process.

The fiscal year (FY) 2020 appropriations request for the courts' Salaries and Expenses account totals \$5,814,825,000 to support the operation of the courts. The request includes \$421,843,000 in mandatory appropriations and \$5,392,982,000 in discretionary appropriations. Specifically, this request funds appropriations for the salaries, benefits, and other operating expenses of judges and supporting personnel for the United States courts of appeals, district courts, bankruptcy courts, Court of Federal Claims, and probation and pretrial services offices. The request also funds the judiciary's national information technology (IT) initiatives and other operations supporting the business functions of the courts.

The FY 2020 request for the Salaries and Expenses account supports the operations of the courts at a current services level, as well as program changes for six new magistrate judges and associated support staff, changes in court support staff due to caseload and workload estimates, the development of a new Financial Disclosure Reporting System, upgrades to the judiciary's Payroll Projection System, and infrastructure costs associated with new courthouse construction projects.

This account makes up approximately 70 percent of the judiciary's total appropriations request and supports about 28,000 employees, including judges, chambers staff, and court support staff positions in clerk of court and probation and pretrial services offices located throughout the United States in 652 federally owned and leased court buildings and facilities (these data exclude Federal Defender Organizations, which are discussed in Section 5).

## **District Courts**

The district courts are responsible for administering justice in civil and criminal cases under federal jurisdiction in 94 judicial districts throughout the United States and its territories. The public benefits from effective and efficient district courts by having criminal defendants processed through the criminal justice system and by having civil disputes resolved quickly and fairly.

The number of criminal defendants, the mix of civil cases, amount of juror activity, and the number of authorized judges require the courts to make staffing adjustments indicated by the district court staffing formulas, which are based primarily on civil and criminal cases and the number of judges supported.

### ***Criminal Case Filings***

Criminal case filings are, in part, influenced by the number of U.S. Attorneys and the emphasis placed on prosecution of offenses such as illegal immigration, drug crimes, and violations of firearms laws. At the same time that the current Administration implemented new prosecution policies, national criminal caseload has increased. As shown on Table 4.1 on page 4.16, for the 12-month period ending June 30, 2018, criminal cases filed increased by 15.7 percent from the previous year. Defendants charged increased 12.8 percent for the same 12-month period. In particular, district courts along the Southwest border have seen an increase of 19.2 percent as of June 30, 2018, in criminal defendants. The national increase in criminal case activity is expected to continue in 2019, with a 9.0 percent projected increase in criminal case filings and a 6.9 percent increase in criminal defendants charged.

Regardless of a district court's location, the time-sensitive nature of criminal cases, due to statutory deadlines in the Speedy Trial Act, multiple hearings for defendants (i.e., initial appearances, arraignments, and pleas in the early stages alone), and the need for interpreter services, highlight the importance of the courts receiving adequate staffing resources.

### ***Civil Case Filings***

Civil case filings are driven by prisoner petitions, social security cases, U.S. plaintiff recovery cases, large-volume multi-district litigation cases, and diversity of citizenship cases<sup>1</sup>. As shown on Table 4.1 on page 4.16, for the 12-month period ending June 30, 2018, civil case filings increased 3.5 percent from the previous year due primarily to a significant increase in tort actions filed in healthcare and pharmaceutical cases. Projections for 2019 show civil case filing activity remaining close to 2018 levels, with a small 0.5 percent decrease projected. To prevent delays in civil case processing and disposition, district courts need adequate staffing for their civil case workload.

### **Appellate Courts**

The 94 judicial districts are organized into 12 regional circuits, each of which has a United States court of appeals. The appellate court is responsible for hearing appeals from the district courts and the bankruptcy appellate panel (if one exists) located within its circuit, as well as appeals from certain federal administrative agencies and, in limited situations, direct appeals from bankruptcy courts. The appellate courts also have original jurisdiction in some categories of cases, such as petitions for Writ of Mandamus, second or successive habeas corpus petitions, and petitions for Writ of Prohibition. A party has the right to appeal every federal case in which a district court enters a final judgment. When an appeal is filed, a court of appeals reviews the decision and record of proceedings in the lower court or administrative agency. The court of appeals affirms, reverses, or remands the case back to the original court. The court of appeals will issue a written order or opinion in each case. Appeals from the courts of appeals may be taken to the United States Supreme Court, which, unlike the courts of appeals, generally has discretion over the number and types of cases it hears. The Supreme Court must hear and decide cases over which it has original and exclusive jurisdiction (see 28 U.S.C. § 1251). The Supreme Court can decline to hear a case, remand cases to the court of appeals, or decide to affirm or reverse the court of appeals.

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<sup>1</sup> A district court has subject matter jurisdiction based on diversity of citizenship when the amount in controversy exceeds \$75,000, exclusive of interest and costs, and is between parties not from the same state or country.

### ***Appellate Case Filings***

As shown on Table 4.1 on page 4.16, for the 12-month period ending June 30, 2018, the number of appeals filed decreased 5.4 percent from the previous year. The judiciary currently projects that appellate case filings will remain relatively stable in 2019, with a 1.0 percent increase projected. However, administration initiatives, legislative initiatives, and court decisions can have significant effects on some annual totals, thus causing greater-than-normal volatility. For example, filings of administrative agency appeals surged between 2003 and 2006 due to appeals of decisions by the Board of Immigration Appeals in the Justice Department and the executive branch's efforts to address the backlog of immigration cases. Any significant administrative initiatives or legislative changes may cause similar unexpected changes in filings within circuit courts during 2019.

### **Bankruptcy Courts**

Bankruptcy courts exercise jurisdiction over bankruptcy cases and proceedings, pursuant to statute and by reference from the district courts. The Bankruptcy Code is set forth at Title 11 of the U.S. Code, and it provides different chapters under which a debtor may file bankruptcy. A key purpose of the Bankruptcy Code is to provide an orderly and equitable process for debtors to resolve their debts with creditors. Through the bankruptcy courts, the legal system protects business and individual debtors, as well as their creditors, as intended by law.

### ***Bankruptcy Case Filings***

Bankruptcy filings have decreased in the past several years, but the rate of decline is slowing. As shown on Table 4.1 on page 4.16, filings for the 12-month period ending June 30 decreased by 12.0 percent in 2015, 6.9 percent in 2016, 2.8 percent in 2017, and 2.6 percent in 2018. The judiciary currently projects a further decline of 2.4 percent in 2019, for a total of 757,100 bankruptcy case filings.

### ***Chapter 7 Bankruptcy Cases***

Chapter 7 of the Bankruptcy Code allows for liquidation of a debtor's nonexempt assets to pay back creditors as much as possible. Individuals and business entities (with certain exceptions) may file bankruptcy under Chapter 7. The bankruptcy courts are expected to handle 467,500 new chapter 7 cases during the 12-month period ending June 2019, approximately 11,650 (2.4 percent) fewer cases than in the previous year.

### ***Chapter 11 Bankruptcy Cases***

Chapter 11 of the Bankruptcy Code offers businesses the opportunity to reorganize or liquidate in an orderly manner. Individuals also may file bankruptcy under Chapter 11, when they are ineligible to file under Chapter 13 due to its debt limitations. In chapter 11 cases, bankruptcy courts are directly involved in reviewing and approving complicated business reorganization plans and asset sales focusing on the goal of achieving a benefit for all interested parties. The bankruptcy courts are expected to handle 6,600 new chapter 11 cases during the 12-month period ending June 2019, a decrease of 7.6 percent from 2018.

### ***Chapter 13 Bankruptcy Cases***

Chapter 13 of the Bankruptcy Code assists individual debtors who have regular income to adjust their debts within a repayment plan. Under such a plan, debtors can save their homes from foreclosure by allowing them to catch up past-due payments. The bankruptcy courts are expected to handle 282,500 new chapter 13 cases during the 12-month period ending June 2019, a decrease of 2.2 percent from 2018.

### **Probation and Pretrial Services Program**

The federal probation and pretrial services program assist the federal courts in the fair administration of justice. Probation and pretrial services officers provide the courts with in-depth and objective pretrial services and presentence reports. Pretrial services officers investigate defendants and recommend to the judge whether there are conditions that would reasonably assure the defendant's appearance in court and protect the community while the defendants' cases are pending disposition, as set forth under 18 U.S.C. § 3142. Probation officers investigate persons convicted of federal crimes and recommend to the judge a sentence that addresses the factors set out in 18 U.S.C. § 3553. The courts rely on those reports to make release and sentencing decisions, and the reports also notify the litigants of all relevant release and sentencing issues. The presentence reports are also used by the U.S. Attorneys' Offices to locate assets to be seized for any fines, restitution, or assessments ordered, while the Federal Bureau of Prisons (BOP) relies on the presentence reports to guide its handling of offenders sentenced to incarceration.

Probation and pretrial services officers also support public safety by supervising defendants and persons under supervision living in the community. Many persons under supervision on post-conviction supervision lack adequate life skills to transition back into the community smoothly. Officers help persons under supervision to either re-establish, or secure for the first time, appropriate housing, employment, and legitimate community relationships. They provide life skills counseling and leverage programs offered by other federal agencies and local social service organizations. Successful supervision requires persons under supervision to overcome not

only the original factors that contributed to their criminal behavior, but institutionalization, alienation from family and friends, and other consequences of a lengthy prison term. Throughout the country, officers are securing resources for persons under supervision, cultivating employment prospects, and developing collaborative relationships with a wide variety of organizations. All of these efforts aim to assist in the transition of persons under supervision back into the community.

