



Judicial Council of California

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REPORT TO THE JUDICIAL COUNCIL

Item No.: 25-050

For business meeting on February 21, 2025

Title

Trial Court Budget: Use of Court Interpreters Program Savings to Augment 2024–25 and 2025–26 Allocations for Trial Courts

Report Type

Action Required

Effective Date

February 21, 2025

Rules, Forms, Standards, or Statutes Affected

None

Date of Report

January 24, 2025

Recommended by

Trial Court Budget Advisory Committee
Hon. Jonathon B. Conklin, Chair
Ms. Rebecca Fleming, Vice-Chair

Contact

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Executive Summary

High rates charged by independent contractors is one of several factors that has led to the recent marked increase in court interpreter expenses. The Trial Court Budget Advisory Committee recommends that Court Interpreters Program (CIP) allocations for fiscal years 2024–25 and 2025–26 from the Trial Court Trust Fund (TCTF) be augmented with CIP program savings to address funding shortfalls due to increasing interpreter costs and expenses. The allocations will help maintain current levels of interpreter services for court users.

Recommendation

The Trial Court Budget Advisory Committee (TCBAC) recommends that the Judicial Council, effective February 21, 2025:

1. Approve the allocation of \$4.6 million from the \$35 million CIP fund balance from the Trial Court Trust Fund (TCTF) in fiscal year (FY) 2024–25 to courts that exceeded their allocation in FY 2023–24, as outlined in Attachment A;

2. Approve the allocation of the remaining CIP fund balance from the TCTF to courts midyear to address any CIP shortfalls for fiscal years 2024–25 and 2025–26, based on available program savings; and
3. Direct Judicial Council staff to continue to monitor CIP funding and program expenditures, provide regular updates to the TCBAC to report any changes, and work with the trial courts to develop a funding request for additional CIP resources beginning in FY 2026–27.

Relevant Previous Council Action

With the adoption of the Judicial Council’s *Strategic Plan for Language Access in the California Courts* in 2015, the council has approved budget change proposals to augment the CIP to support expansion of interpreter services to all case types.¹ Expenditure increases in the CIP are a result of multiple factors including wage growth on ratified agreements, expansion of interpreter services to all case types, increases in the number of mandated staff interpreters and mandated contractor usage, contractor rates, and merit salary adjustments.

At its business meeting on September 21, 2018, the council approved an allocation of unrestricted fund balance from the TCTF on a one-time basis to address an anticipated shortfall in the CIP for FY 2018–19, not to exceed the estimated \$3.4 million required to cover cost increases and maintain service levels. The council directed staff to continue to monitor CIP funding and to provide regular updates to the Trial Court Budget Advisory Committee (TCBAC) to report any changes, and to incorporate any additional funding after the Governor’s proposed budget was released in January 2019.²

At its business meeting on May 17, 2019, the council approved a one-time allocation of unrestricted fund balance from the TCTF in an amount not to exceed \$13.5 million to address the projected shortfall in FY 2019–20.³

The Budget Act of 2020 included a \$9.3 million augmentation that brought the CIP appropriation up to \$131.4 million for FY 2020–21. Since the COVID-19 pandemic, expenditures have been

¹ Available at https://languageaccess.courts.ca.gov/sites/default/files/partners/default/2024-01/CLASP_report_060514.pdf.

² Judicial Council of Cal., Advisory Com. Rep., *Trial Court Budget: FY 2018–19 Allocation from Trial Court Trust Fund to Court Interpreter Program* (Sept. 4, 2018), <https://jcc.legistar.com/View.ashx?M=F&ID=6613659&GUID=D8DDBB1D-D123-410A-80B7-124C840672DB>.

³ Judicial Council of Cal., Advisory Com. Rep., *Allocations and Reimbursements to Trial Courts: Allocation Methodology for Court Interpreters Program Shortfall* (May 3, 2019), <https://jcc.legistar.com/View.ashx?M=F&ID=7213051&GUID=C4A81071-30F9-4D1C-B10A-1F56A047C3BA>.

less than the yearly appropriation, resulting in cumulative program savings of approximately \$35 million.⁴

At its January 20, 2023, business meeting, the council approved a TCBAC recommendation of an approach and methodology for when courts experience a shortfall:

- Courts with a shortage will first be covered by other court savings up to the appropriation amount; and then
- The program fund balance will be used if available savings are insufficient to make a court whole; and then
- If savings or fund balance is insufficient to cover the shortage, funds will be allocated proportionally to courts based on the percentage of the shortfall.

