

Redbook

LBO Analysis of Executive Budget Proposal

Court of Claims of Ohio

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LBO Redbook

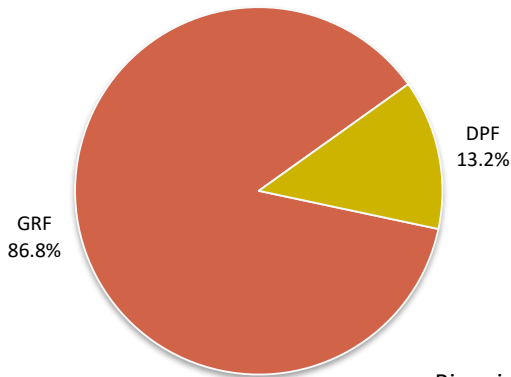
Court of Claims of Ohio

Quick look...

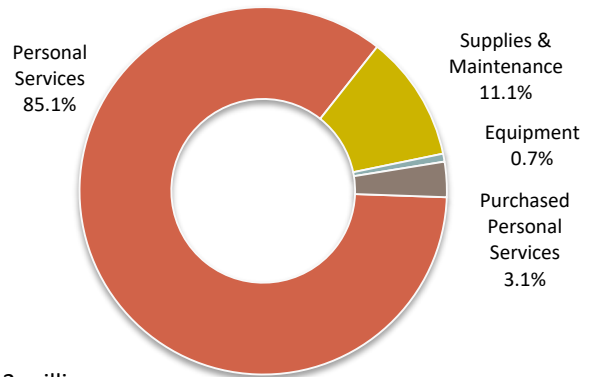
- The Court of Claims hears claims against the state, handles public records claims, and hears appeals of Attorney General crime victims compensation decisions.
- Total budget recommendations: \$4.1 million in FY 2022 and \$4.2 million in FY 2023.
 - Revenue sources: GRF (87.6%) and state non-GRF (12.4%).
 - 85.1% of the Court’s budget is for personal services (wages, salaries, fringe benefits, and payroll check off charges).

Fund Group	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
General Revenue (GRF)	\$4,087,174	\$6,786,125	\$3,599,785	\$3,687,466
Dedicated Purpose (DPF)	\$494,373	\$541,532	\$509,067	\$522,955
Total	\$4,581,547	\$7,327,657	\$4,108,852	\$4,210,421
% change	--	59.9%	-43.9%	2.5%
<i>GRF % change</i>	--	58.9%	-43.5%	2.1%

**Chart 1: Claims Budget by Fund Group
FY 2022-FY 2023 Biennium**



**Chart 2: Claims Budget by Expense Category
FY 2022-FY 2023 Biennium**



Biennial total: \$8.3 million

Agency overview

The Court of Claims, established in 1975, is the only statutory court with statewide jurisdiction. Prior to its creation, there was no forum for civil actions filed against the state of Ohio. The Court of Claims’ duties include:

- Adjudicating civil actions filed against the state;

- Hearing appeals from decisions made by the Attorney General on claims allowed under the Victims of Crime Law;
- Hearing complaints alleging a denial of access to public records; and
- Acting as the state’s fiduciary agent for processing claims of wrongful imprisonment.

Staffing

Tables 1 and 2 below display staffing levels in terms of full-time equivalent (FTE) staff positions maintained by the Court from FY 2019 projected through FY 2023. Table 1 reflects the number of FTEs for the Court’s two major programs: (1) Civil, which includes civil actions against the state, public records adjudication, and wrongful imprisonment claims, and (2) Victims of Crime. Table 2 represents FTEs by type of appointment. It should be noted that a number of employees are part time. For this reason, the numbers may not illustrate a physical portrayal (i.e., head count) of the Court’s staffing.

Program	FY 2019	FY 2020	FY 2021*	FY 2022*	FY 2023*
Civil	21.5	22.9	24.1	25.0	25.0
Crime Victims	3.3	3.3	3.4	3.5	3.5
Total	24.8	26.2	27.5	28.5	28.5

*Estimates

The Court resides in Franklin County and consists of judges who sit by temporary assignment of the Chief Justice of the Supreme Court. The Chief Justice may appoint incumbent justices or judges of the Supreme Court, courts of appeals, or courts of common pleas, or retired justices or judges eligible for active duty pursuant to Division (C) of Section 6 of Article IV of the Ohio Constitution. The appointments to the Court are temporary, lasting roughly three months. Many of the judges, however, are reappointed for multiple terms.

