

AGENDA**ASSEMBLY BUDGET SUBCOMMITTEE NO. 5 PUBLIC SAFETY****ASSEMBLYMEMBER REGINALD B. JONES-SAWYER SR., CHAIR****WEDNESDAY, APRIL 22, 2015
1:30 P.M. - STATE CAPITOL ROOM 437**

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VOTE ONLY ISSUES**0250 JUDICIAL BRANCH****ISSUE 1: STATE JUDICIARY RENT INCREASE**

The Governor's Budget proposal includes \$934,000 (General Fund) to support rent increases at the Supreme Court (\$115,000), the Court of Appeal (\$377,000), the Judicial Council (\$319,000), and other Judicial Branch Facilities (\$123,000).

STAFF RECOMMENDATION

Approve proposal as budgeted.

ISSUE 2: TELECOMMUNICATIONS NETWORK

The Judicial Branch submitted a Spring Finance Letter requesting \$5.5 million to fund telecommunication improvements for all 58 superior courts. The requested funding would be used to support hardware refresh, training, and the maintenance and security of the judicial branch network.

STAFF RECOMMENDATION

Approve proposal as budgeted.

ISSUE 3: TECHNICAL ADJUSTMENT FOR COST CHANGES

The Judicial Branch submitted a Spring Finance Letter proposing a \$3.4 million reduction to the Judicial Branch's Budget. The proposal consists of the following:

- A \$3.9 million reduction to the \$42.7 million included in the January budget for trial court health benefit and retirement rate cost adjustments. The proposed reduction is based on updated cost estimates.
- A \$540,000 increase to correctly reflect the augmentation to support trial court operations included in the January Governor's Budget proposal.

STAFF RECOMMENDATION

Approve proposal as budgeted.

ISSUE 4: JUDICIAL BRANCH – CAPITAL OUTLAY REAPPROPRIATIONS

The Judicial Branch has requested authority to reappropriate previously budgeted funds in support of the following Courthouse projects as follows:

El Dorado County: New Placerville Courthouse - Reappropriate \$4.7 million from the Immediate and Critical Needs Account in support of the acquisition (\$1.1 million, previously budgeted in 2012) and preliminary plans (\$3.6 million, previously budgeted in 2014) phases of the new six-courtroom courthouse of approximately 77,600 square feet in the city of Placerville. Total project costs of \$77.7 million funded pursuant to SB 1407.

Inyo County: New Inyo County Courthouse - Reappropriate \$1.9 million from the Immediate and Critical Needs Account in support of the acquisition (\$700,000, previously budgeted in 2012) and preliminary plans (\$1.2 million, previously budgeted in 2014) phases of the new six-courtroom courthouse of approximately 21,000 square feet in the city of Bishop. Total project costs of \$24.2 million funded pursuant to SB 1407.

Los Angeles County: New Eastlake Juvenile Courthouse - Reappropriate \$13.8 million from the Immediate and Critical Needs Account in support of the acquisition (previously budgeted in 2012) phase of the new five-courtroom courthouse of approximately 57,800 square feet in the county of Los Angeles. Total project costs of \$89.1 million funded pursuant to SB 1407.

Mendocino County: New Ukiah Courthouse - Reappropriate \$8 million from the Immediate and Critical Needs Account in support of the acquisition (\$1.1 million, previously budgeted in 2012) and preliminary plans (\$4.6 million, previously budgeted in 2014) phases of the new eight-courtroom courthouse of approximately 90,200 square feet in the city of Ukiah. Total project costs of \$95.4 million funded pursuant to SB 1407.

Glenn County: Renovation and addition to the Willows Courthouse - Reappropriate \$34.8 million in bond funds (previously budgeted in 2012) and \$1.6 million from the Immediate and Critical Needs Account (previously budgeted in 2014) in support of the construction phase of the renovation and addition to Willows courthouse. The renovated courthouse will contain three-courtrooms totaling approximately 42,000 square feet in the city of Willows. Total project costs of \$41 million funded pursuant to SB 1407.