This recommendation became effective July 1, 2023.⁵

The recommendations in this report were presented to the Judicial Branch Budget Committee on December 10, 2024, and approved for consideration by the Judicial Council.

Analysis/Rationale

Figure 1 shows how court interpreter expenditures were greater than the appropriation beginning in FY 2015–16 through FY 2018–19. Beginning in FY 2019–20, expenditures for the CIP were below the appropriation for several years due to COVID-19, resulting in \$35 million in program savings. However, as of FY 2023–24, program expenditures exceeded the appropriation by approximately \$4.6 million due to increased interpreter costs.

⁴ *Trial Court Interpreters Program Expenditure Report for Fiscal Year 2020–21* (May 6, 2022), as required by the Budget Act of 2020, <https://languageaccess.courts.ca.gov/sites/default/files/partners/default/2023-12/lr-2022-trial-court-interpreters-program-expenditure-report-fy-20-21.pdf>.

⁵ Judicial Council of Cal., Advisory Com. Rep., *Allocations and Reimbursements to Trial Courts: Court Interpreters Program Funding and Allocation Methodology* (Dec. 14, 2022), <https://jcc.legistar.com/View.ashx?M=F&ID=11533862&GUID=BF5043BE-FE6C-4464-B2CE-336C36D5DB40>.

Figure 1. CIP Appropriation vs. Expenditures for FY 2015–16 through FY 2023–24 (Numbers in Millions)

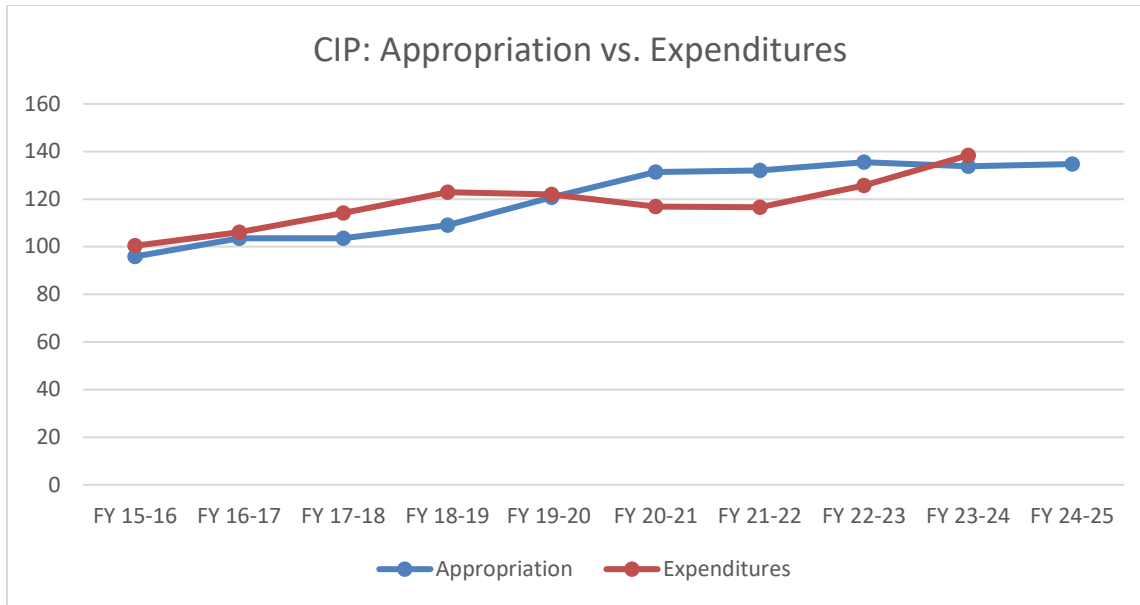


Table 1 demonstrates the anticipated funding needed from the program’s fund balance reserves based on projected expenditures increasing by 6 percent each year beginning in FY 2024–25. Based on projections, the CIP will have insufficient funding at the end of FY 2025–26 and will require additional ongoing funding beginning in FY 2026–27.

