



Judicial Branch Unrestricted Revenue

Senate Ways and Means Committee

Revenue Briefing

May 3, 2021

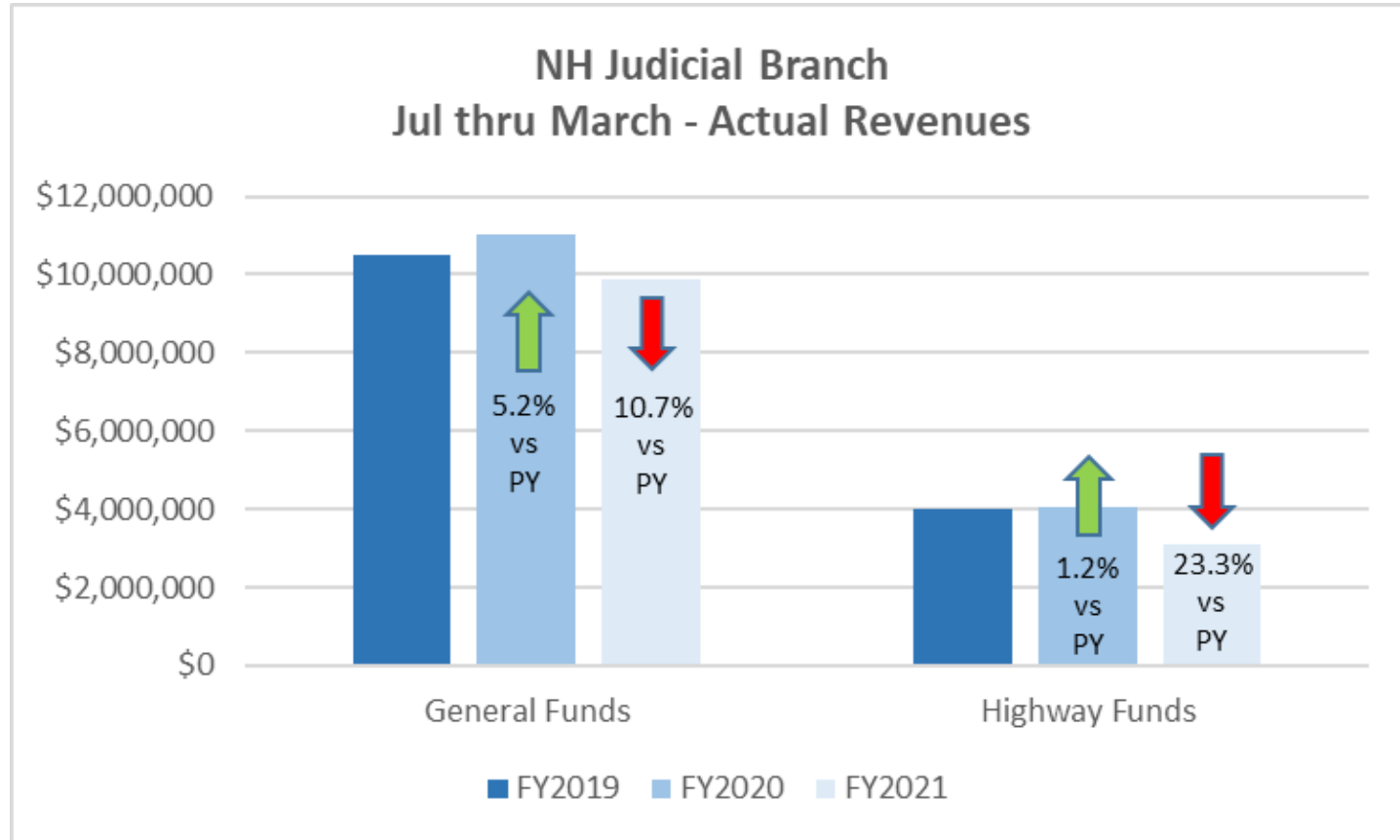
The judicial branch consists of the Supreme Court, Superior Court, and Circuit Court, which in 2011 consolidated the District, Family and Probate divisions.

