

The Judicial Council of California is the constitutionally created policymaking body of the California courts. The council meets at least six times a year for business meetings that are open to the public and videocast live via the California Courts website. What follows is a formatted and unedited transcript of the last meeting. The official record of each meeting, the meeting minutes, are usually approved by the council at the next business meeting. Much more information about this meeting, the work of the Judicial Council, and the role of the state court system is available on the California Courts website at www.courts.ca.gov.

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>> Good morning, everyone. This is the public business meeting of the Judicial Council of California for Tuesday, September 20, 2022. The meeting is now in session. Based on our agenda we plan to adjourn later this morning at approximately 12:50 PM. During the pre-meeting technical check for the live webcast we have confirmed the attendance of a quorum of the Judicial Council members for this meeting. Before we begin our regular business agenda I want to acknowledge that this coming Friday, September 23, as many of you know, will be a first, a newly celebrated judicial branch holiday called Native American Day. The Judicial Council was proud to sponsor this landmark legislation offered by Assembly member James Ramos last year by honoring Native American Day we properly recognize the history of our state's first people. The important day marks another step in our mission at the judiciary to provide equal access and fairness throughout our justice system. One in which all Californians feel welcomed and are represented. I look forward to continuing to work with our Judicial Council Tribal Court-State Court Forum. I want to acknowledge the work of Judge Marla Anderson and our Cory Jaspersen in successfully advancing this legislative priority. This holiday replaces Columbus Day on our annual court calendar from this year on. Now to the business. September means, in Judicial Council land, the new terms of service for new members and some reappointed members. For our new members you are joining a long tradition of working cooperatively with our state and national stakeholders to ensure that courts are fair and accessible to all. Also, as you know, during this time of year I often refer to the Senate Constitutional Amendment No. 15 that created the Judicial Council in 1926 to improve the administration of justice. But this year I'm going to reference the Judicial Council's Strategic Plan for California's Judicial Branch which sets our mission and states our goals, values, and policy directives of the judiciary. Goal No. 1, since the 1990s has remained unchanged, is, as you know, Access, Fairness and Diversity. It states that California courts will treat everyone in a fair and just manner. All persons will have equal access to the courts and court proceedings and programs. Court procedures will be fair and understandable to court users. Members of the judicial branch community will strive to understand and be responsive to the needs of court users from diverse cultural backgrounds, and the makeup of California's judicial branch will reflect the diversity of the state's residents. We have hewed to this goal number one since the 1990s and even before the goal was created by the actions of the councils and former Chief Justices. And you can see that all of our goals and all of the words describing it are all user-centric and about fairness that's provided by the justice system and our awareness of the needs of the justice system. I will ask our five new members and three reappointed

members beginning their council terms, not yet to stand, because I'm going to name you and I do not want you standing for a long period of time. New members, please stand as you are named. We welcome you to this year's second, unpaid job of the judiciary. We start with Judge Lucy Armendariz, Superior Court of Los Angeles County, Judge Judith Dulcich, Superior Court of Kern County, Presiding Judge Kimberly Merrifield, chair of the Judicial Council Trial Court Presiding Judges Advisory Committee from the Superior Court of Butte County, Judge David Rosenberg, welcome back, California Judges Association president from the Superior Court of Yolo County, and Mr. David Yamasaki, welcome back, court executive officer for the Superior Court of Orange County. And to our reappointed returning members continue to appreciate and admire your knowledge and expertise and continuity of leadership. Welcome back to Justice Marsha Slough, Court of Appeal, Fourth Appellate District, Riverside, Judge Todd Bottke, Superior Court of Tehama County, and Judge David Rubin, Superior Court of San Diego County. Please stand. This oath will be such that I will administer it, you do not need to repeat it, but you do need to say at the end, I do. So please, stand, and raise your right hand. I do solemnly swear or affirm that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies foreign and domestic. That I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California, that I take this obligation freely without any mental reservation or purpose of evasion. And that I will well and faithfully discharge the duties upon which I am about to enter.

>> [Multiple speakers] I do.

>> Thank you and congratulations. [Applause]

>> Our next order of business is the review and approval of the minutes from our July 15 Judicial Council meeting. And having again reviewed or taken a quick look I will entertain a motion to approve and a second.

>> Motion approved.

>> Justice Corrigan moves and I heard Judge Rubin second. For our new members, just because there is a motion on the floor it does not chill discussions, observations, questions, or friendly amendments. All in favor of approving the minutes, please say aye.

>> Any noes? Any abstentions?

>> [Multiple speakers] Abstain.

>> Thank you, Justice Fujisaki, Judge Armendariz, and Judge Bottke. Thank you, Justice Slough. Abstentions are noted.

>> Next on our agenda is my regular report as Chief Justice to the council summarizing my engagements since our last meeting. As many know all of us go out on missions as diplomats on behalf of the judiciary to explain to our stakeholders and people we intend to bring on as stakeholders our work and mission. It gives us a chance to listen in real-time on the ground to the concerns of the stakeholders and different organizations we speak to. It allows us to create relationships that allow for teamwork and collaboration as issues arise. So across the state I thank you for your outreach. I will mention a few activities I have engaged in. Let me begin with the one activity that involved me for refraining from acting and that of course is my decision not to file papers to run for another 12-year term as the Chief Justice of California. I will just say now, because we will have plenty of time to say farewell later, two things, it was not an easy decision and I'm grateful to you for the ability to work with you on such incredible issues and I admire and respect your passion, energy, and wisdom. I also do want to say that we have work to do today and I will proceed with that work, as we have a full agenda. I will have many of opportunities to thank you for your service and support. The reporting period began with a keynote speech and Q&A session with a very dynamic and enthusiastic group of approximately 800 people in Denver from the law library community. These are lawyers, researchers, librarians, and journalists at their 115th American Association of Libraries annual meeting and conference. The theme for their first in-person conference in three years was aligned with our goals and objectives, advancing justice for all. Their president, a local person, Diane Rodriguez, from the San Francisco Law Library, moderated the session where I discussed the vital role that law libraries and their research and their support provide to courts of appeal and high courts when we're archiving or looking for old complete legislation or national legislation, looking at history from other states as we interpret the rule of law.

>> Also, I applauded their efforts at diversity and their creation of a pipeline to bring more diversity and more collaboration into the legal professional world of support and research. The conference search focused on themes that we are addressing, data, information governance, legal innovation, support for remote and hybrid library professionals. Because when you think about it, about all those books have often been turned in many cases in places that can afford it, into remote access. Into access into some manner as we have gone from paper to remote or technical platform. Law librarians and legal information professionals are collaboratively working on the pipeline to diversity. Another long-delayed in-person meeting was the 39th annual meeting of the Association of Reporters of Judicial Decisions in San Francisco. Our Supreme Court California Reporter of Decisions is their president, that is Lawrence Striley, affectionately known in the Supreme Court as the ROD. Where's your case? At the ROD. The ROD ensures with his team of people that all of the California appellate decisions and Supreme Court decisions are accurately cited, to the pin site, not only the reference to the citation but also the quote and the meaning of the decision as we cite it at the Supreme Court and the Courts of Appeal. I welcomed for participants from around the country. We discussed topics relating to their stewardship of the publication of appellate opinions, from approaches dealing with link rot. If you are not familiar with link rot, I won't bore you, except to say that when we in appellate opinions cite a website, that website could change soon thereafter. So we have a system now for archiving the website as it appeared when we looked at it in our decisions

should you decide to access the case online. That was a collective effort that was affecting many, many jurisdictions across the country and probably in the world. Also, our ROD, Lawrence Striley, is working on a monumental project of updating the California Style Manual. Again, the manual that helps guide all attorneys, legal professionals to uniform and consistent citations throughout California for our publications.

>> I also had the pleasure of joining Dan Kolkey, who is a former justice on the Third District Court of Appeal and the new president of the California Supreme Court Historical Society, and my former colleague retired from the California Supreme Court, Kay Werdegarr, to acknowledge the winners of the 2022 Selma Moidel Smith Law Student Writing Competition in California Legal History. I have participated in this event for 12 years for the historical society and it is named for some Selma Moidel Smith, an attorney in Southern California who is a force of nature. A trailblazer and an advocate. This year's three cash prizewinners had a local, national, and international flavor. Two California natives, two California law schools, one New York law school, and one international student from Germany. These are our future leaders. It is curious to know what they want to write about. Leah Haberman was first place, a California native at Columbia, for her paper, More Than Moratoriums: The Obstacles to Abolishing California's Death Penalty. There is also Ryan Carter, another California native, at UCLA law with his paper San Fernando Valley Secession: How a Quest to Change the Law Almost Broke L.A. Apart (and Whether It Still Could). Simon Ruhland from Germany who is studying law at UCLA had a paper called Wind of (Constitutional) Change: Amendment Clauses in the Federal and State Constitutions, comparing the more rigid not often amended federal Constitution with the California Constitution. I also joined the Bay Area Council, a group of businesses, nonprofits, a few lawyers, and law firms at the San Francisco Exploratorium for the 2022 Pacific Summit where attorney Christina Lawson moderated a program called Order in the Court: Judicial System in the Spotlight. As you can imagine at many of these events there is a lot of discussion about the United States Supreme Court, federal court, and state courts. If you have an opportunity to speak it would be well to distinguish the two, and to explain the differences and how the Constitution governs our work. There we discussed the importance of state courts in relation to federal courts, our different systems, the issues of political and ideological influences as perceived and real, managing through the pandemic, diversity, equity, and inclusion (DEI). For the Federal Reserve Bank of San Francisco's Employment Law Conference, that is, their DEI in the Modern Workplace: Practical Considerations for In-house Employment Counsel, I participated virtually in a Q&A. It was moderated by one of my former judicial externs, Michael Moore, who is now the employment law counsel at the San Francisco Fed. There, he wanted to know about the Judicial Council's efforts on gender fairness since 1990, our 20-year commitment to diversity, our first summit on judicial diversity in 2006, which we have followed every five years with additional summits. I let them know that our efforts collectively at the Judicial Council and trial courts led to the Pathways to Achieving Judicial Diversity toolkits, a toolkit many of you are familiar with. I also talked about recent updates to demystify the judicial appointment process and encourage potential candidates to consider application. Also the toolkit as you know has resources with model seminars, mentorship programs, pipeline programs. So the ability to get involved doesn't require you to