Table 1. Projected CIP Appropriation and Expenditures (Dollars in Millions)

| CIP Detail | 2022–23 | 2023–24 | 2024–25 | 2025–26 | 2026–27 |
|---|---------|---------|---------|---------|---------|
| Appropriation | \$135.5 | \$133.8 | \$134.8 | \$134.8 | \$134.8 |
| Actual or Projected Expenditures | \$125.7 | \$138.4 | \$146.7 | \$155.5 | \$164.8 |
| Actual or Projected Rate of Increase Compared to Prior Year | 7.8% | 10.1% | 6% | 6% | 6% |
| Current Year Surplus | \$9.8 | -\$4.6 | -\$11.9 | -\$20.7 | -\$30.0 |
| Ending Program Balance | \$35.0 | \$35.0 | \$23.1 | \$2.4 | -\$27.6 |
| Note: Actual appropriation for FY 2025–26 and FY 2026–27 may differ from amounts shown due to benefit increases or increased interpreter funding based on new judgeships. | | | | | |

Although the rate of increase for expenditures was 7.8 percent for FY 2022–23 and 10.1 percent in FY 2023–24, the projections for fiscal years 2024–25 and 2025–26 use a rate of increase of 6 percent. This means that, as needed, courts could spend up to 6 percent over their allocation for those fiscal years. Courts will need information and guidance to understand the projected

expenditure plan for the next few years based on the projected 6 percent rate increase. As noted, new funding to increase the ongoing baseline appropriation will be needed beginning in FY 2026–27.

One factor that has led to the recent marked increase in court interpreter expenses is the high rates charged by independent contractors. The *Trial Court Interpreters Program Expenditure Report for Fiscal Year 2022–23*,⁶ as required by the Budget Act of 2022, found that contract interpreter expenditures in FY 2022–23 represented 26.7 percent of total expenditures, reflecting an increase from FY 2021–22, when contractor expenses were 21.7 percent of the total expenditures.

Compared to FY 2021–22, expenditures for contract interpreters in FY 2022–23 increased by \$8.3 million (32.7 percent) and expenditures for court employees in FY 2022–23 increased by \$850,000 (0.9 percent). Courts have reported that many contractors are requesting rates that exceed the council’s standard rates for contractors⁷ and that are commensurate with current federal rates.

Addressing potential future CIP shortfalls

The CIP has an annual appropriation of approximately \$135 million for trial court interpreter services. Courts receive an allocation based on a three-year average of prior expenses. Expenses for FY 2020–21 (which is considered the first year of the COVID-19 pandemic) are excluded when calculating the three-year average. Savings remain in the CIP and are carried over for future use.

Since the pandemic, expenditures for fiscal years 2020–21 through 2022–23 were less than the annual appropriation, resulting in cumulative program savings of approximately \$35 million. Judicial Council staff propose the utilization of program savings for a midyear allocation to the trial courts to address the \$4.6 million shortfall for FY 2023–24 and anticipated program deficiencies for FY 2024–25 and FY 2025–26. Based on current projections, the program savings are expected to be depleted at the end of FY 2025–26.

To address the continued anticipated growth in interpreter expenses and ensure critical services are provided to court users, Judicial Council staff will work with the trial courts to develop a funding request for additional resources beginning in FY 2026–27.

Policy implications

The funding methodology of using CIP program savings to address interpreter expenditure shortfalls is consistent with council policy to make courts whole using CIP program savings, as

⁶ Available at https://languageaccess.courts.ca.gov/sites/default/files/partners/default/2024-06/Trial%20Court%20Interpreters%20Program%20Expenditure%20Report_Fiscal%20Year%202022%E2%80%9323.pdf.

⁷ *Payment Policies for Independent Contractor Interpreters* (eff. July 1, 2021), <https://languageaccess.courts.ca.gov/sites/default/files/partners/default/2023-07/CIP-Payment-Policies-for-Independent-Contractor-Interpreters.pdf>.

available. Due to rising interpreter costs, courts will need to carefully evaluate their program expenditures, including considering cost-saving measures, in order to stay within funding allocations and maintain current levels of interpreter services.

Comments

This proposal was not circulated for public comment. However, the recommendations were considered at meetings that were open to the public, and no public comments were received.

Alternatives considered

The recommendations are consistent with current law and approved council policies. No other alternatives were considered.

Fiscal and Operational Impacts

Courts will need to carefully monitor interpreter expenditures that are offset from their annually allocated CIP funding, including from any supplemental amounts provided midyear from CIP savings. To successfully implement the recommendations in this report—and avoid overspending program savings too quickly—courts should aim to stay within their allocated funds each fiscal year. Spending beyond the allocation could result in a shortfall that would need to be covered by the impacted courts' operating budgets.