The judicial branch collects revenue through imposing fines as well as fees to enter into court actions or to file motions, request records researches, and other miscellaneous items such as copies of records, certificates, etc.



About the Judicial Branch

The Courts have remained open during the pandemic, but General Fund and Highway Fund revenues have been negatively impacted.



Some revenue streams have been impacted more than others by COVID-19.

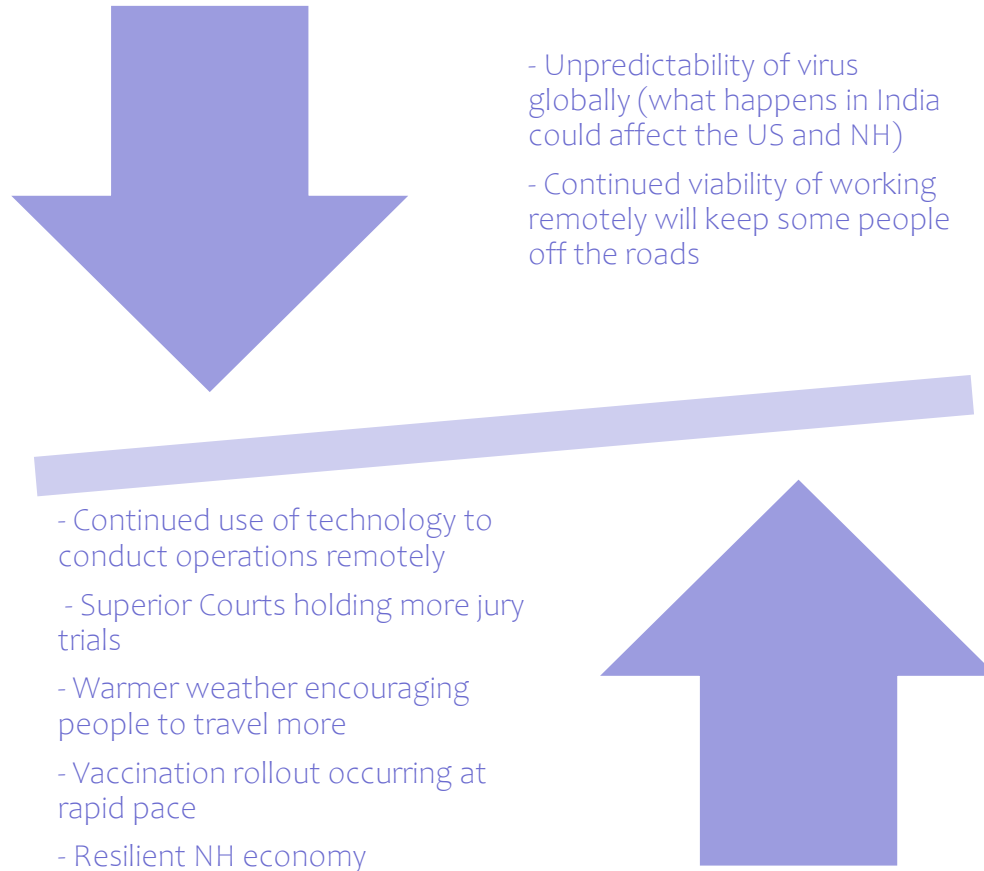
Motor vehicle related revenues for the last 9 months (Jul-Mar) are down significantly from the same 9 months a year ago:

	<u>FY20</u>	<u>FY21</u>	<u>% Chg</u>
Penalty Assessments	\$ 899,735	\$ 701,206	-22.1%
Default Fees/Safety	\$ 656,950	\$ 484,300	-26.3%
MV Fines fr Ct (HW)	\$4,034,256	\$3,092,923	-23.3%