Where the court deems it appropriate, the client's location and activities can be monitored electronically through global positioning systems and other technologies. Similarly, the court may authorize drug testing, restrict travel, or prohibit association with certain individuals. In higher risk cases, courts can order the persons under supervision to undergo polygraph examinations and authorize warrantless searches and seizures by probation officers.

### ***Probation and Pretrial Services Workload***

Probation and pretrial services workload is dictated by prosecutions brought by U.S. Attorneys' Offices and the number of inmates released to supervision by the BOP. For the past several years, prosecutorial policies at the Justice Department have resulted in fewer total criminal filings in recent years and, therefore, reduced workload in some probation and pretrial categories, while others are projected to remain stable or reflect minimal workload increases.

However, this trend changed in 2018. As noted above in the discussion of criminal filing and as shown on Table 4.1 on page 4.16, in the 12-month period ending June 30, 2018, criminal filings and the number of criminal defendants charged increased substantially. Criminal filings increased by 15.7 percent and criminal defendants charged increased by 12.8 percent. Similarly, the number of pretrial services cases activated increased in 2018 by 12.2 percent.

For the 12-month period ending June 30, 2019, the judiciary projects a 5.0 percent increase in pretrial cases activated, no change in pretrial supervision, and an increase of 5.6 percent in presentence reports due to greater immigration prosecutions. Supervision activities associated with new defendants under pretrial supervision are decreasing, and the projected number of persons under post-conviction probation supervision at some point during 2019 is projected to decrease 3.5 percent, from 2018 to 2019.

Table 4.1 Comparison of Judiciary Workload Factors

WORKLOAD FACTOR	12 months ending June 30, 2013 Actual	12 months ending June 30, 2014 Actual	12 months ending June 30, 2015 Actual	12 months ending June 30, 2016 Actual	12 months ending June 30, 2017 Actuals	12 months ending June 30, 2018 Actual	12 months ending June 30, 2019 Projected
Criminal Filings	69,642	64,027	60,866	61,021	58,121	67,257	73,300
Year-to-Year Change:	-5.2%	-8.1%	-4.9%	0.3%	-4.8%	15.7%	9.0%
Criminal Defendants Filed	91,812	84,017	79,154	79,968	75,235	84,828	90,700
Year-to-Year Change:	-5.3%	-8.5%	-5.8%	1.0%	-5.9%	12.8%	6.9%
Probation: Persons Under Supervision	132,362	132,597	133,428	137,882	135,947	131,036	126,500
Year-to-Year Change:	-0.3%	0.2%	0.6%	3.3%	-1.4%	-3.6%	-3.5%
Pretrial Services: Cases Activated	102,457	98,122	90,588	88,140	82,265	90,951	95,500
Year-to-Year Change:	-3.2%	-4.2%	-7.7%	-2.7%	-6.7%	10.6%	5.0%
Bankruptcy Filings	1,137,978	1,000,083	879,736	819,159	796,037	775,578	757,100
Year-to-Year Change:	-13.2%	-12.1%	-12.0%	-6.9%	-2.8%	-2.6%	-2.4%
Appellate Filings	56,360	55,260	53,032	60,099	52,028	49,220	49,700
Year-to-Year Change:	-2.3%	-2.0%	-4.0%	13.3%	-13.4%	-5.4%	1.0%
Civil Filings	283,087	298,713	280,037	290,430	271,721	281,202	279,900
Year-to-Year Change:	-1.1%	5.5%	-6.3%	3.7%	-6.4%	3.5%	-0.5%



## **FISCAL YEAR 2019 APPROPRIATIONS ASSUMPTION**

In the absence of enacted full year FY 2019 appropriations, the judiciary made assumptions to construct a FY 2020 budget request. The judiciary built the FY 2020 budget request for Salaries and Expenses assuming a FY 2019 appropriation of \$5,162,936,000, which is equal to the FY 2019 Senate mark. This FY 2019 assumed appropriation of \$5,162,936,000, combined with \$429,835,000 in unobligated carryforward balances from FY 2018 and FY 2019 projected fee revenue, funds priority FY 2019 pay and non-pay adjustments to base. In addition, the FY 2019 assumed appropriation also funds ongoing cybersecurity requirements, additional resources for ongoing courthouse construction projects, and the funding needed to shift some previously fee-funded Electronic Public Access requirements to this account, consistent with a March 2018 federal court ruling.

For bill language, the judiciary used the language from H.R. 6147, the House-passed FY 2019 Financial Services and General Government (FSGG) appropriations bill, updated with the assumed funding level as described above, as the closest approximation of eventual enacted FY 2019 appropriations language.

After full-year FY 2019 appropriations are enacted, the judiciary will re-estimate its FY 2020 budget request and transmit to the Appropriations Committees any changes to FY 2020 appropriations requirements and language.

## **SIGNIFICANT ISSUES**

### ***Southwest Border***

The district courts located along the Southwest Border continue to manage a tremendous number of criminal cases. These five judicial districts (Arizona, California-Southern, New Mexico, Texas-Southern, and Texas-Western) accounted for over 38 percent of all felony defendants in district courts nationwide in 2018. These district courts have been impacted by the increase in immigration filings resulting from the administration's enforcement policy.

The Administrative Office (AO) convened a conference in El Paso, TX, in June 2018, with participants from all five southwest border districts. District judges, magistrate judges, federal defenders, chief probation and pretrial services officers, and district court clerks discussed how best to deal with the logistical and case management challenges of processing such cases. Further, the judiciary has worked with Department of Justice officials to establish a Task Force on Southwest Border to identify and collaborate on issues arising from increased immigration caseloads along the Southwest Border. Issues discussed at its first meeting in July in Washington, D.C. included locating family members separated from individuals being prosecuted in federal district court, returning identification

documents and other critical property before deportation, interpretation issues, and improved communication on material changes to criminal case filings so resource needs can be anticipated. A follow up meeting was held in September 2018, in McAllen, TX.

The judiciary has been able to handle the growth in criminal cases along these border courts within existing resources. This FY 2020 request does not include additional funding explicitly due to this surge.

### ***Impact of Sentencing Reform Legislation (First Step Act of 2018)***

In December 2018, the President signed into law sentencing reform legislation, the First Step Act of 2018 (the Act), P.L. 115-391. The law retroactively applies the reduced penalties under the Fair Sentencing Act of 2010. It is estimated that at least 2,500 inmates in the custody of the BOP may be eligible to file motions for early release. Furthermore, the bill eases mandatory minimums for certain offenses, which will lead to shorter prison sentences and thus the release of inmates earlier than anticipated into the federal probation system. In addition, the Act creates a process for certain inmates to earn credits towards early release from prison and allows those inmates to complete remaining portions of their sentences in the community.

The Act unequivocally imposes a burden upon the federal probation system by requiring officers to supervise BOP inmates on home confinement or in residential re-entry centers earlier than previously planned or by requiring officers to supervise persons on supervised release in the community earlier than previously planned and, thus, additional funding will be necessary to handle that workload.

The judiciary is currently analyzing the impact of this new law. The FY 2020 request does not include additional funding due to the lack of available data on the precise number of cases impacted by the Act's provisions and uncertainty about the timing of BOP's implementation of its portions of the new early release system. Given the scope of the new law, however, additional funding in future years almost certainly will be necessary.

### ***Cybersecurity***

Cybersecurity continues to be a top administrative priority of the judiciary. The judiciary's data communication network and its underlying infrastructure are vulnerable to a wide range of risks stemming from both physical and cyber threats. Sophisticated attackers exploit vulnerabilities and are continually developing new capabilities to steal information and disrupt, destroy, or threaten the delivery of essential services. From January through September 2018, there were more than 50 million attacks identified and blocked as a result of the judiciary's cybersecurity efforts. In FY 2018, the judiciary obligated \$71.3 million for new and continuing

cybersecurity enhancements and operations, including improved internet firewall services, increased deployment of tools for IT systems log management, increased use of patch and asset management software and appliances, increased threat mitigation, and heightened security of administrative systems. The judiciary continues to strengthen its cybersecurity posture in FY 2019 with enhancements for vulnerability scanning services and expansion of its security assessment programs for the courts and for national systems. Recently, the judiciary implemented a new policy requiring each court unit and federal defender organization, as well as the AO, to conduct an IT self-assessment “scorecard” each calendar year. The results of these self-assessments will help to guide the judiciary’s cybersecurity strategy and investments in future years. In the interim, the judiciary requests \$68.8 million in Salaries and Expenses to continue its cybersecurity efforts in FY 2020. For additional information on the judiciary’s cybersecurity requirements, please see Section 11, *Judiciary Information Technology Fund*.