Appointment Types	FY2019	FY 2020	FY 2021*	FY 2022*	FY 2023*
Permanent Staff	24.5	25.8	26.6	27.6	27.6
Temporary Staff	0.0	0.0	0.0	0.0	0.0
Judges	0.4	0.4	0.9	0.9	0.9
Total	24.9	26.2	27.5	28.5	28.5

*Estimates

Analysis of FY 2022-FY 2023 budget proposal

R.C. 107.03(B) states that “no alterations shall be made in the [budget] requests for the legislative and judicial branches of the state filed with the director of budget and

management . . .” Therefore, the Governor has made no alterations to the budget request submitted by the Court of Claims.

The Court’s budget consists of five appropriation line items (ALI), three of which are supported by the General Revenue Fund (GRF), and two by Dedicated Purpose Fund (DPF) line items. The table and Chart 1 shown in the preceding “**Quick look**” section present the recommended appropriations by fund group. As shown on Chart 1, the proposed budget provides \$4.1 million in FY 2022 and \$4.2 million in FY 2023, of which 87.6% is supported by the GRF, and 12.4% by state non-GRF. The FY 2021 GRF estimate includes \$3.2 million in one-time wrongful imprisonment compensation payments.

As shown in Chart 2 in the “**Quick look**” section, the largest expense category for the Court, at 85.1%, is personal services (wages, salaries, fringe benefits, and payroll check off charges). The next largest expense category, at 11.1%, is supplies and maintenance. The remaining two categories, equipment and purchased personal services, combined account for 3.8%.

As mentioned above, the Court’s budget is funded by five line items, one of which – Wrongful Imprisonment Compensation – is appropriated on an as-needed basis. Each of these line items is discussed further below.

Operating Expenses (ALI 015321)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
GRF ALI 015321, Operating Expenses					
\$2,443,684	\$2,509,599	\$2,436,781	\$2,692,946	\$2,668,140	\$2,730,329
% change	2.7%	-2.9%	10.5%	-0.9%	2.3%

The expenses of operating the Court, primarily the Court’s Civil Division, are paid with money appropriated to this GRF line item.

In FY 2022 and FY 2023 the executive budget allocates 83% of the line item’s appropriation for personal services (wages, salaries, fringe benefits, and payroll check off charges), 12% for supplies and maintenance, 4% for purchased personal services, and 1% for equipment.

Wrongful Imprisonment Compensation (ALI 015402)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
GRF ALI 015402, Wrongful Imprisonment Compensation					
\$0	\$2,049,267	\$825,000	\$3,206,652	\$0	\$0
% change	--	-59.7%	288.7%	-100.0%	0.0%

The Court of Claims acts as the state's fiduciary agent for processing claims of wrongful imprisonment. When a wrongful imprisonment judgment has been rendered in a court of common pleas, the Controlling Board, upon certification by the Court of Claims, transfers the sum necessary to pay that judgment to the Court's GRF line item 015402, Wrongful Imprisonment Compensation. Since the Controlling Board provides the money for such judgments on an as-needed basis, the Court's line item does not receive a direct appropriation through the main operating appropriations act enacted by each General Assembly. However, once the expenditure is made, the amounts are tracked as spending by the Court.

Public Records Adjudication (ALIs 015403 and 015604)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
GRF ALI 015403, Public Records Adjudication					
\$502,464	\$532,678	\$825,393	\$886,527	\$931,645	\$957,137
DPF Fund 5TE0 ALI 015604, Public Records					
\$--	\$--	\$--	\$8,000	\$1,200	\$1,200
Total	\$532,678	\$825,393	\$894,527	\$932,845	\$958,337
% change	6.0%	55.0%	8.4%	4.3%	2.7%

The expenses of the Court's Public Records Adjudication Program, which hears complaints alleging a denial of access to public records, is funded by the two line items displayed in the table immediately above. From September 2016, when the program went into effect, until FY 2021, it was funded solely with money appropriated from the GRF.

In FY 2022 and FY 2023, 88% of the two line items' combined appropriation is allocated for personal services (wages, salaries, fringe benefits, and payroll check off charges), 10% for supplies and maintenance, and 2% for purchased personal services and equipment.

DPF line item 015604, Public Records, draw its appropriation from the Public Records Fund (Fund 5TE0), which consists of all filing fees for public records cases. From FY 2018-FY 2020, revenue credited to the fund ranged roughly \$1,600 to \$2,700 annually.