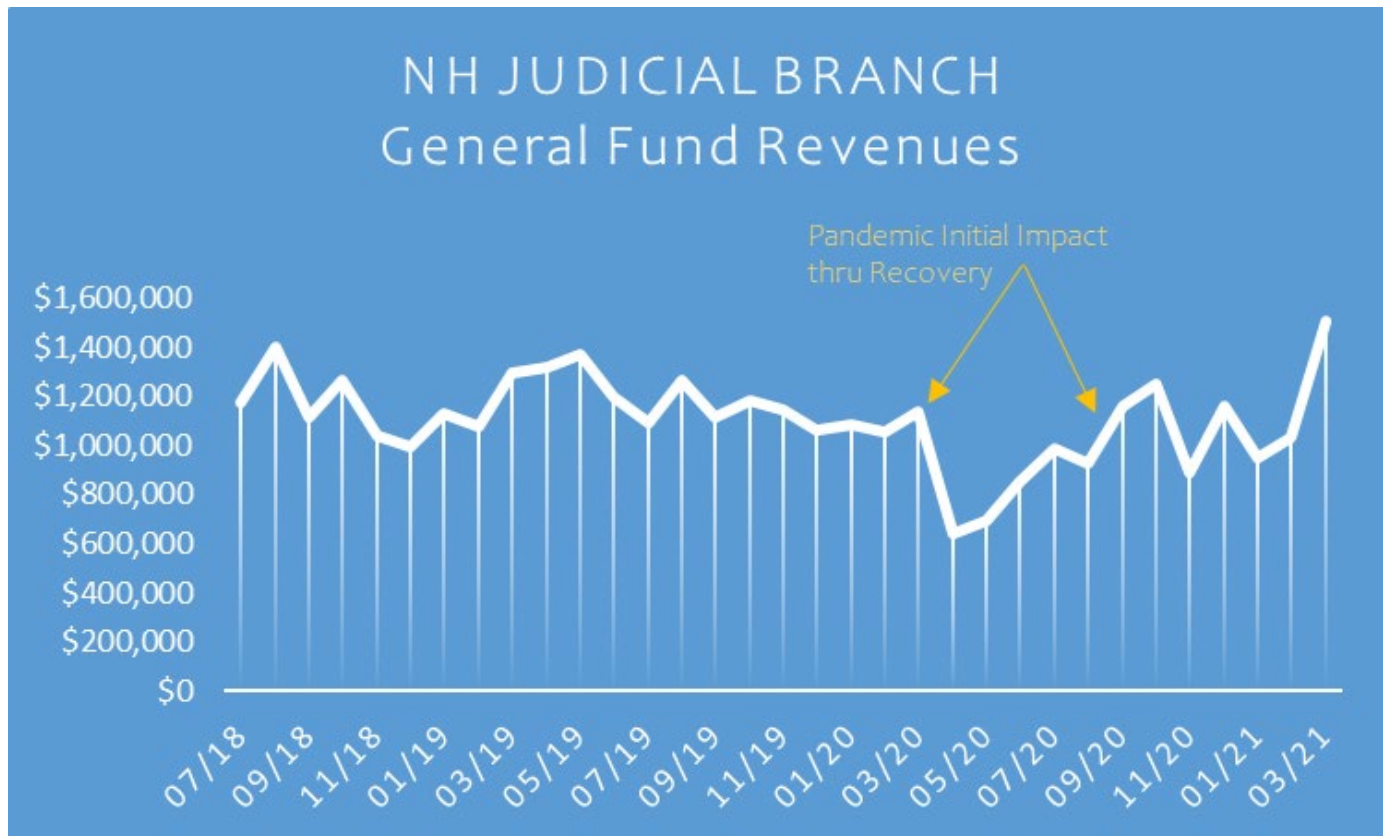
While eFiling fees have remained fairly insulated for those same 9 month periods:

	<u>FY20</u>	<u>FY21</u>	<u>% Chg</u>
eFiling Surcharge	\$279,953	\$328,021	+17.2%