reinvent the wheel, we have resources for courts. And I explained that our efforts at the Judicial Council from the '90s has grown numerous local mentoring programs such as the Los Angeles superior court's program, their statewide program, many other local court and regional programs, thank you, Judge Brazile, the Governor's statewide judicial mentor program, a partnership between the executive branch and judicial branch and an appellate court judicial mentorship program. It all helps to spotlight the need and improve diversity in California. I had a chance to drop in and thank the leadership who serve these communities on the front line at the Judicial Council statewide Presiding Judges and Court Executive Officers meeting in Rancho Cordova. It was an opportunity for me to thank them for their tireless efforts, not only before the pandemic but during the pandemic, and as we also prepare for leadership transitions and an approach to the Governor's budget and years beyond. I also continued my ongoing support for CJER, our Judicial Council's Center for Judicial Education and Research advisory committee's education programs and provided welcoming remarks and a Q&A session remotely to the B. E. Witkin Judicial College. It was moderated by Judge Gayle Peron and Judge Charles Clay the third from Los Angeles County. I have also welcomed numerous classes of NJO, new judicial officer participants, that is the orientation program, to my chambers. And at the invitation of David Yamasaki, our council member and a member of the board of directors of the National Association for Presiding Judges and Court Executive Officers, I participated in a virtual opening address and Q&A session on their 2022 Court Leadership Academy and conference in Anaheim. Thank you, David. The theme for their conference was Overcoming Barriers to Change and Remaking Courts for a Better Future.

>> Also because I was in Anaheim I provided a keynote address and displayed in a fireside chat moderated by State Controller Betty Yee at the CalPERS Pathway for Women Conference. There were approximately 400 women and a few men at all stages of their careers from a range of organizations and the private and public sector as well as students from across the state.

>> One of my responsibilities as Chief Justice is to serve as chair of the Commission on Judicial Appointments. The commission is comprised of myself, the Attorney General, Rob Bonta, and the most senior presiding justice of the Court of Appeal that is getting the appointment, or with the Supreme Court, the most senior presiding justice of all of the Courts of Appeal in California. During this reporting period we had both of those lineup options at our public hearings. They were hybrid and they were virtual and in person. We considered and unanimously confirmed Governor Newsom's nominations of our former council member Justice Stacy Boulware Eurie to the Third District Court of Appeal in Sacramento, Justice Hernaldo Baltodano to the Second District Court of Appeal, Division Six, in Ventura, Justice Jeremy Goldman to the First District Court of Appeal, Division Four, in San Francisco and last but not at all in any way least, Justice Patricia Guerrero's nomination as Chief Justice of California, and before the year is through we have at least two more coming our way, maybe more before December 31. As you know any nomination to the Courts of Appeal or Supreme Court is effective when confirmed by the commission.

>> On September 17 on Constitution Day I had the pleasure of administering the oath of office to the leadership of three important statewide organizations, the California Judges Association, congratulations to its new president, Judge David Rosenberg, the California Lawyers Association, congratulations to their continuing president, Jeremy Evans, and the State Bar of California, congratulations to continuing chair Ruben Duran and also to Brandon Stallings. As we continue, I was also in San Diego with many of you to attend the 93rd annual Judges Association meeting and California Lawyers Association meeting. We also attended the BBC with Judge Hoppe and others, our branch diplomats, in the statewide branch coalition supported by Cory Jasperson and Judge Marla Anderson as they enhance communication and coordinate activities in the capital. I also had a warm, engaging and final conversation with the CJA organization in conversation with the Chief. I was fortunate to have a Q&A session moderated by our council member, Presiding Judge Kim Merrifield from Butte, and Judge Erika Yu, former council member, from Santa Clara County. Lastly, I attended the California Judges Association membership luncheon and the joint gala with the California Lawyers Association and was honored and humbled to receive awards at these events. The CJA's President's Award for Outstanding Service to the Judiciary and the inaugural Judicial Excellence Award from both organizations. That concludes my report to the council but I'm not done talking.

>> [Laughter]

>> I'm taking this opportunity that one of the authorities that I have, solely, which are few, is to honor someone or some group with the Chief Justice's Award for Exemplary Service And Leadership. The award honors an individual or entity deserving special recognition by the highest judicial officer of the state for outstanding service to the judicial branch. He doesn't know, until now. I only used this authority six times in 12 years and when I introduced Martin as the Administrative Director in October 2014, I described him as a dedicated, talented, and experienced public servant. I said that after a nationwide search we found the best candidate right here in California, the undersecretary, former undersecretary of the Department of Corrections and I have a new right-hand man. After working and collaborating with him I have so much more to say. I put it in a resolution of legalese but it fully captures or doesn't fully capture all he has done for us in the state of California, reformed our thinking and our hearts going forward, and represented the branch and pulled us over the line and brought incredibly talented people with him from other organizations that help strengthen our leadership. There are a lot of whereases in this resolution but they cover his roles as a trusted advisor, advocate, visionary, public wonk, data-driven decision maker and reformer. Talked about his remarkable driving commitment and left out that he never sleeps, always working. They talk about his efforts and accomplishments in innovating and modernizing the judiciary and his effectiveness at all levels, in the capital, here, at the judiciary. They talk about his extraordinary role in turning the trial court heat map, as we call it, from yellow-red to unanimously green. It closes with, I do commend Martin Hoshino for his exemplary service and leadership in advancing historic change to promote equal access to justice for the people of California. So Martin, a small token of my appreciation, backed by everyone else's, for all you've done and continue to do. I know this embarrasses you greatly, but we couldn't let the moment pass.

>> That is why you are doing it. [Laughter]

>> Thank you. [Applause]

>> I did not know that was coming. Thank you, Chief, thank you members, and she does this because it does embarrass me. I'm not used to it. I think you guys clapped a little longer than you needed to because you are all in on it. For all of the accolades, which I appreciate very much, we have a rule of no surprises as part of our program. Owning our mistakes and judging each other not by mistakes but what we do about it and I'm directing this to my team, because I'm sensing there has been a lengthy conspiracy going on, and you all a part of it, and I will figure it out and go back to the rules of our program and our team work and how it is we get things done. I can't say enough about the opportunity I've had working with you, Chief, through all of these particular years. And there will be more to get into as you go into all of those reports on a regular basis. Every time I think I'm going to complain about being a little tired I hear and see and witness and experience the things you're going through and I know I cannot possibly be fatigued in any way. I want to get into the business part of this particular meeting and we will have more time to celebrate you, going forward, but I appreciate the acknowledgment and recognition very much from you and the members of the council.

>> Good morning, council members and members of the public. In particular I want to shout out to new members here and want to condition you right away that my reports are never going to be as dynamic as the reports from the Chief Justice you will experience. I will get to the other part of the business side of the administration of justice but it is clearly not as glamorous and exciting as the things you hear about that precede me. With that, you will find in your written materials always my Administrative Director's report. In these sessions I like to highlight the elements in there. Each of these reports will chronicle the activities and things occurring here at the Judicial Council in terms of operations from your last meeting, in this particular case it was July 15. In the report there will be summaries of the minutes, meetings and actions taken by 19 of your council's advisory bodies, whose focus is to study and identify and recommend improvements on a diverse range of administrative issues. Additionally with the council staff and volunteer efforts of many judges and professionals throughout the state work with us and serve as faculty for 33 education programs and resources produced and convened in the reporting period. This included the return of the weeklong judicial college for 120 judges and commissioners who joined the bench in the last couple of years. Another item I would like to highlight is the Judicial Administration Fellowship Program. At another orientation held last month the 2022-23 class of judicial administration fellows began their year of service with the judicial branch. These graduate students will be gaining invaluable experience during number of assignments at one of the nine superior courts and one of the placements here at the judicial council. The program is now in its 26th year. Led by the Center for California Studies at Sacramento State University with the Judicial Council serving as the branch sponsor. If you're not aware of the program part of my effort today is to make you aware of the program. It is incredibly helpful and valuable at many of the courts that participate

and use it as an opportunity to recruit individuals to come to the fellowship program. It is a terrific program where graduates get on-the-ground experience and then find themselves excited about the opportunities to work in the judicial branch. I also want to talk about the judicial branch budget and remind everyone where we are in the cycle. In your last business meeting in July you approved our budget change proposals referred to as BCPs for the fiscal year coming up 2023-24 and in accordance with your action we have submitted them to the Department of Finance for consideration and inclusion in the Governor's January budget. There were 10 general budget change proposals and 7 capital outlay, or construction proposals, and 12 capital outlay, or construction concept papers, that moved to the Department of Finance. We will continue to the ongoing work. What happens now is there is usually a healthy back and forth and exchange of questions and answers about the thrust of those particular proposals. That work will begin in earnest here. My written report notes that through a partnership at the national Institute of Court Management, a training course on fiscal management was held with very varying levels of involvement. For court leadership specifically, we're gearing up to convene a special budget meeting or workshop with presiding judges, assistant presiding judges, court executives, and possible chief financial officers coming up in the early part of October. This particular session and likely more than one of the sessions going forward we will take a deep focus on the evolution of the judicial branch budget over the last two decades. The importance of the strategic multiyear planning approach that we've adopted where we make every effort to remember what happened in the prior year and analyze what we are doing in the current year and try to project our budget year coming up, as well as what we call budget year plus 1 and plus 2, to map it out. What we have gotten used to as a program has been successful not just to us but to the Legislature as well as to the administration to take this kind of comprehensive approach to budget making, and it is in that effort we will figure how to align the branch to build some resiliency for future budget years, as state revenues can fluctuate, and it looks like we're in that period of potential fluctuation out of the cycle that we came out of in the last 8, 9, 10 years in particular. And it's why I think we're really happy today to be joined by Somjita Mitra, who is the chief economist with the Department of Corrections, I'm sorry, Department of Finance. It was me from the Department of Corrections. The Chief will introduce her shortly. She accepted our invitation to help broaden and inform our budget perspective on the current economic state and outlook for California. It may seem a little abstract but the economists have a terrific way of helping to figure out the right questions when it comes to allocation and distribution of resources. It is a really valuable framework to have someone of her talents to be with us today to help take us through the broader things occurring in the macro environment that actually will connect and become important to individual decisions we will make, not just as an appropriation, but also in terms of eventual allocations that the council will make throughout the system. Finally, a few brief recommendations that you are being asked to consider today on the consent agenda. The consent agenda is pretty lengthy today, there are 33 total reports that are related and developed and vetted by the dozens of advisory committees as they work their way to us. A couple to highlight. One of the recommendations has to do with the Equal Access Fund and there are grant allocations of more than \$110 million. If you combined this with last year's budget it represents the largest allocation from the fund since its establishment in 1999. In reference the Equal Access Fund

