



JUDICIAL COUNCIL OF CALIFORNIA

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REPORT TO THE JUDICIAL COUNCIL

For business meeting on July 20, 2018

Title	Agenda Item Type
Judicial Branch Budget: 2019–20 Budget Change Proposals for Supreme Court, Courts of Appeal, Judicial Council, Judicial Branch Facilities Program, Trial Courts, and Habeas Corpus Resource Center	Action Required
Rules, Forms, Standards, or Statutes Affected	Effective Date
None	July 20, 2018
Recommended by	Date of Report
Judicial Branch Budget Committee	June 29, 2018
Hon. David M. Rubin, Chair	Contact
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Executive Summary

The Judicial Branch Budget Committee (JBBC) unanimously recommends approval of submission of 2019–20 budget change proposals (BCPs), in prioritized order, to the State Department of Finance. This recommendation is consistent with the purpose of the JBBC to assist the Judicial Council in exercising its duties under rule 10.101 of the California Rules of Court with respect to the judicial branch budget. To make advocacy efforts as successful as possible, the JBBC further recommends delegating authority to the Administrative Director to make technical changes to any BCP as necessary.

Recommendation

The Judicial Branch Budget Committee recommends, effective July 20, 2018, that the Judicial Council approve the following 2019–20 BCPs, in the priority order shown, for submission to the State Department of Finance on September 4, 2018. In addition, the committee recommends that the Judicial Council delegate authority to the Administrative Director to make technical changes to BCPs as necessary to make advocacy efforts as successful as possible.

Priority Number	Description	Estimated Amount
1.	Case Management System (CMS) Replacements for Trial Courts– Phase III	\$33.1 million
2.	Implementation of Phoenix System Roadmap–Cloud Migration, Technical Upgrade and Functional Improvements, and Phoenix HR Payroll Deployments	\$9.9 million
3.	New Judgeships (AB 159) and Appellate Court Justices	\$18.7 million
4.	Trial Court Facility Operations and Maintenance	\$31.4 million
5.	Judicial Branch Business Intelligence and Data Analytics, using Identity Management for Data Sharing	\$5.9 million
6.	Civil Adjudication of Minor Traffic Infractions and its Impact on Civil Assessment Revenue	TBD
7.	Statewide Trial Court Security Systems and Equipment– Maintenance and Replacement	\$6.0 million
8.	Digitizing Documents for the Superior and Appellate Courts– Phase I	\$5.8 million
9.	Increasing Energy Efficiency in the Judicial Branch	\$30.8 million
10.	Judicial Branch Litigation Management Program	\$5.8 million
11.	Appellate Court Facility Maintenance Program	\$1.3 million
12.	Appellate Court Security	\$1.2 million
13.	Trial Court Capital Outlay Plan	\$5.0 million
14.	Futures Commission Directives for the Expansion of Technology in the Courts	\$1.2 million
15.	Continuing the Implementation of the <i>Strategic Plan for Language Access in the California Courts</i>	\$13.7 million

The following description of each request shown in the table above provides additional information:

- 1. *Case Management System Replacement Replacements for Trial Courts - Phase III.*** Proposed one-time General Fund augmentation of \$33.1 million over five fiscal years for the procurement and deployment of a modern case management system (CMS) for 10 trial courts in need of a replacement for their aging systems. There are a number of courts still relying on CMSs developed with older technology. These legacy systems do not have the ability to integrate with document management systems and e-filing services—foundations for a modern CMS. This proposal also includes a request for \$350,000 in annual ongoing funding for two Senior Business Systems Analysts at the Judicial Council to (1) support the administration of multiple master service agreements for four case management system vendors; and (2) assist with the distribution of BCP funding to courts, and project status reporting on CMS deployments.
- 2. *Implementation of Phoenix System Roadmap.*** Proposed \$9.9 million in 2019–20 and additional ongoing costs to maintain the Phoenix enterprise resources management system, deploy the requisite upgrade of the Phoenix System’s software and infrastructure, and add critical day-to-day business functional improvements. This request also includes funding for 11.0 positions in the Phoenix Program Center of Excellence and Shared Services Center to support compulsory functional improvements to the system and to continue rollout of the statewide HR Payroll solution. The Phoenix Project was established to meet administrative infrastructure needs for trial courts separating from county administration as a result of the Lockyer-Isenberg Court Funding Act of 1997, the Court Employment Protection and Governance Act of 2000, and the Judicial Council’s subsequent directive to “develop a comprehensive administrative infrastructure for the trial courts.” The Phoenix System manages the finances of all 58 trial courts, including vital personnel and payroll services for 13 trial courts.
- 3. *New Judgeships (AB 159) and Appellate Court Justices.*** Proposed General Fund augmentation of \$18.7 million to support new judgeships and appellate court justices in 2019–20, and \$18.5 million ongoing. Funding will support 10 of the 50 trial court judgeships authorized by the Legislature in 2007–08 (Assem. Bill 159; Stats. 2007, ch. 722). While the latest Judicial Needs Assessment (2016) shows that the branch needs just over 188 judgeships based on workload metrics, efforts to secure funding for the 50 previously authorized judgeships have been unsuccessful. This request for a more modest number of judgeships is to address the most critical judicial shortage in the trial courts with the greatest need. The allocation of the 10 judgeships would be based on the methodology outlined in Government Code section 69614(b), which states that judges shall be allocated, in accordance with the uniform standards for factually determining additional judicial need in each county, as updated and approved by the Judicial Council, and pursuant to the update of the judicial needs study. This request also includes funding for Division Two of the Court of Appeal, Fourth Appellate District, to meet substantial

and growing workload demands. Division Two has an annual average of 1,190 appeals becoming fully briefed. Applying the weighted formula results in 117 cases per justice—far exceeding all of the other divisions and far in excess of the optimal number of weighted cases per justice, which is 89. This request supports funding for two new justices and their necessary chambers staff, including three research attorneys and one judicial assistant.

4. ***Trial Court Facility Operations and Maintenance.*** Proposed ongoing General Fund augmentation of \$31.4 million to provide funding to close the growing gap between County Facilities Payments (CFP) and the actual trial court facilities operations and maintenance costs they are intended to cover. There has been no increase in the CFP amounts for nine years. Insufficient funding is causing the Judicial Council to operate on a “run to failure” methodology. The requested funding is necessary to ensure that proper preventative maintenance occurs in order to avoid costlier and earlier-than-expected system replacements.
5. **Judicial Branch Business Intelligence and Data Analytics using Identity Management for data sharing.** Proposed General Fund augmentation of \$4.4 million in 2019-20 and \$1.5 million in on-going staff costs to support phase one and on-going phases of the business intelligence and data analytics program to help improve court efficiencies and to identify opportunities to improve service to the public. The use of Identity Management (IDM) will enable the courts to control access to business intelligence and data analytics software and court data. Together, these will give the court and the judicial branch the information needed to better understand the needs of the judicial branch and the public it serves. The request includes \$4.4 million of one-time funding for consulting and software licensing fees, and \$1.5 million in ongoing funding for 6.0 full-time staff positions and for support and maintenance agreements.
6. ***Civil Adjudication of Minor Traffic Infractions and its Impact on Civil Assessment Revenue.*** Proposed General Fund augmentation of \$122.6 million in 2019-20 to address Futures Commission recommendation 2.4, which calls for the creation of a civil model for the adjudication of minor vehicle infractions and the development of a process to adjudicate these matters online. Implementation of the recommendation should simplify procedures for defendants and free up resources for local law enforcement and the courts. In addition, a portion of the funding would be used for the statewide deployment of software to 58 courts to adjudicate traffic violations online, and to conduct trainings on the new system. The requested funding focuses implementation of the civil adjudication model statewide and addresses the impact of the anticipated revenue loss
7. ***Statewide Trial Court Security Systems and Equipment–Maintenance and Replacement.*** Proposed ongoing General Fund augmentation of \$6 million to refurbish and/or replace failing security equipment. This request will provide funding to replace aging cameras, access control, duress alarm systems, and systems used to interface with

secure court holding areas. The requested funding is necessary to ensure the safety and security of the public, judicial officers, and court personnel in trial court facilities.