### ***Electronic Public Access Requirements Shift to S&E***

Revenue generated by fees for the use of the judiciary’s Public Access to Court Electronic Records (PACER) system has been used to support the judiciary’s Electronic Public Access program for the past several decades. In recent years, these revenues have amounted to approximately \$145 million annually. In a lawsuit, *NVLSP v. U.S.*, plaintiffs challenged the legality of PACER fees by arguing that charged fees exceed the costs of maintaining PACER in violation of the E-Government Act. On March 31, 2018, the D.C. district court rejected the plaintiff’s argument that Electronic Public Access fees should be limited to funding the marginal costs of operating PACER and affirmed that the judiciary may use Electronic Public Access fees for the judiciary’s Case Management/Electronic Case Filing (CM/ECF) system and bankruptcy noticing, as well as infrastructure costs associated with each of these systems. However, the court also found that several other Electronic Public Access expenses, including courtroom technology, eJuror, and the crime victim’s notification system, were insufficiently linked to information on the federal court’s CM/ECF docketing system. The Justice Department filed an interlocutory appeal on the judiciary’s behalf, and the appeal is currently pending with the Court of Appeals for the Federal Circuit. To prevent potential future exposure as the appeal moves forward, the costs associated with the three areas deemed impermissible by the court’s ruling were provisionally transitioned to the Salaries and Expenses (S&E) appropriation instead of Electronic Public Access receipts beginning in FY 2018. Given the importance of these programs, the judiciary sought funding from the S&E appropriation for these activities in FY 2019. This approach will continue until there is a final resolution of the legal actions impacting the Electronic Public Access fees. Consistent with longstanding practice, the judiciary will continue to use Electronic Public Access funds for the CM/ECF system, Electronic Bankruptcy Noticing among other appropriate expenses. For more information on the Electronic Public Access program, see *Appendix 2 - Electronic Public Access Program*.

### ***Evidence-Based Practices***

The FY 2020 request includes \$10.0 million to continue implementation of evidence-based practices in supervision within the probation and pretrial services program. Evidence-based practices in community corrections is the conscientious use of the best evidence currently available to inform decisions about the supervision of individuals as well as the design and delivery of policies and practices to achieve maximum and measurable reductions in recidivism. In the judiciary, the implementation of evidence-based practices has taken several forms.

*Risk Assessment:* The Post-Conviction Risk Assessment (PCRA) is used by officers to classify the risk level of persons under supervision and identify the criminogenic needs that, if addressed, could reduce the person under supervision's risk of re-offending. Changes to PCRA include adding a violence assessment, which will help officers identify persons on supervision who pose a greater risk of committing a violent offense. The transition to this tool, PCRA 2.0, was completed in June 2017. The tool will enhance the abilities of officers to prioritize their casework and direct resources to those persons under supervision that pose the greatest risk of harm in the community. Probation and pretrial services offices are using the tool appropriately to target services on higher risk cases (i.e., individuals who pose a greater risk of recidivism and violence). For example, in FY 2018, the average treatment expenditure for low risk persons under supervision was \$1,152, while it was \$3,565 for high risk persons under supervision.

*Cognitive Behavior Therapy Curricula:* In addition to risk assessment, the probation and pretrial services program is in the process of expanding the availability of cognitive-behavioral therapy programming by developing a series of curricula that address the top criminogenic needs of persons under supervision: antisocial thinking patterns, social networks, substance abuse, and educational or employment deficits. An additional curriculum is being developed to address violent tendencies exhibited by some persons under supervision. During the fourth quarter of FY 2016, AO staff awarded a national contract to the University of Cincinnati Corrections Institute (UCCI) to develop curricula for four audiences (treatment providers, officers, clients, and clients' families) in the five areas of criminogenic need. Two pilot districts provided feedback on the curricula, which was incorporated into the final version. The UCCI delivered the final curricula to the AO in October 2018. Implementation is currently focused on developing a group of 38 national trainers. Additionally, the AO is engaged in a research study to evaluate initial outcomes. There are eight districts currently serving as research sites. These sites are engaged in Criminogenic Needs and Violence Curriculum skill development activities which are supported by UCCI. Data collection will commence following skill development. The AO plans to begin local implementation of this effort in FY 2020.

*Staff Training Aimed at Reducing Re-Arrest (STARR)*: Evidence-based core correctional practices are also being deployed through the STARR program. The training includes a discussion of the theory of core correctional practices, a demonstration of each skill, exercises, and an opportunity for officers to practice each skill and receive feedback. Training and implementation are the two major components of this effort. Both components occur in successive groups (or “waves”) of districts. Wave 1 (which includes 15 offices in 14 districts), Wave 2 (which includes 23 offices in 22 districts), and Wave 3 (which includes 27 offices in 25 districts) are well into the implementation process. Wave 4 (which includes 28 offices in 27 districts) began in early November 2016 when probation and pretrial services chiefs and key personnel attended an AO-led orientation conference. Training for all participating districts continues in FYs 2019 and 2020. Thirteen STARR training events and three STARR skill refresher training events are scheduled during FY 2019. Additional trainings are planned for FY 2020 including three skill refresher trainings and support for all districts involved in STARR implementation.

The recidivism rate for persons under federal supervision, after statistically controlling for the fact that persons under supervision risk levels have increased over time, has been declining and is well below that reported for most individuals within state systems. A report from April 2014 (which explored recidivism patterns of federal prisoners released from 2005 to 2010), showed that approximately 20 percent of federal persons under supervision are re-arrested within three years of commencing their terms of supervision. In contrast, slightly more than two-thirds of state prisoners released in 2005 were re-arrested within three years. The positive direction of federal recidivism coincides with investments made in the federal probation and pretrial services system, including the commitment to become evidence-based. The judiciary will continue to collect data on the implementation of evidence-based practices by tracking persons under supervision’s progress and measuring revocation and re-offense rates and will provide such data to Congress once it is available.

### ***Probation and Pretrial Services Automated Case Tracking System (PACTS) Stabilization and Replacement***

In recent years, the information technology applications supporting the probation and pretrial services (“PPS”) system have had significant problems with reliability and performance. There are more than 30 applications that work together with the Probation and Pretrial Services Automated Case Tracking System (PACTS) to enable probation and pretrial services offices to perform their official duties. These applications, along with PACTS, have experienced recurring outages and slowdowns, which impede the ability of officers and staff to access crucial case file information. The lack of immediate access to data on defendants and persons under supervision jeopardizes officer safety, increases the risk to public safety, causes delays in providing services to courts and other agencies, and interferes with measuring outcomes and monitoring information required to determine workload credit and assess budget and staffing needs.

The AO has developed a two-step plan to ensure the reliability and performance of PACTS and the PPS applications. The first step is to stabilize PACTS while a replacement system is developed and deployed. The stabilization phase, which began in 2017, has yielded positive results by reducing the number of outages and system recovery time when outages occur. Funding has already been provided for this first step.

The second step is to develop a replacement system for PACTS with commercial off-the-shelf products as well as a highly configurable platform solution. Based on comments received from interested vendors and concerns raised within the AO, the AO decided to engage in several pre-solicitation activities aimed at reducing the cost of the project, improving the quality of the application, and gaining additional insight into the level of effort and project risk before moving forward with a formal solicitation.

Currently, the AO is drafting a Request for Proposal, clarifying security requirements, and developing an overall acquisition strategy (i.e., the process of evaluating bids and testing products to determine the best value for the government) and is planning to complete this in the Spring of 2019. In addition, the AO also issued a contract to the National Center for State Courts to develop a data migration strategy, eliminate duplicate data fields, and ensure consistency across databases. These activities will help the AO establish clear requirements, mitigate risks, contain project costs, and improve the quality of the new application.

The original estimated cost of developing the replacement system was approximately \$24.5 million, as reported in the judiciary's FY 2019 budget request. However, pre-solicitation activities over the last year also included the completion of an independent government cost evaluation of the PACTS replacement system. The evaluation estimates that total development costs for the PACTS replacement are expected to exceed original estimates. Several factors increased the cost estimate, including (1) the complexity of integration with legacy PPS applications and other non-judiciary applications, (2) lack of clarity early in the process regarding the scope of data migration, and (3) lack of specificity about the testing, training, and implementation efforts.

Given the potential scope of this project, the AO is developing a multi-year funding strategy, in which the judiciary would seek additional funding over several fiscal years (just as the judiciary has sought funding over several years for the physical access control systems program in the Court Security account). No additional funding is being requested for PACTS replacement in FY 2020 until a project plan and a new funding strategy is finalized. (See page 4.42 for information about non-recurring certain PACTS costs.)

### ***New Courthouse Infrastructure***

In FY 2016, Congress provided \$948 million in funding to the General Services Administration (GSA) for the construction of new courthouses, as prioritized by the judiciary's September 2015 Courthouse Project Priorities (CPP) list. These resources fully funded the top eight courthouse projects on that CPP plan, including: Nashville, Tennessee; Toledo, Ohio; Charlotte, North Carolina; Des Moines, Iowa; Greenville, South Carolina; Anniston, Alabama; Savannah, Georgia; and San Antonio, Texas. Partial funding was also provided for Harrisburg, Pennsylvania, the ninth project on that CPP list. In addition, \$53 million was appropriated for new construction and acquisition of facilities that are joint U.S. courthouses and federal buildings in Greenville, Mississippi, and Rutland, Vermont.