supports more than 100 free legal service providers and support centers in serving the public. This is all the way from the Yuba-Sutter Legal Center for Seniors to the Alameda County Homeless Action Center to the Los Angeles Center for Law and Justice, and in particular in our own courts, the Orange Consumer Debt Program and the Santa Barbara Resource Clinic are some of the examples. The allocation also includes projects conducted jointly with the courts. I want to take the time to acknowledge the council's Budget Services team and our Center for Families, Children and the Courts team for their concerted and now successful efforts in securing an additional \$20 million in federal monies from the Coronavirus Fiscal Recovery Fund of 2021, which will be for distribution through the Equal Access Fund. It will assist individuals dealing with evictions, other landlord-tenant disputes, to prevent foreclosures for homeowners. In terms of the consent agenda, on rules and forms there are 24 proposals related to rules of court and forms, and they range from new laws and amendments and protective orders to firearms, housing, and food security, but I will defer to Justice Fujisaki to provide further context. With that, thank you for the acknowledgment and recognition today. Heads-up to my team, I will find out which one of you were involved in all of this. It was not in the Chief's remarks that I happened to look at earlier, so I know I have one suspect in mind in my quest. With that I will complete my report. Thank you.

>> Thank you, Martin. The conspiracy enjoyed their overt acts. [Laughter]

>> Next we have hybrid reporting from our internal committees of the Judicial Council, and we have one presentation live, and then we have other reports online. I welcome Justice Carin Fujisaki, chair of the Judicial Council Rules Committee.

>> Thank you and a good morning to all. Before I jump into my committee report I would like to welcome the newest Rules Committee members, Presiding Judge Samuel Feng, Presiding Judge Kimberly Merrifield, and CJA president Judge Rosenberg. Welcome and we are pleased to have you. I would also like to welcome our new vice-chair, Judge Kevin Brazile, and having worked with him over the past year or so I know that his advice and counsel as vice-chair will prove immensely valuable. Welcome. The Rules Committee oversees the Judicial Council process for adopting and revising court rules and forms, Standards of Judicial Administration, and jury instructions. Specifically the committee reviews proposals developed by the advisory committees before circulating for public comment and the reviews the advisory committee's final recommendations following the receipt and consideration of those comments. Most proposals are processed as a year-long cycle but some proposals require development on an expedited basis, such as when necessary to implement legislative changes that become effective almost immediately. This council meeting represents the culmination of the main rules and forms cycle for the year. Our consent agenda today, as Martin alluded to, 24 proposals for rules and form changes and one jury instruction proposal have all been reviewed by the Rules Committee and recommended for approval. As council members know from information for today's meetings these proposals contain more than 50 new or amended rules or Standards of Judicial Administration, 24 new and over 100 revised council forms, and over 30 criminal jury instructions. I want to demonstrate the scope of the breadth of the work being done by the

advisory committees and staff. From the Probate and Mental Health Advisory Committee we have a proposal recommending new and amended rules and forms that reflect recent changes in the procedure and law governing the establishment of court oversight and determination of probate conservatorships. From the Family and Juvenile Law Advisory Committee as Martin mentioned we have a proposal for implementing new legislation that will help courts secure the information needed to determine whether appropriate planning has taken place to ensure housing and food security for youth exiting the foster care system. We have a joint effort from the Civil and Small Claims Advisory Committee and the Family and Juvenile Law Advisory Committee recommending revisions to many domestic violence restraining order forms as well as gun violence restraining order forms that are necessitated by new legislation adding ghost guns to their list of items that restrained parties are prohibited from possessing as well as new legislation especially providing that parties and witnesses may attend hearings remotely. As a heads-up, the statutory prohibitions on ghost guns have recently been expanded to other types of restraining orders, and further recommendations on this topic will be coming to the council at a later meeting. These are a few of the 25 proposals for the council's consideration today. It is possible for all of them to be on the agenda as a consent agenda because of the thorough vetting process that occurs as part of the process. Every one of the proposals reflects the thoughtful diligent work of the responsible advisory committee and staff to ensure recommended changes are appropriately addressed and that the changes are consistent with current law and reflect due consideration of the input of those affected by the changes, including practitioners, justice partners, courts, and stakeholders. There is one item I do want to briefly report on. It is a new project for the Rules Committee. As noted, the responsibilities of the committee include oversight of the rulemaking process and assisting the council in making informed decisions about jury instructions. For 20 years the council has been registering a copyright in its jury instructions. It has at the same time always made jury instructions available to the public at no cost on the court website. At this juncture, the Rules Committee has received a proposal to amend the rule of court that addresses the council's jury instructions, rule 2.1050, based on a new 2020 Supreme Court decision that addresses a copyright doctrine called the Government Edicts Doctrine, which in essence provides that governmental bodies cannot own the law. So while not directly saying so the Supreme Court decision arguably expands the applicability of the Government Edicts Doctrine to works such as jury instructions that are based on the law. Indeed, the U.S. Copyright Office cited this decision in rejecting the council's most recent application to register a copyright on civil instructions. For that reason you will notice in the set of criminal jury instructions being considered today it does not contain a copyright notice. In view of these developments, I wanted to report that the Rules Committee will be working on amendments to rule of court 2.1050, which it expects will circulate during the winter cycle and be ready for council consideration at the March meeting. In closing, I would like to acknowledge and commend the advisory committees, Rules Committee members and council staff for the remarkable efforts in assisting the branch in implementing the laws correctly and efficiently. Consistent with the branch goal to optimize equal access to justice for all. With that I'm finished with my Rules Committee report but happy to answer questions.

>> Thank you, Justice Fujisaki. Thank you and the Rules Committee and congratulations to the new members. In 2008 I was on Rules Committee and became vice-chair in Rules. It is like all of the internal committees and chairs and the over 20-plus advisory committees and workgroups, a true reflection that in the judiciary the judge's day job ends and their second job begins. Because all of this, with judicial effort and staff effort from the courts, really is a volunteer effort that builds the excellence of the judiciary and keeps it current with the good work of the legislative and executive branches the updates and everyone working symbiotically with committees and the office of Governmental Affairs and the legislation to ensure you have confidence on the bench that you are working with the latest form, the most updated version of jury instructions, or pleading that exists in California because of the good work of your colleagues who volunteer for the Judicial Council and advisory committees. So for our new members the next item is our consent agenda. All items on the consent agenda, and you heard Justice Fujisaki, some 25 items, are deemed approved after the vote, and advisory committees can take action after. It is the council's Executive and Planning Committee, chaired by Justice Marshall Slough, that sets items on consent and also as needed on the discussion agenda to optimize our best use of our time together in our meeting. And council's Rules Committee, who Justice Fujisaki provides guidance to Executive and Planning for the agenda on rules and proposals. The fact that an item is on the consent agenda in no way reflects its complexity, newness, appropriateness, or depth of impact. It is simply the fact that it has been publicly vetted through proposals before it comes to the Judicial Council and accompanied by a significantly sized report. However, any council member with advance notice can ask that any item be removed and taken up as a discussion item at a future date so we can have more opportunity to speak to it. As mentioned we appreciate the volunteer work of the committees and staff pulling together the consent agenda. At this time I would invite a motion to exercise a first and second.

>> Judge Moorman will move.

>>[Indiscernible - multiple speakers] Judge Brazile seconds.

>> All in favor of approving the consent agenda, please say aye.

>> Aye. [Indiscernible - multiple speakers]

>> Any noes? [Silence]

>> Consent agenda is approved. I also want to note that our consent agenda and information-only items that appears on the back end of the agenda, last year the council submitted 35 reports to Senator Umberg and his house and also to Assembly Member Bloom and his house, 35 reports to the Legislature totaling over 2300 pages of work from your sister branch, the judiciary. We have four items on the discussion agenda today. The first item, I am excited and happily thrilled to hear the presenter. It is not an action item. There are no items in your folder for this material. We are especially graced to have Ms. Somjita Mitra, chief economist from the

California Department of Finance. We are pleased to be joined today by her to share her perspectives and insights on upcoming trends and indicators for California's economy in the coming years. She has served as the chief economist since 2021 and also served as chief of economic research at the California Department of Finance before that. She was director for the Institute for Applied Economics at the Los Angeles County Economic Development Corporation and an economist with the institute. She was also a senior economist and project director with the firms. She earned a doctor of philosophy degree in economics and a master of arts in politics, economics, and business from Claremont Graduate University. She is a member of the Council for Community and Economic Research and National Association for Business Economics. We thank you for sharing your valuable time with us today and giving us insight. Welcome.

>> Thank you, Chief Justice and council members. I am honored to be here today. Congratulations, Martin, and thank you for inviting me. I wanted to start with talking about where we have been, what we see happening in the future. To start with, California is the fifth largest economy in the world. We have just about 40 million people. When we're talking about the economy and demographics we're looking at a small nation. We are just below Germany and just above United Kingdom. We have been the fifth largest economy in the world for about three or four years now. It is likely to keep continuing over the next few years as well. That is where we are. Let me talk about just how enormous our state is and how important the decisions that the Judicial Council Department of Finance that we all make to serve the 40 million people in California. It is not a responsibility that any of us take lightly.

