

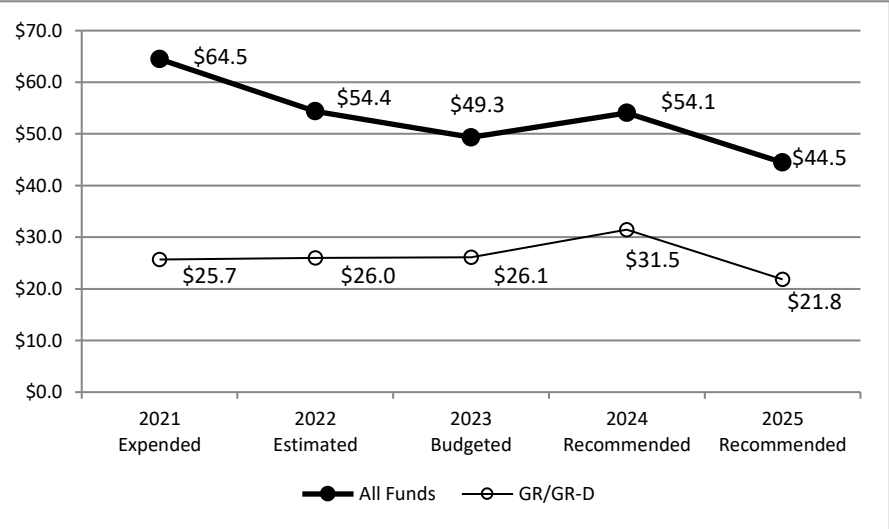
**Supreme Court of Texas
Summary of Budget Recommendations - House**

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The Honorable Nathan Hecht, Chief Justice
Bryan Hadley, LBB Analyst

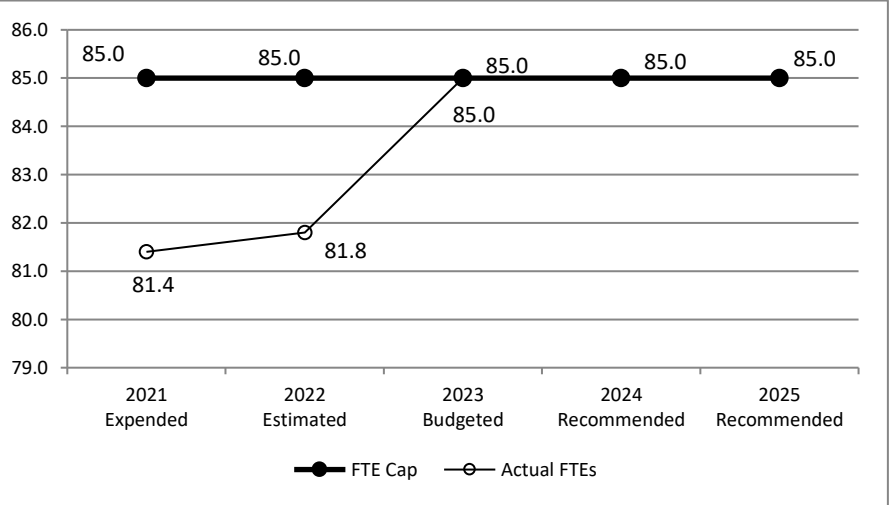
Method of Financing	2022-23 Base	2024-25 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$42,110,819	\$43,288,911	\$1,178,092	2.8%
GR Dedicated Funds	\$10,000,000	\$10,000,000	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$52,110,819</i>	<i>\$53,288,911</i>	<i>\$1,178,092</i>	<i>2.3%</i>
Federal Funds	\$4,654,172	\$4,217,716	(\$436,456)	(9.4%)
Other	\$46,930,992	\$41,038,276	(\$5,892,716)	(12.6%)
All Funds	\$103,695,983	\$98,544,903	(\$5,151,080)	(5.0%)

	FY 2023 Budgeted	FY 2025 Recommended	Biennial Change	Percent Change
FTEs	85.0	85.0	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2024-25 Recommended) represents an estimated 99.1% of the agency's estimated total available funds for the 2024-25 biennium.