Although the construction of new courthouses and annexes is funded by GSA, the judiciary is responsible for a variety of associated infrastructure that is needed to ensure that new facilities will be fully functional at the time that major construction is completed. For those courthouse projects that were funded in FY 2016, this FY 2020 request includes \$21.7 million to fund furniture, information technology, and other space-related infrastructure costs required during the design and construction of the new courthouses. Remaining funding requirements for the full functionality and operations of the new courthouses will be included in future funding requests.

In FY 2018, Congress provided the remaining funding necessary to complete the Harrisburg, Pennsylvania, project (\$137.2 million), as well as funding for two additional projects: Huntsville, Alabama (\$110.0 million) and Fort Lauderdale, Florida (\$190.1 million). Both the Huntsville and Fort Lauderdale projects received congressional authorization on February 5, 2019. Judiciary-related infrastructure costs associated with the courthouse projects in Huntsville and Fort Lauderdale are still being developed and will be included in future funding requests.

### ***Thurgood Marshall Federal Judiciary Building Façade***

The Thurgood Marshall Federal Judiciary Building (TMFJB) in Washington, D.C. is several blocks from the U.S. Capitol and houses the AO, Federal Judicial Center, Judicial Panel on Multidistrict Litigation, and U.S. Sentencing Commission. The Architect of the Capitol (AOC) is responsible for maintaining the building.

In 2015, the AOC determined that the entire façade of the TMFJB may require repair or replacement to address serious safety risks related to cracks in the façade caused by faulty construction. Although the building's construction contractor is ostensibly liable for

these faults, that firm was sold and reorganized pursuant to a bankruptcy proceeding and the liability was discharged. As a result, the AOC lacks legal recourse and funding for the repairs must be provided via the appropriations process.

The judiciary funded a façade protection project and Phase 1 of the façade replacement project in FY 2016. Phase 1 includes removal of all stone panels from the main entry plaza. Using the results of Phase 1, which is currently scheduled for completion in January 2020, future phases may include removal and reinstallation of some or all façade stone from the remaining three sides of the building. A total of \$10 million was provided in FY 2018 and an additional \$10 million was requested in FY 2019 to complete Phase 1 and continue into Phase 2 of this project. The FY 2020 request includes \$10 million in base funding to continue the façade replacement project.

Throughout this project, the safety of all TMFJB occupants and the public has been and will remain the top priority. The AOC and the AO have taken steps to ensure maximum protection, which included relocating the Child Development Center playground to a temporary location, installing safety scaffolding on the 2<sup>nd</sup> Street entrance, installing interim protective netting for the entire building, and cordoning off walkways around the building.

## **COST CONTAINMENT**

### ***Judiciary Space Footprint Reduction Program***

Space reduction has been one of the judiciary's major cost-containment initiatives. The national space reduction target of three percent set by the Judicial Conference in September 2013 is equivalent to a total reduction of 870,305 usable square feet (USF).<sup>2</sup> As of the end of September 2018 – the deadline for meeting the three percent goal--approximately 1.1 million USF of space had been removed from the judiciary's rent bill, with all circuits meeting and exceeding their space reduction goals. Therefore, the judiciary has exceeded its national space reduction goal by approximately 27 percent, resulting in approximately \$36 million in annual rent avoidance. This net reduction is comprised of space released to the General Services Administration (GSA), less increases to space since the baseline was set. Since 2013, the judiciary has achieved an estimated \$105 million in cumulative rent avoidance via space

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<sup>2</sup> This target is prorated among the circuits based on the square footage occupied by each, taking into consideration the amount of square footage allotted to the circuit under the current version of the *U.S. Courts Design Guide*. The target excludes: new courthouse construction, renovation, or alterations projects approved by Congress, and is contingent upon the judiciary having access to funding to analyze, design, and implement space reductions. The baseline for this policy is the square footage of total space holdings within each circuit as of the beginning of FY 2013 (JCUS-SEP 13, p. 32).



reduction. Over the five years of the program, the judiciary has worked collaboratively with the GSA to ensure that projects goals and deadlines have been met, including removing the space and rent charged from the rent bills.

### ***Compliance with the No Net New Policy***

Although the three percent national space reduction target was achieved, courts now face the challenge of maintaining compliance with another Judicial Conference-approved cost-containment initiative, the No Net New policy. This policy requires that any increase in square footage within a circuit needs to be offset by an equivalent reduction in square footage identified within the same fiscal year.<sup>3</sup> As courts expand their workforces, judges take senior status, and new judges are appointed, demand will increase for space, particularly chambers space required for new judges. As a result, circuits need to improve the utilization rates of their space to ensure that they do not expand their space footprints. For this reason, the FY 2020 budget request includes \$20 million to undertake projects needed to offset space increases in order to maintain compliance with the No Net New policy.

### ***Work Measurement***

The judiciary has employed work measurement since 1970 to determine its staffing requirements, and to provide a reliable tool to allocate staffing resources equitably across court types and individual court units. Though the methodology has changed over the years, work measurement's primary purpose remains to bring an empirically-based and practical approach to staffing allocations.

The staffing formulas estimate the number of staff required to perform the work of judiciary units, which include appellate and circuit offices, district courts, bankruptcy courts, probation and pretrial services offices, and federal defender organizations (FDOs). The formulas define both administrative and operational staffing requirements of each judiciary unit.

Although the judiciary has used work measurement for several decades, the current emphasis on workforce analysis and cost containment has increased the importance of work measurement as one of the more effective management tools available to the judiciary. The judiciary updates the staffing formulas, generally at five-year intervals, to incorporate efficiencies derived from information technology initiatives, best practices, and other process improvements, including shared administrative services. This work measurement methodology uses a combination of statistical modeling and other measurement techniques to define more

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<sup>3</sup> The No Net New policy is subject to the following exclusions: new courthouse construction, renovation, or alterations projects approved by Congress. The baseline for this policy is the square footage of total space holdings within each circuit as of the beginning of FY 2013 (JCUS-SEP 13, p. 32; JCUS-SEP 14, p. 29).

precisely the courts' full staffing requirements. The staffing formulas rely on verifiable data from the courts and automated timekeeping measurement by the AO.

The current work measurement process emphasizes alignment of staffing resources with required workload as the basic tenet for determining staff size. The process attempts to answer three basic questions:

- 1) What tasks do court staff perform?
- 2) How often (frequency) do the tasks occur?
- 3) How long, in labor hours expended, does it take to produce a required product or perform a required task?

In FY 2018, the judiciary completed a work measurement study on district clerks' offices. An updated district clerks' office staffing formula is in use for the FY 2019 allocations and was used to develop the staffing requirements included in the FY 2020 budget request. In FY 2019, the judiciary is updating the staffing formula for bankruptcy administrators and for appellate courts and circuit offices. The judiciary anticipates completion of these formulas in time to incorporate the outcomes into its FY 2020 financial plan and FY 2021 budget request. Additionally, in FY 2019, the judiciary will complete the data collection phase for a staffing formula development update for the probation and pretrial services offices. The judiciary anticipates completion of this formula in time to incorporate the outcomes into its FY 2021 financial plan and FY 2022 budget request.

### ***Shared Administrative Services and Alternative Organizational Models***

Building on earlier efforts to encourage efficiencies and cost-containment through shared administrative services, the Judicial Conference has established an initiative to develop and evaluate various organizational models that may be adopted by the courts. These models include: (1) "vertical" consolidation of district and bankruptcy clerks' offices within a district; (2) "horizontal" consolidation of bankruptcy clerks' offices across districts; and (3) shared administrative services models, which may comprise a range of ideas (including inter-district, intra-district, and regional or national service centers.) The judiciary has also developed practical information for the courts considering consolidation and/or shared administrative services. This information describes the various sharing arrangements courts have developed to deliver administrative services, identifies issues to consider when developing sharing arrangements, assesses the effect of sharing arrangement, and provides resource materials. At the local level, courts throughout the country have implemented a significant number of voluntary shared administrative services arrangements. These practices have helped to reduce costs without sacrificing efficiency or quality of service to judges and the public.

### ***Bankruptcy Courts Horizontal Consolidation Pilot***

On March 15, 2016, the Judicial Conference approved a horizontal consolidation pilot project. The horizontal consolidation pilot is based on three-year voluntary sharing arrangements between two or more bankruptcy courts regarding all services of the bankruptcy clerks' offices. The judiciary identified four districts (two sharing arrangements) and is working to identify additional courts for a maximum of six districts (three sharing arrangements), absent exigent circumstances. The Federal Judicial Center will study the pilot to determine whether horizontal consolidation of bankruptcy clerks' offices could produce savings in the level of required funding and/or personnel for those offices without decreasing services provided to judges, the bar, and the public, and be an efficient and cost-effective alternative to potential vertical consolidation. The Federal Judicial Center will prepare a final report evaluating the pilot within one year after its conclusion.