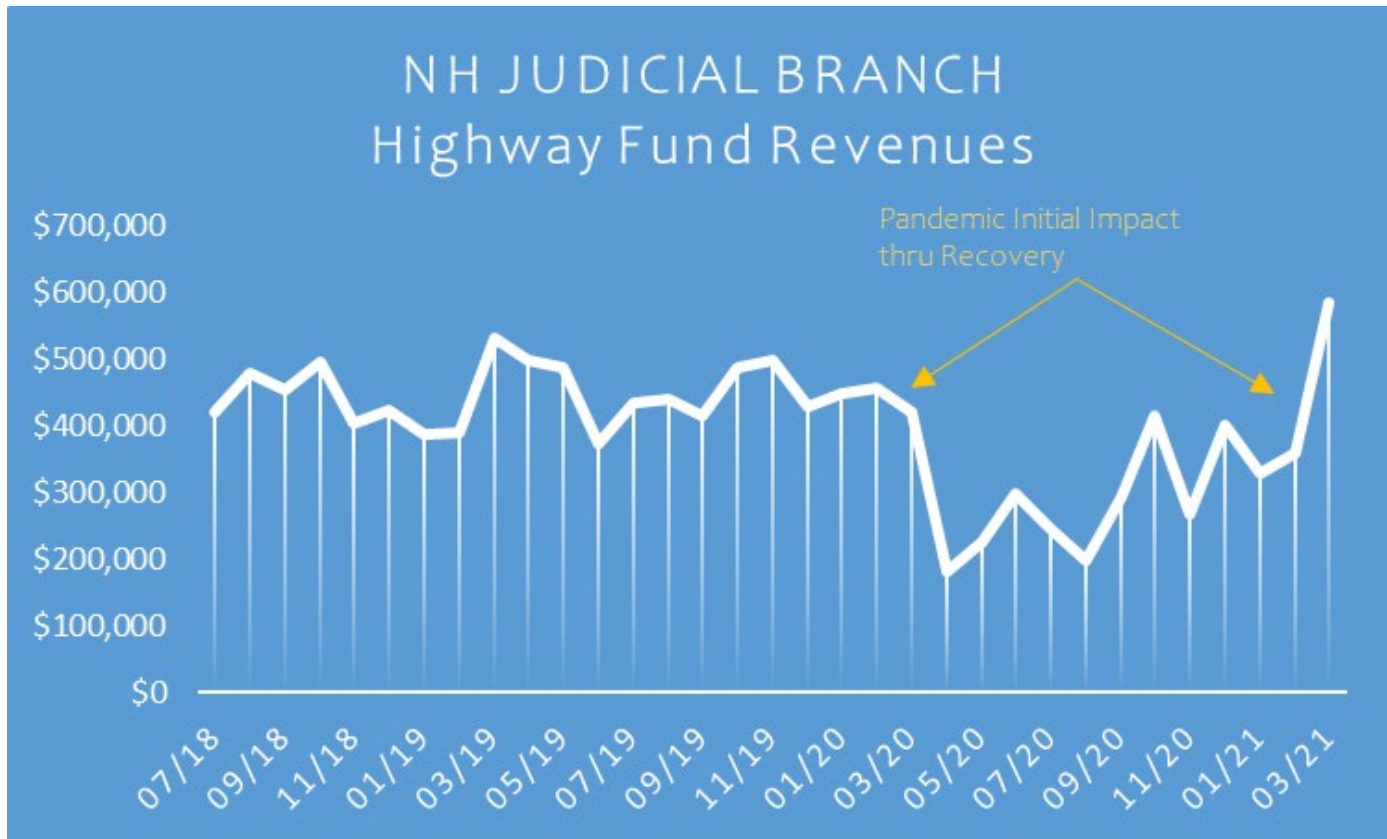
There are internal and external forces that will continue to affect the judicial branch's revenue streams.



Despite the impact to the last quarter of FY2020 and first quarter of FY2021, revenues deposited by the judicial branch to the General Fund are rebounding.