STAFF RECOMMENDATION

Approve proposals as budgeted.

ITEMS TO BE HEARD

0250 JUDICIAL BRANCH

ISSUE 1: STATUS OF THE JUDICIAL BRANCH

The issue before the Subcommittee is an update on the status of the Judicial Branch.

PANELISTS

- Judicial Council
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

The Judicial Branch is responsible for the interpretation of law, the protection of individual rights, the orderly settlement of all legal disputes, and the adjudication of accusations of legal violations. The branch consists of statewide courts (the Supreme Court and Courts of Appeal), trial courts in each of the state's 58 counties, and statewide entities of the branch (the Judicial Council, Judicial Branch Facility Program, and the Habeas Corpus Resource Center). The branch receives revenue from several funding sources, including the state General Fund, civil filing fees, criminal penalties and fines, county maintenance-of-effort payments, and federal grants.

Due to the state's fiscal situation, the Judicial Branch, like most areas of state and local government, received a series of General Fund reductions from 2008-09 through 2012-13. Many of these General Fund reductions were offset by increased funding from alternative sources, such as special fund transfers and fee increases. A number of these offsets were one-time solutions, such as the use of trial court reserves and for the most part, those options have been exhausted. In addition, trial courts partially accommodated their ongoing reductions by implementing operational actions, such as leaving vacancies open, closing courtrooms and courthouses, and reducing clerk office hours. Some of these operational actions resulted in reduced access to court services, longer wait times, and increased backlogs in court workload.

Key Legislation AB 233 (Escutia and Pringle), Chapter 850, Statutes of 1997, enacted the Lockyer-Isenberg Trial Court Funding Act of 1997, to provide a stable and consistent funding source for the trial courts. Beginning in 1997-98, consolidation of the costs of operation of the trial courts was implemented at the state level, with the exception of facility, revenue collection, and local judicial benefit costs. This implementation capped the counties' general purpose revenue contributions to trial court costs at a revised 1994-95 level. The county contributions become part of the Trial

Court Trust Fund, which supports all trial court operations. Fine and penalty revenue collected by each county is retained or distributed in accordance with statute.

AB 1732 (Escutia), Chapter 1082, Statutes of 2002, enacted the Trial Court Facilities Act of 2002, which provided a process for transferring the responsibility for court facilities from the counties to the state by July 1, 2007. It also established several new revenue sources, which went into effect on January 1, 2003. These revenues are deposited into the State Court Facilities Construction Fund (SCFCF) for the purpose of funding the construction and maintenance of court facilities throughout the state. As facilities were transferred to the state, counties began to contribute revenues for operation and maintenance of court facilities, based upon historical expenditures.

SB 1407 (Perata), Chapter 311, Statutes of 2008, authorized various fees, penalties and assessments, which were to be deposited into the Immediate and Critical Needs Account (ICNA) to support the construction, renovation, and operation of court facilities.