Two pairs of courts—the United States Bankruptcy Courts for the Northern and Southern Districts of Iowa and the United States Bankruptcy Courts for the Districts of North Dakota and South Dakota—have enrolled in the pilot. Pursuant to the terms of the memoranda of understanding between both pairs of courts, the sharing of services would be triggered by the retirement of one of the two bankruptcy clerks of court. Therefore, when the bankruptcy clerk of court in the Southern District of Iowa retired on August 1, 2017, the bankruptcy clerk of court for the Northern District of Iowa was appointed to serve also as the bankruptcy clerk of court for the Southern District of Iowa. Similarly, when the bankruptcy clerk of court in the District of North Dakota retired, the bankruptcy clerk of court for the District of South Dakota was appointed to serve also as the bankruptcy clerk of court for the district of North Dakota, effective May 1, 2018.

### **GOVERNMENT ACCOUNTABILITY OFFICE RECOMMENDATIONS**

The narrative found here satisfies the 31 U.S.C. § 720(b)(2) requirement to inform the House and Senate Appropriations Committee on actions taken in response to Government Accountability Office (GAO) recommendations.

#### **GAO Study on Financial Disclosure and Redaction Reports**

Report. On May 31, 2018, GAO issued a report entitled: *FEDERAL JUDICIARY: The Administrative Office of the U.S. Courts Should Ensure Financial Disclosure Redaction Reports Are Submitted to Congress Annually (GAO-18-406)*. The study was requested by Senator Charles Grassley (R-IA), Chair, and Senator Patrick Leahy (D-VT), Member, of the Senate Committee on the Judiciary, and Senators Tom Carper (D-DE), Member, and James Lankford (R-OK), Chair, Senate Committee on Homeland Security and

Governmental Affairs, Subcommittee on Regulatory Affairs and Federal Management, following-up on an earlier 2004 GAO report on financial disclosure procedures.

Issues Examined. GAO's report examined three areas: (1) the actions taken to ensure that judicial officials are complying with the requirement to file financial disclosure reports and the number of reports filed each year from 2012 through 2016; (2) compliance with procedures for responding to requests for judicial officials' financial disclosure reports and the number of reports released each year from 2012 through 2016; and (3) the number and type of redaction requests made, and whether the Judiciary consistently reported the results of judicial officials' redaction requests to Congress in a timely manner.

Recommendation. GAO's report noted that the Judicial Conference has developed guidance, processes, and systems to help ensure compliance with applicable law and regulations regarding financial disclosure. The report contained one recommendation for the AO: The Director should develop and implement a formal process, with specified steps and associated time frames, to better ensure that required annual redaction reports are completed and submitted to Congress within the following year.

AO Action. Since the publication of GAO's report, all required reports have been now submitted to Congress on a timely basis. The AO has addressed the timeliness of the annual redaction report with internal deadlines and improved practices. The Judicial Conference Committee on Financial Disclosure set a deadline of March 30 of each year for the submission of the annual report. This deadline was formalized on September 20, 2018 in the *Guide to Judiciary Policy* and the Financial Disclosure Regulations have been updated on [www.uscourts.gov](http://www.uscourts.gov). The AO is awaiting confirmation from GAO that this fully addresses GAO's recommendation and this matter has been closed.

### **GAO Study on the Justice for All Reauthorization Act of 2016**

Report. On February 2, 2018, GAO issued a report entitled: *FEDERAL CRIMINAL RESTITUTION: Most Debt Is Outstanding and Oversight of Collections Could Be Improved (GAO-18-203)*. This was one of two studies required by the Justice for All Reauthorization Act of 2016 (Pub. L. No: 114-324).

Issues Examined. GAO's report, which involved the Department of Justice as well as the Judiciary, including the AO and the United States Sentencing Commission (Commission), examined three areas: (1) the extent and amount of restitution the Attorney General requested for eligible federal criminal cases in fiscal years 2014 through 2016; (2) the amount of restitution federal district courts show ordered and collected; and (3) best practices identified for requesting, ordering, and collecting restitution.

Recommendation. The findings and recommendations focused on the Department of Justice’s collection efforts, however, GAO also found that in certain cases restitution was not ordered but no additional information explaining the reason was found in Commission data. The report included one recommendation directed to judiciary officials, including the AO and the Commission: determine why Commission data on the reasons restitution was not ordered are incomplete. Additionally, if warranted based on this information, judiciary officials should take action to ensure Commission data records include all required information for orders of restitution.

AO Action. Though legitimate reasons may exist for these omissions on the Statement of Reasons forms, used by courts to submit information to the Commission to aid in its data collection requirement, the Judicial Conference Committee on Criminal Law, in conjunction with the Commission, concluded that publication of this report provided an opportunity to remind all involved in sentencing proceedings that completion of these forms, and in particular Part VII relating to restitution, can help to ensure the Commission receive all data necessary to fulfill its statutory mission. On July 2, 2018, a memorandum from the Chair of the Committee on Criminal Law and the Acting Chair of the Commission was broadcast to all district and magistrate judges, district clerks, and probation officers providing information about this study. In addition, the Criminal Law Committee and the Commission are working together to update guidance and training materials on the Statement of Reasons form.

## FISCAL YEAR 2020 REQUEST

The FY 2020 discretionary appropriation request for the Salaries and Expenses account totals \$5,393.0 million, including \$9.0 million for requirements funded from the Vaccine Injury Compensation Trust Fund. The judiciary also requires \$421.8 million for requirements funded from mandatory appropriations. The FY 2020 discretionary request is a 4.5 percent increase over the FY 2019 assumed discretionary appropriation level of \$5,162.9 million.

In addition to appropriated funds, the Salaries and Expenses account utilizes other funding sources to offset its appropriation requirements, including current year fee collections, carryover of fee balances from the prior year, and no-year appropriation balances (excluding encumbered carryforward). The judiciary projects that these sources of non-appropriated funds will total \$401.7 million in FY 2020, \$28.2 million less than the \$429.8 million expected to be utilized in FY 2019.

**Total Requested Discretionary Appropriation Increases:  
\$230,046,000**

**Total Mandatory Appropriation Increases: \$6,718,000**

## JUSTIFICATION OF CHANGES

The changes in the FY 2020 budget request are divided into two sections: adjustments to base and program increases.

Adjustments to base totaling \$209.7 million (89 percent of the requested change) are for:

- an increase to mandatory appropriations for personnel costs for judges and costs associated with an increase in filled Article III judgeships, bankruptcy judgeships, and senior judges (+\$6.7 million);
- an increase in personnel costs for claims judges, magistrate judges, chambers staff, and other court support staff (+\$121.8 million);
- an increase in chambers staff to support filled Article III and bankruptcy judgeships and senior judges, and related costs (+\$7.7 million);
- financing adjustments to replace non-appropriated sources of funds with appropriated funds; (+\$28.2 million);
- inflationary and miscellaneous adjustments (+\$18.4 million);
- an increase for personnel and related costs for the Vaccine Injury Compensation Trust Fund (+\$0.5 million);
- A net increase for General Services Administration (GSA) rent and related costs (+\$28.7 million);
- a decrease for non-recurring costs associated with Evidence-Based Practices (-\$2.7 million); and

- a net increase for information technology requirements (+\$0.5 million).

Program changes totaling \$27.0 million (11 percent of the requested change) are for:

- six new magistrate judges and associated staff (\$6.0 million);
- net change in court support staffing due to workload changes (-\$5.2 million);
- replacing the judiciary’s Financial Disclosure Reporting System (\$2.8 million);
- upgrading the judiciary’s payroll projection system (\$1.7 million); and
- infrastructure costs associated with new courthouse construction projects (\$21.7 million).

**ADJUSTMENTS TO BASE TO MAINTAIN CURRENT SERVICES**

The following provides information and justification for each of the adjustments to base for the Salaries and Expenses account. This section is divided into three subsections: judges, court personnel and programs, and other adjustments. Each line item is identified in this section by a number that corresponds to the line items in the FY 2020 Resource Requirements section on pages 4.3 - 4.4.

**A. JUDGES AND ASSOCIATED STAFF**

*1. Pay and benefit cost adjustments*

**a. Annualization of assumed 2019 pay adjustment**

**Requested Discretionary Increase: \$485,000**

**Mandatory Increase: \$1,453,000**

The requested increase provides for the annualized costs of an assumed 2019 pay adjustment associated with the Employment Cost Index (ECI) adjustment. Based on the FY 2019 appropriation action to date, federal pay rates for judges are assumed to increase by 1.4 percent, effective as of January 2019. The requested increase provides for the cost of three months (from October 2019 to December 2019) of the assumed 2019 pay increase in FY 2020. (If Congress ultimately does not enact a 2019 pay adjustment for federal civilian workers, or if one is provided at a rate different than 1.4 percent for ECI, the judiciary will revise this line item in its FY 2020 budget re-estimate.)

**b. Benefits increases**

**Requested Discretionary Increase: \$490,000**

**Mandatory Increase: \$992,000**

The requested amount includes \$1.0 million to cover premium rate increases in Federal Employee Group Life Insurance (FEGLI) for qualified judges with Option B life insurance

coverage (additional coverage above the basic FEGLI coverage) pursuant to 28 U.S.C. § 604(a)(5).

Also, an increase of \$0.5 million in health benefit payments is required based on Office of Personnel Management estimates that health benefit premium contributions will increase by an average of 1.2 percent both in January 2019 and January 2020. The requested increase annualizes the 2019 premium increase and includes a nine-month provision for the anticipated for FY 2020. This requested increase also includes FICA benefit payments.