>> I work in the forecasting unit in the Department of Finance. I get to miss all of the fun on the budgetary side, thankfully. [Laughter] The forecasting unit, I like to think is the most important unit. We look at everything that constitutes California. So we start with the demographics, which is who is in California, where we see the population. Then there is the economics. We do the economic research and produce the official economic forecast for the Governor's budget and the May revision and are available to answer questions from the general public and state members general economic questions, and then all of that feeds into the revenue side. That is where they do the forecasting of the revenues that the budgetary units use to put together programs for the year.

>> Let's start with the demographics for the state. Unfortunately California's population is on a decline. If you can see in this chart the red line is the net population change in California. The yellow is the net migration, which generally has been positive for us driven by international migration, even though we have a lot of in-state outmigration. Our births, you can see the blue column has steadily declined, and our deaths, unfortunately we have an aging population, and deaths are rising. If I was to extend the line out over the next few decades the red line will hover just around zero. Which means that our population is not growing over the next few decades. And we are going to be at about 40 million over the next few decades. That is a little concerning because a lot of our economic growth and state's growth and dynamism is based on a growing population. We are seeing a net migration has been going down with the aging

population, primarily previous administration's anti-immigration and COVID slow down the in-migration and births have been going down. Women are choosing to have children later in life and when that is the case they have fewer children. International migrants into California are having fewer children. And the countries they are coming from are seeing improved standards of living, which is good for those countries but that makes it less necessary for them to move to the United States in California. The red line decline below zero is excess deaths from COVID. Normally we would be just around zero but we have lost population because of COVID and we hope to recover that and go to zero in the long term. That's where we are with 40 million people in California more or less. We have aging population. This is a population tree. You can see the bottom rungs are actually shrinking. The bottom is the youngest generation, that is shrinking, which means we have fewer children being born. We are bulking out in the middle, where the primary working age and at the top this is 1980 versus 2020, a 40-year period. If I was looking at 2022-2060 we would have a much smaller bottom layer and the top would be much broader, meaning that the good news is our people are living longer. We have health initiatives and focus on medical care. We are living longer but we do have an aging population and declining birthrate in the fewer children being born. Those are working in conjunction with one another. You can see male and female as well. This is 1982-2000. And then from 1982-2020 just in 20 years you can see how the tree has changed and is becoming more of a block, almost like a Christmas tree. If I posted the San Francisco population pyramid which is being updated it would be almost no children in San Francisco County and no retired Californians but a block of working age population, would be like a Christmas tree on a very narrow stem. Labor force by age. We are seeing a lot of people left the labor force at the height of the pandemic. They were still able to collect unemployment benefits which previously you could only collect if you were looking for work. We removed the restriction because people were not comfortable looking for work at that time. People are still dealing a lot with taking care of their family members that have been sick or children that had to be put pulled out of school when the schools closed. We have not recovered like I thought we would in labor force. We are still below where we were pre-pandemic. That is surprising to me because everything has been moving so fast since we got vaccinations and implemented public health conditions. We are seeing the 55 and older population which in California is an ever-increasing share of our population. They are making decisions about whether they want to stay working or retire, and if they retire we lose their experience and expertise in the workforce. They are also looking at lower-level pensions and Social Security if they retire early. So their standards of living are compromised. In the peak working age population a lot of them surprisingly have not returned to the workforce. So they are losing their peak earning potential, which will influence their retirement accounts in the future. That is also concerning for us. This is a little bit older. Again our demographics unit is updating it and once we get more updated population estimates. The green line on top is the top 5 percent of earners. From 2010 to 2019 their share of total income grew to 30.6 percent. They were already earning more, and their share has grown 30 percent so they earning a greater share. The bottom light blue line is the lowest quintile of earners and in that 20-year period their income has only grown 12.3 percent. We are seeing an ever-increasing disparity in income in California. We are bifurcated between the haves and have-nots with the disappearing middle class. The middle class supports the state so that is concerning for us in a

lot of ways. We also have a critical housing shortage, I'm sure I do not have to tell you. That has been exacerbated by a lot of issues. This is a chart created by our demographics unit that looks at adult households, implied households in 2010, and implied households in 1980. The green line on top is where we would have had our households if they were along the 1980 household creations. The red line is the 2010 with implied households in 2010 and adult households in the blue line. We are seeing more and more adults choosing to live at home or choosing to live with roommates versus establishing households. That has been an ever-increasing situation. We have a critical housing shortage. Housing is just not affordable for a majority of Californians. I will talk more about what that means for our economy moving forward.

>> Now it's my favorite unit, the economic research unit. Have a lot of fun in this unit. You may not think economics is fun but I like to think it is. Definitely not the dismal science, especially in the last few years. Quickly I want to talk about where we were right before the pandemic hit. We had 10 years of economic expansion and things were looking really good. Almost boring. We had 118 consecutive months of job growth in California. The U.S. GDP was 1.9 percent, which is still positive growth but when you have so many years of expansion you will not grow as fast as you were at the beginning or recovery. Unemployment was relatively low 3.5 percent in the U.S. and 4.1 percent in California. California really leads the nation, 1 in 7 new jobs in the U.S., created post-Great Recession, which, before the COVID recession it was the worst recession we wanted to see in our lifetimes, in California, 1 in 7 new jobs created in the 50 states. The COVID pandemic hit us hard. The recession only lasted February to April 2020 but its impact was astronomical. We had both supply and demand sides stop. We stopped production and purchasing. U.S. real GDP contracted 31 percent, which numbers we had not seen since the Great Depression of the 1930s. That was something we were not expecting to see. Our unemployment rate in the U.S. and California hit record highs. We had not seen double-digit unemployment. The worst we saw during the Great Recession was a 12 percent rate in California and we're looking at 16 percent. Unfortunately we lost 1 in 6 jobs during that two-month period in California. It was a huge shock to the economy and we were looking at a really drastic recession. Since then we have started to recover. Now we're looking at what to see in the post-COVID world. I'm sorry, not post-COVID, we're looking at the endemic. COVID will just be around and we have to accept it and absorb it into our analysis. U.S. real GDP contracted 1.6 percent in the first quarter. Just about negative 6 percent in the second quarter. Normally we would think this will be the recession. If you have two consecutive months of contraction normally that is a sign of recession, except our unemployment has been going down. We are continuing to add hundreds of thousands of jobs. So we're not sure what we're looking at. We want to see with the third and fourth quarter look like to see with the economy is. Right now the conditions for a recession are just not there. The unemployment rate in August was 3.7 percent in the U.S. and 4.1 percent in California. The month before in July California hit a record low unemployment rate of 3.9 percent, which we have never seen before. We are looking at this declining unemployment rate with a contracting GDP. Normally we would see unemployment rise because people are getting laid off and businesses are tightening, and we do not see that. Non-farm jobs, the U.S. lost 22 million jobs. Since July 2022 has

recovered 100 percent of the jobs they lost. California we are a little slower because we were hit a little harder by the recession because we were implementing public health measures and, in terms of lives lost, although we unfortunately lost a lot of lives, we actually did better than the rest of the United States as a whole in terms of public health. Since we were prioritizing that we were hit a little harder.

>> However we agree regained 98 percent of the 2.7 million jobs lost and we will recover in another month or so all of the jobs lost. We are just lagging a little bit behind the rest of the country. That was the impact of COVID. Just in that two-month period, April 2020, relative to February 2020, every sector lost jobs. And the size of the blue circle is how many jobs were lost in that second year. That dashed line is the average wage in California, and where they fall along the line is the average wage for each sector. You can see that a lot of the jobs, leisure and hospitality, lost half of their jobs, 48 percent. Retail trade lost one third of their jobs. Construction, manufacturing, every single sector, none were spared. That is just the two-month period and everything contracted. It had an unbelievable effect. However, the good news was, although the recession was a deepest recession we had seen since the Great Depression, we snapped back relatively quickly. That is because the fundamentals of the economy were still there on the supply and demand side. Once things opened up, things really started opening and ramping up. It's almost like the Nike Just Do It icon. So you can see how far we had fallen in that blue line and then how quickly we recovered. It's just a little bit of about two years of recovery, versus the other recessions, the 1990-1995, the 2001-2004, which was the dot-com recession, and the 2007-2014 one, which, if you had asked me before 2020, is the worst recession we can expect to see, and it really lingered and it took about 7 or 8 years to recover, and it was nowhere near as destructive as the COVID recession was.

>> Our unemployment rate has continued to fall. California is the blue line. Generally we're 1 percent to 2 percent higher than the U.S. I always say unemployment rate in of itself is not necessarily a bad thing. It means people in the labor force are looking for work. If they are looking for work, that is a sign of confidence in the economy. As they dropped out I don't think that would be a good sign. Then apply married is also higher because we have a lot of churn in the economy. We have a lot of seasonal jobs in agriculture and hospitality. People work in and stop working and then work again. Our unemployment rate is 1 to 2 percent but in tandem with the United States. We are recovering all of our jobs. We have recovered 98 percent of our jobs. If you look at this chart, the yellow are the high-wage sectors and the blue are the low-wage jobs. The outline areas correspond to how many jobs lost at the peak of the pandemic. At the bottom, leisure and hospitality lost 48 percent, almost half of the jobs. And to date through August we're still 7.5 percent below where we were pre-pandemic. Some of the sectors have recovered. Education and health services recovered. Professional and business services recovered, and trade, transportation, and utilities has recovered. It is now 2.1 percent, 3.1 percent higher than pre-pandemic and that's because those jobs have transitioned to warehouses, delivery. Those jobs have actually moved out. We are seeing sectoral changes in the economy. I mentioned the critical housing shortage in California. Housing is inordinately expensive. Housing hit a peak during the recession. In May 2020 we had an all-time high of

\$900,000 for the median existing single-family home. Almost \$1 million for any house you wanted to buy, not even including where we are all over California. Even the low-cost areas, not to mention the high-cost, like San Francisco. Their median price in San Francisco County is \$1.3 million.