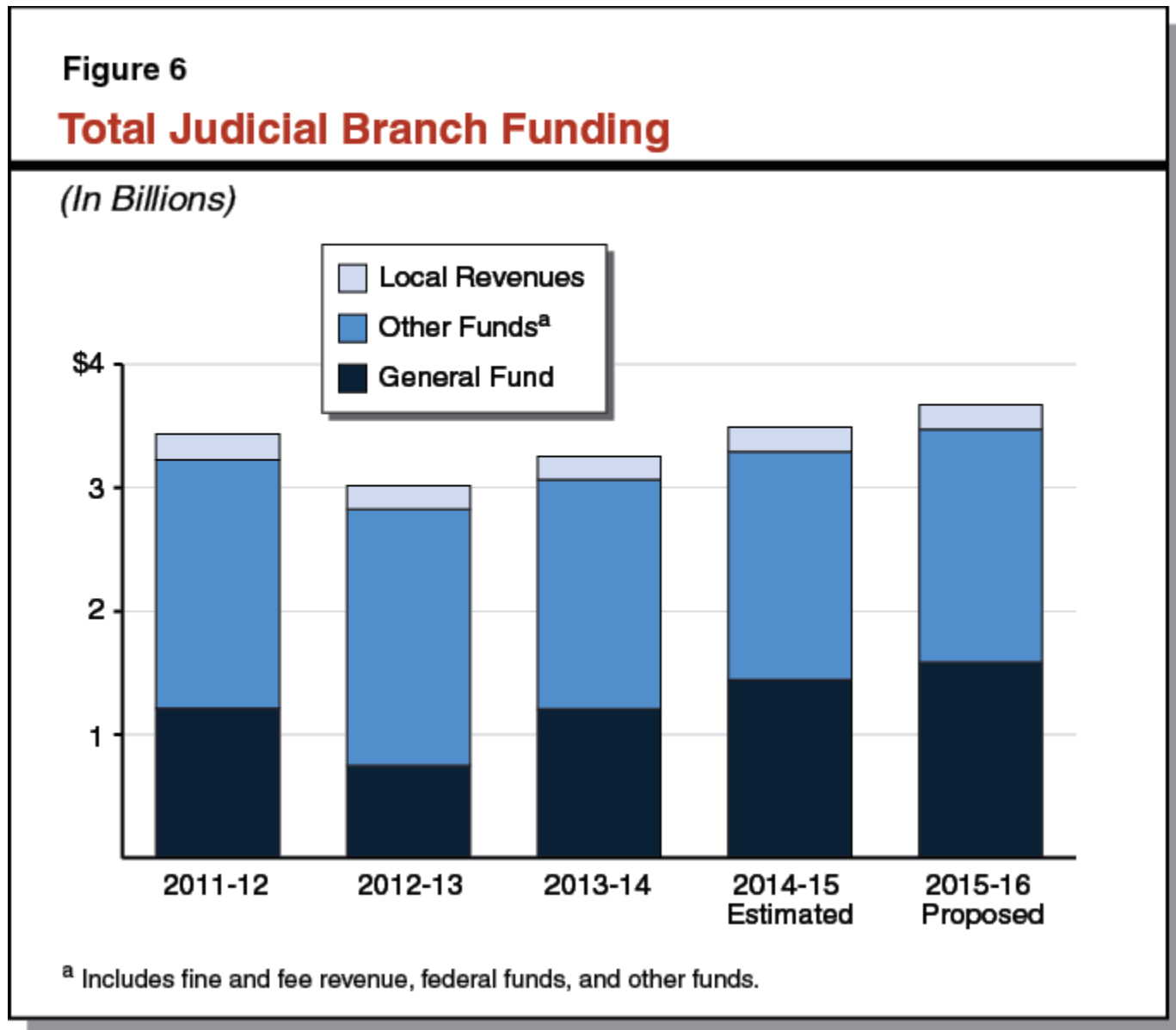
SB 1021 (Committee on Budget and Fiscal Review), Chapter 41, Statutes of 2012, altered the administration of trial court reserves by limiting the amount of the reserves individual courts could carry from year to year to one percent of their funding and establishing a statewide reserve for trial courts, which is limited to two percent of total trial court funding.

In enacting these changes, the Legislature sought to create a trial court system that was more uniform in terms of standards, procedures, and performance. The Legislature also wanted to maintain a more efficient trial court system through the implementation of cost management and control systems.