**c. FERS adjustment**

**Requested Discretionary Increase: \$2,315,000**

**Mandatory Increase: \$1,321,000**

Consistent with guidance from the Office of Management and Budget, funds are requested for an increase in the agency contribution rate to Federal Employee Retirement System (FERS) plans for FY 2020. For most employees, the agency contribution rate will increase from 13.7 percent to 16.0 percent. Any FERS increase is in accordance with revised estimates of the cost of providing benefits by the Board of Actuaries of the Civil Service Retirement and Disability System.

**2. Increase in average number of filled Article III judgeships**

**Requested Discretionary Increase: \$5,854,000 FTE: 41**

**Mandatory Increase: \$1,905,000 FTE: 8**

In FY 2019, the judiciary anticipates that an average of 724 out of the 844 authorized Article III appellate and district judgeships will be filled. Based on the historical confirmation patterns, the judiciary projects 40 judges will be confirmed during FY 2020, offset by 32 active judges who take senior status or retire. As a result, the FY 2020 request includes funding for 732 Article III appellate and district court judgeships, a net increase of 8 FTE above FY 2019.

This request also includes funding for 24 law clerks, 6 courtroom deputies, 5 secretaries, and 6 court reporters associated with the increase of 8 judges' FTE.

This line item includes \$1.9 million for the salaries and benefits of judges, \$3.4 million for the salaries and benefits of supporting staff, and \$2.5 million for supporting costs such as law books, furniture, travel, supplies, and equipment.



Table 4.3 Active Article III Judgeship Vacancies and FTEs\*

Fiscal Year	Authorized Article III Judgeships	Average Vacancies	Avg. Number of Active Judges
2014	844	94	750
2015	844	57	787
2016	844	64	780
2017	844	89	753
2018	844	140	704
Estimates			
2019	844	120	724
2020	844	112	732

\* For FY 2014-2018, data is as of the start of the fiscal year. The number of authorized judgeships excludes the Court of Appeals for the Federal Circuit and includes territorial courts.

### 3. Increase in average number of senior judges

**Requested Discretionary Increase: \$1,597,000 FTE: 13**

**Mandatory Increase: \$923,000 FTE: 4**

Funding is requested in FY 2020 for a net increase of four senior judge FTE and associated chambers staff. The request includes \$0.9 million for the salaries and benefits of judges, \$1.2 million for the salaries and benefits of supporting staff (5 law clerks, 3 secretaries, 3 courtroom deputies, and 2 court reporters) and approximately \$0.4 million for supporting costs such as law books, furniture, travel, supplies, and equipment. Table 4.4 provides the historical levels of senior judges.

Under federal law, an Article III judge has three options when leaving active service. 28 U.S.C. § 371(a) allows the judge to retire from office and receive an annuity for life equal to the

salary in effect at the date of retirement. 28 U.S.C. § 372(a) allows the judge to retire on disability grounds, and provides that the judge receives the salary of the office for life after serving 10 years. 28 U.S.C. § 371(b) allows the judge to take senior status and to retain the office, but retire from regular active service. Senior status allows the judge to continue rendering substantial judicial service for a number of years, notwithstanding his or her retirement.

Table 4.4 Article III Senior Judgeship FTEs

Fiscal Year	Avg. Number of Senior Judges *
2014	551
2015	557
2016	564
2017	562
2018	576
Estimates	
2019	583
2020	587

\*Pursuant to 28 U.S.C. §§ 371- 373. For FY 2014-2018, data is as of the start of the fiscal year.

Currently, there are 212 U.S. Court of Appeals and U.S. District Court judges eligible to take senior status or retire. In FY 2019, the judiciary projects 45 judges will become eligible and an additional 31 judges will become eligible in FY 2020. For FY 2020, the judiciary estimates that 30 active Article III judges will either take senior status or retire and 26 senior or retired judges will leave the judiciary’s payroll. As a result, the

FY 2020 budget request reflects a net increase of four senior judge FTE.

***4. Increase in average number of filled bankruptcy judgeships***

**Requested Discretionary Increase: \$281,000     FTE: 2**

**Mandatory Increase: \$124,000                     FTE: 1**

The judiciary projects a total of 334 FTE (including recalled bankruptcy judges) for the 348 authorized bankruptcy judgeships will be funded in FY 2019. Based on historical patterns, it is anticipated that one additional judgeship will be filled during FY 2020, increasing the average number of filled bankruptcy judgeships to 335 FTE in FY 2020. This request also funds 1 law clerk and 1 courtroom deputy associated with the increase of 1 bankruptcy judge FTE.

**Table 4.5 Summary of Judicial Officers**

	Article III & Bankruptcy Judges (Mandatory Costs)						Claims & Magistrate Judges					
	FY 2019			FY 2020			FY 2019			FY 2020		
	Positions	FTE	(\$000)	Positions	FTE	(\$000)	Positions	FTE	(\$000)	Positions	FTE	(\$000)
Appellate Judgeships	167	155	37,959	167	157	38,984						
District Judgeships <sup>1</sup>	677	569	131,696	677	575	134,325						
Senior/Retired		731	162,719		735	163,844						
Bankruptcy Judgeships <sup>2</sup>	348	334	82,751	347	335	84,690						
U.S. Court of Federal Claims <sup>3</sup>							16	16	3,140	16	16	3,156
Magistrate Judgeships <sup>4</sup>							624	559	135,337	624	565	140,086
<b>Total</b>	<b>1,192</b>	<b>1,789</b>	<b>415,125</b>	<b>1,191</b>	<b>1,802</b>	<b>421,843</b>	<b>640</b>	<b>575</b>	<b>138,477</b>	<b>640</b>	<b>581</b>	<b>143,242</b>

1 Includes territorial judges

2 FTE include recalled bankruptcy judges

3 FTE includes recalled court of federal claims judges

4 FTE includes part-time and recalled magistrate judges

**Table 4.6 U.S. Court of Federal Claims Judges**

Fiscal Year	Authorized Court of Fed. Claims	Average Vacancies	Avg. No. Active Judges
2014	16	6	10
2015	16	4	12
2016	16	6	10
2017	16	6	10
2018	16	7	9
Estimates			
2019	16	8	8
2020	16	8	8

**Table 4.7 Bankruptcy Judges (excludes recalled)**

Fiscal Year	Authorized Bankruptcy Judgeships	Avg. Vacancies	Avg. No. Active Judges
2014	349	19	330
2015	349	21	328
2016	349	19	330
2017	349	21	328
2018	350	28	322
Estimates			
2019	348	19	329
2020	347	17	330

**Table 4.8 Magistrate Judges (Full-Time)**

Fiscal Year	Authorized Magistrate Judgeships	FTE
2014	531	515
2015	531	515
2016	534	519
2017	536	518
2018	537	535
Estimates		
2019	541	537
2020	547	537

## **B. COURT PERSONNEL AND PROGRAMS**

### **5. Pay and benefit cost adjustments**

#### **a. Annualization of assumed January 2019 pay adjustment**

**Requested Increase: \$16,031,000**

The requested increase provides for the annualized costs of an assumed 2019 pay adjustment for Employment Cost Index (ECI) adjustment, and locality pay. Based on the FY 2019 appropriation action to date, federal pay rates are assumed to increase by an average of 1.9 percent, effective as of January 2019. The requested increase provides for the cost of three months (from October 2019 to December 2019) of the assumed 2019 pay increase in FY 2020. (If Congress ultimately does not enact a 2019 pay adjustment for federal civilian workers, or if one is provided at a rate different than 1.9 percent, the judiciary will revise this line item in its FY 2020 budget re-estimate.)

#### **b. Promotions and within-grade increases**

**Requested Increase: \$25,432,000**

The requested increase provides for promotions and within-grade increases for personnel. The salary plan for judicial support personnel provides for periodic within-grade increases for staff who receive at least a satisfactory performance rating.

#### **c. Benefits increases**

**Requested Increase: \$5,690,000**

An increase in health benefit payments costing \$4.3 million is required. Based on information from the Office of Personnel Management, health benefit premium contributions are projected to increase by an average of 1.2 percent both in January 2019 and January 2020. The requested increase annualizes the 2019 premium increase and includes a nine-month provision for the increase anticipated for FY 2020.

Based on information from the Social Security Administration an additional \$1.4 million is also requested to provide for the increase in employer contributions to the Old Age, Survivor, and Disability Insurance (OASDI) portion of the FICA tax. The salary cap for OASDI increased from \$128,400 to \$132,900 in January 2019. The requested amount is needed to pay the agency contribution for three months in FY 2020.

#### **d. FERS adjustment**

**Requested Increase: \$58,326,000**

Consistent with guidance from the Office of Management and Budget, funds are requested for an increase in the agency contribution rate to Federal Employee Retirement System (FERS) plans for FY 2020. For most employees, the agency contribution rate will increase from 13.7 percent to 16.0

percent. Any FERS increase is in accordance with revised estimates of the cost of providing benefits by the Board of Actuaries of the Civil Service Retirement and Disability System.

**e. One more compensable day**

**Requested Increase: \$13,050,000**

There is one more compensable day in FY 2020 than in FY 2019. The requested increase funds personnel compensation and benefits associated with one more compensable day.