CLA Victims of Crime (ALI 015603)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimate	FY 2022 Introduced	FY 2023 Introduced
DPF Fund 5K20 ALI 015603, CLA Victims of Crime					
\$443,825	\$461,593	\$494,373	\$533,532	\$507,867	\$521,755
% change	4.0%	7.1%	7.9%	-4.8%	2.7%

This line item pays for: (1) the compensation of judges of the Court of Claims necessary to hear and determine appeals from the Office of the Attorney General, and (2) the compensation of any personnel of the Court of Claims needed to administer their appellate duties and

responsibilities. Its appropriation is supported by cash transferred by the Office of Budget and Management from the Victims of Crime/Reparations Fund (Fund 4020), which is used by the Office of the Attorney General.

In FY 2022 and FY 2023, the executive budget allocates 89% of the line item's appropriation for personal services (wages, salaries, fringe benefits, and payroll check off charges), 8% for supplies and maintenance, and 3% for purchased personal services and equipment.

Facts and figures

The Court serves four primary functions: (1) to adjudicate civil actions filed against the state, (2) to hear appeals from decisions made by the Attorney General on claims allowed under the Victims of Crime Law, (3) to hear complaints alleging a denial of access to public records, and (4) to act as the state's fiduciary agent for processing claims of wrongful imprisonment.

Claims against the state for money damages

The Court's Civil Division is responsible for hearing all civil claims filed against the state of Ohio and its agencies. Claims can be adjudicated administratively, or by referees and judges, as described in more detail below.

Administrative determinations. In civil actions against the state for \$10,000 or less, the clerk may administratively determine a claim and render judgment. A majority of the civil actions are handled administratively.

Judicial determinations. A judge must decide any case involving claims greater than \$10,000. In most cases, a single judge will hear a case, but the Chief Justice of the Supreme Court of Ohio may assign a panel of three judges to a civil action that presents novel or complex issues of law and fact. While a motion may be filed requesting that a panel of three judges hear a particular case, few cases are eligible for a hearing before a panel of three judges.

Referees. Whenever the Chief Justice believes an equitable resolution of a case will be expedited, the Chief Justice may appoint referees (also known as magistrates) in accordance with Civil Procedure Rule 53 to hear the case. For disputes arising between the state and a contractor concerning the terms of a public improvement contract let by the state, the Supreme Court is required to appoint a referee, or a panel of three referees.¹

The Court's decisions in these civil matters may be appealed. Cases that were originally determined by the Clerk of the Courts (involving \$10,000 or less) may be appealed to a judge of the Court. The decision of the judge is final. Cases that were originally heard by a judge of the Court (over \$10,000) may be appealed to the Tenth District Court of Appeals in Franklin County, and further appealed to the Supreme Court of Ohio.

¹ The referees need not be attorneys, but must be persons knowledgeable about construction contract law, a member of the Construction Industry Panel of the American Arbitration Association, or an individual or individuals deemed qualified by the Chief Justice to serve.

Details on the filing and disposition of civil cases from CY 2016-CY 2020 for both administratively processed claims and judicially processed claims are summarized in Table 3 below.

Table 3. Civil Case Filings, Calendar Years 2016-2020					
Type of Action	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
Administratively processes claims (less than \$10,000)					
Cases Filed/Reinstated	509	607	1,074	828	424
Cases Terminated	606	578	1,033	841	501
Cases Pending	134	163	211	198	121
Judicial Review	63	66	68	62	56
Judicially processed claims (\$10,000 and over)					
Cases Filed/Reinstated	365	280	319	279	205
Cases Terminated	360	313	331	293	245
Stay/Interlocutory Appeals	71	51	50	37	36
Cases Pending	319	286	329	315	275
Trials/Hearings Held	57	48	35	37	21
Conferences Held	475	511	445	460	304

Victims of crime appeals

In 1976, the Victims of Crime Compensation Program was enacted and its administration was assigned to the Court. Under the program, individuals suffering personal injury as the result of criminal conduct were eligible to apply for compensation. This compensation included, but was not limited to, psychiatric care/counseling, medical expenses, work loss compensation, and unemployment benefits loss. Dependents could also receive awards for economic loss, replacement services loss, and certain funeral expenses in the case of a homicide. The maximum award was \$50,000 per victim, per criminal incident.

From 1976 until July 1, 2000, the Court's Victims of Crime Division handled all claims for compensation from the Victims of Crime Fund. The Office of the Attorney General then investigated the claim and filed a finding of fact and recommendation with the Court.