For FY 2024–25, following council approval, \$4.6 million of the CIP reserve fund will be distributed to compensate courts for court interpreter expenditures in FY 2023–24 that exceeded the appropriation. See Attachment A, *Fiscal Year 2023–24 Court Interpreter Funding Summary and Reconciliation*. Courts with a shortfall will receive funds in the March 2025 distribution. Staff will also conduct a midyear survey in February 2025 to determine the anticipated amount of court interpreter reserve funding needed for courts with an anticipated shortfall in FY 2024–25, based on available program savings.

Following the midyear survey, staff will submit a reallocation proposal for consideration by the TCBAC, the Budget Committee, and then the Judicial Council at its April 2025 business meeting for distribution of surplus savings no later than May 2025. This midyear process will be repeated beginning in February 2026 for FY 2025–26.

Based on current projections, the program savings are expected to be depleted at the end of FY 2025–26. To address the continued anticipated growth in interpreter expenses and ensure critical services are provided to court users, Judicial Council staff will work with the trial courts to develop a funding request for additional resources beginning in FY 2026–27.

The Court Executives Advisory Committee will review the Judicial Council's *Payment Policies for Independent Contractor Interpreters* for potential changes.

Attachments and Links

1. Attachment A: *Fiscal Year 2023–24 Court Interpreter Funding Summary and Reconciliation*

Fiscal Year 2023-24 Court Interpreter Funding Summary and Reconciliation

| Court | FY 23-24 Court Interpreter Allocation Award | Total Eligible FY 23-24 Expenditures Verification from the Court | Eligible Prior Year 999910 Adjustment Verification from the Court | Redistribution of Shortage covered by other court savings (Pro Rata) | Amount Owed to TCTF (+) or Amount Due to the Court (-) |
|-----------------|---|--|---|--|--|
| | A | B | C | D | E= (A-B-C+D) |
| Alameda | 5,892,840.96 | 5,964,653.64 | 161,510.00 | 143,547.46 | (89,775.22) |
| Alpine | 881.73 | 1,458.70 | | 354.97 | (222.00) |
| Amador | 175,158.91 | 60,198.32 | | (114,960.59) | (0.00) |
| Butte | 263,021.84 | 286,681.18 | 350.00 | 14,771.30 | (9,238.04) |
| Calaveras | 68,992.78 | 24,070.39 | | (44,922.39) | 0.00 |
| Colusa | 139,071.27 | 139,143.09 | | 44.19 | (27.63) |
| Contra Costa | 3,334,496.92 | 3,677,457.51 | 6,336.00 | 214,898.27 | (134,398.32) |
| Del Norte | 52,538.23 | 19,924.40 | | (32,613.83) | 0.00 |
| El Dorado | 251,822.44 | 249,077.67 | 2,884.37 | 85.89 | (53.71) |
| Fresno | 2,586,721.09 | 2,771,071.80 | | 113,418.36 | (70,932.35) |
| Glenn | 139,285.49 | 161,154.00 | (63.00) | 13,415.44 | (8,390.07) |
| Humboldt | 192,273.26 | 89,109.22 | 17,454.78 | (85,709.26) | 0.00 |
| Imperial | 657,282.95 | 846,438.92 | | 116,374.71 | (72,781.26) |
| Inyo | 70,698.06 | 73,179.46 | | 1,526.64 | (954.76) |
| Kern | 2,115,844.68 | 3,808,574.00 | 6,097.42 | 1,045,171.73 | (653,655.01) |
| Kings | 612,979.42 | 748,444.25 | | 83,342.23 | (52,122.60) |
| Lake | 134,170.50 | 212,695.69 | | 48,311.17 | (30,214.02) |
| Lassen | 55,449.80 | 64,120.67 | | 5,334.59 | (3,336.28) |
| Los Angeles | 42,531,684.15 | 38,502,132.14 | | (4,029,552.01) | (0.00) |
| Madera | 717,478.48 | 870,812.27 | | 94,335.78 | (58,998.01) |
| Marin | 749,122.52 | 809,134.28 | 222.06 | 37,057.74 | (23,176.08) |
| Mariposa | 42,901.43 | 55,728.01 | | 7,891.32 | (4,935.26) |
| Mendocino | 449,212.90 | 679,323.12 | | 141,571.06 | (88,539.16) |
| Merced | 1,166,561.24 | 1,311,063.64 | | 88,902.43 | (55,599.97) |
| Modoc | 5,117.52 | 6,737.26 | | 996.52 | (623.22) |
| Mono | 67,013.44 | 66,451.95 | | (561.49) | 0.00 |
| Monterey | 1,581,409.35 | 1,832,740.82 | 4,024.10 | 157,102.79 | (98,252.78) |
| Napa | 780,650.03 | 954,081.58 | | 106,700.55 | (66,731.00) |
| Nevada | 83,049.55 | 119,180.90 | | 22,229.14 | (13,902.21) |
| Orange | 11,198,730.93 | 9,014,165.00 | | (2,184,565.93) | (0.00) |
| Placer | 647,534.50 | 1,146,546.30 | | 307,007.78 | (192,004.02) |
| Plumas | 10,751.61 | 1,862.78 | | (8,888.83) | (0.00) |
| Riverside | 6,764,343.91 | 7,215,269.65 | 550.00 | 277,762.10 | (173,713.64) |
| Sacramento | 4,871,249.08 | 5,248,074.24 | | 231,834.71 | (144,990.45) |
| San Benito | 132,951.35 | 159,977.81 | | 16,627.53 | (10,398.93) |
| San Bernardino | 6,806,754.68 | 6,115,909.99 | | (690,844.69) | 0.00 |
| San Diego | 6,817,244.83 | 6,875,712.50 | 5,151.45 | 39,140.49 | (24,478.63) |
| San Francisco | 4,212,026.62 | 5,228,778.01 | | 625,537.49 | (391,213.90) |
| San Joaquin | 2,025,910.63 | 2,297,665.78 | 4,169.00 | 169,757.23 | (106,166.92) |
| San Luis Obispo | 941,858.47 | 880,782.59 | | (61,075.88) | (0.00) |
| San Mateo | 3,011,715.51 | 3,769,405.27 | 2,369.62 | 467,612.48 | (292,446.90) |
| Santa Barbara | 2,626,484.81 | 3,153,258.66 | | 324,087.87 | (202,685.98) |
| Santa Clara | 6,945,775.07 | 7,792,192.91 | | 520,742.92 | (325,674.92) |
| Santa Cruz | 1,048,908.03 | 1,147,227.91 | | 60,489.49 | (37,830.39) |
| Shasta | 432,228.11 | 632,690.20 | | 123,330.59 | (77,131.50) |