**6. Funding necessary to maintain FY 2019 service levels due to an anticipated decline in non-appropriated funds**

**Requested Increase: \$28,170,000**

In addition to appropriations from Congress, the judiciary relies on other funding sources to finance its requirements. These non-appropriated funds include current year fee collections, carryforward of fee balances from the prior year, no-year appropriation balances, and Judiciary Information Technology Fund balances. The use of these funds allows the judiciary to reduce its appropriations request on a dollar-for-dollar basis. The judiciary's FY 2020 discretionary appropriation request of \$5.4 billion reflects a projected availability of \$401.7 million in these non-appropriated funds. Without these funds, the judiciary's request in discretionary appropriations would have totaled approximately \$5.8 billion.

While the use of these funds benefits the judiciary (and reduces the need for appropriated funds), the amounts available fluctuate year-to-year due to changes in filing fee collections, changes in unobligated balances from prior years, etc. If total non-appropriated funds in the budget year exceed the total non-appropriated funds in the prior year, the budget year's appropriations request can be reduced further. However, if total non-appropriated funds in the budget year are lower than the total non-appropriated funds in the prior year, appropriations are needed to replace those lost non-appropriated funds in order to maintain a current services level of obligations.

The FY 2019 obligation level assumes new fee collections and prior-year carryforward from FY 2018 totaling \$429.8 million. The FY 2020 request estimates that fee collections and prior-year carryforward will total \$401.7 million, a net decrease of \$28.2 million from the \$429.8 million available in FY 2019. This is displayed in Table 4.8 on page 4.38. The judiciary requests appropriated funds for FY 2020 to replace these non-appropriated funds to maintain the same level of services as provided in FY 2019. The judiciary's estimates for non-appropriated funds typically fluctuate during the fiscal year. AO staff will update the appropriations subcommittee staff on changes in non-appropriated funding levels.

**Table 4.8 Non-Appropriated Sources of Funding**

Dollars in Thousands	FY 2019 Estimated	FY 2020 Request	Difference
Fee Collections	204,835	201,665	(3,170)
Other Carryforward	225,000	200,000	(25,000)
<b>Total, Non-Appropriated Sources of Funding, Excluding Slippage</b>	<b>429,835</b>	<b>401,665</b>	<b>(28,170)</b>

**C. OTHER ADJUSTMENTS**

**7. Inflationary and miscellaneous adjustments**

**Requested Increase: \$18,352,000**

The judiciary is projecting an inflationary increase of 2.0 percent in FY 2020. This request funds inflationary increases for operating expenses such as travel, communications, printing, contractual services, supplies and materials, furniture and equipment, and other minor miscellaneous adjustments.

**8. Vaccine Injury Compensation Trust Fund adjustment**

**Requested Increase: \$537,000**

The National Childhood Vaccine Injury Act of 1986 (42 U.S.C. § 300aa) created a special fund to pay judgments awarded under the Act. This legislation also created the Office of Special Masters within the United States Court of Federal

Claims to hear vaccine injury cases, and further stipulated that up to eight special masters may be appointed for this purpose. The special masters' expenditures are reimbursed to the judiciary for Vaccine Injury Act cases from a special fund set up under the Act.

For FY 2020, the judiciary requests \$9.0 million from the Vaccine Injury Compensation Trust Fund, an increase of \$537,000 above the amount assumed to be received from the Trust Fund in FY 2019. The increase is due to pay and non-pay inflationary adjustments.

**9. GSA space rental and related services**

**Requested Increase: \$28,653,000**

The judiciary requests a net increase of \$28.7 million in FY 2020 for GSA rent and related services. This net increase is made up of:

- (a) new space to be delivered in FY 2020 (+\$0.9 million),
- (b) inflationary adjustments to the GSA space rental base costs (+\$36.4 million),
- (c) reduction for Space Reduction Program savings (-\$4.0 million), and
- (d) other space-related adjustments (-\$4.6 million).

Table 4.9 on page 4.40 summarizes the funding request for GSA space rental costs.

**a. New space to be delivered in FY 2020**

**Requested Increase: \$936,000**

In FY 2019, the judiciary anticipates there will be a net increase of 50,891 rentable square feet related to projects to be occupied by the courts of appeals, district courts, bankruptcy courts, and probation and pretrial services offices. The requested increase of \$0.9 million is based on projected occupancy dates and rental rates provided by GSA. Table 4.10 on page 4.41 identifies major projects that GSA plans to complete in FY 2020.

**b. Inflationary adjustments to the GSA space rental base costs**

**Requested Increase: \$36,356,000**

This request represents a 3.47 percent inflationary increase in the cost of GSA space rental and maintenance of facilities occupied by the courts in FY 2020. This increase is based on rent estimates prepared by GSA and provided to the judiciary.

**c. Reduction associated with Space Reduction Program**

**Requested Decrease: -\$4,000,000**

A net cost savings of \$4.0 million is estimated to be achieved in FY 2020 associated with the Space Reduction Program. This brings total annual rental cost savings associated with the Space Reduction Program to \$36 million.

**d. Other space-related adjustments**

**Requested Decrease: -\$4,639,000**

A net adjustment of -\$4,639,000 is required in FY 2020, including an increase in tenant improvements projects, cyclical maintenance, and alterations (+\$2.0 million), a base decrease due to more refined FY 2019 rent requirements (-\$4.6 million), and a decrease in furniture (-\$2.0 million).

**Table 4.9 GSA Space Rental Increase**

<b>Fiscal Year 2019 Base:</b>	<b>Square Feet of Space</b>	<b>Avg. Cost per Square Ft.*</b>	<b>Amount in \$000</b>
<b>Space occupied at start of year:</b>	39,237,036		\$1,047,734
Adjustments to FY 2019 base			-\$4,565
Estimated savings due to reduction in footprint			\$0
Estimated new space to be delivered in FY 2019			\$0
<b>Total, Fiscal Year 2019</b>	39,237,036	\$26.59	\$1,043,169
<b>Fiscal Year 2020 Adjustments:</b>			
Increase for estimated inflation (3.47 percent)			\$36,356
Estimated savings due to reduction in footprint	-300,000		-\$4,000
Annualization of new space assigned in FY 2019			\$0
<b>Subtotal, FY 2020 with Annualized FY 2019 New Space</b>	38,937,036	\$27.62	\$1,075,515
<b>Space to be delivered in fiscal year 2020:</b>			
Courthouse Construction – Swing Space for New Courthouses			\$1,623
Estimated new space to be delivered in FY 2020	50,891		\$936
<b>Total, Fiscal Year 2020 Budget Request</b>	<b>38,987,929</b>	<b>\$27.65</b>	<b>\$1,078,074</b>
<b>Fiscal Year 2020 Increase</b>			<b>\$34,905</b>

\*The fiscal year average cost per square foot includes the annualization of rent costs for space added in the succeeding fiscal year.



**Table 4.10 Space to be delivered in FY 2020 - Prospectus projects, displayed in order of GSA estimated delivery dates**

<b>City</b>	<b>State</b>	<b>Net Rentable Square Feet to be Delivered</b>	<b>Estimated Occupancy Date</b>	<b>Fiscal Year 2019 Rent Cost New Space</b>	<b>Fiscal Year 2020 Rent Cost</b>	<b>Total Annual Rent Cost</b>
Pensacola	FL	50,891	10/1/19	\$0	\$936,377	\$936,377
<b>Total</b>		<b>50,891</b>		<b>\$0</b>	<b>\$936,377</b>	<b>\$936,377</b>

### ***10. Evidence-Based Practices non-recurring costs***

**Requested Decrease: -\$2,719,000**

A decrease of \$2.7 million is requested for non-recurring costs associated with STARR training (-\$1.1 million), the development of standardized curricula materials (-\$1.5 million), and the development of new supervision standards training (-\$0.1 million).

### ***11. Information Technology Requirements***

**Requested Net Increase: \$466,000**

#### **a. Continued implementation of ongoing information technology projects**

**Requested Increase: \$15,551,000**

A net increase of \$15.6 million is requested for the Information Technology (IT) program for current operations and system maintenance to the judiciary's integrated financial management, human resources, rent and property management systems; telecommunications; case management systems; cybersecurity capabilities; and infrastructure support for national IT applications.

The judiciary continues to implement programs and systems to support the IT needs of the courts. The IT program allows the judiciary to operate and maintain its information technology infrastructure, products, projects, and services, which are essential to the judicial process and the operations of the courts.

A more detailed description of the judiciary's IT program can be found in section 11 of this submission, "Judiciary Information Technology Fund."

#### **b. Probation and Pretrial Automated Tracking System (PACTS)**

**Requested Decrease: -\$13,385,000**

A decrease of \$13.4 million is requested for non-recurring costs associated with the Probation and Pretrial Automated Tracking System (PACTS). This decrease reflects the fact that the judiciary is currently revising the PACTS replacement program plan and total cost estimate. Until such time that the new plan and cost estimate have been finalized, additional funding for this system is not needed.

