

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 \$3.8 billion (\$1.8 billion General Fund and \$2 billion other funds) in 2016-17 for the Judicial Branch, of which \$2.8 billion is provided to support trial court operations. The Judicial Council is responsible for managing the resources of the Judicial Branch.

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, having the state assume 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.

The Budget contains the following proposals to support efforts by the Judicial Council to improve court operations and increase access.

IMPROVING CALIFORNIA'S COURT SYSTEM

In planning for future court demands, the Chief Justice has created the Commission on the Future of California's Court System. The Commission expects to release initial recommendations in the summer of 2016 on initiatives to effectively and efficiently enhance access to justice. The Administration is committed to working with the Judiciary on improving access and modernizing court operations through innovative approaches.

To this end, the Administration is proposing to work with the Judicial Council to reallocate up to five vacant superior court judgeships and the staffing and security complements needed to support and implement the proposal. This will shift judgeships where the workload is highest without needing to increase the overall number of judges. The Administration also proposes to reduce the current allowable number of 10 peremptory challenges per side in misdemeanor trials to 6 challenges per side. Six challenges per side is the current average, and additional challenges unnecessarily add delays to proceedings.

The Administration is working collaboratively with the Judicial Council to develop and administer a competitive grant program to encourage courts to develop new ways of doing business. The projects funded by the grants must have measurable results or benefits that have a demonstrated impact on the court and the public it serves. The Budget includes \$30 million General Fund on a one-time basis to fund these grants.

Many courts have demonstrated the capacity to adapt and innovate, resulting in programs and practices that save money and better serve the public. Successful examples of these improvements include: Fresno Superior Court's remote video proceedings for traffic violations, Imperial Superior Court's Binational Justice Project, Contra Costa Superior Court's efforts related to online probable cause determinations, and San Bernardino Superior Court's automated payment processing. Additional innovative programs could include a self-scheduling system for traffic courts, the use of kiosks for traffic court proceedings, and the development of electronic recordings in family courts.

2016-17 BUDGET

During the recession, General Fund support for the Judicial Branch was reduced like every area of state government; however, the state mitigated the impact of the reductions on the Judicial Branch through increased user fees, the redirection of various

special funds, and 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 fully maintain operations and even provide salary increases. 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 Trial Court Funding Act of 1997. 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 to the trial courts.

As shown in Figure JUD-01, after making various budget adjustments, trial court funding is proposed to be 10.5 percent above 2007-08 in 2016-17.

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

Judicial Branch Expenditures by Program	2007-08 Actual	2015-16 Estimated	2016-17 Governor's Budget
Supreme Court	44,397	46,519	46,438
Courts of Appeal	200,706	219,274	224,784
Judicial Council	130,396	134,203	133,173
Habeas Corpus Resource Center	12,553	14,525	15,015
Facility Program	(49,965)	(369,788)	(409,904)
Staff and OE&E ¹	22,634	35,196	42,825
Trial Court Facility Expenses	27,331	334,592	367,079
Trial Courts	3,288,873	2,674,738	2,804,693
Total	\$3,726,890	\$3,459,047	\$3,634,007
Adjustments to Trial Courts	\$3,288,873	\$2,674,738	\$2,804,693
Trial Court Facility Expenses	\$27,331	\$334,592	\$367,079
Sub-total, Trial Courts	\$3,316,204	\$3,009,330	\$3,171,772
Trial Court Security Costs ²	-444,901		
Adjusted Total, Trial Courts	\$2,871,303	\$3,009,330	\$3,171,772

¹ Increase in Facility Program due to new construction and facility management projects.

² 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.

Significant Adjustments:

- Trial Court Employee Costs—The Budget includes \$15.6 million General Fund for trial court employee benefit costs, of which \$7.4 million reflects funding for trial courts that have made progress towards meeting the Public Employees’ Pension Reform Act of 2013 standard for employees sharing the cost of pension funding. Recognizing that many of these costs are beyond the control of the trial courts, the Administration will continue to fund future increases related to existing health benefits and retirement costs for trial court employees and retirees.
- Trial Court Trust Fund Revenues—The Budget includes a total of \$75 million General Fund to backfill a continued reduction of fines and penalty revenues expected in 2016-17. This reflects an increase of \$8.8 million compared to the amount needed in 2015-16.
- Proposition 47—Following the passage of Proposition 47 in November 2014, the trial courts have experienced increased workload due to the requirement that courts reclassify and resentence certain drug and property crimes that involve less than \$950 from felonies to misdemeanors. The Budget includes \$21.4 million General Fund to reflect the projected resentencing hearings in 2016-17. By the end of 2016-17, the Administration expects that the courts’ workload associated with Proposition 47 will be significantly reduced or eliminated.
- Court Innovations Grant Program—The Budget includes an increase of \$30 million General Fund on a one-time basis for a grant program that promotes improvement, efficiencies, and access to justice in the courts.
- Language Access—Given California’s diversity, the court system is faced with significant linguistic challenges. The Judicial Council’s current annual budget allocation for interpreter services is \$94.5 million. To improve language access for limited English proficient court users, the Budget includes an additional \$7 million General Fund to provide court interpreter services in civil proceedings.
- Trial Court Funding—An augmentation of \$20 million General Fund for discretionary trial court operations.
- Fund Shift for Financial System—The Budget includes \$8.7 million General Fund to fund the Phoenix Financial System, operated by Judicial Council staff, that provides the state with consistent financial information of trial court expenditures. It was previously funded from the State Trial Court Improvement and Modernization Fund (IMF). The IMF is intended to pay for innovative approaches to technology to support

the trial courts. This fund shift is part of a multi-pronged approach to help with the solvency of the IMF and preserve critical programs.

- State-Level Reserve—Currently, 2 percent of annual trial court allocations are held back until each spring, in case a court needs an emergency allocation. Any unused funds are allocated to all trial courts late in the year. The Budget proposes a new reserve policy for trial courts that avoids late allocations by providing \$10 million General Fund one-time as a reserve in the Trial Court Trust Fund. If any funds from the reserve are used, they would be replenished annually out of base allocations to the trial courts.
- Deferred Maintenance—The Budget proposes \$60 million one-time General Fund for deferred maintenance in the courts as prioritized by the Judicial Council. (For more information about deferred maintenance please see the Statewide Issues Chapter.)

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