Fiscal Year 2023-24 Court Interpreter Funding Summary and Reconciliation

| Court | FY 23-24 Court Interpreter Allocation Award | Total Eligible FY 23-24 Expenditures Verification from the Court | Eligible Prior Year 999910 Adjustment Verification from the Court | Redistribution of Shortage covered by other court savings (Pro Rata) | Amount Owed to TCTF (+) or Amount Due to the Court (-) |
|--------------|---|--|---|--|--|
| | A | B | C | D | E= (A-B-C+D) |
| Sierra | 428.00 | 82.63 | | (345.37) | 0.00 |
| Siskiyou | 60,937.75 | 65,721.23 | | 2,942.95 | (1,840.53) |
| Solano | 817,677.72 | 933,207.63 | | 71,077.64 | (44,452.27) |
| Sonoma | 1,682,210.50 | 2,458,124.08 | | 477,366.48 | (298,547.10) |
| Stanislaus | 1,732,377.10 | 1,806,125.75 | 3,806.26 | 47,714.22 | (29,840.69) |
| Sutter | 323,656.58 | 327,820.15 | | 2,561.56 | (1,602.01) |
| Tehama | 227,818.68 | 243,641.22 | | 9,734.53 | (6,088.01) |
| Trinity | 68,298.72 | 60,828.36 | | (7,470.36) | 0.00 |
| Tulare | 2,026,592.44 | 3,052,385.91 | | 631,100.43 | (394,693.04) |
| Tuolumne | 69,441.43 | 79,080.13 | | 5,930.03 | (3,708.67) |
| Ventura | 2,398,657.36 | 3,131,828.46 | 1,948.50 | 452,268.74 | (282,850.86) |
| Yolo | 896,805.19 | 802,170.02 | | (94,635.17) | 0.00 |
| Yuba | 74,898.98 | 130,380.95 | | 34,134.26 | (21,347.71) |
| Total | 133,792,000 | 138,175,755.00 | 216,810.56 | (0.00) | (4,600,566.05) |