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DBR DAILY BUSINESS REVIEW

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A Podhurst Orseck partner files a lawsuit after his mother, also an attorney, is bitten by a neighbor's dog. **A2**

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Succession planning at The Firm can learn a lesson from current events in Venezuela and Vatican City. **A4**

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Matthew Katz has been named managing member of the Fort Lauderdale office of Katz, Barron, Squitero, Faust, Friedberg, English & Allen. **A4**

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Because March Madness lasts for weeks and roughly half of the games are played during traditional work hours, employers should have policies in place, writes Lisa A. McGlynn of Fisher & Phillips. **A8**

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FEDERAL COURTS Up to 22 unpaid days off coming

U.S. budget cuts hitting home as justice system pares back

by John Pacenti
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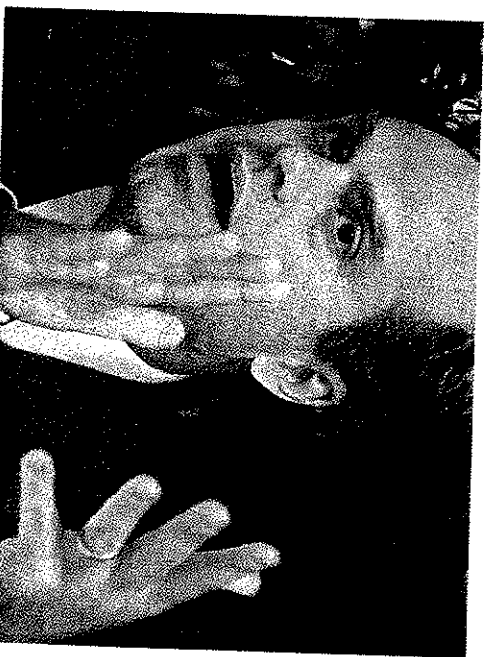
When it comes to politics as theater, the sequester has occupied center stage in Washington as President Barack Obama and Republicans in Congress square off over federal spending.

Now, the sequester's mandatory budget cuts are about to hit home, slowing many facets of the federal justice system in South Florida.

Criminal sentencing hearings in federal court will be suspended Fridays — a favorite day for many judges. This is a result of unpaid furloughs hitting prosecutors, public defenders and federal marshals over the next six months.

Each Federal Public Defender employee in the Southern District of Florida must take 22 unpaid days between April 1 and the end of the government's fiscal

SEE SEQUESTER, PAGE A5



"Basically, every Friday the Federal Public Defender's Office will be closed," says Southern District of Florida chief Michael Caruso.

J. ALBERT DIAZ

SEQUESTER: Furloughs amount to about one day per week

year, which ends Sept. 30. It translates into almost one day each week.

"Basically, every Friday the Federal Public Defender's Office will be closed," said Southern District chief Michael Caruso.

The cuts were made automatic by the Budget Control Act of 2011 as an even-handed punishment if Congress and the executive branch failed to agree on an alternative plan for cutting \$1.5 trillion over 10 years from the federal budget.

Locally, the idea for Fridays off came from Chief U.S. District Judge Federico Moreno when he heard furloughs were imminent.

"We will adjust," he said.

Caruso said his office, which employs 101 lawyers and staff, already absorbed a 5 percent cut this year. Money for federal defender offices across the nation would be cut \$53 million by the sequester.

Still, he said 22 unpaid furlough days was more than his office expected.

"The real cost is to the employees of the office," Caruso said. "We have single moms and we have parents who are saving for their kids' college, and we have people who need to pay their mortgage. Every employee is taking a 20 percent pay cut."

Sources told the Daily Business Review that each prosecutor in the Southern District will take 14 furlough days, but the office did not confirm that figure.

U.S. Attorney Wilfredo Ferrer's office referred all questions about budget cuts to the office of Attorney General Eric Holder in Washington.