>> You can see that home sales was really robust during the recession. If you had asked me before, what are some signs of a recession, people are not buying homes. But, people with money have been doing very well. They were able to work from home and so were spared interacting and potentially getting sick. They were high-income earners investing in the stock market and had money to spend, so they were buying homes. A lot of them were vacation and second homes and not their first-time homebuyers. So that means that the homebuying for first-time homebuyers is increasingly out of reach. According to the California Association of Realtors, we are just a few years away from becoming a majority renter state. Los Angeles is already a big renter city. If the state becomes a majority renter state, more people are renting than owning. If you are renting, you don't generally have the same sense of community or belonging that you would if you owned a home. For middle-class families, homeownership is the single biggest source of wealth and it is passed down generation to generation. We are not able to do that if we are renting. That is a concern for the stability of population and for Californians moving forward. Even though we have a critical housing shortage, we are still not building enough. A lot of it has to do with local jurisdictions, NIMBYism. People worried about losing the value of their homes or the quality of their view. The red line on top is the California Department of Housing estimating 180,000 units a year to be built to keep up with demand. You can see the total permits is a black line and we are falling further behind every year. What we are starting to see is that people cannot afford to buy homes, and in this economy, where we see a lot of telework, what is the incentive to stay in California if they never will be able to buy a home? The rich love California. It is beautiful. If you can afford to buy a home, where else would you rather live? The poor and low-wage workers cannot afford to leave the state. Who is moving? The middle class. And that is something we are very worried about. Of course, I do not have to tell you about inflation. We have seen inflation hit a 40-year high over the summer, the highest since 1982. This is not where we thought we would be when we looked at the economy back in May. We thought inflation would be resolved and start to go down. We are projecting it will go back to pre-pandemic levels sometime in 2023. We are going to see if that is going to hold out. We are working on getting ready for the Governor's budget and I'm hopeful for that. A lot of this has to do with our housing shortage and energy prices. That is what makes California's inflation higher than the rest of the United States. We are seeing a slowdown in purchases people are buying and that might slow down the economy. That has started to raise interest rates. To slow down the overheating economy. That's because when we started opening up and people started getting vaccinations, people had money they hadn't spent in months and they were ready to buy things. Producers have a horizon of one to three years and they're producing things pre-pandemic, assuming a certain number of purchases, and that hit up with the pent-up demand. We saw prices for used cars, and new cars, we were dealing with a chip shortage, that once people buy their cars they're not going to buy a car over and over. It will be a purchase for a few years. Rents were stabilized for a while but

rent prices increased. Landlords are raising rents to accommodate people moving in and that can push inflation high. We do expect it to slow down in the next year and return to pre-pandemic levels, 3 percent for California and 2 percent for the United States. This is where we were, more or less, for the last 20 years or so. The S&P 500, the Governor's budget, is very concerned. A lot of our investment is in the stock market, and that has been increasingly volatile. The stock market crashed when the pandemic hit but it also snapped back. That has been the fastest recovery of the stock market in any recession. It has continued to hit record highs at the beginning of the year but slowed down since then. We are still not seeing another crash yet. Also, rich people and their investments, the high-income earners tend to invest in the stock market, so we are watching it very carefully. The current economic news we have been looking at, as I said, two quarters of a declining GDP, does that mean a recession? Forty-year-high inflation. Gas prices were at record highs but started to go down and came but up a little bit. Although it is a relatively small share of purchases it has dominated the news. The media drives people's focus on things. That has been in the news a lot. Federal fund rate hikes is making buying homes even more expensive. It's also causing business investment to slow down. Business investments are getting more expensive. Businesses in the expansion plans are slowing down, which may push us into a recession. Declining consumer confidence. People just do not know what is happening with the economy and that makes them scared. Even though the signs are that the economy is continuing, they worry about it. We're still not quite recovered in the pre-pandemic employment but unemployment is going down. The Russian invasion of Ukraine at the beginning of the year is still happening and has global geopolitical implications. They export grain to North Africa and the Middle East and if they stop doing that those regions may move into famine, and if that happens there will be instability that will affect all of us. And last year we were looking at the Great Resignation. People leaving jobs to find new and better jobs and now it is quiet quitting. People doing exactly what they are supposed to do at work and not going above and beyond. How is that going to play out in terms of hiring decisions? This is the current economic news that will play into the economic forecast that we will be producing. I know you are all waiting for it. It comes out by January 10 along with the Governor's budget. That economic information goes into my colleagues' revenue and taxation unit where they project how much money the state actually has. I know Martin had mentioned BCPs that were submitted, looking at some resiliency projects, which is great. The Governor is a big supporter of that and so are the legislators. Being a little bit protective of the state programs from the fluctuations and building that resilience, and that is exactly what I would like to see from all agencies. The state revenues, you can see from 1950 to 70 years later, how much it has changed, the sources of revenue. Personal income tax was 11 percent of state revenues in 1950-51, now it is 66 percent. That is mostly driven by high-income earners. They pay the lion's share of the taxes in California. Retail sales and use taxes are the blue line. That is 60 percent and has gone down to 16 percent. And other taxes also includes, sales tax has been an issue with people buying online. That is a lot of local jurisdiction tax revenues as well. You can see how much it changes and how reliant the state budget is on personal income taxes. What the state revenues fund. It is a simple pie chart looking at the last budget, \$301 billion, and an allocation of where the money is going. The budget is a reflection of people's values of California's values where we are prioritizing. You can see how much we are prioritizing

children's education, K-12, health and human services, again, our population is aging and growing and we will need more healthcare services to take care of our aging friends and neighbors. This is a simple pie chart that looks at where all the money is going. Four percent is legislative, judicial, executive.

>> The long run of revenue forecast from the May revision. You may see changes in the Governor's budget. Again, it is fluctuating. This is looking at revenue growth of 5.4 percent on average in the forecast window, even though technically we were in a contraction and we saw a record high state revenues when projecting a deficit when the pandemic hit. People with money were doing really well. They were paying higher taxes, which contradicts what we have known about recessions. I feel like I'm back in school trying to understand recessions all over again. This one will definitely be in the books for students to learn about. We don't really know what a recession will look like in the future, but we are still growing revenues, May Revision was four months ago. This article came out on Friday.

>> It looks at warning signs for state revenues. We are about \$8 billion short of collection than we were expecting to be at this time in the May Revision. Also our unemployment rate increased in August from 3.9 percent to 4.1 percent. Mostly driven by people entering the labor force again starting to look for work. Not necessarily people getting laid off but people coming into the labor force looking for work. Not necessarily a bad thing but still something we want to keep looking at. This just came out so we will see in the next couple of months what state revenues will look like so the revenue taxation team has fun trying to figure out the state's budget.

>> The judicial branch. My team pulled some stuff that I thought would be interesting. The judicial branch gets most of its funding from the General Fund. You can see from last year to this year how much the funding has grown because the state was doing relatively well on revenue collection. It is a total of \$5.2 billion. I know Martin mentioned BCPs that will add a little to this for the next budget cycle. Some of this also has to go into resiliency of building new courtrooms and adding more judgeships, addressing safety issues, and modifying existing facilities, etc. Legal occupations, we pulled from the Employment Development Department to see where the legal professions are expected to grow. It will be a growing profession. All legal occupations will grow about 20,000 over 10 years. I thought that was interesting. This concludes my presentation. There is my email and phone number. Finance's website. The budget, I encourage you all if you are looking for something to help you sleep at night, please take a look at the budget. Everything is there. Every dollar the state spends is there. You can really see the state's priorities. I also encourage you to tell your friends and family to contact your legislators for issues. Let them know what you care about, because they may get something from someone else but if it is not what you want to prioritize, let them know. The budget belongs to each and every one of us. We owe it to the state to fight to make it the best for the people of California. I think I have a few minutes for questions.

>> [Applause]

>> Thank you. It was eye-opening and brave of you to give all of us your email and all of your data, greatly appreciated. Any questions, observations, or comments? Judge Rosenberg?

>> Thank you for that presentation. Do you compare and contrast California with its leading competitors, like Texas, Florida, New York?

>> Yes, we do.

>> What does that show you?

>> We do compare California's GDP, which is twice as large as the next largest state, which is Texas. We have a much larger population. Some of the states we are already seeing a downturn in revenue collection. That is not unique to California, but in terms of preparation I think we're in a really good spot. We have been focused on building up reserves and we will see if there is a downturn in the future, but in terms of preparation I don't think any other state can beat us.

>> That dovetails into, you mentioned, our reserves. My question would be the state of the state's rainy day fund. If you can speak to that?

>> When we saw all the money, the revenues that had been collected during COVID when we were thinking there would be a downturn. It became, We have all this money, let's spend it, let's create programs. We were focused on one-time programs and one-time investments building up the rainy day fund, which has \$33 billion in it. It's always hard because there is so much need and people wanting money and we're saying we're going to put it in an account in a people saying we need it now, how do you balance that? We the state as a whole, is constantly trying to figure out the right balance. There are also some investments we want to do to protect ourselves from climate change impacts, wildfire impacts, the drought used to be something we would look at as it would affect us in the future. It is not in the future, it is now. We're looking at a long-term drought and we're trying to prepare. So the rainy day fund right now I believe has already \$3 billion. We will see if we can add to it in the next budget. Again, how much is going to be enough? We do not know the state of the next downturn or if there will be a catastrophic earthquake. When I was growing up the big one was a huge worry we all had, but if we have a catastrophic earthquake, but how much money is enough and what will we need to do? Where would that money go? So, it is a constant battle.

>> Judge Anderson?

>> Thank you for the enthusiasm in your voice. It was much appreciated in your presentation. A lot of times when you hear there will be a presentation for finance your eyes gloss over that but you held our attention and thank you. Do you see California holding off a recession or going into one? Is it possible to have a recession just for low-wage earners and have the impact of the recession where high-wage earners do not feel it?

