

**STATEMENT OF
HONORABLE JULIA S. GIBBONS, CHAIR
COMMITTEE ON THE BUDGET OF THE
JUDICIAL CONFERENCE OF THE UNITED STATES
BEFORE THE
SUBCOMMITTEE ON FINANCIAL SERVICES AND GENERAL GOVERNMENT
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES**

May 17, 2017

INTRODUCTION

Chairman Graves, Ranking Member Quigley, and members of the Subcommittee, I am Judge Julia Gibbons of the Sixth Circuit Court of Appeals. Our court sits in Cincinnati, Ohio, and my resident chambers are in Memphis, Tennessee. As the Chair of the Judicial Conference Committee on the Budget, I will testify on the Judiciary's appropriations requirements for fiscal year 2018. Our fiscal year 2018 request of \$7.2 billion in discretionary appropriations achieves our goal of holding down cost growth across the Judiciary where possible. My testimony also will discuss recently enacted fiscal year 2017 Judiciary appropriations; our concerns about proposed cuts to non-defense discretionary spending; our cybersecurity program; and our cost-containment efforts, including a detailed discussion of our success in lowering Judiciary rent costs. This is my twelfth appearance before an appropriations subcommittee on behalf of the federal Judiciary and my tenth appearance before this Financial Services and General Government panel. Appearing with me today is James C. Duff, Director of the Administrative Office of the United States Courts.

STATEMENTS FOR THE HEARING RECORD

In addition to my statement and Director Duff's, I ask that the entire statements of the Federal Judicial Center, the U.S. Sentencing Commission, the U.S. Court of Appeals for the Federal Circuit, and the U.S. Court of International Trade be included in the hearing record.

FISCAL YEAR 2017 FUNDING FOR THE JUDICIARY

I begin today by thanking the Subcommittee for the funding the Judiciary received in the recently enacted "Consolidated Appropriations Act of 2017." This omnibus appropriations bill provides the Judiciary with a 2.2 percent overall increase in discretionary appropriations above fiscal year 2016, which approximates the Judiciary's re-estimated request and, combined with prior year balances, is sufficient to meet our full funding needs. The enacted funding level will improve public safety by enabling the Judiciary to hire additional probation officers to supervise offenders released from prison and living in the community; address critical cybersecurity needs, which I discuss in greater detail later in my testimony; improve courthouse security through systems and equipment upgrades and by increasing the number of court security officers protecting courthouses; as well as address other Judiciary priorities. We are particularly grateful for the one year extensions of authorizations for nine temporary district judgeships and seven

temporary bankruptcy judgeships, as well as for the \$2 increase above a cost-of-living adjustment to the hourly rate paid to private panel attorneys representing defendants under the Criminal Justice Act. We are aware that this Subcommittee had an 8.4 percent cut in its allocation below fiscal year 2016 for constructing a final fiscal year 2017 bill, and we greatly appreciate that you again made the Judiciary a funding priority by providing us with a 2.2 percent overall increase. I commit to you we will use these funds wisely.

Due to the absence of fiscal year 2017 full year appropriations at the time that our fiscal year 2018 budget request was constructed, we had to make certain assumptions on fiscal year 2017 funding levels for each Judiciary account. These assumptions were based on the fiscal year 2017 House and Senate Financial Services and General Government Appropriations Subcommittee marks provided in H.R. 5485 and S. 3067 (114th Congress). Final enacted appropriations are \$25 million below our assumption. Over the next month we will update our fiscal year 2018 budget request based on final enacted 2017 appropriations and will advise the Subcommittee of any changes from the fiscal year 2018 request level.

PROPOSED CUTS AND LAW ENFORCEMENT PRIORITIES IN THE ADMINISTRATION'S FISCAL YEAR 2018 BUDGET BLUEPRINT

Each year in my appearance before this Subcommittee, I ask that, as you consider funding levels for the upcoming fiscal year, you take into account the nature and importance of the work of the federal courts, and I do so again this year. This plea takes on a greater urgency as the federal budget appears to be tightening. We are particularly concerned about the potential impact on this Subcommittee's fiscal year 2018 allocation arising from the proposed \$54 billion cut to non-defense programs, as outlined in the Administration's fiscal year 2018 budget blueprint released on March 16, 2017. The Office of Management and Budget is required by statute to transmit the Judiciary's budget request to Congress without change so the President's budget blueprint does not specify any reductions to fiscal year 2018 Judiciary funding. However, such a significant cut to non-defense discretionary spending may impact this Subcommittee's ability to adequately address the Judiciary's funding needs.

