

Budget Fallout For Courts 'Unprecedented,' Judges Warn

By **Andrew Strickler**

Law360, New York (March 12, 2013, 9:48 PM ET) -- The U.S. court system will suffer "unprecedented" damage in the wake of mandatory governmentwide budget cuts expected to slash almost \$350 million from court coffers, the heads of the federal judiciary warned at a meeting in Washington this week.

The slashed federal court system budgets ordered by Congress amount to a 5 percent reduction from the last fiscal year.

"We believe we have done all we can to minimize the impact of sequestration, but a cut of this magnitude, particularly so late in the fiscal year, will affect every facet of court operations," U.S. Circuit Judge Julia Gibbons, chair of the federal Judicial Conference's Budget Committee, said in a statement posted Tuesday.

The \$85 billion sequestration cuts went into effect March 1, when negotiation talks broke down after Republicans refused a budget compromise that called for revenue increases, including imposing a higher tax rate on the super-rich.

The sequestration budgets hitting the courts will "impact the general public as well as individuals and businesses looking for relief in the courts," Gibbons said.

Judicial officials predicted a 20 percent overall cut to funding for drug testing and mental health treatment, as well as fewer probation and court security officers.

Among other predicted problems are case slow-downs, deep cuts to courts' information technology programs and delayed payments to attorneys appointed under the Criminal Justice Act.

Judge Thomas Hogan, director of the Administrative Office of the U.S. Courts, last week warned congressional leaders that the cuts would have "serious implications" and force as many as 2,000 court officers to be laid off or furloughed. As a last-ditch measure, federal civil trials could even be suspended at the end of the fiscal year if other cost-cutting measures don't work, court administrators have said.

"[T]he judiciary cannot continue to operate at sequestration funding levels without seriously compromising the constitutional mission of the federal courts," Gibbons said in a statement.

The remarks came as the 26-member Judicial Conference, the policymaking body for the federal court system, held its biannual meeting in Washington D.C. on Monday and Tuesday, in the midst of a heated struggle between President Barack Obama and Congress. A series of automatic spending cuts, known as sequestration, took effect March 1.

The staffing cuts would be in addition to the loss of over 1,800 court staff over the last 18 months, according to the committee, which says current court staffs are at 2005 levels.

Each federal court controls its own budget, and each will have to decide how to implement funding cuts. Hogan wrote last month in a letter of guidance to court heads that furloughs cannot be "undone," and urged court leaders with "payroll flexibility" to wait until April to make such decisions.

The Judicial Conference is led by the Chief Justice of the U.S. Supreme Court as presiding officer, with the rest of the membership made up of chief judges of the 13 courts of appeals, a district judge from each of the 12 geographic circuits, and the chief judge of the U.S. Court of International Trade.

Greg Call, a partner at Crowell & Moring LLP and head of the firm's San Francisco office, said steep cuts in California state courts in recent years had forced him and other litigators to consider taking legal actions to federal courts to avoid slow-downs. He hasn't started discussing the possibility of federal court problems with clients, but said even a short-term suspension of civil trials there would similarly disrupt litigation schedules, reduce public confidence in the judicial system and drive up bills for clients.

"Up to now, the federal courts have looked like the safe haven," he said.

--Editing by Elizabeth Bowen.