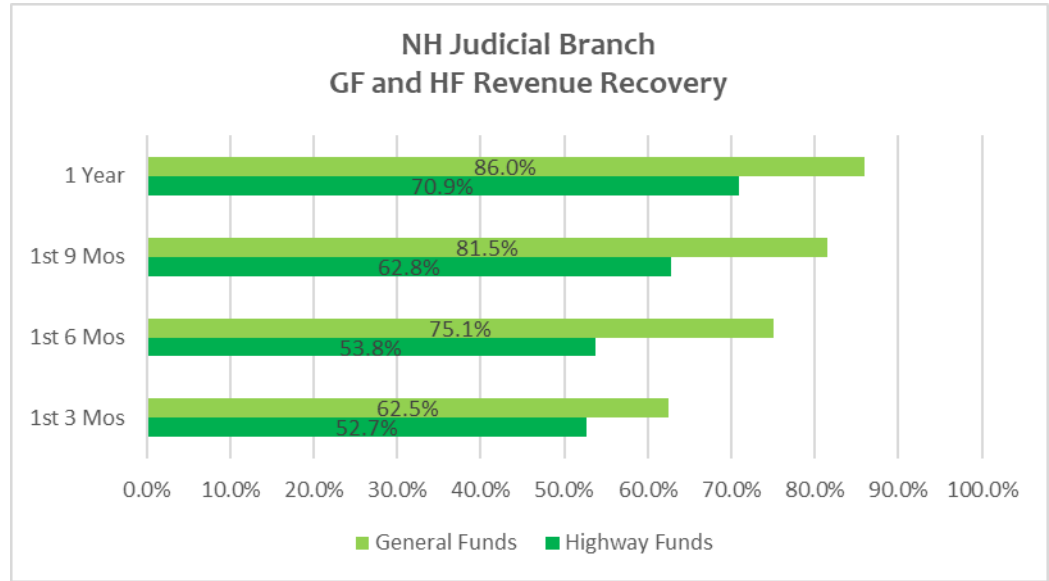
Motor vehicle related fines collected by the Courts and deposited to the Highway Fund are also increasing, albeit more slowly.



Several factors have contributed to Highway Fund (Motor Vehicle fine) revenues experiencing a deeper hit and slower recovery than General Fund revenues collected by the Courts.

Current situation:

- “Shelter in place” kept large numbers of vehicles off the road
- Police stopping fewer vehicles
- Pre-trial conferences suspended in most courts



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Appointments



Return to normal operations:

- Far more cars on the road = more stops
- Pre-trial conferences resume
- Backlog addressed beginning mid-June
- Increases in Penalty Assessments and Default Fees from Safety should follow

Revenue trends have been revised to reflect a more optimistic rate of recovery.

		Revenue							
		Recognized	FY 2021			FY 2022		FY 2023	
	Actual	as of	Revised	% Change		Agency	% Change	Agency	% Change
Fund/Description	FY 2020	03/31/21	Estimate	FY21E/FY20A		Estimate	FY21E/FY22E	Estimate	FY22E/FY23E
General Fund									
Default Fees Collected by Safety	823,800	484,300	688,000	-16.5%		750,000	9.0%	820,000	9.3%
Bar Exam Fees (a)	7,094	3,915	5,220	-26.4%		5,377	3.0%	5,538	3.0%
e-Filing Surcharge (b)	358,002	328,021	437,361	22.2%		493,828	12.9%	557,585	12.9%
Interest	1	1	1	4.3%		2	60.0%	2	0.0%
Fines	1,225,022	746,079	994,772	-18.8%		1,203,050	20.9%	1,454,935	20.9%
Bail Forfeiture	133,712	54,095	72,127	-46.1%		105,940	46.9%	130,772	23.4%
Entry Fees	3,456,428	2,602,200	3,469,600	0.4%		3,593,170	3.6%	3,721,141	3.6%
Default Fees Collected by Courts	138,836	89,065	118,754	-14.5%		122,700	3.3%	126,777	3.3%
Other Fees	6,187,366	4,850,154	6,466,871	4.5%		6,585,779	1.8%	6,706,873	1.8%
Misc. Sales/Revenue	-511	-1,148	-1,530	199.3%		21,973	-1536.1%	91,377	315.9%
Penalty Assessments (c)	1,049,269	701,206	934,941	-10.9%		962,989	3.0%	991,879	3.0%
Total	13,379,020	9,857,888	13,186,118	-1.4%		13,844,807	5.0%	14,606,879	5.5%
Total - Without Penalty Assessment	12,329,751	9,156,682	12,251,176	-0.6%		12,881,818	5.1%	13,615,000	5.7%
Highway Fund									
Motor Vehicle Fines	4,740,647	5,052,556	4,123,897	-13.0%		4,536,287	10.0%	4,672,376	3.0%

Revenue footnotes.