This budget uncertainty comes at a time in which the Administration has indicated plans to increase border security and law enforcement activities – workload that will directly impact the workload of the federal courts. The Administration's budget blueprint proposes additional resources for Department of Justice (DOJ) law enforcement components to increase prosecutions for violent crimes, drugs, and immigration offenses. This includes 60 additional prosecutors for enhanced border enforcement initiatives, and 75 additional immigration judge teams. The Department of Homeland Security would receive funding for 500 new border patrol agents and 1,000 new Immigration and Customs Enforcement personnel. Absent additional information regarding the timing and implementation for these initiatives, we are unable at this time to ascertain the specific impact these proposals will have on our resource needs. We do know that increased criminal prosecutions always increase the workload of the courts and heavily impact Judiciary resource needs in many ways. And increased immigration enforcement has a like effect on the courts, since appeals from DOJ's Board of Immigration Appeals go to our courts of appeals.

CYBERSECURITY

Cybersecurity is the Judiciary's top administrative priority. Following the 2015 cyberattacks on the Office of Personnel Management in which the personal data and background investigation records for millions of current and former federal workers, contractors, and their families were compromised, the Judiciary took immediate steps to reassess its own cybersecurity countermeasures and identified several areas requiring attention. Our IT personnel routinely counter a wide range of threats posed by hackers, computer viruses, and other malicious acts. Inevitably, however, Judiciary systems have and will continue to be targeted, like government and commercial entities everywhere.

The Judiciary's cybersecurity program incorporates multiple layers of security defenses placed throughout its IT networks. The Judiciary employs perimeter defenses, such as firewalls, host and network-based intrusion detection and prevention systems, internet proxies for web-based threat protection, and a Judiciary Automated Systems Incident Response Capability managed at the national level. Security devices are monitored 24 hours a day, seven days a week, with event logs aggregated and reviewed for evidence of malicious activity. A weekly security newsletter is distributed Judiciary-wide to promote cybersecurity best practices, such as awareness of newly available patches and emerging threats. In addition, independent third parties perform periodic vulnerability assessments of Judiciary networks and all new public-facing IT assets prior to deployment. We continually evaluate our cybersecurity capabilities and look for new and innovative technologies to improve our cybersecurity posture.

In fiscal years 2016 and 2017, the Judiciary initiated significant upgrades and expansions to its cybersecurity operations including: outfitting courts units and federal defender organizations with state-of-the-art firewalls; implementing log management to track and analyze network traffic and remediate threats; and creating a national directory to ensure uniformity in user credentials and streamline user authentication.

The Judiciary's fiscal year 2018 budget request includes a total of \$85 million for cybersecurity activities in our largest accounts. That includes \$8.8 million in fiscal year 2018 for cybersecurity program increases which I discuss in more detail later in my testimony.

I assure the Subcommittee that the Judiciary is pursuing an aggressive cybersecurity program to safeguard sensitive case-related information, as well as the personal information of Judiciary personnel and their families.

COST CONTAINMENT

For more than 10 years we have been focused on containing costs in the Judiciary's budget and we have achieved significant success. Since the beginning of our formal cost containment program in 2005, we have reduced current and future costs for: rent, information technology, magistrate judges, compensation of court staff and law clerks, law books, probation and pretrial services supervision work, and other areas.

We continue to expand the use of shared administrative services among the courts of appeals, district courts, bankruptcy courts, probation and pretrial services offices, and federal defender organizations to reduce duplicative human resources, procurement, financial management, and information technology activities. Approximately 50 percent of all courts have reported having formal sharing arrangements of some kind, and many others have informal or temporary arrangements. The decision to implement a shared administrative services model is up to each circuit or district, and we are exploring ways to increase shared administrative services, including encouraging voluntary consolidation of offices and other longer-term changes that would further reduce growth in personnel and operational costs.

As we continue our efforts to reduce cost growth in the Judiciary's budget, I emphasize that no amount of cost containment will offset budget cuts or even flat funding in fiscal year 2018. Our budget request is reflective of the cost-containment policies we have put in place and is the amount we require to fulfill our mission.