Supreme Court of Texas
Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
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SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):

A)	General Revenue increase in Strategy A.1.2, Appellate Justice Salaries, resulting from anticipated changes in judicial tenure under the tiered, tenure-based compensation structure established by Government Code §659.012. (See also, Selected Fiscal and Policy Issue #1).	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1	A.1.2
B)	Judicial Fund No. 573 reduction for one-time Basic Civil Legal Services (BCLS) unexpended balance carried forward into the 2022-23 biennium from fiscal year 2021. The Court reports that no BCLS unexpended balances are anticipated to be available at the end of fiscal year 2023 to carry into the 2024-25 biennium. (See also, Selected Fiscal and Policy Issue #3.)	\$0.0	\$0.0	\$0.0	(\$5.9)	(\$5.9)	B.1.1

OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):

C)	Federal Funds reduction due to Federal COVID supplement funding no longer anticipated to be available.	\$0.0	\$0.0	(\$0.4)	\$0.0	(\$0.4)	B.1.3
D)	General Revenue increase for salary adjustments.	\$1.1	\$0.0	\$0.0	\$0.0	\$1.1	C.1.1

TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)	\$1.2	\$0.0	(\$0.4)	(\$5.9)	(\$5.2)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>	\$1.2	\$0.0	\$0.0	\$0.0	\$1.2	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>	\$0.0	\$0.0	(\$0.4)	(\$5.9)	(\$6.3)	As Listed

NOTE: Totals may not sum due to rounding.

**Supreme Court of Texas
Selected Fiscal and Policy Issues- House**

1. **Judicial Salaries.** Recommendations provide \$3.6 million in All Funds, including \$2.9 million in estimated General Revenue funds and \$0.7 million in Judicial Fund No. 573, for judicial compensation. This is an estimated increase of \$0.1 million in General Revenue above 2022-23 spending levels to cover the salary, benefits, and longevity costs for anticipated increases in judicial tenure at the Supreme Court of Texas (SCOT) during the 2024-25 biennium.

Base salaries for justices of the SCOT are linked to the base salary of a district judge under the tiered, tenure-based compensation structure established by Government Code §659.012. Statute sets the base salary for a SCOT justice at 120.0 percent of the district judge base salary (\$168,000) for the first four years of their tenure. When their tenure is between 4 and 8 years, the justice earns 110.0 percent of their \$168,000 base salary (\$184,800). A justice with over 8 years of tenure earns a salary that's 120.0 percent of their \$168,000 base salary (\$201,600). Justice salaries are funded through an estimated and non-transferrable strategy isolating required compensation appropriations and providing flexibility to adjust funding levels for unanticipated changes in compensation obligations resulting from tenure changes and elections or appointments of persons with years of service credits differing from the previous position holder.

2. **Court Funding and Staff Salaries.** Recommendations continue All Funds appropriations at 2022-23 spending levels totaling \$10.3 million for the Court to carry out its responsibilities of civil procedure and evidence; administrative oversight of the State Bar of Texas; the licensing and supervision of attorneys in Texas; the appointment of members of the Board of Law Examiners; the supervision of the Office of Court Administration; and the equalization of the 14 Courts of Appeals dockets.

Recommendations do not include \$0.3 million requested by the Court for operating expenses affected by inflation (See also, Items Not Included in Recommendations #2).