- 8. *Digitizing Documents for the Superior and Appellate Courts–Phase I.*** Proposed one-time augmentation of \$5.8 million in 2019–20 to fund the first phase of the digitization of paper and filmed court records for the superior and appellate courts. This proposal also includes a request for \$175,000 in annual ongoing funding for one Senior Business Systems Analyst at the Judicial Council to function as the project manager to oversee activities for the digitization pilot, develop and maintain the project plan, and assist subsequent courts with document digitization efforts. After the first phase, an assessment will be conducted to determine the funding requirements for subsequent phases and to submit a subsequent funding proposal as appropriate.
- 9. *Increasing Energy Efficiency in the Judicial Branch.*** Proposed one-time General Fund augmentation of \$30.8 million to provide funding to implement energy efficiency upgrades: install energy efficient LED lighting, plug load management devices (for computers and computer peripherals), and retro-commission Building Automation Systems. The requested funding allows for a proactive sustainability strategy which will reduce both energy consumption and utility expenses.
- 10. *Judicial Branch Litigation Management Program.*** Proposed augmentation of \$5.8 million of General Fund ongoing augmentation beginning in 2019–20 and ongoing to support the defense and indemnity (as permitted) of all judicial branch entities, bringing the total General Fund allocation for judicial branch litigation costs and expenses to \$5.8 million. This request also includes provisional language to allow the Judicial Council to encumber funds through June 30, 2021, to provide greater flexibility to schedule contract payments. Approximately \$5.4 million has historically been budgeted annually from the General Fund and the State Trial Improvement and Modernization Fund (IMF) (see details below). Shifting IMF expenditures to the General Fund will extend the solvency of the IMF as well as centralize the Litigation Management Program into a single pool of available funds to be used for all entities of the judicial branch permitting the judicial branch more flexibility to respond to litigation demands and increasing exposures.
- 11. *Appellate Court Facility Maintenance Program.*** Proposed ongoing General Fund augmentation of \$1.3 million to perform an in-depth building assessment of the two state-owned, court-managed appellate court facilities and to establish and support an Appellate Court Facility Maintenance Program. The facility assessment will document the current condition of the two state-owned, court-managed buildings and create project and cost estimates for identified deficiencies. The Appellate Court Facility Maintenance Program will support facility maintenance requests for the two court-managed facilities based on Building Owners and Managers Association standards, and will include preventative and routine maintenance. The request will also provide funding to the remaining seven appellate court facilities for minor facility modifications and demand maintenance not

covered by the building owner. The appellate courts occupy a total of just over 500,000 square feet of space in nine facilities.

- 12. *Appellate Court Security.*** Proposed ongoing General Fund augmentation of \$1.2 million to support security services provided by the California Highway Patrol Judicial Protection Section at the Courts of Appeal.
- 13. *Trial Court Capital Outlay Plan.*** Proposed one-time General Fund augmentation of \$5.0 million to provide funding for the Trial Court Capital-Outlay Plan. The Plan is a reassessment of court facility needs in order to facilitate prioritization of capital outlay projects. The plan would ensure a thorough and objective review of as many as 110 identified, but unfunded capital projects.
- 14. *Futures Commission Directives for the Expansion of Technology in the Courts.*** Proposed General Fund augmentation of \$5.36 million to provide funding for implementing pilot programs at 3-5 courts for intelligent chat, video remote hearings, and natural language voice-to-text translation services with the goal of expanding these programs for availability to all courts. This program will directly support delivery on three of the Futures Commission recommendations, as directed by the Chief Justice; and Judicial Council Information Technology (JCIT) will be responsible for supporting these services. Funding would include \$290,000 of one-time funding for software and equipment, and \$5,070,000 in ongoing funding for 6.0 full-time staff resources (2.0 Senior Business Systems Analysts, 2.0 Application Development Analysts, and 2.0 Senior Technology Analysts) and services to enable JCIT to operationalize the solutions.
- 15. *Continuing the Implementation of the Strategic Plan for Language Access in the California Courts.*** The Language Access Plan Implementation Task Force (LAPITF) requests an augmentation of \$13.7 million of ongoing General Funds for 2019–20, and 1.0 FTE. This includes funding necessary to implement the following provisions: (1) expansion of interpreter services into all civil proceedings, and funding interpreter salary increases; (2) trial court reimbursement for court interpreter supervisors and coordinators; (3) video remote interpreting (VRI) equipment for the courts; and (4) development of statewide resources of court-ordered programs and a repository of providers. These efforts support the implementation of the Judicial Council’s [*Strategic Plan for Language Access in the California Courts*](#), adopted January 2015.