ACHIEVING RENT SAVINGS THROUGH SPACE REDUCTION AND CHANGES IN GSA PRICING POLICIES

I turn now to a discussion of the significant savings we have achieved in our space program through space reduction efforts and by working with the General Services Administration (GSA) to validate and revise, when warranted, its space pricing policies.

Space Reduction

With strong controls in place to limit the growth in our space rent costs, including revamping our courthouse planning process and instituting new procedures to identify billing errors, our focus in recent years has been reducing the Judiciary's space footprint. In September 2013, the Judicial Conference approved several new policies to facilitate space reduction, one of which established a 3 percent space reduction goal by the end of fiscal year 2018, subject to certain exclusions, such as new courthouse construction, renovation, or alterations projects approved by Congress. A 3 percent reduction equates to a total of 870,305 square feet of the fiscal year 2013 baseline level of 29 million square feet.

I am pleased to report to the Subcommittee significant progress – and savings – associated with our space reduction efforts. Not only are we on track to accomplish the full 870,305 square feet reduction by the end of fiscal year 2018, we expect to *exceed* that goal by nearly 200,000 square feet. As of October 2016, the Judiciary has reduced space on a national basis by 2.3 percent – that is 667,821 square feet of space that has been removed from the courts' rent bill. This represents \$20 million in annual rent savings and these savings are reflected in our fiscal year 2018 budget request. Obviously, rent savings will grow as we achieve and then exceed the remainder of our 3 percent goal.

The Judiciary appreciates the funding provided by Congress to support our cost-containment efforts, particularly those related to space reduction. Upfront, one-time costs to support construction, renovation, and information technology are critical to the success of this effort. We are seeking an additional \$10 million in fiscal year 2018 for space reduction efforts. Space reduction projects requiring renovations undergo a two-step process: first, an architectural

and engineering analysis is completed on potential projects to determine if space reduction is feasible and cost effective; and second, if the architectural and engineering analysis identifies reasonable savings, funding is made available for the implementation phase to design and construct the new space. It is important to note that not all projects make it beyond the architectural and engineering analysis step to implementation. The Judiciary pursues projects that yield the greatest savings with the quickest return on investment.

Service Validation Initiative

We also have achieved significant rent savings through a joint initiative with GSA called the Service Validation Initiative, or SVI. SVI is a collaborative effort between the Administrative Office, the courts, and GSA that focuses on evaluating and achieving improvements in the services the Judiciary receives from GSA. Significant progress has been made in the past year in the five topical areas of concern to the Judiciary: (1) appraisal methodology/return on investment pricing validation; (2) overtime utility estimating and energy savings policy; (3) space assignment, classification, and rent validation; (4) project management, scope of work development, cost estimating, and Reimbursable Work Authorization processing; and (5) broad-based building management concerns.

Groups comprised of subject-matter experts from the Judiciary and GSA conducted extensive research in these topical areas and made recommendations in the form of policy and procedural changes, best practices, and new online tools to improve services. The recommendations of each group were presented at a 2016 National Joint Training Program followed by workshops held in 11 cities attended by over 1,000 court and GSA personnel to embed policy changes at all levels of GSA and the courts.

The most significant SVI cost impact implemented to date is associated with GSA's revision of its policy on "tenant floor cuts." When a single space cuts through multiple floors of a building, GSA assigns tenant floor cut pricing to the tenant. This space is commonly found in courtrooms, auditoriums, stairwells, and elevators. Through SVI, GSA and the Judiciary agreed to a new policy in which the second story of a courtroom (or similar tenant floor cut space) is now billed at 50 percent of the standard rental rate instead of 100 percent. This reduction took effect at the beginning of fiscal year 2017 and our fiscal year 2018 budget request reflects \$19 million in savings associated with the new pricing policy.

I emphasize that although these changes were negotiated by the Judiciary through the SVI partnership with GSA, the new pricing policy applies to GSA's portfolio government-wide, thus generating savings for other federal agencies. Other cost savings achieved through SVI include corrections to charges for overtime utilities, operating costs for facilities, and costs for joint use spaces. In addition, in December 2016 we finalized an agreement with GSA to change the methodology for calculating rent costs for 51 court facilities from a return on investment basis to appraisal-based pricing, which will yield additional savings for the Judiciary.