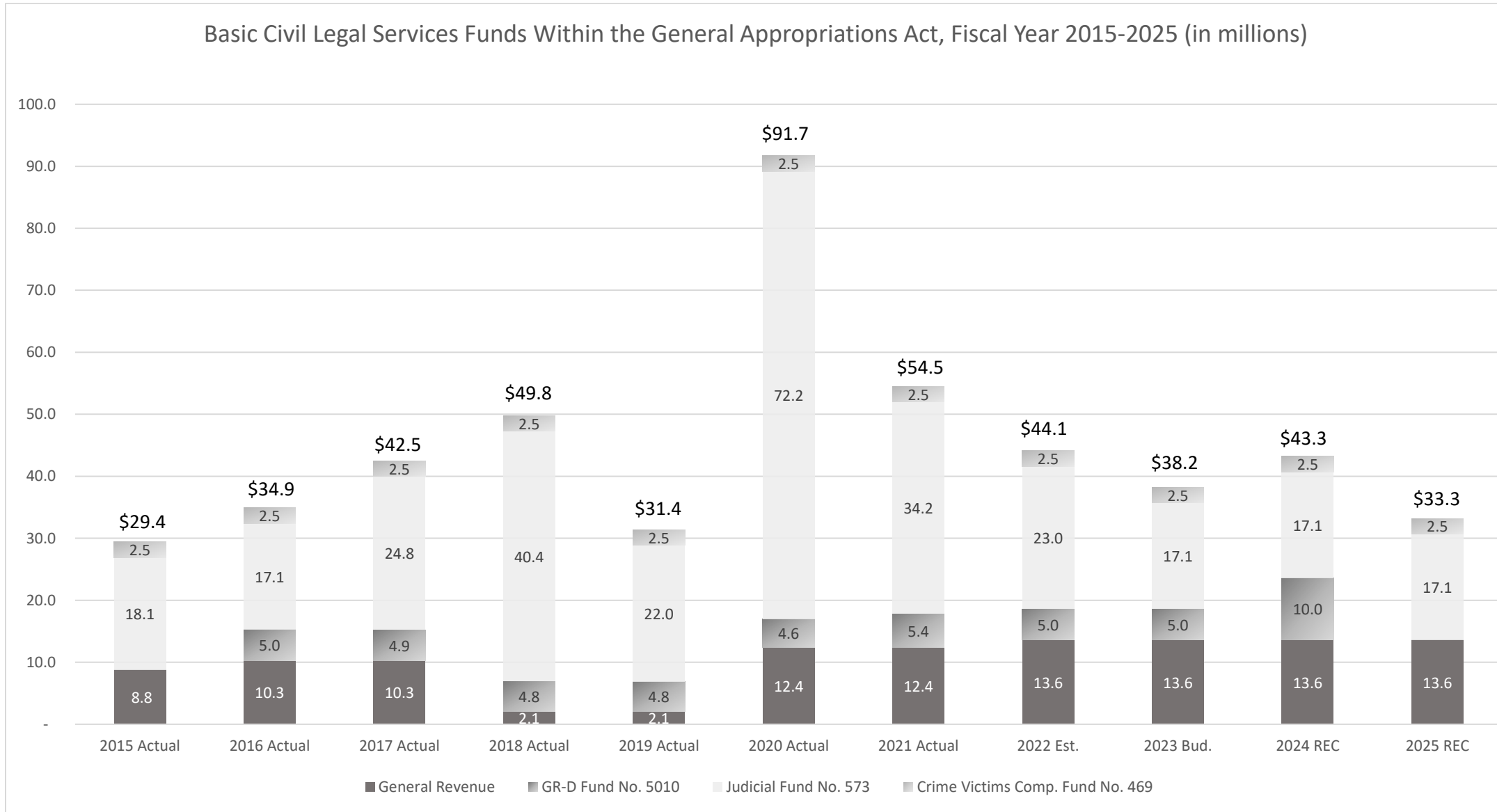
3. **Basic Civil Legal Services.** Recommendations provide an All Funds total of \$76.6 million, which includes a decrease of \$5.9 million in Judicial Fund No. 573 for Basic Civil Legal Services (BCLS) funds carried forward into fiscal year 2022 from fiscal year 2021 as a one-time expense.

