



Judicial Council of California

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REPORT TO THE JUDICIAL COUNCIL

Item No.: 23-032

For business meeting on July 21, 2023

Title

Judicial Branch Budget: 2024–25 Budget Change Proposals for Supreme Court, Courts of Appeal, Superior Courts, Habeas Corpus Resource Center, Judicial Branch Facilities Program, and Judicial Council

Rules, Forms, Standards, or Statutes Affected

None

Recommended by

Judicial Branch Budget Committee

Agenda Item Type

Action Required

Effective Date

July 21, 2023

Date of Report

July 5, 2023

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Executive Summary

To continue responsible reinvestment in the judicial branch and allow for greater access to justice for California’s citizens, the Judicial Branch Budget Committee recommends submitting 10 budget change proposals to the California Department of Finance for consideration in the fiscal year 2024–25 Governor’s Budget.

Recommendation

The Judicial Branch Budget Committee recommends that the Judicial Council, effective July 21, 2023, approve the following fiscal year 2024–25 budget change proposals (not in priority order) for submission to the California Department of Finance in September 2023:

1. Statutory Statewide External Audit Program—\$1.3 million General Fund;
2. Courts of Appeal Court-Appointed Counsel Program—\$5.5 million General Fund;
3. Trial Courts and Courts of Appeal Facilities Operations and Maintenance—\$68.0 million General Fund and \$16.1 million Court Facilities Trust Fund reimbursement authority;

4. Trial Court and Appellate Court Facility Modifications—\$47.3 million General Fund and \$11.4 million State Court Facilities Construction Fund reimbursement authority;
5. Capital Outlay Funding 2024–25 through 2028–29—\$128.3 million General Fund;
6. Court-Based Self-Help Centers—Continuation of Operating Funds—\$33.4 million General Fund;
7. Habeas Corpus Resource Center Case Team Staffing and Establishment of Los Angeles Office—\$9.0 million General Fund;
8. Trial Court Inflationary Adjustment—\$73.1 million General Fund;
9. Statewide 50 New Trial Court Judgeships—\$621.1 million General Fund; and
10. Maintaining a Sufficient Pool of Competency-to-Stand-Trial Court Evaluators—\$12.3 million General Fund.

Descriptions of these budget change proposals are provided in the Analysis/Rationale section.

Relevant Previous Council Action

Under California Rules of Court, rule 10.101(b)(3), the Judicial Council must develop the budget of the judicial branch based on established branch priorities and the needs of the courts. As part of the state’s annual budget development process, the council submits budget change proposals (BCPs) on behalf of the Supreme Court, Courts of Appeal, superior courts, Habeas Corpus Resource Center (HCRC), Judicial Branch Facilities Program, and Judicial Council to the California Department of Finance. The recommendations in this report are consistent with the council’s past practice under this authority.

In July 2016, the Judicial Council established the Judicial Branch Budget Committee (Budget Committee) to assist the council in exercising its duties under rule 10.101 with respect to the judicial branch budget. The council assigned the committee the responsibility of reviewing and recommending BCPs for the judicial branch and ensuring that they are submitted to the council in a timely manner.

Analysis/Rationale

This recommendation is consistent with the purpose of the Budget Committee to assist the Judicial Council in exercising its duties under rule 10.101 with respect to the judicial branch budget.

Following are descriptions and estimated costs of each request listed above:

- ***Statutory Statewide External Audit Program:*** Proposes \$1.3 million General Fund (GF) ongoing beginning in 2024–25¹ and an additional \$200,000 GF ongoing beginning in 2028–29, consistent with the State Controller’s Office’s cost estimate for independent, external audits of the trial courts, as required by Government Code section 77206 (h). Current statute requires independent audits of the revenues, expenditures and fund balances under each trial court’s control to occur on a four-year cycle.
- ***Courts of Appeal Court-Appointed Counsel Program:*** Proposes \$5.5 million GF ongoing beginning in 2024–25 to support California’s requirement to provide indigent defendants’ counsel, \$4.1 million to support an hourly rate increase for non-capital appeal appointments, and \$1.4 million to fund a 7 percent increase in the appellate projects’ annual contracts.
- ***Trial Courts and Courts of Appeal Facilities Operations and Maintenance:*** Proposes \$68.0 million GF, \$16.1 million in reimbursement authority and 3.0 positions to support facility maintenance, utility, and lease costs. The proposal includes \$78.8 million to provide trial court facility operations, maintenance and utilities, 3.6 million for one new courthouse opening in 2024–25, \$669,000 for facility management oversight, \$721,000 for appellate court facility operations and maintenance, and \$331,000 for administrative overhead.
- ***Trial Court and Appellate Court Facility Modifications:*** Proposes \$47.3 million GF in 2024–25, \$40.7 million GF ongoing beginning in 2025–26, \$11.4 million reimbursement authority and 6.0 positions. The proposal includes \$6.6 million GF one-time in 2024–25 for electrical switchgear, \$48.1 million ongoing to provide facility modification project oversight, address the statewide trial court facility modification needs and \$4.0 million for appellate courts facility modifications.
- ***Capital Outlay Funding 2024–25 through 2028–29:*** Proposes \$128.3 million GF in 2024–25 for six capital outlay projects. A total request of \$7.7 billion is proposed over five years for initial and/or continuing phases of 22 capital projects. This request is consistent with projects in the Judicial Council’s latest *Judicial Branch Five-Year Infrastructure Plan for Fiscal Year 2024–25*, which is proposed for council adoption in July 2023.
- ***Court-Based Self-Help Centers—Continuation of Operating Funds:*** Proposes \$33.4 million GF and 5.0 positions in 2024–25 and \$45.3 million ongoing beginning in 2025–26 for court-based self-help centers in all counties of California. The proposal requests funding to provide a continuation of current funding and legal support to the courts to expand services in critical case types.