JUDICIARY'S FISCAL YEAR 2018 BUDGET REQUEST

The Judiciary's fiscal year 2018 budget request of \$7.2 billion in discretionary appropriations reflects an overall 3.9 percent increase above the fiscal year 2017 assumed level

to support the Constitutional and statutory mission of the federal courts. As I discussed at the outset of my testimony, over the next month we will update our fiscal year 2018 budget request based on final enacted fiscal year 2017 appropriations and will advise the Subcommittee of any changes from the request level. Although this update may result in revised dollar amounts associated with portions of our request, the general priorities and areas of focus detailed below will not change.

The Judiciary's requested increase of \$274 million includes \$232 million for adjustments to base for standard pay and non-pay changes to maintain current services, and a total of \$42 million for program enhancements. I will first summarize the fiscal year 2018 requests for our four major accounts and discuss base adjustments needed to maintain current services, followed by a detailed discussion of our program enhancements. A summary table of our fiscal year 2018 request is provided in Appendix A.

The Judiciary's largest account, courts' Salaries and Expenses, funds the bulk of federal court operations nationwide, including 28,400 Judiciary personnel in the regional courts of appeals, district courts, bankruptcy courts, and probation and pretrial services offices. For this account, we are requesting a 3.2 percent increase in fiscal year 2018 to \$5.18 billion in discretionary appropriations. The request includes \$134 million for adjustments to base, of which \$106 million is for standard adjustments for cost of living, benefits increases, and adjustments for goods, services, and contracts; \$22 million is for 168 additional chambers staff associated with projected changes in filled Article III and bankruptcy judgeships and judges taking senior status; \$19 million is for our IT program to support current systems and ongoing cybersecurity initiatives; \$2 million will address increased vaccine injury caseload at the Court of Federal Claims; and a reduction of \$15 million is attributable to non-recurring costs and savings in our probation and space programs.

The Defender Services program, which provides court-appointed criminal defense representation under the Criminal Justice Act to financially eligible defendants, requires a 7.4 percent increase to \$1.13 billion in fiscal year 2018 to handle an estimated 201,400 representations. The large percentage increase is due in part to a projected decline in the no-year carryforward balance available to offset fiscal year 2018 appropriations requirements. Obligations increase by 3.3 percent in fiscal year 2018, which provides a more accurate measure of year-to-year spending for this program. The request includes \$66 million in adjustments to base, of which \$21 million is for standard pay and non-pay adjustments; \$14 million is to annualize 127 new fiscal year 2017 positions in federal defender organizations, and for staff training and contracts; \$40 million is to replace the non-recurring carryforward balance with appropriated funds; and a reduction of \$9 million reflects lower projected Criminal Justice Act panel attorney costs.

The Court Security account funds protective guard services and security systems and equipment at federal courthouses, and requires a 3.3 percent increase to \$584 million for fiscal year 2018. Adjustments to base total \$16 million, and include \$12 million for a required wage rate increase for contract court security officers, estimated at 3 percent; \$3 million to annualize new court security officers funded in fiscal year 2017; \$2 million for increased Federal

Protective Service charges; and a reduction of \$1 million for non-recurring systems and equipment costs.

The Fees of Jurors and Commissioners account funds statutory fees and allowances for grand and petit jurors, as well as land commissioners who are appointed by a court to determine just compensation in federal eminent domain cases. This includes the daily compensation paid to jurors as well as related costs for meals and incidental expenses. This account requires \$53 million in fiscal year 2018, a 20.5 percent increase above the fiscal year 2017 assumed level. Similar to the Defender Services discussion above, the large percentage increase is due in part to a projected decline in the no-year carryforward balance available to offset fiscal year 2018 appropriations requirements. Adjustments to base total \$9 million, and include \$3 million to annualize a \$10 increase (from \$40 to \$50) in the daily rate paid to citizens for performing jury service that we assumed would be funded in fiscal year 2017 (the fiscal year 2017 omnibus bill ultimately did not include the increase so our updated fiscal year 2018 request will re-request the \$10 increase); \$4 million to replace the non-recurring carryforward balance with appropriated funds; \$1 million for a net increase in the number of jurors needed to serve on petit juries; and \$0.5 million for inflationary adjustments.