The Justice Department released a letter from Holder to U.S. Senator Barbara A. Mikulski, D-Maryland, chairwoman of the Appropriations Committee, outlining sequester budget cuts for prosecutors, civil attorneys, the U.S. Bureau of Prisons, U.S. Marshals Service and the Executive Office for Immigration Review.

The Marshals Service is facing furloughs of up to 13 days; employees at



J. ALBERT DIAZ

Chief U.S. District Judge Federico Moreno says court staff, whether they work in the clerk's office or for judges, will not have to take furlough days. He says he foresaw the budget crisis and didn't replace employees who retired or resigned.

the Bureau of Prisons will face an average 12 day.

FEWER CASES

Holder's office predicted dire consequences from prosecuting 1,000 fewer criminal cases and pursuing 1,600 fewer civil cases. Holder told Mikulski that he was especially concerned with prison cuts.

"Sequestration means less money, not fewer inmates," he wrote in the Feb. 1 letter.

There was some good news for federal employees in South Florida.

Moreno said court staff, whether they work in the clerk's office or for judges, will not have to take furlough days. He

SEQUESTER CUTS

- Department of Justice civil division: \$74 million, up to 7 days in furloughs
- Executive Office for Immigration Review: \$15 million, hiring suspended
- Federal Public Defenders Office: \$53 million, 22 days in furloughs
- U.S. Attorney's Office: \$100 million, up to 14 days in furloughs
- U.S. Bureau of Prisons: \$330 million, average 12 days in furloughs
- U.S. Marshals Service: \$60 million, up to 13 days in furloughs

said he foresaw the budget crisis and didn't replace employees who retired or resigned.

"We've been planning for one of these things for the last two years," he said. "I know how the economy is. We adjust our budget, just like a family adjusts their budget."

John Ley, clerk of the U.S. Court of Appeals for the Eleventh Circuit in Atlanta, said he doesn't know if there will be any staff furloughs. "We are still looking to see what we can do locally to reduce the impact," he said.

Private attorneys appointed under the Criminal Justice Act when public defenders have conflicts will get paid — though they might be waiting for their checks a little longer than usual.

Valentin Rodriguez, a criminal defense attorney in West Palm Beach who does CIA work, said he has been told the cost of the program is covered through the fiscal year.

"We feel pretty secure," he said. The CIA has had funding shortages in the

past but fortunately because of the nature and necessity of service, they find a way."

Payment of Criminal Justice Act panel attorney vouchers could be deferred for almost three weeks at the end of the fiscal year, the National Law Journal, an ALM affiliate of the Daily Business Review, reported last week.

BUILT-IN COSTS

Rodriguez said the Friday suspensions of criminal court proceedings could be problematic.

"It's going to mess up the court system because Friday is typically the day sentences get done," he said. "We would get all our sentences done on Friday, and now it's going to be a lot of gridlock." Caruso's first concern is stretching his budget to defend indigent clients.

He said his office, unlike other federal agencies, cannot cut projects. There are built-in costs to provide an adequate defense, such as paying for experts who can be the key to a successful defense.

"We are a reactive office," he said. "We handle very, very complex matters, all types of matters of fraud cases, securities, mortgage and terrorism cases,

ontheweb

Read the letter written by U.S. Attorney General Eric Holder on sequester budget cuts on DailyBusinessReview.com

I believe we've had potentially five capital cases, and those cases require a tremendous amount of resources to defend."

He also worries some of his trial attorneys might jump to

"I am worrying about losing lawyers because of the sequester," he said. "Lawyers make a cost-benefit analysis to come here. They know they are not going to make as much as they would in the private sector, but they come here because they are committed to indigent defense."

John Pacenti can be reached at (305) 347-6638.



On May 31, 2013, the Daily Business Review will host a **Legal Technology Workshop and Vendor Expo** in Broward County. Don't miss this opportunity to present your expertise to an expected attendance of 150+ lawyers, legal administrators and other decision makers.