>> Great question. In terms of a recession, if the United States falls into recession we will not be able to escape it. The impact may be less but we will not be able to escape nationwide recession unfortunately. Do we see it happening now? We do not see the signs right now but the economy is cyclical. Just because I do not see it happening near-term does not mean it will not happen in the next few years. You did raise an interesting point that if it is going to be primarily driven by the low-wage sectors and generally what happens if there is a contraction it does not become a recession unless it affects all sectors. If there is not enough people in the services, there may be a recession because there is no one around to support high-wage earners. Or we saw the news about the tech sector laying off people. I think they expanded quickly and now they're just going back to the steady-state normal. I do not know if it's an actual contraction, but if it does happen it's hard to see what sector would be impacted first. If it was a tech sector, in the early 2000s, it happened in the tech sector. Then it eventually came out to the rest of the economy. The housing bubble burst in 2007 and started with real estate and eventually spread to all others. So it could be the low-wage sectors. Some of the low-wage jobs we do not project them returning. Retail work, we do not think it is going to come back at that level because people are not going to go to the stores in the same way they were before, especially when you have apps on demand. You just do not need to go to the stores. So that will never recover. Manufacturing will not recover. It has been on a long-term sectoral decline and will never recover because we have overseas production and on-demand manufacturing. So, we do not have factories anymore as we used to. So I am hopeful and the Fed is trying to raise interest rates to make people think twice. People got overexcited. I want to invest or expand my business or buy skis even though I don't ski, people just got crazy. They're hoping with raising the interest rates people will think twice. That will not be a recession but another slowdown in the economy instead of overheating. Which doesn't look encouraging but in the long term it is a good thing. We want to be in a steady state without fluctuations. We were in 10 years of economic expansion, but really slow and steady. And that is what we're trying to get back to. I don't know if I answered your question, I talked a lot.

>> [Indiscernible - multiple speakers]

>> You mentioned a couple of times increasing interest rates. How is that likely to affect California's borrowing costs? How is that likely to affect California?

>> It will increase our costs in terms of borrowing. We will not be able to escape it. It might affect our investment decisions as well. We will have to see how it will play out in the budget but we will not be able to escape those high costs.

>> I have a two-part question. It ends with advice to the judiciary. You've described a number of concerning factors. Some of them have been with us for a long time that predated COVID or even existed but was handled during the 10-year expansion, like the housing shortage has been with us for decades. It sounds like COVID is somewhat of an anomaly, brief recession, recovery, and now we are where we hear different terms describing inflation, stagflation, but it

is not a recession by definition as we have known it. And then just talking now in response to Judge Anderson's questions on jobs going away, then you describe the demographics, I'm curious as the two main factors that would set up the alarm bells that we should all be trying to read for preparation. What are the most significant drivers that would set off action by the executive and legislative branch and that the judiciary should follow? What are you looking at that would cause you to say we are in a recession or taking corrective action now, and what advice would you give us? We want to be a good partner in all of this.

>> What we would expect to see is mass layoffs across multiple industries that will have a ricochet effect on all of the ancillary industries. So if we start seeing mass layoffs, or if the interest rates the Fed is increasing is not enough to cool down inflation. So far it has not really done so as much as we would expect. When borrowing costs become high people stop borrowing. They stop investing and stop growing. Then we kind of stagnate and that will be a concern. Generally we can see signs of overheating. When the Great Recession happened and we saw it in the housing market, we saw that you can't keep going on. You can't have somebody earning \$35,000 a year qualify for a million-dollar home. This is not sustainable. Sure enough the banks started losing money because you cannot do that. I think those lessons that we learned from the Great Recession has stayed with us through the COVID recession. We were so shocked by that that we took caution. We were very cautious. We did everything we could to protect the people and support them. One of the things or issues is increasing unemployment benefits for a short period of time. And people were like, so that's going to stop people from looking for work. But there was a public health situation at the same time. If we were helping people get by, shouldn't we do that versus letting them falter? The Golden State stimulus so that will increase inflation because it will make it more expensive, the people were struggling to buy groceries and pay bills, it is that trade-off on what do you do. I don't want to speak for the rest the country but California has been very protective in terms of protecting the people of California and being cautious with our spending. I do not see signs of a recession. I do not see any particular industry going off the rails. People are still pretty cautious in terms of expansion, especially with higher interest rates right now. If they're going to open up another shop they are thinking twice. Which it will slow things down but ultimately be the right decision. You do not want to expand too quickly and not have enough business to support it.

>> I think what the Judicial Council and as Californians are being cautious about purchase decisions. Support the state initiatives in terms of building resiliency. I think that is really important. Not just the state resiliency or programs but personal resiliency. We are protecting ourselves in the downturn. I think that will be important as well. One of the things I really tell everyone is when we are looking at the state's budget, or the state's economy, try not to think so much about ourselves but think about the big picture. I want my fellow Californians, friends and neighbors, to be able to live near me. That may change how my view looks but think about what will benefit the state as a whole. I think that will be important. I know all of you do that just by what you do, so I'm preaching to the choir a little bit but I think it will be important. Supporting the legislators' or Governor's initiatives and programs that make sense for California. Some things people need to hear from other people that this will be a good thing or

don't support it because it will take us down this other road. The legislators and Governor need that objective voice to be able to talk to them. They get people in their ears with their own agendas. I think it is rare that they get people talking to them that do not have an agenda but care about California as a whole. That's what I think we can all do.

>> We can always use that. I'm glad you've told us this. We know it, sort of, but in times of crisis sometimes even the best of us forget that. We will remember your working together public benefit, think of the state as a whole, and if there are any other comments we are happy to take them or questions before we give you thunderous applause for today. Thank you so much for the work you do. [Applause]

>> Truly honored. Thank you.

>> That was longer than your pause, Martin.

>> More deserving. [Laughter]

>> It's hard to go on after this. [Laughter] Our next item is item 22-151 in your materials, Court Technology Modernization Funding for two fiscal years as stated. We welcome our presenters, you are all known and familiar to us but in light of the live webcast I will please ask all of you to introduce yourselves, starting from the end.

>> Snorri Ogata, I'm the Chief Information Officer for Los Angeles superior court.

>> Hello, I'm Jamel Jones, I'm staff to the Judicial Council Information Technology office.

>> I am Heather Pettit, I am the Chief Information Officer here at the Judicial Council.

>> I am Kyle Brodie, the chair of the Technology Committee, judge from San Bernardino County.

>> And I believe we have Greg Harding on as well, from Placer superior court, who is their IT director.

>> We're going to talk today about the court technology modernization funding that we have received and that it is up to us to allocate. By way of background, we received funding the last two fiscal years in the amount of \$25 million per year to allocate to fund monetization efforts in the trial courts. That was the specific language in the last two fiscal years. We spent those years demonstrating that we could make great use of that money. Allocating it carefully but also ambitiously as well in ways that reflected the technology goals of the courts while respecting each individual court to make funding decisions to serve their communities. We have had a lot of success with that funding and we're going to demonstrate a couple of the projects that we were able to build out. It dramatically increases the level of service in a lot of ways to a lot of

Californians. Technology is interesting. There are lots of ways to use and sometimes the services that you are providing aren't necessarily things that the average court user would think they would need. Government doesn't always work quickly. People get used to a certain level of frustration. [Laughter] The technology funding that we have been able to put to work has been a marked improvement in the ways we provide public service in a lot of courts. We will feature a few of them today.

>> Thank you, council and Chief for allowing us to present. We have a lively agenda for you. We're going to talk a little bit about some approaches that we think have been instrumental in success using technology to address the gaps we have in California. We will feature three particular scenarios as well as the meat and potatoes, the recommendation allocations, which we want your vote on to give away money. Who doesn't like money? Before we get started I want to take you on a little journey. About 12 years ago we had a new Chief Justice. I was a baby CIO in Sacramento. We had some challenges. We were not together or unified. We did not know what to do with technology so we had the opportunity to create a vision and with the council and its governance we came up with different models. We were trying to find how to guarantee success. How do we achieve the goals for the judiciary we need to achieve by using technology? What we did was tested lots of different concepts. What we want to feature today is the importance of using innovation, collaboration, partnership, and teamwork to get us where we are today, which I think is one of the things we have really seen in this evolution. Thank you for your support, Chief, to do this. There are three models we're going to look at today. Courts developing applications that can be delivered to the branches, a Judicial Council-developed application delivered out to the branch, and lastly we will feature courts and the council working together collaboratively delivering solutions out to the branch. Understanding that we are better together than separate. That is something we have modeled over the last several years. It is something we want to show. That the infusion of money has delivered that and the expectations of where we are today. Let's start with the first particular feature item, which is the hearing reminder system. It is a court-developed application that is being rolled out to the courts. We have Mr. Greg Harding, the IT director for Placer superior court. Greg?