(a) As of 07/01/16, Penalty Assessment revenue that had been sent to Police Standards & Training now goes to the General Fund. The distribution of Penalty Assessment revenue is currently as follows:

General Fund	66.67%	Unrestricted
IT Dedicated Fund/JB	16.67%	Restricted
Victims Assistance Fund/DOJ	16.67%	Restricted
Total	100.00%	

(b) Per Amendment to Supreme Court Rule 42, as of 09/01/12, Bar Exam Fees are paid to the Office of Bar Admissions, which is separate from the Judicial Branch and not a part of its budget; however, a \$5 fee for a Certificate of Good Standing is still paid to the Supreme Court as part of admission to the NH Bar after passing the exam

(c) Per Supreme Court Order dated 1/5/15, a \$10 electronic case filing surcharge shall be assessed on all small claims cases filed electronically. A \$20 electronic case filing surcharge is assessed on all other case types filed electronically.

UNRESTRICTED COURT FINES AND FEES

Title	Description
Default Fees R/S 402475 –Collected by Safety	\$50 penalty imposed by Dept. of Safety for late payment of a motor vehicle fine, payment with a bad check, or failure to respond to a plea by mail citation.
Bar Exam Fees R/S 402477	\$10 fee for a Certificate of Good Standing paid to the Supreme Court for appearing pro hac vice in another state or to be admitted to the bar of another jurisdiction. \$10 fee for Certificate of Admission issued to newly admitted attorneys in New Hampshire on the day that they are sworn in.
e-Filing Surcharge R/S 403252	\$10 fee for small claims cases, \$20 fee for all other case types. Charged for filing online; used to defray the cost of implementing the NH e-Court Project. Effective 1/1/15.
Interest R/S 405501	Interest earned on depository accounts maintained by each court.
Fines R/S 407308	Fines paid for criminal offenses described in Title LXII of the New Hampshire Revised Statutes Annotated.
Bail Forfeiture (Non-Driving Offense) R/S 407309	Bail may be forfeited when a defendant fails to appear in court for an offense that does not involve driving. Bail forfeited on driving offenses is credited to a restricted revenue account within the Department of Safety.
Entry Fees R/S 407310	Filing fees established by court rule for actions filed in courts. Filing fees have been increased on 9/1/89, 11/26/91, 7/1/97, 8/1/01, 7/14/02, and 7/1/07. All entry fees increased 20% effective 7/1/09. Fees for counterclaims were added 7/1/09. Entry fees increased again on 7/1/13, with 64% of the fee going to the General Fund, down from 79%.
Default Fees R/S 407311 – Collected by Courts	\$50 penalty imposed by the courts for late payment of a fine, payment with a bad check, or failure to appear in court when an appearance is required.
Other Fees R/S 407312	Fees set forth in the court rules for filing certain motions and petitions, and for obtaining certificates, copies, writs, and requesting records research. Records research fee increased 7/1/09. Filing fee surcharge of \$20 added through RSA 490:24 7/1/03. The surcharge was repealed on 7/1/07 when the surcharge was added to the filing fees by court rule. A \$25 surcharge was enacted under RSA 490:26-a, II (a) effective 7/1/07.
Misc. Sales/Revenue R/S 407509	Sale of publications, recoveries, and other receipts. Unclaimed Funds held in escrow account at AOC as of 11/1/17 (prior to this date, unclaimed funds recorded as Miscellaneous Revenue).
Penalty Assessments R/S 404995	The legislature directed that on 07/01/16 all penalty assessment revenue that had been deposited to Police Standards and Training Council be deposited to the General Fund. The penalty assessment is currently 24% of a fine, and 66.66% of that penalty assessment collected now goes to the General Fund.
Motor Vehicle Fines R/S 403671	Fines collected for motor vehicle offenses for which the defendant requested a trial or was required to appear. As of 07/01/09, these fines are deposited into the Highway Fund.