PROGRAM ENHANCEMENTS TO IMPROVE JUDICIARY OPERATIONS

Enhancing Cybersecurity Capabilities and IT Improvements

The request includes \$8.8 million for program increases across Judiciary accounts to further enhance cybersecurity capabilities. The courts' Salaries and Expenses request includes \$5 million for a special cybersecurity reserve/emergency fund to enable the Judiciary to rapidly respond to new cybersecurity threats and vulnerabilities as they arise. The Defender Services program includes \$3.5 million for cybersecurity enhancements, including network security, user authentication, and cybersecurity training. The Court of Appeals for the Federal Circuit's request includes \$0.3 million for a new cybersecurity position to support application and system security and improve the court's IT security posture. All other circuit courts of appeals already have a dedicated cybersecurity position.

In addition, the Defender Services request includes \$2.0 million for systems development to support work measurement analysis for federal defender organizations; \$1.0 million for software acquisition and services for email replacement consistent with the Judiciary's transition to a new email system; and \$0.9 million to increase bandwidth, data storage, and backup capacity for federal defender organization IT networks.

Space and Facilities

Thurgood Marshall Federal Judiciary Building Façade Repair

As discussed in greater detail in Director Duff's written testimony, the Architect of the Capitol, who is responsible for the Thurgood Marshall Federal Judiciary Building (TMFJB), 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 when it was built (construction was completed in 1992). The Judiciary implemented a façade protection plan for

the TMFJB in fiscal year 2016. Phase 1 of the repair project is planned to begin this year and involves removal of all stone panels from the main entry plaza. Phase 1 also will provide additional information on the condition of some of the larger/thicker stone panels and will determine the full extent of façade stone requiring replacement. The fiscal year 2018 request for courts' Salaries and Expenses includes \$10 million for Phase 2 of the project, which will entail the removal and reinstallation of stone on the next section of the building. Initial estimates are that all phases of repair work could cost as much as \$36 million.

Funding to Continue Space Reductions Efforts

As I discussed earlier in my testimony, the Judiciary is on track to exceed the 3 percent space reduction target that was set in fiscal year 2013, and our efforts to date are achieving rent savings of \$20 million annually. To continue these cost-saving space reduction efforts we must continue to fund upfront costs for space alterations to reconfigure and consolidate space where possible. The additional \$10 million requested will be used to fund one-time costs for construction, scanning and reducing hard copy files, and furniture requirements to implement space reduction projects. The funding is needed to ensure that every circuit meets its space reduction goal by the end of fiscal year 2018. If less funding is provided, there is the potential that space reduction projects that emerge in the final year of the program cannot be pursued.

Infrastructure Costs for New Courthouse Construction Projects

In fiscal year 2016, Congress provided GSA with an unprecedented \$948 million for the construction of eight new courthouses (and partial funding for a ninth), as well as \$53 million for federal buildings that jointly house U.S. courthouses and other federal agencies in Greenville, Mississippi (new construction), and Rutland, Vermont (acquisition from U.S. Postal Service).

In a new courthouse project, GSA is responsible for shell buildout and the Judiciary is responsible for certain infrastructure costs, such as furniture, information technology cabling/wiring, security, and other space-related infrastructure. These infrastructure costs must be funded in accordance with project construction schedules or the courthouses will not be fully operational by their expected occupancy dates. In addition to infrastructure costs, the Judiciary must pay for moving and swing space costs.

Current estimates are that Judiciary infrastructure and related costs for the new courthouse projects will total between \$80 million and \$100 million through fiscal year 2024. The fiscal year 2018 request includes \$1.6 million in the courts' Salaries and Expenses account for telecommunications costs and swing space for the new courthouse projects in Charlotte, North Carolina; Greenville, South Carolina; and Savannah, Georgia; and \$1.1 million is requested in the Court Security account for new security systems and screening equipment for the Anniston, Alabama, courthouse project.