Budget Overview - The Governor's budget for 2015–16 proposes a total of \$3.7 billion in state funds for the trial courts, including \$1.6 billion from the General Fund. This amount reflects a proposed \$179.5 million ongoing General Fund augmentation for trial courts. This increase includes:

- \$90.1 million for trial court operations, which reflects the second year of a two-year funding plan that provides a 5 percent General Fund augmentation that was initially approved as part of the 2014–15 budget.
- \$42.7 million for increased trial court health benefit and retirement costs.
- \$26.9 million in 2015–16 and \$7.6 million in 2016–17 to process resentencing petitions from offenders currently serving felony sentences for crimes that Proposition 47 (2014) reduces to misdemeanors.
- \$19.8 million for trial court operations to backfill an expected decline in fine and fee revenue to the Trial Court Trust Fund (TCTF) in 2015–16. In addition, the Governor's budget proposes to make the one-time \$30.9 million General Fund backfill provided in the 2014–15 budget ongoing. (According to the judicial branch, an additional \$11.1 million is needed to fully address the shortfall in fine and fee revenue in 2014–15. As a result, trial courts will likely use part of the General Fund base augmentation provided in 2014–15 to essentially backfill the remaining shortfall—thereby reducing the level of resources available to increase service levels.)

The chart below shows total funding for the judicial branch from 2011–12 through 2015-16. Although total funding for the branch declined between 2011–12 and 2012-13 - primarily due to significant reductions in the level of General Fund support - it has steadily increased since then and is proposed to increase in 2015–16 to \$3.7 billion.



LAO RECOMMENDATION

Define Legislative Funding Priorities for Use of Funds. As discussed above, the Governor’s proposal to provide \$109.9 million in increased General Fund support for trial court operations reflects the continued implementation of policies enacted by the Legislature as part of the 2014–15 budget. However, we recommend that the Legislature (1) establish priorities for the use of the increased funding (such as for restoring access to court services) and (2) require that courts report on the expected use of the funds prior to allocation and on the actual use of the funds near the end of

2015–16. Such information would allow the Legislature to conduct oversight to ensure that the additional funds provided are used to meet legislative priorities.

Establish Comprehensive Trial Court Assessment Program. Currently, there is insufficient information to assess whether trial courts are using the funding provided in the annual budget effectively. This makes it difficult for the Legislature to ensure that (1) certain levels of access to court services are provided, (2) trial courts use their funding in an effective manner, and (3) funding is allocated and used consistent with legislative priorities. Thus, we recommend that the Legislature take steps towards establishing a comprehensive trial court assessment program for the trial courts. (We initially made such a recommendation in our 2011 report, *Completing the Goals of Trial Court Realignment*.) While the judicial branch collects some statewide information related to certain measures of trial court performance (such as the time it takes a court to process its caseload), it currently lacks a comprehensive set of measurements for which data is collected consistently on a statewide basis.

QUESTIONS FOR JUDICIAL COUNCIL

- 1) Will you please provide the Subcommittee with a brief history of the Judicial Branch Funding and an overview of the Branch's 2015-16 Budget proposal?
- 2) Will you please provide the Subcommittee with an update on your work toward meeting the issues identified in the California's State Auditor's 2015 Report on the Judicial Branch?

STAFF COMMENTS

Over the past several years, the Judicial Branch has been masterful in identifying operational changes that make carrying out the Branch's mission much more cost effective. While acknowledging the courts' successes in becoming more efficient, it is clear that the trial courts portion of the branch is still greatly underfunded and in need of additional resources. In recent history, the Branch has increasingly relied on new fines and fees to bridge the existing funding gap. Unfortunately, this reliance on new fines and fees is having a disproportionately negative impact on the state's poorest and most vulnerable residents along with the state's business community. Further, much of the revenue projections tied to these new fines and fees have not materialized, prompting many to suggest that the state has reached, and surpassed, the courts' clientele's ability to shoulder new fees and fines.

In order to aid the Branch in pivoting from its heavy reliance on fees and fines, the Subcommittee may wish to consider targeted funding restorations tied to the Judicial Branch's adoption of new policies that ensure greater fiscal accountability and transparency.

ISSUE 2: DEPENDENCY COUNSEL

The issue before the Subcommittee is the Judicial Branch's Dependency Counsel program.

