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COMMITTEE ON THE JUDICIARY WASHINGTON, DC 20510–6275

BRUCE A. COHEN, Chief Counsel and Staff Director KOLAN L. DAVIS, Republican Chief Counsel and Staff Director

February 27, 2013

## Via Electronic Transmission

The Honorable Judge Thomas F. Hogan Director Administrative Office of the U.S. Courts Thurgood Marshall Federal Judiciary Building One Columbus Circle N.E. Washington, D.C. 20544

Dear Judge Hogan:

As you know, since last year I have been seeking information from the Administrative Office of the U.S. Courts (AO) regarding the plan for implementation of sequestration on the federal judiciary. As the sequestration deadline is now just several days away, I write to follow up on our correspondence and ask again that you provide the details regarding the plan to implement the funding reductions which now appear likely to occur.

On November 8, 2012, I asked you to provide the detailed plan for how the AO intends to meet the demands of any potential sequestration, together with the demands of the federal court system. My November 8th letter was prompted by correspondence from your office warning the funding reductions would be "devastating," and suggesting, among other ramifications, that court security could be cut by fifty percent and federal courts could be forced to downsize staff across the country by approximately one third.

You responded to my letter on November 30th, and noted that the Executive Committee of the Judicial Conference of the United States (JCUS), supported by the AO, had been developing a plan to absorb the funding reductions, should they occur. You indicated that the sequestration plan was going to examine Judiciary salary policies and practices and non-salary areas of the budget, "such as travel, training, replacement of equipment, promotions, IT system upgrades, repair and alteration projects, and leased office space," in an effort to minimize the impact on personnel. You also indicated the sequestration plan was in draft form, but would likely be approved for implementation in late December 2012. According to press reports, Judge Sentelle – in his capacity as Chairman of the Executive Committee of the Judicial Conference – circulated a Memorandum to all Chief Judges on December 4, 2012 regarding the plan to absorb the sequestration funding reductions. Consistent with your letter, Judge Sentelle wrote that the Executive Committee's draft plan:

seek[s] to minimize the personnel impact of sequestration by achieving most of the required savings through deep cuts to non-salary elements of the judiciary budget. Included in these actions are modifications to the "must pay" part of the [Salaries and Expenditures] budget, significant reductions in non-salary spending (e.g., training, information technology projects), reallocation of available resources (e.g., carryforward funds, previously designated project funding), and measures to restrain growth in personnel costs (e.g., freezes of promotions, step increases, and cash awards) and limit travel related expenditures.

Judge Sentelle went on to note that even though most of the required savings could be achieved through reductions in non-salary elements of the budget, "up to" 10 percent of the courts' workforce could still be lost, or alternatively, 16 furlough days for court staff could be required.

As I noted previously, there is no question that absorbing funding reductions will be difficult for the Judiciary, just as it will be for every non-exempt agency. But I was pleased to learn that "most of the required savings" could be achieved through reductions in non-salary elements of the budget, as opposed to the dire circumstances (such as a 50 percent reduction in court security) that AO staff predicted in October of last year.

While Judge Sentelle's December 4th Memorandum did not necessarily reflect the final plan, I understand that Judge Sentelle circulated a second Memorandum on December 21, 2012 wherein he indicated the "Executive Committee of the Judicial Conference has given final approval to a set of emergency measures to be implemented starting in January 2013 if judiciary funding becomes subject to sequestration under the Budget Control Act of 2011." Given that sequestration is only days away from taking effect – and that it appears the plan was in fact finalized in late December of last year – I reiterate my request that you provide your detailed plan to implement the funding reductions.

The Honorable Judge Thomas F. Hogan February 27, 2013 Page 3 of 3

Thank you in advance for your prompt attention to this matter. I appreciate receiving your response to this matter by March 5, 2013. Should you have any questions regarding this matter, please do not hesitate to contact Janet Drew on my staff at (202) 224-5225.

Sincerely,

Chuck Analy

Charles E. Grassley Ranking Member