Recommendations continue \$59.6 million in All Funds to provide basic legal services for indigent clients at 2022-23 spending levels. This includes \$10.0 million in General Revenue-Dedicated Sexual Assault Program Account No. 5010 to provide basic civil legal services to victims of sexual assault and \$7.0 million in General Revenue to provide basic civil legal services to veterans and their families.

Recommendations do not include an additional \$10.0 million in General Revenue funding requested by the Court, including \$5.4 million to provide services to young people in the child welfare system and \$4.6 million to establish 250 kiosks in communities throughout the state to assist low-income Texans with remote court proceedings (See Also, Items Not Included in Recommendations #1).

Judicial Fund No. 573 revenues include a portion of civil filing fees for the program in addition to civil penalties recovered by the Attorney General up to \$50.0 million each year. Since this latter revenue stream is dependent on the type, frequency, and settlement amount of certain court cases, state funds for BCLS have fluctuated over the years.

The two charts on the following pages show the All Funds total for BCLS within the General Appropriations Act (GAA) for fiscal years 2015-2025 (page 4) and All Funding Sources for BCLS, including funds outside the GAA, for fiscal year 2021-2025 (page 5).



Note: Totals may not sum due to rounding.

Supreme Court of Texas
All Funding Sources for Basic Civil Legal Services, FY 2021-2025

Funds Within the GAA - Basic Civil Legal Services (Fiscal Year)

	2021 Expended	2022 Estimated	2023 Budgeted	2022-23 Base	2024 Recommended	2025 Recommended	2024-25 Recommended	Change from 2022-23 to 2024-25 (\$)	Change from 2022-23 to 2024-25 (%)
General Revenue	\$ 12,371,484	\$13,640,392	\$13,640,392	\$ 27,280,784	\$13,640,392	\$13,640,392	\$ 27,280,784	\$ -	0.0%
General Revenue–Dedicated Sexual Assault Program No. 5010	\$ 5,350,036	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -	0.0%
Judicial Fund No. 573	\$34,170,395	\$23,036,716	\$17,144,000	\$40,180,716	\$ 17,144,000	\$ 17,144,000	\$ 34,288,000	\$ (5,892,716)	-14.7%
IAC with Attorney General (Crime Victims Compensation Fund No. 469)	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 5,000,000	\$ 2,500,000	\$ 2,500,000	\$ 5,000,000	\$ -	0.0%
						\$ -			
Total State BCLS Contribution	\$ 54,391,915	\$ 44,177,108	\$ 38,284,392	\$ 82,461,500	\$ 43,284,392	\$ 33,284,392	\$ 76,568,784	\$ (5,892,716)	-7.1%

Funds Outside the GAA - Basic Civil Legal Services (Calendar Year)

	2021 Expended	2022 Estimated	2023 Budgeted	2022-23 Base	2024 Requested	2025 Requested	2024-25 Requested	Change from 2022-23 to 2024-25 (\$)	Change from 2022-23 to 2024-25 (%)
Interest on Lawyers Trust Accounts (IOLTA)	\$ 9,183,036	\$ 9,183,036	\$ 16,000,000	\$ 25,183,036	\$ 16,000,000	\$ 16,000,000	\$ 32,000,000	\$ 6,816,964	27.1%
Legal Services Corporation and Other Federal Funding	\$ 109,631,382	\$ 115,000,000	\$ 115,000,000	\$ 230,000,000	\$ 115,000,000	\$ 115,000,000	\$ 230,000,000	\$ -	0.0%
Other (Donations and Grants from Foundations)	\$ 45,113,301	\$ 47,368,966	\$ 49,737,414	\$ 97,106,380	\$ 52,224,285	\$ 54,835,499	\$ 107,059,784	\$ 9,953,404	10.3%
Total BCLS Funding Outside GAA	\$ 163,927,719	\$ 171,552,002	\$ 180,737,414	\$ 352,289,416	\$ 183,224,285	\$ 185,835,499	\$ 369,059,784	\$ 16,770,368	4.8%
Estimate of Total BCLS Funding from All Revenue Sources	\$ 218,319,634	\$ 215,729,110	\$ 219,021,806	\$ 434,750,916	\$ 226,508,677	\$ 219,119,891	\$ 445,628,568	\$ 10,877,652	2.5%

