



SUPREME COURT OF KANSAS

KANSAS JUDICIAL CENTER

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HOUSE JUDICIARY COMMITTEE

Honorable Representative Lance Kinzer, Chair

Testimony in Support of

SB 322 Judicial Branch Surcharge Extension

March 6, 2012

Thank you for the opportunity to testify in support of SB 322, which would extend the sunset on the Judicial Branch Surcharge one year from June 30, 2012 to June 30, 2013.

Both the statutes regarding the surcharge and the Supreme Court Order authorizing the surcharge are effective only to the end of the present fiscal year. The Division of the Budget requested that the surcharge be included in the Judicial Branch FY 2013 budget request, although the surcharge is set to expire at the end of FY 2012. We complied with that request. So for FY 2013, \$11 million in anticipated surcharge revenue is included in the Judicial Branch's budget submitted for the Legislature's consideration.

In 2011 SB 97, the Legislature increased the surcharge by 25%. This resulted in surcharges ranging between \$12.50 and \$26.50, and anticipated increased receipts at approximately \$2 million, for a total surcharge revenue of \$11 million. However, court filings for the first half of FY 2012 (July 2011 through December 2011), compared to the same time period in FY 2011, are down approximately 10%. These reduced filings have decreased collections of both the surcharge and docket fees. Approximately \$1 million reduction is attributable to the shortage in the surcharge. Therefore, our fiscal note on this bill is estimated at \$10 million in revenue receipts, rather than the \$11 million as anticipated last year. While the revenue is less than the level anticipated, the extension of the surcharge remains important. The surcharge will continue generating revenue necessary to help fund nonjudicial wages and salaries for the Judicial Branch of government. The surcharge also allows the Legislature to use funds that otherwise would be appropriated to the Judicial Branch for other necessary expenditures, while helping to keep the courts open. Even with the surcharge, the Judicial Branch will continue holding authorized positions open throughout FY 2013.

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The bill also amends the statutes governing hospital lien fees and wildlife and parks reinstatement fees to allow a \$22 judicial surcharge under those statutes. Lien fees would be consistent with those liens located in K. S. A. 28 - 170. We believe the lack of a surcharge on this type of lien and the license reinstatement were oversights when the surcharge language was entered into statute. Making these adjustments will provide consistency in comparison with other lien filings and with drivers license reinstatement fees. The Senate passed the bill on a vote of 36 to 4.

We ask that you consider this bill favorably. Thank you again for the opportunity to testify in support of SB 322, and I would be happy to answer questions.