¹ All year spans represent fiscal years unless otherwise stated.

- ***HCRC Case Team Staffing and Establishment of Los Angeles Office:*** Proposes \$9.0 million GF ongoing, \$450,000 GF one-time, and 30.0 positions in 2024–25; an additional \$4.5 million GF and 20.0 positions in 2025–26; and an additional \$4.9 million GF and 20.0 positions in 2026–27 for a total \$18.4 million GF ongoing and 70.0 positions. The resources will increase staff and establish a Los Angeles office to reduce the backlog of unrepresented defendants in habeas cases.
- ***Trial Court Inflationary Adjustment:*** Proposes \$73.1 million GF ongoing beginning in 2024–25 to address general inflationary cost increases based on the Consumer Price Index (CPI) published by the Department of Finance. The 2024–25 CPI is estimated at 2.9 percent. The cost adjustment will be allocated according to the methodology established by the Judicial Council to benefit all 58 trial courts.
- ***Statewide 50 New Trial Court Judgeships:*** Proposes \$621.1 million GF in 2024–25 and \$81 million GF ongoing for 50 new trial court judgeships, staff complement and associated facility costs in courts that show a need for new judicial positions according to the 2022 Judicial Needs Assessment.
- ***Maintaining a Sufficient Pool of Competency-to-Stand-Trial Court Evaluators:*** Proposes \$12.3 million GF and 2.0 positions in 2024–25, and \$10 million ongoing beginning in 2025–26 to support trial courts statewide in addressing the increased number and costs of Penal Code section 1368 competency-to-stand-trial evaluations; to implement a training, technical assistance, and data collection program related to mental health diversion programs; to develop a statewide inventory of qualified evaluators; and to develop a system for recruiting evaluators.

The Budget Committee opted not to prioritize the BCPs because the committee pared down the list to the highest-priority requests given the state’s fiscal condition. This strategy provides greater flexibility to the Chief Justice and the Administrative Director in their budget advocacy efforts.

Policy implications

An essential part of the BCP process involves identification of funding needs within the judicial branch. Consistent with that process, the following advisory bodies and other entities submitted proposals to the Budget Committee: Administrative Presiding Justices Advisory Committee, Advisory Committee on Audits and Financial Accountability for the Judicial Branch, Advisory Committee on Providing Access and Fairness, Collaborative Justice Courts Advisory Committee, Court Facilities Advisory Committee, Court Security Advisory Committee, Family and Juvenile Law Advisory Committee, HCRC, Information Technology Advisory Committee, Trial Court Budget Advisory Committee, and Trial Court Facility Modification Advisory Committee.

During the 2024–25 BCP review process, other needs within the judicial branch were identified but not recommended for submission. Although these proposals have merit, the Budget Committee pared down the recommended submissions to only those proposals that represent the

branch's most critical needs, considering the state's fiscal condition. The committee looks forward to reviewing the BCPs that were not recommended for this cycle for possible future submission.

Comments

This proposal was not circulated for public comment; however, meetings considering budget change concepts were open to the public and written public comments were accepted. No written public comment was received for the Budget Committee meetings on March 14 and May 17, 2023, when budget change concepts were considered. Final recommendations were made at the May meeting.

Alternatives considered

The Budget Committee was presented with a list of 20 budget change concepts, which represented funding needs requested by various judicial branch advisory committees and other requesting entities. The Budget Committee had the option to recommend any number of these requests—in any priority order—to develop into BCPs for submission.

The recommended list of 10 BCPs represents the action of the Budget Committee based on a review of the proposals and information from Judicial Council staff, including updated 2023–24 budget information, the estimated General Fund budget deficit, and additional funding for the branch. This list represents a budget package that acknowledges competing priorities for state resources while balancing judicial branch needs to increase access to justice in an efficient and strategic manner.

Fiscal and Operational Impacts

The operational and fiscal impacts of approving the BCPs for submission to the Department of Finance for consideration in the 2024-25 Governor's Budget are minimal.

Attachments and Links

None.