Source: Texas Access to Justice Foundation, Supreme Court of Texas

Supreme Court of Texas
Selected Fiscal and Policy Issues - House

4. **BCLS Funds Outside the GAA.** As shown by the chart on page 5, BCLS services also receive funding from sources outside the GAA, including donations and grants from foundations, Legal Services Corporation and other federal funding, and the interest generated by money held by lawyers on behalf of their clients referred to as interest on lawyer trust accounts (IOLTA). The Texas Access to Justice Foundation (TAJF), which administers these funds, currently projects \$230.0 million in Legal Services Corporation and other federal funding being available in 2024-25, which continues 2022-23 levels; \$107.1 million in donations and grants, a 10.3 percent increase over 2022-23 spending levels; and \$32.0 million in IOLTA revenue, an increase of 27.1 percent from 2022-23 spending levels.
5. **Mental and Behavioral Health Funding.** Recommendations continue \$2.5 million in General Revenue which includes \$0.5 million to train, educate, and inform judges and their staff about mental health care resources available in Texas and \$2.0 million for the Judicial Commission on Mental Health to coordinate policy initiatives to improve the court's interaction with children, adults, and families with mental health needs.

Recommendations do not include \$0.5 million in General Revenue requested by the agency to provide resources focused on children's mental health to complement similar resources focused on adults (See also, Items Not Included in Recommendations #3).

6. **Unexpended Balance Authority.** Recommendations continue the Court's Unexpended Balance authority but remove the strategy-level designations in the bill pattern and include a new Special Provisions – Judiciary rider providing the same authority for all Article IV courts and agencies.

**Supreme Court of Texas
Items Not Included in Recommendations - House**

	2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items Not Included (in agency priority order)

1)	<p>Basic Civil Legal Services. General Revenue funding to provide:</p> <ul style="list-style-type: none"> • \$5.4 million for basic civil legal services for young people in the child welfare system and those experiencing mental and physical health challenges in schools and communities; and • \$4.6 million for 250 kiosks in communities throughout the state to assist low-income Texans facing technological barriers with remote court proceedings. (See also, Selected Fiscal and Policy Issue #3) 	\$10,000,000	\$10,000,000	0.0	No	Yes	\$10,000,000
2)	<p>Inflation Relief for Operating Expenses. General Revenue funding for operating expenses affected by inflation, including consumable supplies, utilities, equipment rental, and subscription costs for online periodical and legal research services. (See also, Selected Fiscal and Policy Issue #2)</p>	\$300,000	\$300,000	0.0	No	No	\$300,000

**Supreme Court of Texas
Items Not Included in Recommendations - House**

		2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
		GR & GR-D	All Funds	FTEs			
3)	<p>Dedicated Children's Mental Health Funding. General Revenue funding to expand the Judicial Commission on Mental Health and Children's Commission resources focused on children's mental health to complement similar resources focused on adults, including:</p> <ul style="list-style-type: none"> • \$150,000 for 10-14 Youth Systems Sequential Intercept Model Mapping workshops in communities around the state to identify the resources within and opportunities for diversion from the criminal justice system for people with mental illness and co-occurring disorders; • \$150,000 for two Annual Youth Summits on Mental Health as a companion to the Judicial Commission on Mental Health's Annual Judicial Summit on Mental Health focused on adult mental health laws and best practices; • \$150,000 to provide educational videos, roundtables, and workshops to help judges and attorneys better understand how to navigate mental health challenges for children and youth; and • \$50,000 to create an Innovations Map, a resource for legal stakeholders that would identify youth-focused mental health services in every county. (See also, Selected Fiscal and Policy Issue #5) 	\$500,000	\$500,000	0.0	No	Yes	\$500,000
TOTAL Items Not Included in Recommendations		\$10,800,000	\$10,800,000	0.0			\$10,800,000