At the start of FY 2001, the Victims of Crime Compensation Program underwent a transformation with the enactment of S.B. 153 of the 123rd General Assembly. Under the act, responsibility for administering the program was transferred from the Court of Claims to the Office of the Attorney General. The transfer significantly changed the role that the Court plays in these cases. Whereas before, the Court rendered the initial decisions on compensation cases and was responsible for disbursing reparation awards, this responsibility was transferred to the Office of the Attorney General. The Court still handles the appeals process.

Under current law, if a crime victim applicant does not agree with the final decision made by the Office of the Attorney General, that individual, within 30 days, may file an appeal to have the claim heard before the Court of Claims. A further appeal may be taken to a judge of the Court.

Details on the filing and disposition of victims of crime appeals from CY 2016-CY 2020 are summarized in Table 4 below.

Table 4. Victims of Crime Appeals, Calendar Years 2016-2020					
Type of Action	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
Cases Filed	55	50	39	28	29
Cases Terminated	70	52	58	31	10
Cases Pending	47	45	15	12	31
Trials/Hearings Held	33	23	26	14	15
Conferences	84	85	53	13	34

Public records adjudication

The enactment of S.B. 321 of the 131st General Assembly, which became effective September 28, 2016, created an adjudication and mediation program for public records request disputes within the Court of Claims. Under prior existing law, unchanged by the act, an individual is permitted to file a mandamus action in the court of common pleas to resolve a public records request dispute. The act permits an individual to file an action with the Court of Claims or a mandamus action with a court of common pleas, but not both. In either instance, a judgement may be appealed to the proper appellate court. The act requires clerks for the courts of common pleas to act as clerks for the Court of Claims in their respective counties for any public records complaints filed in the Court of Claims, although a complainant may file directly with the Clerk of the Court of Claims.

Under the act, except for a court that hears a mandamus action, the Court of Claims is the sole and exclusive authority in Ohio that adjudicates or resolves complaints based on alleged violations of the Public Records Law. The Clerk of the Court of Claims is required to designate one or more current employees or hire one or more individuals to serve as special masters to hear complaints. The Clerk may assign administrative and clerical work associated with complaints to current employees or may hire such additional employees as may be necessary to perform such work.

Details on the filing and disposition of public records request disputes from CY 2016-CY 2020 are summarized in Table 5 below.

Table 5. Public Records Filings, Calendar Years 2016-2020

Type of Action	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
New Cases Filed	18	105	106	71	72
Cases Terminated	3	83	113	80	67
Cases Pending	15	37	30	21	26
Judicial Reviews	1	10	18	18	12
Meditations Held	9	100	149	98	89

Wrongful imprisonment claims

The Court of Claims acts as the state's fiduciary agent for processing claims of wrongful imprisonment. Money to pay any such claims is transferred to the Court on an as-needed basis by the state's Controlling Board.

Pursuant to R.C. 2743.48(E)(2), upon presentation of requisite proof to the Court, a wrongfully imprisoned individual is entitled to receive a sum of money that equals the total of each of the following amounts:

- The amount of any fine or court costs imposed and paid, and the reasonable attorneys fees and other expenses incurred by the wrongfully imprisoned individual in connection with all associated criminal proceedings and appeals, and, if applicable, in connection with obtaining the individual's discharge from confinement in the state correctional institution;
- For each full year that the individual was imprisoned in the state correctional institution for the offense of which the individual was found guilty, \$40,330 or the adjusted amount determined by the Auditor of State (\$56,752.36 for CY 2021 and CY 2022). For partial years, the share is prorated;
- Any loss of wages, salary, or other earned income that directly resulted from the individual's arrest, prosecution, conviction, and wrongful imprisonment; and
- The amount of certain cost debts the Department of Rehabilitation and Correction recovered from the wrongfully imprisoned individual.

H.B. 411 of the 132nd General Assembly requires the Court to deduct any known debts owed by a wrongfully imprisoned individual to the state or a political subdivision or any award or recovery from a related civil rights action that the individual actually collected from the money that the individual otherwise would be awarded and pay those deducted amounts to the state or political subdivision.

Table 6 below shows the total amount of money that the Court has disbursed to make wrongful imprisonment settlements from FY 2010-FY 2020.

Fiscal Year	Total Disbursed
2010	\$1,088,396
2011	\$3,664,717
2012	\$549,628
2013	\$379,128
2014	\$721,560
2015	\$2,962,101
2016	\$8,357,100
2017	\$4,129,947
2018	\$0
2019	\$2,049,267
2020	\$825,000