The committee diligently reviewed recommendations from various Judicial Council advisory bodies as part of its efforts to determine which requests to recommend moving forward and to recommend a priority order for submission of the requests.

Relevant Previous Council Action

Under California Rules of Court, rule 10.101(b)(3), the Judicial Council must “[d]evelop the budget of the judicial branch based on the priorities established and the needs of the courts.” To that end, the council submits BCPs on behalf of the Supreme Court, Courts of Appeal, Judicial Council, Judicial Branch Facilities Program, trial courts, and Habeas Corpus Resource Center to the 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 JBBC 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 budget change proposals for the judicial branch, coordinating these budget change proposals, and ensuring that they are submitted to the council in a timely manner.

Analysis/Rationale

This recommendation is consistent with the purpose of the JBBC to assist the Judicial Council in exercising its duties under rule 10.101 with respect to the judicial branch budget. The review and recommendation of budget change proposals for the judicial branch is one of the primary responsibilities of the JBBC.

To promote the efficient, fiscally prudent, effective, and fair allocation of branch resources in advancing statewide judicial branch interests, each year the JBBC presents BCPs for the council’s review. BCPs approved by the council will be finalized by staff, requiring supporting documents. All completed BCPs are submitted to the chair of the JBBC.

Policy implications

Although the JBBC recommends BCPs be approved in the priority order listed above, it understands that all of these proposals are vital to furthering the goal of providing access to justice more effectively and efficiently. In addition, during the process of reviewing 2019–20 possible BCP submissions, other needs within the judicial branch were identified but not recommended for submission. While all of these needs are important, the state has limited resources available, and the branch’s efforts to obtain additional funding will be enhanced by sending a clear message about its most critical needs.

Comments

These items were not circulated for public comment. No public comments were received during the three open JBBC meetings, March 21, 2018, April 17, 2018, and May 23, 2018, where BCP Initial Funding Requests and BCP concepts were considered.

Alternatives considered

The JBBC was presented with a list of 29 Initial Funding Requests which represented funding needs requested by various judicial branch advisory committees and other requesting entities. In addition, the JBBC requested that Judicial Council staff research three additional requests to

determine viability for those to be developed into BCPs. The JBBC had the option to choose to approve any number of these requests—in any priority order—to move forward to develop into BCPs for submission.

The recommended option represents the results of various rounds of deliberation by the JBBC and reflects decisions made based on information from Judicial Council staff including updated 2018–19 budget information. This option provides for a budget package that recognizes the limited resources available to the state, while balancing the need to advocate for judicial branch needs that will increase access to justice in an efficient and forward-thinking manner.

In addition, an alternative to delegating authority to the Administrative Director to make technical changes to BCPs is for staff to attempt to return to the committee and the council for approval every time technical adjustments are necessary, unanticipated issues arise, or reactions to responses from another branch are needed. This alternative approach would likely cause delays in updating and submitting proposals.

Fiscal and Operational Impacts

There are minimal operational and fiscal impacts to implement the recommendation.

Attachments and Links

None.