**Supreme Court of Texas
Appendices - House**

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* Appendix is not included - no significant information to report

Supreme Court of Texas
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
APPELLATE COURT OPERATIONS A.1.1	\$10,334,210	\$10,334,210	\$0	0.0%	
APPELLATE JUSTICE SALARIES A.1.2	\$3,516,101	\$3,596,185	\$80,084	2.3%	Recommendations reflect an increase to cover the salary, benefits, and longevity costs for anticipated increases in judicial tenure during the 2024-25 biennium. (See also, Selected Fiscal and Policy Issue #1)
Total, Goal A, APPELLATE COURT OPERATIONS	\$13,850,311	\$13,930,395	\$80,084	0.6%	
BASIC CIVIL LEGAL SERVICES B.1.1	\$82,461,500	\$76,568,784	(\$5,892,716)	(7.1%)	Recommendations include a Judicial Fund No. 573 reduction for one-time Basic Civil Legal Services (BCLS) unexpended balance carried forward into the 2022-23 biennium from fiscal year 2021. The Court reports that no BCLS unexpended balances are anticipated to be available at the end of fiscal year 2023 to carry into the 2024-25 biennium. (See also, Selected Fiscal and Policy Issue #3.)
MULTI-DISTRICT LITIGATION B.1.2	\$230,000	\$230,000	\$0	0.0%	
CHILDREN'S COMMISSION B.1.3	\$4,654,172	\$4,217,716	(\$436,456)	(9.4%)	Recommendations include a Federal Funds reduction due to Federal COVID supplement funding no longer anticipated to be available.
JUDICIAL COMMISSION ON MENTAL HLTH B.1.4	\$2,500,000	\$2,500,000	\$0	0.0%	
Total, Goal B, COURT PROGRAMS	\$89,845,672	\$83,516,500	(\$6,329,172)	(7.0%)	
SALARY ADJUSTMENTS C.1.1	\$0	\$1,098,008	\$1,098,008	100.0%	Recommendations include a new strategy for salary adjustments.
Total, Goal C, SALARY ADJUSTMENTS	\$0	\$1,098,008	\$1,098,008	100.0%	
Grand Total, All Strategies	\$103,695,983	\$98,544,903	(\$5,151,080)	(5.0%)	

**Supreme Court of Texas
FTE Highlights - House**

Full-Time-Equivalent Positions	Expended 2021	Estimated 2022	Budgeted 2023	Recommended 2024	Recommended 2025
Cap	85.0	85.0	85.0	85.0	85.0
Actual/Budgeted	81.4	81.8	85.0	NA	NA

Schedule of Exempt Positions (Cap)					
Chief Justice (1)	\$170,500	\$170,500	\$170,500	\$170,500	\$170,500
Justice (8)	\$168,000	\$168,000	\$168,000	\$168,000	\$168,000

Notes:

a) The Supreme Court of Texas is exempted from Article IX, Section 6.10, which limits the number of FTEs paid from appropriated funds to the amounts specified in the General Appropriations Act.

b) The base salaries for justices of the Supreme Court of Texas are linked to the base salary of a district judge under the tiered, tenure-based compensation structure established by Government Code §659.012. Statute sets the base salary for a justice, other than the chief justice, of the Supreme Court of Texas at 120.0 percent of the district judge base salary (\$168,000) for the first four years of their tenure. When their tenure is between 4 and 8 years, the justice earns 110.0 percent of their \$168,000 base salary (\$184,800). A justice with over 8 years of tenure earns a salary that's 120.0 percent of their \$168,000 base salary (\$201,600).