>> Thank you, Heather and council for letting us cover these great topics today. Today I will share information about a joint collaboration between trial courts and the Judicial Council. The hearing reminder system or HRS was developed by the L.A. superior court using one-time modernization funding. It was originally known as court modified but once it was designed the Judicial Council in L.A. superior court wanted to share the product with other courts. What is the HRS system? A text-based email system that allows participants to register with statewide identity management system hosted by the Judicial Council. Once registered they can log in and enter a case number, which then sends them a text reminder two weeks before the hearing, and two days before the hearing just to remind them. It is very easy to use and we are using technology that is common, much like your dental appointment or doctor's office, and you get the reminder that you have an appointment coming up. It allows us to do that for the public. The L.A. superior court developed this using grant funding as a standalone system, Court Notify. The following year there was more modernization funding granted and they developed

the system and turned it into the hearing reminder system. The hearing reminder system uses the Court Stack technology as a middleware that allows the product to be deployed to multiple courts throughout the state using a common interface. Placer was the first pilot court to go live. Part of the reason for that is we were working with L.A. Superior Court on the product and we were a natural choice. The pilot project will also be kicked off for eight other courts. This model is a joint support model where the L.A. Superior Court is the product owner and the L.A. and Judicial Council's IT will collaborate to the deploy throughout the state. As we said courts can develop products but being able to push them out to other courts is not something that we really do. So the main benefits and impacts of the product are it serves as an outreach for the judicial branch. Participants for court events can login and get a reminder to their cellphone, something we were not able to do easily or effectively in the past. It is very easy to use. Once you log in and get a password you enter the case number and get the reminders and select email, text, or both and it will be sent to you. It is available in multiple languages, Spanish English, and for more on the way. It builds trust and confidence in the access to justice. Anyone with an email account or a phone that can take text messages is able to use this program. Benefits to the court are the reduced manual case and hearing management. Less continuances. Less people don't show up. The majorities of the calls are about trying to find out what the next case hearing is and do I have a case on the calendar? Future benefits are hopefully it reduces continuances and failures to appear and the consequences that go with them. Future languages for the product will be Armenian, Korean, Vietnamese, and Chinese. Those are expected to be rolled out fiscal year 22-23. So far the system has been used in Placer and in Los Angeles superior courts. We have had almost 20,000 notifications delivered. With eight other courts being added, Imperial, Modoc, Santa Clara, San Benito, Lake, San Diego and San Francisco county courts, we expect that number to grow significantly. The product is very easy to install. It is very easy to use and is an added benefit we can provide to users of the courts. Thank you very much.

>> Moving on to our second featured set. This particular application is a Judicial Council-developed application and it is now being implemented in a space and we will get into the details but at the council level but trial courts use it regularly. We're going to encourage trial courts to be participate in an inactive way. As you may remember we talked about this. It was a Futures Commission voice to text technology as well as combination voice to automated chat online. We handed it off to ITAC, we came up with recommendations on the program that we presented to you all, and how to evolve it. After looking at the various components, you have the chatbot. Other courts have had chatbots, there is value in it but it does not give you the whole experience if you are a person trying to interact with the branch. What we really need is the Virtual Customer Service Center. You want something that can answer the individual easy conversations. Predisposed or pre-readily loaded or, if it gets complicated or something unique to the county, it can be handed off to a person to do that. We have been piloting this in terms of the self-help site. It is a seamless transition of a human being interacting with the website that is able to do the search function. That is one of the things we will probably do in a future meeting. It is very intuitive, see Spot run, get your information. You can't answer your questions, you can go to the online chat and provide information and he will be able to answer questions with a

person if the bot cannot do it. So it is 24/7 assistance with the online chat and preprogrammed with commonly used questions and answers. It allows staff working in the back to focus on what is being asked. I don't know where to get my forms. The automated bot can get you to that. I don't know how to fill out the forms if there's a particular question you do not understand, you can talk to the staff person, which is the bridge we need to see. It supports multiple languages, and right now we have it for eviction, fee waivers, traffic, family law, name change, and eviction are the big ones and we added family law and it blew up. What I do want to do is give you a demo. A mini demo. You want to click the demo and I will talk about what is happening.

>> [Music]

>> As I mentioned it starts off on the self-help site. Traditionally they will go to our -- in terms of collaboration this particularly is on the majority of the trial court websites. You went to the self-help site and need additional help. You click on the Chat Now link and the interactive bot is giving you questions. What do you want to do with your name? What kind of form do I need? The automated system has learned the responses that need to happen. Where do I find my forms? They know here are your forms. Can I talk to a person? This is where I do not have enough information I want to talk to someone. Of course, let me transition you over. At this point in time they are chatting with a real person on the backend able to answer questions explicit to them. So far the need and the desire for this feature has become fantastic. We do not have enough resources to staff it yet but the concept of what we are starting to see and the quality has dramatically improved given the fact there are a lot of unique situations per county to address. At the end it allows them to rank their interaction. We will get into some of the wins around that. Our success story. We've had 46,000 chats that have started, 65,000 questions, about 70 percent the bot has been able to answer. Which is pretty good if you think about 35 percent that needs to be offloaded to someone. Live chat opportunities have been just shy of 11,000, but that have actually initiated live chat has been 4,200. We went from okay ratings, 3.7, which the last goal was 4.2 stars. So, it is improving. This is only name change, small claims, and portions of eviction and family law. We added family law just recently and the need has been fantastic. We offer the service during the week. We average 15 hours' worth of persons on there. We need to ramp it up, so we are now looking at future state models on how to engage self-help centers that may have resources to plug-in and be a resource here in the space. We have courts interested in participating. That is our next phase but this is a perfect example of taking something that was just a Futures Commission running it through the governance model bringing in the collaborative spirit to figure out the right solution and using technology to self-represent litigants and get them where they need.

>> It is also a great example of meeting the public where they are. Providing them a level of service that they expect in every other aspect in their life. To answer the reasonable question like, Why can my dentist office send me reminder and you cannot? There are reasons. Courts are more complicated but the question is fair. It is one that we've spent a lot of effort trying to

answer and to provide the service. It is part of the expectations in people's lives and we are working hard to meet that.

>> Turning it to the last example which is my favorite. Not only do I get to work with one of my favorite people, which is Mr. Ogata, it really reflects our evolution. Amazing partnership between the Judicial Council and the trial courts and how we can work together to design solutions that actually meet the needs for not only trial courts and council but Courts of Appeal. I'm going to turn it over to you.

>> I'm here to talk to you about eCart, which is the electronic Court of Appeal record transcript program to aid trial courts electronically assembling and submitting case transcripts to the Courts of Appeal. The transcript assembly process is complicated, a little more complicated than I thought when I was looking at the rules so it is complicated and time-consuming and eCart was designed to automate and improve the efficiency of that process. eCart is a successor product of the Transcript Assembly Program. TAP was built and operated by innovation grant money and by a vendor that decided that a custom piece of software did not fit their business model any longer. We were as inspired as have the project. We were responding to a vendor telling us they were going to stop supporting the product in 18 months and we had to figure out something to do about it. So Los Angeles had been looking at the transcript assembly space for a while because we saw opportunities for efficiencies, and in talking with Heather and folks at JC IT we decided to submit a modernization grant application to build a replacement solution for it. We submitted the application last fiscal year and was awarded the money to build it. The product would be built and operated by the branch that has the distinct advantage of being able to be continuously improved over time. What was unique was the partnership with the Judicial Council. L.A. is pretty good at building software applications. Those that know my CEO know that we build everything to build an eye toward gaining efficiencies but we do not have is the capacity or skill to take our applications to other jurisdictions of the court. So we sat with IT to devise the model where we could build it and then collaborate with them on the mechanics of rolling out the software. They played the pivotal role that was the missing link to taking L.A. products out to other counties. In addition to the successful build-deploy approach software was built on Court Stack. Greg mentioned it earlier. A challenge in building software applications that work across multiple trial courts is that they all have different case management systems or if they have the same they may be configured slightly differently which is challenging to software developers. By adopting the Court Stack software and architecture and branch technology standards we can build these application faster with an eye toward reusability in solving the problem once and reusing it. The end result is a win-win. Its built by trial courts with an eye toward optimized trial court business processes and adheres to the Court of Appeal and electronic delivery requirements. A standard one and the requested one that we added in the 11th hour. JC IT handles the deployment communication and the ongoing support of this application, 31 courts signed up to use the application as of last week, 29 have started building transcripts as of last week, 22 have successively submitted a total of 186 transcripts, and over 1,000 are ready for submission. While the numbers are impressive I think the next line tells the success story. The solution is an ideal collaboration for software applications common across

the trial courts. Trial courts collaborated we formed a committee of a dozen trial courts to redefine the features and road map. We had an eye toward optimizing for not just Los Angeles's unique needs of scale but for the needs across all 58 counties. We adhere to branch software standards like identity management and Court Stack and e-filing to be sure we build them in efficient ways to work across multiple courts. We partnered with JC IT to the deploy it to the 30-plus courts, an incredibly short amount of time. We do have hiccups as every product has, that collaboration we established during the building process carried forward. We stayed together and found the root causes of the issues and worked toward a solution and had a commitment to continuously improve. This is a project that started out as a necessity. I am with Heather, it is one of my favorites because of the spirit of collaboration that came throughout.

>> Hopefully that gives you an idea of where we have come from and what we have then and great opportunities for the future. Now to the meat and potatoes, which is the money recommendations that we have spent a lot of time on. I will do it in a brief overview and then hand it back over to the Judge Brodie for the nuances. The modernization program we received two years one-time funding and just received the ongoing funding. We needed to find a way to push us forward to evolve all of the courts to level everyone up to get to the vision of Access 3D. We developed and decided the California Courts Connected framework and introduced it to you last year. Relate the understanding of what in the goals should be. What services should we provide? What are the required components of technology to level the courts and help them design their road map for technology. We talked about budgeting forecasting. You need to do technology forecasting. This is where we started. Court Stack is a little middle digital ecosystem section and we put some clarity around what it is. This is what we did. We took a lot of data and information from the courts to see where they are. We do an inventory. We do two annually to see where we have progressed and how we are doing on digitization of records and if we offer self-help services. That is something that is in the annual process we are now doing. After we did that information we are looking at what priorities we need to consider. There were a couple of things we looked at over the last couple years. Branchwide priorities, legislative priorities, and something new, what are your local court priorities. How can we align your needs with where we are going as a branch and what their needs are? So we focused on the local court priorities which are cyber security, case management system, electronic records, which is the digitization, courthouse, making it more user-friendly, and infrastructure. How do we get it all to run? We assigned the Technology Committee to look at the priorities for the branch and where they see the tea leaves and electronic records was one. We cannot have electronic access without records being electronic. Remote access is critical. We can have physical but we need to have the ability to be virtual. And infrastructure is key. Last but not least, innovation. We need someone to start it at least once to tell us what will work and will not work. If we do not have someone willing to take that risk we cannot learn and grow from it. What we got was the majority of proposals that came in were the electronic records, the number one item. We have data in your packet so you can look at the details but this was all the priorities when looking at the funding allocations. Just to give you the concept we had 160 proposals that came from across the trial courts and Courts of Appeal and Supreme Court. They all range from different types of proposals. It was a great showing. We will get into details on

how it worked but we were really excited that there were 23 requests to continue on the digitization efforts for case files. We do not want to use microfiche anymore. Really this is the endgame of where we are going. I'm going to turn it back over to Judge Brodie.