Providing Adequate Compensation to Court-Appointed Counsel

We request your support for a program enhancement that will ensure effective representation for criminal defendants who cannot afford to retain their own counsel. We are requesting \$1.8 million in the Defender Services program to increase the non-capital (i.e., non-

death penalty) panel attorney rate by \$6 per hour. Our budget request identified a \$138 hourly non-capital rate for fiscal year 2018. Subsequent to that submission, the fiscal year 2017 omnibus bill increased the non-capital rate to \$132. The Judiciary's updated fiscal year 2018 request will reflect a \$6 above inflation increase based on fiscal year 2017 congressional action and a revised inflation factor. The annualized cost of a \$6 increase is \$15.2 million. There are more than 10,000 private panel attorneys accepting Criminal Justice Act (CJA) appointments in federal court and most are small business owners working solo or in small law firms.

The CJA authorized the Judicial Conference to implement annual inflationary adjustments to panel attorney rates, subject to congressional funding. If the statutory pay adjustments provided to federal employees (employment cost index component only) had been provided to panel attorneys on a recurring, annual basis since 1986, the authorized non-capital hourly rate for fiscal year 2018 would be \$147, \$9 above the \$138 rate identified in our fiscal year 2018 request.

The hourly rate is intended to cover both overhead and a fair hourly fee. According to a 2015 nationwide survey conducted by the Judiciary, panel attorneys billed, on average, \$281 per hour for privately retained criminal cases and incurred overhead costs of \$85 per hour. With a current hourly rate of \$132, after reducing the hourly rate for the costs of overhead expenses, highly-qualified and dedicated CJA counsel net only \$47 of compensation per hour before taxes. By comparison, the U.S. Department of Justice pays \$200 per hour to retain private counsel to represent current or former federal employees in civil, congressional, or criminal proceedings.

Although the Judiciary's goal is to eventually attain the full non-capital rate authorized by statute, we are cognizant of pressures on the federal budget and seek only a partial catch-up increase in fiscal year 2018. We must, however, remain mindful that ensuring the Sixth Amendment right to effective counsel depends on the quality and competence of these CJA panel attorneys, and a fair hourly rate is essential to meeting this Constitutional mandate.

Magistrate Judge Conversion to Full-time Status to Meet Workload Demands

Our request also includes a program increase of \$0.7 million in the courts' Salaries and Expenses account to convert a part-time magistrate judge (and associated staff and operating costs) in the Middle District of Pennsylvania to full-time status to address workload demands in Williamsport.

Ensuring Sufficient Security at Federal Courthouses

We request \$1.5 million for three security-related items in our Court Security account. First, the Judiciary requests \$0.5 million for five new positions at the U.S. Marshals Service – paid for by Judiciary funds – to support the physical access control system (PACS) program. PACS control building access and are designed to ensure that dangerous people do not gain entry to court facilities, and only judges, authorized federal employees, and contractors can access secure interior court space. Many of the approximately 500 PACS systems nationwide are fragile and failing, or in danger of failing, due to aging equipment and outdated software no longer supported by the vendor.

Current spending on PACS systems – \$21.5 million is planned for fiscal year 2018 – will not keep pace with failure rates. The Judiciary is working with the U.S. Marshals Service to develop a comprehensive, multi-year, risk-based budget strategy that prioritizes facilities based on risk of a PACS systems failure. The Judiciary anticipates requesting resources associated with this new strategy as part of its fiscal year 2019 budget request. The five new positions requested in fiscal year 2018, which include three physical security specialists to conduct PACS systems site assessments and manage PACS systems installations and two staff to oversee the contracting and program management functions, are necessary to ensure that the U.S. Marshals Service has the personnel capacity to effectively manage current PACS systems replacement projects underway, and execute a broader PACS systems replacement strategy in future years. This fiscal year 2018 increase would bring to seven the number of U.S. Marshals Service staff dedicated to the PACS systems program.

Second, the request includes \$0.5 million for the Judiciary’s Facility Access Card (FAC) program. The FAC program is the Judiciary’s version of HSPD-12, which developed standards for a secure and reliable form of identification (also known as “smart cards”) for federal government employees and contractors. The FAC program is expected to move from an implementation phase to a sustainment phase in fiscal year 2017, and the Judiciary requires a consistent level of annual funding to operate and maintain the program. FAC program funding will be used for contract labor costs necessary to manage the FAC systems, annual enterprise licensing fees for the cards, system maintenance, help desk support, and project management support.