PANELISTS

- Leslie Starr Heimov, Esq., CWLS Executive Director, Children's Law Center of California
- Judicial Council
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

When a child is removed from his/ her home because of serious physical, emotional or sexual abuse, the state of California assumes the role of a legal parent. Through the Dependency Court, the state makes decisions that have huge implications on the child's life and future – i.e. whether the child will ever return to her parents, if she will be placed with her siblings, where and with whom she will live, and what services she will receive.

Given the impact of these decisions, having a competent and dedicated attorney is critical. The child's attorney is the one person in the system with the sole responsibility of advocating for that child's protection, safety, and physical and emotional well-being. This role is unlike any other practice of law. Serving dually as Guardian Ad Litem (pursuant to the Child Abuse Prevention and Treatment Act) and attorney, the duties of a child's attorney are vast and go well beyond the courtroom. The attorney must advocate in all court proceedings, and also ascertain and advance the needs of the minor outside of the legal proceedings.

For example, an overwhelming number of youth in foster care are at risk or have already become victim to sexual exploitation and trafficking. Because of the unique and confidential relationship between a child and her attorney, often times the child's attorney is the sole individual aware of these desperate circumstances. The attorney is tasked with advocating in court for desperately needed resources and/or working outside of court to access appropriate placements and intervention services.

Similarly, when youth in the child welfare system have unmet special education needs, are denied essential benefits or become involved with the juvenile justice system, their dependency attorneys step in to fight for them, providing the court or relevant agency with critical perspective, historical information and more.

The significance of this advocacy cannot be understated. A 2008 study from Chapin Hall Center for Children found that children with effective counsel were moved to permanency at about twice the rate of unrepresented children. A 2010 study found better court outcomes for Los Angeles County “crossover youth” (those who are dually involved in the Dependency and Delinquency Courts) when the youth had the involvement of Children’s Law Center attorneys.

Today’s Caseload Crisis

Unfortunately, the duties of children’s attorneys and the protections they offer California’s most vulnerable youth are rendered meaningless without reasonable caseloads. According to the National Association of Counsel for Children, a full-time child’s attorney should represent no more than 100 clients at one time. This is the same standard recommended by the U.S. Department of Health and Human Services, as well as the American Bar Association. In 2008, a California specific study concluded that the basic caseload standard where the attorney is supported by a social work investigator is a maximum of 188 child clients, while the optimal standard is 77.

In 2006, a federal court in Atlanta ruled that high caseloads violated children’s constitutional right to zealous and effective legal representation. The average caseloads for children’s attorneys in Atlanta were reduced from 500 to 90. Several states, including Massachusetts, New York, Arkansas and Wyoming now have strict caseload standards.

Caseloads in California continue to be high. California’s court appointed counsel in 32 counties are not resourced to meet the basic caseload standard of 188 clients per lawyer. Of those counties, 15 are so under-resourced that caseloads are more than double that of the basic standard.

California’s abused and neglected children deserve better. With such high caseloads, there is simply no way to provide appropriate and effective advocacy. The following examples represent the “on the ground” impact of unreasonable caseloads:

- Attorneys are forced to adopt a triage approach to representing children – responding to crisis after crisis rather than taking a proactive approach to representation.
- Without time for meaningful contact with clients and supportive adults, attorneys are not able to conduct necessary independent investigation to identify educational, mental health, and other needs to advocate for appropriate intervention services.
- Long hours and the frustration of not being able to do more lead to high turnover, which results in less stability for children and less experienced attorneys.

Proposed Solution

It would cost roughly \$33 million annually to adjust current dependency attorney caseloads to the recommended number of no more than 188 clients per lawyer. (See the Chief Justice's January 14, 2014 blueprint). The entirety of this allocation would go directly to court appointed counsel. There are no State funded overhead costs because administration of these funds is paid for by a federal grant.

QUESTIONS FOR JUDICIAL BRANCH

- 1) Will you please provide the Subcommittee with information on the variances in attorney caseloads throughout the state?
- 2) Has the Branch made any recent attempts to address the disparities in attorney caseloads throughout the state?
- 3) What are the Judicial Branch's thoughts on the creation of a new line-item for the Dependency Counsel program within the Judicial Branch's budget?