**c. Contractor conversion savings**

**Requested Decrease: -\$1,700,000**

A decrease of \$1.7 million is requested for contractor conversions to permanent federal employees. Following a re-assessment in FY 2017 of functions contractors of the AO perform, the AO is proceeding to implement a third round of contractor conversions, a process that began in 2012 as a part of the AO’s cost-containment efforts. The goal is to improve project/program management contract operations, as well as save money by converting more expensive contractor positions to less expensive government ones. In this third round of contractor conversions, 114 total contractor conversions are planned and all are scheduled to be completed by the end of FY 2020. (For more information, see section 8 of this submission the “Administrative Office of the U.S. Courts”, pages 8.11 and 8.17.) This requested decrease represents the FY 2020 net savings from this third round of conversions.

**PROGRAM INCREASES**

**12. New FY 2020 full-time magistrate judges and staff**

**Requested Increase: \$6,031,421 FTE: 24**

The judiciary requests an additional \$6.0 million for 6 additional magistrate judge positions (6 FTE), 18 support staff (18 FTE), and associated operating costs. Because of the critical need for these positions, they have been “accelerated;” thus, a full-year’s funding is assumed for these magistrate judge positions in FY 2020.

Table 4.11 Cost of Additional Magistrate Judge

	<u>Positions</u>	<u>FTE</u>	<u>Total Request</u>
New Full-Time Magistrate Judges	6	6	\$1,475,019
Supporting Personnel	18	18	\$1,857,693
Operating Expenses			\$2,698,709
<b>Total</b>	<b>24</b>	<b>24</b>	<b>\$6,031,421</b>

The Judicial Conference authorizes new magistrate judge positions based upon an individualized showing of need by the requesting district courts. The Conference takes into account all relevant factors in its deliberations on magistrate judge position requests, including the number and locations of authorized district judges. In evaluating requests for full-time magistrate judge positions, the Conference generally considers: the comparative need of the district judges for the assistance of magistrate judges and the overall workload of the district court; the commitment of the court to the effective utilization of magistrate judges; and the availability of sufficient work of the type that the district judges wish to assign to magistrate judges to justify the authorization of additional full-time positions.

Consideration is also given to the geographical areas and population to be served, convenience to the public and bar, the rights of criminal defendants to prompt court proceedings, the number and extent of federally administered lands in the district, transportation and communication facilities, and other pertinent local conditions. As an alternative to authorizing additional full-time magistrate judge positions, the feasibility of using recalled magistrate judges may be explored with individual district courts in response to their requests for additional magistrate judge positions.

Based on the criteria described above, in September 2018, the Judicial Conference has authorized six additional magistrate judge positions in the following locations:

- **District of Delaware at Wilmington** (accelerated)
- **District of New Jersey: one at Newark or Camden or Trenton and one at Trenton or Camden** (accelerated)
- **Western District of Texas at Austin** (accelerated)
- **Northern District of Illinois: one at Rockford and one at Chicago** (accelerated)

***13. FY 2020 Court Support Staffing due to workload changes***

**Requested Decrease: -\$5,234,000**

**FTE: -42**

The judiciary requests a net program decrease of court support staff (-42 FTE) in appellate, bankruptcy, district and probation and pretrial services offices in FY 2020 in anticipation of changes in case filings. The judiciary also requests a decrease for court reporters and pro se law clerks and death penalty law clerks. The judiciary updated the court reporter staffing formula resulting in a decrease to the number of court reporters needed to support the district courts. The number of pro se law clerks is determined by formulas primarily driven by prisoner petition filings. The judiciary has recently updated the staffing formulas for pro se law clerks and death penalty law clerks

resulting in the decrease. Some staffing formulas use caseload data for multiple years so, depending on the formula, a single year increase or decrease in workload will not necessarily result in a corresponding increase or decrease in formula results.

Table 4.12 Fiscal Year 2020 Staffing Changes

<b>Program</b>	<b>Fiscal Year 2020 FTE</b>	<b>Dollars in Thousands</b>
Appellate	-13	(\$1,331)
Bankruptcy	-18	(1,393)
District	8	622
Probation/Pretrial	5	501
Court Reporters	-8	(816)
Pro Se and Death Penalty Law Clerk	-16	(2,817)
<b>Total</b>	<b>-42</b>	<b>(\$5,234)</b>

**14. Financial Disclosure Reporting System Replacement**

**Requested Increase: \$2,784,000**

The judiciary requests a program increase of \$2.8 million for the Financial Disclosure System Modernization Project, which will be replacing the judiciary’s current financial disclosure system, the Financial Disclosure Online Reporting System (FiDO). FiDO is highly inefficient and in need of replacement. The current architecture of FiDO has raised concerns about the system’s security and stability as its underlying architecture is outdated and at end of its lifecycle. The planned new online system will continue to ensure the judiciary’s compliance with the Ethics in Government Act of 1978, which requires designated personnel to disclose yearly income, outside income, assets, investments, and work outside of the judiciary. This funding will enable development and implementation of the system in FY 2020.

**15. Upgrade the Payroll Projection System**

**Requested Increase: \$1,723,000**

The judiciary requests \$1.7 million to upgrade its legacy payroll projection system (iPPS) architecture to maintain current level of operations and meet performance requirements

for judiciary-wide adoption. The iPPS is a vital budgeting tool used throughout the courts nationwide to track and project personnel costs, project payroll expenditures for the current and future fiscal years, reconcile pay period costs, and offer "What-if" analysis to support courts in decision-making. The current system is very difficult and costly to maintain, and the application's architecture is outdated. The increased funding for iPPS will allow the application to be migrated to a more stable and supportable platform and architecture, as well as integrating improved reporting tools to the system.

This funding will enable development and implementation in FY 2020.

#### ***16. Infrastructure Costs for New Courthouse Construction Projects***

**Requested Increase: \$21,732,000**

GSA's construction costs associated with eight major new courthouse projects were funded in FY 2016, but the judiciary is responsible for a number of ancillary infrastructure costs associated with the construction of these facilities. This request includes a total net increase of \$21.7 million over the assumed FY 2019 level for a total FY 2020 investment in new courthouse infrastructure of \$29.3 million.

This net increase is comprised of \$14.0 million for furniture and \$6.5 million for other services associated with new courthouse construction projects. This request also includes an increase of \$1.6 million in costs associated with the need to procure temporary swing space for judiciary tenants during the renovation of the new courthouse projects where a temporary move is necessary while the current courthouse is being renovated, and a decrease of \$0.4 million due to revised IT requirements.

### **FINANCING THE FISCAL YEAR 2020 REQUEST**

#### ***17. Estimated FY 2020 Fee Collections***

**Estimated funds available: \$201,665,000**

Congress has authorized the judiciary to collect fees for civil and bankruptcy filings as well as fees for a variety of case services, including registry account administration and miscellaneous court case administration costs. A portion of the fees collected by the courts are deposited into a special fund maintained by the Department of Treasury and may be used to reimburse judiciary accounts for expenses incurred. These fees are available without fiscal year limitation. The judiciary estimates that \$201.7 million in revenue from these sources will be available in FY 2020 to finance requirements in the

Salaries and Expenses account, a decrease of \$3.2 million from the \$204.8 million estimated to be available in FY 2019. Table 4.13 lists offsetting receipts from collections by type and displays the amounts collected in FY 2018. Estimates for FY 2019 and FY 2020 are also provided. The judiciary will continue to monitor filings and other collections throughout FY 2019 and will advise appropriations subcommittee staffs of changes to these estimates.

Table 4.13 Offsetting Receipts from Collections

Type of Collection and Source	FY 2018 Actual Collections (\$000s)	FY 2019 Estimated Collections (\$000)	FY 2020 Estimated Collections (\$000)
<b><i>Fees</i></b>			
Registry Administration Fees	2,452	1,000	1,000
Bankruptcy Filing and Misc. Fees <sup>1</sup>	140,649	147,610	135,452
Civil Filing and Misc. Fees <sup>2</sup>	68,835	56,759	65,580
Central Violations Bureau Fees	4,791	4,330	4,330
Immigration Adjudication and Naturalization Fees	5,719	5,918	5,918
<b>Subtotal, Fees</b>	<b>222,446</b>	<b>215,616</b>	<b>212,279</b>
Fee allocation to Admin. Office <sup>3</sup>	-11,122	-10,781	-10,614
<b>TOTAL TO SALARIES &amp; EXPENSES</b>	<b>211,324</b>	<b>204,835</b>	<b>201,665</b>

<sup>1</sup> Includes statutory bankruptcy filing fees and bankruptcy court miscellaneous fees.

<sup>2</sup> Includes statutory civil filing fees and appellate court and district court miscellaneous fees.

<sup>3</sup> Based on Judicial Conference policy, up to five percent of total fees collected may be used to support Administrative Office requirements.

***18. Anticipated Unencumbered Carryforward from FY 2019***

**Estimated funds available: \$200,000,000**

The judiciary estimates that \$200.0 million will be available through anticipated savings in FY 2019 to carry forward into FY 2020 and offset the FY 2020 appropriation request for the Salaries and Expenses account. Savings generally become available due to fewer than projected Article III judicial confirmations, resulting in salary and benefit savings for associated staff; slippages in GSA space delivery schedules that reduce space rental and furniture expenses; and unobligated funds returned from the nearly 400 court units throughout the judiciary.

The judiciary will advise appropriations subcommittee staffs of changes to this estimate.