Lastly, the request includes \$0.5 million for fiscal year 2018 Judiciary costs associated with a U.S. Marshals Service project to replace the IT system that hosts the Judicial Security Management and Reporting Tool module. This module stores and analyzes key data on judicial security and must migrate to the new host system. The Judiciary requested \$1.0 million for this effort in fiscal year 2017 and anticipates spending \$7.4 million through fiscal year 2019 to replace current system functionality.

Additional Positions in the Defender Services Program

The fiscal year 2018 request for Defender Services includes \$2.2 million for 23 new positions in federal defender organizations that are not addressed by the recently developed staffing formulas. The positions are for national projects (nine positions) that serve in specialized units providing subject matter expertise to federal defender organizations and panel attorneys across the country, and 14 positions to support Criminal Justice Act (CJA) panel attorney management activities performed by federal defender organizations. Subsequent to submitting the fiscal year 2018 request, these positions were funded in the fiscal year 2017 omnibus appropriations bill. Accordingly, the Judiciary’s updated fiscal year 2018 request will seek funding to annualize these positions versus reflecting them as a new requirement.

CONCLUSION

Chairman Graves and Ranking Member Quigley, I hope that my testimony today provides you with some insight into the fiscal year 2018 funding priorities of the federal courts.

This Subcommittee has been a tremendous supporter of the Judiciary, and I hope that support will continue under your leadership. As you make decisions on fiscal year 2018 funding for the agencies under the Subcommittee's jurisdiction, we ask that you take into account the Judiciary's unique Constitutional role in our system of government. In return, we commit to you that we will continue to be good fiscal stewards, cutting costs where possible, spending each dollar wisely, and making smart investments to achieve long-term savings.

Thank you for your continued support of the federal Judiciary. I would be happy to answer any questions the Subcommittee may have.

Judiciary Appropriations

Discretionary Appropriations Account	FY 2017 Assumed Appropriation	FY 2018 Request	\$ Change FY 2018 vs. FY 2017 Assumed	% Change FY 2018 vs. FY 2017 Assumed
U.S. Supreme Court				
Salaries & Expenses	\$76,668	\$78,538	\$1,870	2.4%
Care of Building and Grounds	\$14,868	\$15,689	\$821	5.5%
Total	\$91,536	\$94,227	\$2,691	2.9%
U.S. Court of Appeals for the Federal Circuit	\$30,108	\$31,075	\$967	3.2%
U.S. Court of International Trade	\$18,462	\$18,649	\$187	1.0%
Courts of Appeals, District Courts, and Other Judicial Services				
Salaries & Expenses - Direct	\$5,010,000	\$5,168,974	\$158,974	
Vaccine Injury Trust Fund	\$6,260	\$8,221	\$1,961	
Total	\$5,016,260	\$5,177,195	\$160,935	3.2%
Defender Services	\$1,054,468	\$1,132,284	\$77,816	7.4%
Fees of Jurors & Commissioners	\$43,723	\$52,673	\$8,950	20.5%
Court Security	\$565,388	\$583,799	\$18,411	3.3%
Subtotal	\$6,679,839	\$6,945,951	\$266,112	4.0%
Administrative Office of the U.S. Courts	\$87,500	\$90,339	\$2,839	3.2%
Federal Judicial Center	\$28,200	\$29,082	\$882	3.1%
U.S. Sentencing Commission	\$18,000	\$18,576	\$576	3.2%
Direct	\$6,947,385	\$7,219,678	\$272,293	
Vaccine Injury Trust Fund	\$6,260	\$8,221	\$1,961	
Total Discretionary Appropriations	\$6,953,645	\$7,227,899	\$274,254	3.9%

Mandatory Appropriations:

Salaries of Judges ¹	\$424,439	\$441,090	\$16,651	
Judicial Retirement Funds	\$168,300	\$195,000	\$26,700	
Total Mandatory Appropriations	\$592,739	\$636,090	\$43,351	7.3%

Total Judiciary Appropriations	\$7,546,384	\$7,863,989	\$317,605	4.2%
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¹ Mandatory salaries include the salaries of justices of the Supreme Court, judges of the Court of Appeals for the Federal Circuit and Court of International Trade, and Article III and bankruptcy judges funded in the Courts' Salaries and Expenses account. (Magistrate judges and Court of Federal Claims judges are funded by discretionary appropriations.)