

## JUDICIAL BRANCH

The Judicial Branch consists of the Supreme Court, courts of appeal, trial courts, and the Judicial Council. The trial courts are funded with a combination of funding from the General Fund, county maintenance-of-effort requirements, fines, fees, and other charges. Other levels of the Judicial Branch receive most of their funding from the General Fund. The Budget includes total funding of \$3.7 billion (\$1.7 billion General Fund and \$2 billion other funds) in 2015-16 for the Judicial Branch, of which \$2.7 billion is provided to support trial court operations. The Judicial Council is responsible for managing the resources of the Judiciary.

In 1998, California voters passed a constitutional amendment that provided for voluntary unification of the superior and municipal courts in each county into a single, countywide trial court system. By 2001, all 58 counties had voted to unify their municipal and superior court operations. This was the culmination of over a decade of preparation and work to improve court coordination and uniform access to justice. The Trial Court Funding Act of 1997 consolidated the costs of operating California's trial courts at the state level. The Act was based on the premise that state funding of court operations was necessary to provide more uniform standards and procedures, economies of scale, structural efficiency and access for the public. The Act created a state-funded trial court system and capped county contributions, providing that the state assumed responsibility for growth in the costs of court operations. Prior to state funding, many small courts were in financial crisis and needed emergency state funding to keep their doors open.

**2015-16 BUDGET**

During the recession, like every area of state government, General Fund support for the Judicial Branch was reduced; however, for the Judicial Branch, the state mitigated the impact of the reductions through increased user fees, the redirection of various special funds, and through the expenditure of trial court reserves. During the fiscal crisis, some trial courts were forced to reduce service hours, furlough and lay off employees, and close courtrooms, while other courts were able to provide salary increases and did not have to close courtrooms. The disparity in how trial courts handled the reductions highlighted the need for a comprehensive evaluation of the state’s progress in achieving the goals outlined in the Act. A working group composed of Administration and Judicial Branch appointees made recommendations to better allocate existing resources. The Chief Justice and the Judicial Council, through a modification of the Workload Allocation Funding Model, have taken significant steps to promote equal access to justice by allocating funding more equitably.

As shown in Figure JUD-01, after making various budget adjustments, trial court funding remained fairly consistent with pre-recession levels and is proposed to be 3.5 percent above 2007-08 in 2015-16.

Figure JUD-01  
**Judicial Branch Expenditures**  
 (Dollars in Thousands)

Judicial Branch Expenditures by Program	2007-08 Actual	2013-14 Actual	2014-15 Estimated	2015-16 Governor's Budget
Supreme Court	\$44,397	43,440	45,973	46,095
Courts of Appeal	200,706	204,544	216,212	216,626
Judicial Council	130,396	132,966	139,869	134,678
Habeas Corpus Resource Center	12,553	12,588	14,233	14,242
Facility Program	(49,965)	(236,110)	(338,528)	(360,704)
Staff and OE&E	22,634	25,202	31,000	34,000
Trial Court Facility Expenses	27,331	210,908	307,528	326,704
Trial Courts	3,288,873	2,437,488	2,538,117	2,701,598
<b>Total</b>	<b>\$3,726,890</b>	<b>\$3,067,136</b>	<b>\$3,292,932</b>	<b>\$3,473,943</b>
<b>Adjustments to Trial Courts</b>	<b>\$3,288,873</b>	<b>\$2,437,488</b>	<b>\$2,538,117</b>	<b>\$2,701,598</b>
Trial Court Facility Expenses	\$27,331	\$210,908	\$307,528	\$326,704
Use of Local Reserves		264,000		
<b>Sub-total, Trial Courts</b>	<b>\$3,316,204</b>	<b>\$2,912,396</b>	<b>\$2,845,645</b>	<b>\$3,028,302</b>
Trial Court Security Costs <sup>1</sup>	-444,901			
<b>Adjusted Total, Trial Courts</b>	<b>\$2,871,303</b>	<b>\$2,912,396</b>	<b>\$2,845,645</b>	<b>\$3,028,302</b>

<sup>1</sup> For comparison purposes, court security costs for 2007-08 are removed from trial court expenditure totals due to the realignment of court security costs beginning in 2011-12.

Similar to other areas of government, the Branch needs to operate differently without the expectation of funding restorations. Yet, like the rest of state government, the Judicial Branch has growing costs related to employee retirement and health care. As part of the 2014 Budget Act, the Administration proposed a two-year funding approach to provide the trial courts with stable funding and sufficient time to carefully evaluate and pursue workload process changes and efficiencies that will modernize court operations and improve access to justice. The two-year funding approach includes: (1) providing 5-percent General Fund growth to the trial court operations budget in each year, (2) providing ongoing budgetary adjustments to account for changes in employee benefit costs that are not controlled by the trial courts, and (3) providing General Fund to address anticipated fee shortfalls. The Chief Justice has created the Commission on the Future of California’s Court System to modernize court operations. The Commission is expected to evaluate trial court operations and to identify potential efficiencies that will improve access to justice. The Budget includes \$180 million in proposed new funding, in addition to the \$160 million provided in the 2014 Budget Act.

#### Significant Adjustments:

- Trial Court Funding—Consistent with the proposed two-year strategy, the Budget includes an augmentation of \$90.1 million General Fund to support trial court operations.
- Trial Court Employee Costs—The Budget includes \$42.7 million General Fund for trial court employee benefit costs, of which \$10.8 million reflects funding for trial courts that have now made progress towards meeting the Public Employees’ Pension Reform Act of 2013 standard. The Administration is committed to funding future increases related to existing health benefits and retirement costs for trial court employees and retirees.
- Trial Court Trust Fund Revenues—The Budget includes an additional \$19.8 million General Fund to reflect a further reduction of fines and penalty revenues in 2015-16. Coinciding with this adjustment, the Administration proposes permanently extending temporary fines and penalty revenue measures enacted as part of the 2012 Budget Act.
- Proposition 47—With the passage of Proposition 47 in November 2014, it is anticipated that trial courts will experience increased workload primarily in the early years of implementation due to the requirement that courts reclassify certain drug and theft crimes that involve less than \$950 from felonies to misdemeanors.

## JUDICIAL BRANCH

The Budget includes \$26.9 million General Fund to reflect a projected increase in trial court workload.

- **Amnesty Program**—The Budget proposes the establishment of an 18-month outstanding delinquent debt amnesty program that would be administered by the courts and counties. Courts and counties would recover their costs to administer the amnesty program utilizing revenues collected through the program. (See Public Safety Chapter for additional details.)
- **Dependency Counsel Funding**—The Administration recognizes the important role played by counsel who represent abused and neglected children and their parents in dependency cases. The Judicial Council’s current annual budget allocation for court-appointed dependency counsel is \$103.7 million. Over the last several years, the Council has evaluated the workload of dependency lawyers and recommended a basic caseload standard of 188 cases per attorney. An improvement in attorney caseload would reduce hearing delays and potentially shorten time to permanency for families. The current statewide average caseload is 248 cases per attorney. Many counties fall well within the standard but others far exceed it. Judicial Council allocations to courts are based on historical factors rather than on current caseloads. The Administration will work with the Judicial Council to develop a caseload-based allocation methodology and explore ways to reduce the number of cases per attorney.