>> When Heather refers to proposals, I will talk about the process that we tilted up to get the proposals from individual courts for funding. We had \$12.5 million basically to distribute. That total allocation, we invited proposals on which piece of that an individual court would want. There was no answer key for the best way to allocate this. What we tried to do and I think we did successfully, is to be thoughtful on how we would spend the money. Balancing competing needs and the needs to move the branch forward so we can collectively serve Californians better. But also recognizing that individual courts will have individual needs particular to their community. It is a evergreen challenge that we face as a council and this technology funding was no exception. The model that we would recommend the council adopt provides funding in three ways. First it prioritizes digitizing records. And that reflects the Technology Committee's view that this is a foundational baseline need for any type of remote work or electronic access. You need that paper to be in a digital space. It is time-consuming and expensive work. We are dealing with so much paper in our 58 courts. So we wanted to provide funding for that, also, the court submitted proposals. If they submitted more than one we asked for their top priority. We did not cap the number they could submit, but we asked for the top priority. For the smaller courts we prioritized funding their top priority because there are technology projects that if you are just trying to fund out of your court budget it can be difficult. Especially if you are a small court. There are certain costs that do not scale well. You can be a small court or a much larger court and certain baseline costs will be the same. We have seen this in other contexts when doing workload allocation funding. When you get down low enough that the percentages start to break down. And the third is once we had those two priorities set aside, to distribute the funding to the other courts based on the pro rata distribution for the remaining proposals. Aligning with the percentage the courts would usually get historically on a workload formula. To review the proposals we had a workstream. Just to emphasize that there was a huge amount of diversity when the proposals came in. The workstream reviewed them and made sure they aligned with the branch's technology goals. We also reviewed them to consider if the funding does not happen but other funding is available, really terrifically dedicated group. No one reviewed proposals from their own court. We kept that process clean to maintain the integrity. I really want to thank everyone listed there for their work. It was a lot of work in a compressed time frame, 166 proposals. And we had questions about a lot of them that we needed clarification on to see if they did align. I am happy to say the vast majority did. Some there were nuances but also there is value in courts saying this is what we need. It's almost like a survey or it has the same courts express the technology gaps in this is how we need to move forward. It was really helpful to see that and opens other collaborative opportunities as well. So, the action we're asking the council to take today is to approve the proposed allocations. They are in Attachment A to your report. I want to thank everyone for their attention. Really thank my co-presenters. The Technology Committee is an incredible staff that manages all of this work in a compressed time frame. Happy to answer any questions anyone might have.

>> Thank you for that comprehensive evaluation of the history and the workstream's efforts, the public proposal, the transparency, pro rata, priority use, and for helping the entire branch and impressive examples of where the branch is in providing access. These are all court user-centric efficiency models. Courts of Appeal rarely have to tell someone when to appear in court but the digitization of records for us will mean the ability to get into a record sooner, faster, quicker in the resolution of cases as well. Very impressive. I'm always impressed because it is always so groundbreaking. Thank you. I welcome any comments. Ms. Nelson?

>> Quick question. Did you have an understanding as to why certain courts never submitted a proposal?

>> They had different reasons. Some just as their arms are full right now. Some are in the process of case management system work. Other really important projects and they just did not want to commit to taking on something new. They have to be able to encumber the money this fiscal year, which is well underway. A few of them just thought discretion was the better part of valor.

>> And another question to Mr. Ogata. I think one year it took three years to get a transcript from the court. This was back in the 1990s and ever since then I never did it again now is did it on my own. My question to you on the eCart is, if you know, what is the average time frame for a clerk's transcript to be prepared once it's started.

>> I do not know that but I can get it for you. The numbers I was sharing with you represent a total of five or six weeks' worth of activity. You can see the thousands of transcripts submitted gives you an idea of the churn or volume involved. I do not have any insight on how long it takes. I do know the electronic version is faster than by hand. Then we have an update that will make it faster but I do not have that metric. I will see if I can find it.

>> I'm sure it's not three years but thank you.

>> [Laughter]

>> Thank you, Chief. I just wanted to respond to Ms. Nelson's question about some of the courts that have not pursued funding opportunities and confirm that it is an enormous lift to embark upon a technology effort. One of the benefits of this program thinking back at my last time on the council we had a handful of really nice technology programs and today because of these opportunities we have and the fact that we have a lot of technical experts in the courts that are really interested to incorporate these technologies it is really making some of the programs much more accessible and easier for courts to jump in and bring it to their respective shops. I also wanted to mention that it has been a great opportunity to benefit from the technologies that we have. Not picking something right off the shelf but taking something we built for ourselves and customizing it so it is meaningful and helpful to everyone. We are much better off today than before. It is an applause to the CIOs and the courts willing to take some risks and make a

commitment of local resources and making sure that products are impactful and can respond to the needs that we have. I hope that we can move forward with recommendations submitted. Nice work. Thank you.

>> Can I make a motion to approve?

>> Yes, second, Ms. Nelson moves.

>> Second by Justice Corrigan.

>> All in favor please say aye. [Indiscernible - multiple speakers]

>> Noes? [Silence] Abstentions? [Silence]

>> Thank you so much. We look forward to your next presentation. Our next item on the agenda is item 22-138 action item. The presenters are making their way to the table and I will have you introduce yourselves.

>> Good afternoon, everybody. Thank you, Chief. It is a pleasure to be here this afternoon standing between you and your recess. We have two items that I will handle. The first is the AB 177 allocation and I will summarize it for you briefly. As part of our branch and sister branches' ongoing efforts to create a more humane, responsible fine and fee structure we have been working with them and decommissioning some of the fines and fees. When AB 177 did was as you can see there was a suite of about four of those. What our sister branches have been working on is backfilling that money. Working with the Department of Finance we came up with a methodology -- I'm so sorry, this is Rebecca Fleming, for those who are new, vice-chair of the Trial Court Budget Committee.

>> For purposes of decorum we are starting to introduce ourselves.

>> In any event, we worked with the Department of Finance on coming up with a methodology in the ask to approve the methodology but the methodology was to take the average of a couple of years of the individual court collections in those particular areas of fines and fees predating COVID obviously, so back to the normal years, and coming up with a number and backfilling each of the specific county courts and what you see in Attachment A is that this way it shows you how the money will be distributed. It is about \$10.3 million and we would be seeking a motion to adopt that allocation methodology in that particular allocation. Ms. Fleming, would you care to add anything?

>> I would not.

>> It is hot in here. [Laughter]

>> Questions?

>> I move that we adopt the recommendation.

>> Thank you, Judge Hoppe. Second?

>> Second, Judge Brazile.

>> All in favor of adopting the four recommendations of this item in your materials please say aye.

>> Aye. [Indiscernible - multiple speakers]

>> Any noes? Abstentions? [Silence] Approved. Next. It's 22-181 for the purposes of people watching.

>> This is the funding for court reporters. I just want to make three points about this particular item. I want to be specific about our ask. As with the last item, the ask will be for a motion simply to adopt the allocation methodology you see in the display as part of Tab A or Attachment A. That is where we are headed. I did want to take a moment if you noticed in your materials there was a tremendous amount of public interest in this item. We received many thoughtful letters from court reporters and others regarding this item. The takeaway is that the language surrounding, the provisional language and budget act, surrounding this \$30 million appropriation was subject of multiple reasonable interpretations. One interpretation that could be seen as limiting the use of the funds strictly for civil and family court reporters. There was another reasonable interpretation that was more expansive that would allow the money to be spent on more than just civil and family reporters as long as the net effect was to increase the supply of reporters available in family and civil. So the two different interpretations was part of our due diligence. We did reach out to sister branches and the Department of Finance and the Legislature to get clarification on which direction they were headed and what we got back was, the Legislature intended funds to be used for reporters in civil and family cases. So when further action is taken by our sister branches we will come back to you with that update, that is the state of where we are. It does not really affect the appropriation requests we are making and I did want to highlight that. I just want to state how appreciative we are with all of the involvement. The final issue is the way the report got drafted, I want to talk about the annual reconciliation process. I think when you read the report one can reasonably come away with the process being similar to last year's. Actually it is different this year, far more expansive. It is intended to reflect that the reconciliation process will be that which is reflected in the provisional language for the fiscal year 2022-23 Budget Act and we will provide that expansive language to staff in the minutes so no ambiguity. So I was going to ask Ms. Fleming, who conducted the process on this item, wanted to add anything?

>> I would like to thank the Trial Court Budget Advisory Committee members as well as the Judicial Council staff for all their time spent ferreting out what to do with the situation. They continue to be available for all questions and we will continue to share information out as the information progresses.

>> I want share my thanks as well to not only the staff that supports the Trial Court Budget Advisory Committee but with the Budget Services staff. Especially when you get into situations like this. It is helpful to have the support.

>> If there are no questions or observations or remarks I entertain a motion to approve the recommendations in your materials in Attachment A.

>> I make the motion.

>> Second, Yamasaki.

>> Ms. Nelson and Justice Corrigan move and Mr. Yamasaki seconds. All in favor of approving this recommendation please say aye.

>> Aye.

>> Any noes? Abstentions? [Silence] It is approved.

>> Next I turn the calendar agenda over to Justice Slough for public comment.

>> Thank you and as always we welcome public comment by two fashions, one by written comment as mentioned by Judge Rubin, we did receive written comment. All of those comments were posted on Moodle for all members to have an opportunity to review. We also welcome public comment and today we have no one signed in for public comment.

>> This concludes our September 20, 2022, business meeting of the Judicial Council. Our next rescheduled business meeting is December 1 and 2 in San Francisco. Safe travels everyone, wonderful to see you. Thank you for your attention and taking care of business. [Applause]