

LEGISLATIVE, JUDICIAL, AND EXECUTIVE

Governmental entities classified under the Legislative, Judicial, and Executive section are either established as independent entities under the California Constitution or are departments that operate outside the agency structure. Constitutionally established bodies include the Legislature, the Judicial Branch, Governor’s Office, and Constitutional Officers.

The Budget includes total funding of \$7.6 billion (\$2.5 billion General Fund and \$5.1 billion other funds) in 2013-14 for all programs included in this area.

JUDICIAL BRANCH

The Judicial Branch consists of the Supreme Court, courts of appeal, trial courts, and the Judicial Council. The state-level judiciary receives most of its funding from the General Fund. The trial courts are funded with a combination of funding from the General Fund, county maintenance-of-effort requirements, fines, fees, and other charges.

Since 2007-08, ongoing state General Fund support for the Judicial Branch has been reduced. However, the Administration, the Legislature, and the Judicial Council have mitigated these reductions through a mix of permanent and one-time offsets, including transfers from special funds, fee increases, and use of trial court reserves. Further, 2011 Realignment removed a fast growing program from the trial court budget—trial court security. Expenditures for the trial courts have remained relatively flat as illustrated in Figure LJE-01.

Figure LJE-01
Judicial Branch Expenditures, State Funds
 Since 2007-08
 (Dollars in Thousands)

Judicial Branch Expenditures by Program	2007-08 Actual	2010-11 Actual	2011-12 Actual	2012-13 Estimated	2013-14 Governor's Budget	2007-08 vs. 2013-14
Supreme Court	\$44,397	\$43,953	\$40,706	\$43,773	43,500	-2.0%
Courts of Appeal	200,706	206,760	199,112	202,492	204,886	2.1%
Judicial Council	130,396	137,456	120,601	148,862	150,795	15.6%
Habeas Corpus Resource Center	12,553	13,570	12,425	13,576	13,576	8.1%
Facility Program	(49,965)	(200,949)	(173,796)	(224,312)	(263,083)	
<i>Staff and OE&E</i>	22,634	25,518	26,534	28,582	30,826	54.6%
<i>Trial Court Facility Expenses</i>	27,331	175,431	147,262	195,730	232,257	
Trial Courts	3,288,873	3,218,101	2,680,140	2,267,631	2,430,566	
Total	\$3,726,890	\$3,820,789	\$3,226,780	\$2,900,646	\$3,106,406	
Adjustments to Trial Courts ¹	\$3,288,873	\$3,218,101	\$2,680,140	\$2,267,631	\$2,430,566	
<i>Trial Court Facility Expenses</i>	\$27,331	\$175,431	\$147,262	\$195,730	\$232,257	
<i>Offsets:</i>						
<i>Reserves and Redirections</i>				402,000	200,000	
<i>Transfers and Redirections</i>		(166,000)	(302,400)	(440,000)	(357,000)	
Sub-total, Trial Courts	\$3,316,204	\$3,393,532	\$2,827,402	\$2,865,361	\$2,862,823	
<i>Trial Court Security Costs ²</i>	-444,901	-480,999	(496,400)	(496,400)	(496,400)	
Adjusted Total, Trial Courts	\$2,871,303	\$2,912,533	\$2,827,402	\$2,865,361	\$2,862,823	-0.3%

¹ Due to availability of data, all offsets may not be displayed.

² For comparison purposes, court security costs for 2007-08 through 2010-11 are removed from trial court expenditure totals due to the realignment of court security costs in 2011-12 and ongoing.

The 2012 Budget Act limited trial courts to a 1 percent reserve by the end of fiscal year 2013-14. The Trial Court Funding Workgroup, called for in the May Revision to examine the state's progress in achieving the goals outlined in the Trial Court Funding Act of 1997, has begun its evaluation.

The Budget continues the practice of mitigating General Fund reductions through offsets and redirections of available resources. However, beginning in 2014-15, reserves and fund balances will mostly be exhausted, which will require trial courts to make permanent changes to achieve roughly \$200 million in savings needed to achieve structural balance.

Significant Adjustments:

- The 2012 Budget Act limited trial court reserves to 1 percent beginning on July 1, 2014. The spending down of court reserves offsets General Fund spending on a dollar-for-dollar basis. The state's fiscal condition necessitates continued

prudence; therefore, the Budget uses a \$200 million transfer from the Immediate and Critical Needs Account to support trial court operations as the courts adapt to the new reserve policy. This transfer will delay additional courthouse construction projects up to one year, but will allow some of the most critical projects to continue, as determined by the Judicial Council.

- Long Beach Courthouse—An increase of \$34.8 million Immediate and Critical Needs Account in 2013-14 to fund the new Long Beach Courthouse service fee payment.
- Trial Court Efficiencies—The Budget includes a range of statutory changes that will reduce workload through administrative efficiencies, increase user fees to support ongoing workload at the trial courts, and assist the Judicial Branch in effectively managing monthly trial court cash flow issues.

CALIFORNIA SCHOOL FINANCE AUTHORITY

The California School Finance Authority provides facilities and working capital financing to school districts, community college districts, county offices of education, and charter schools.

Significant Adjustment:

- Charter Schools—An increase of \$92 million Proposition 98 General Fund local assistance, \$12.4 million Charter School Revolving Loan Fund, and \$175,000 non-Proposition 98 General Fund to reflect the realignment of the Charter School Facility Grant Program and the Charter School Revolving Loan Program from the Department of Education to the Authority. Since the Authority successfully administers similar programs, this consolidation will create efficiencies by taking advantage of the Authority's expertise and proven effectiveness in administering these types of programs.

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