ISSUE 3: PROPOSITION 47 WORKLOAD

The issue before the Subcommittee is a request for \$26.9 million General Fund in 2015-16 and \$7.6 million in 2016-17 to support workload increases associated with the passage of Proposition 47 (The Safe Neighborhoods and Schools Act).

PANELISTS

- Judicial Council
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

In November 2014, the voters approved Proposition 47, which requires misdemeanor, rather than felony, sentencing for certain property and drug crimes and permits inmates previously sentenced for these reclassified crimes to petition for resentencing. The most recent three-judge panel status report on the reduction of the prison population shows that, as of January 14, 2015, 1,436 people had been resentenced and released from prison due to the changes brought by Proposition 47. The Governor's budget estimates that the 2015-16 average daily state prison population will be reduced by approximately 1,900 inmates as a result of resentencing and avoided new admissions.

Proposition 47 requires that state savings resulting from the proposition be transferred into a new fund, the Safe Neighborhoods and Schools Fund. The new fund will be used to support activities associated with reducing truancy and supporting drop-out prevention programs in K-12 schools (25 percent of fund revenue), increase funding for trauma recovery centers (10 percent of fund revenue), and support mental health and substance use disorder treatment services and diversion programs for people in the criminal justice system (65 percent of fund revenue). The Director of Finance is required, on or before July 31, 2016, and on or before July 31 of each fiscal year thereafter, to calculate the state savings for the previous fiscal year compared to 2013-14. Actual data or best estimates are to be used and the calculation is final and must be certified by the State Controller's Office no later than August 1 of each fiscal year. The first transfer of state savings to the Safe Neighborhoods and Schools Fund will occur in 2016-17 after the Department of Finance (DOF) calculates savings pursuant to the proposition. Consequently, the budget does not reflect estimated 2015-16 savings related to Proposition 47.

Impact on Courts: Short-Term Increase, Long-Term Decrease in Court Workload

Resentencing and Reclassification Hearings Will Temporarily Increase Workload. Under Proposition 47, trial courts will experience a one-time increase in costs resulting from the processing of (1) resentencing petitions from offenders currently serving felony

sentences for the crimes affected by Proposition 47 and (2) reclassification petitions from individuals who have already completed their sentences. Resentencing requests eligible under the proposition will be resolved in judicial hearings. Based on our discussions with the courts, such resentencing hearings could last minutes if the request is uncontested or several hours if evidence and arguments need to be presented. In contrast, Proposition 47 authorizes the court to resolve reclassification petitions without a hearing. Finally, the proposition requires that all petitions be filed within three years of its enactment unless the petitioner can demonstrate good cause for filing at a later date.

Reduction in Felony Cases and Other Hearings Will Permanently Reduce Workload. The above increased costs to the courts will be partly offset by savings in other court workload. First, because misdemeanors generally take less court time to process than felonies, the reduction in penalties will reduce the amount of resources needed for such cases. Second, Proposition 47 will reduce the amount of time offenders spend on county community supervision, resulting in fewer offenders being supervised at any given time. This will likely reduce the number of court hearings for offenders who break the rules that they are required to follow while supervised in the community. Overall, we estimate that the measure would likely result in a net increase in court workload for a few years with a net annual reduction thereafter.

LAO ASSESSMENT

Estimate of Resentencing Costs Appears Reasonable for 2015–16. . . In order to estimate the cost to process resentencing requests, the administration relied on historical data on sentencing outcomes, workload, felony filing patterns, and trial court staffing costs. This historical data served as a proxy for potential workload given the current lack of reliable data on actual increases in court workload. (We would note that the judicial branch has started to collect data on the number of petitions filed related to Proposition 47 and the time required to resolve them.) The administration assumes that the majority of the workload would occur in the first 18 months following the passage of the proposition. We note that a portion of the funding proposed for 2015–16 would reimburse courts for workload that occurred in 2014–15 - specifically the first eight months following the passage Proposition 47. In general, we find that the administration's methodology for calculating potential resentencing costs appears reasonable given the limited data available.

. . .But Costs After 2015–16 Are Uncertain. While the administration's estimate appears reasonable for 2015–16 based on the limited data currently available, it is unclear at this time if the proposed \$7.6 million for 2016–17 will be necessary. The availability of data collected in 2015–16 would help resolve several uncertainties about the workload associated with Proposition 47 resentencing hearings. First, it is currently unknown whether the administration's estimates will match the actual workload received and processed by the trial courts. For example, fewer petitions may be filed or more court time may be needed to process a hearing than assumed in the Governor's budget. Second, while Proposition 47 requires that offenders must file their petitions for resentencing within three years of the proposition's enactment unless there is good cause for a later filing, there are no requirements on how quickly trial courts must

resolve these petitions. We note that the proposition generally requires that the judge who originally sentenced the offender address the resentencing request. This could result in courts resolving resentencing cases beyond the time frame assumed in the administration's estimate.

Lack of Data Related to Other Effects on Courts. Although the judicial branch indicates that it has started to collect data related to Proposition 47 (such as the number of resentencing or reclassification petitions received), the judicial branch is not currently collecting data to measure the proposition's impact on other court workload. For example, data is not currently being collected on the number of cases being filed as misdemeanors that otherwise would have been filed as felonies absent enactment of the proposition. The availability of such data would provide the Legislature with the necessary information to determine whether adjustments to trial court funding are necessary. Because Proposition 47 requires that any state savings from its enactment (including those obtained from reduced court workload) be annually deposited into the SNSF, this data will be needed to accurately estimate the size of this deposit.

LAO RECOMMENDATION

Only Approve Proposed Funding for 2015–16. We recommend that the Legislature approve the Governor's proposed \$26.9 million General Fund augmentation in 2015–16 to address court workload related to resentencing petitions. Based on the data currently available, the administration's estimates and funding request for the budget year are reasonable. The additional funding would minimize impacts on the processing of other court workload - such as backlogs - that would result if the courts were required to absorb the additional workload related to Proposition 47. In addition, the additional funding would help ensure that there are no delays in the resentencing hearings. This is important because such delays could postpone the release of inmates eligible for reduced sentences, which in turn would reduce the amount of state and county correctional savings resulting from the proposition. In addition, we recommend the Legislature direct the Judicial Branch to provide an update at budget committee hearings this spring regarding the impact of Proposition 47 on trial court workload. To the extent additional data is available and shows a different level of funding is necessary, the Legislature could adjust the request accordingly.

However, we recommend that the Legislature not approve the Governor's proposed \$7.6 million General Fund augmentation for 2016–17 at this time. Instead, we recommend the Legislature require the administration to provide an updated workload calculation as part of the deliberations on the 2016–17 budget. By using updated data from the judicial branch on the actual workload impacts of processing petitions for resentencing and reclassification, the Administration and the Legislature would be able to more accurately determine the appropriate level of funding needed in 2016–17.

Require Data Collection to Enable Calculation of Savings From Reduced Workload. We also recommend that the Legislature require the Judicial Council to immediately begin collecting additional data to measure the proposition's impact on overall court workload (such as the number of cases being filed as misdemeanors instead of felonies), and report on the overall effect of Proposition 47 on the courts. Without such workload data, it would be difficult to accurately calculate the amount of court savings needed to be deposited into the SNSF.

QUESTIONS FOR JUDICIAL BRANCH

- 1) Since enactment of Proposition 47, has the Branch's workload been consistent with the estimates used for this proposal?

STAFF RECOMMENDATION

Approve as Budgeted

ISSUE 4: COURT COLLECTIONS/AMNESTY PROGRAM

The issue before the Subcommittee is the Governor's proposal to offer an 18-month amnesty program to allow certain individuals who are delinquent in paying specified fines and fees to reduce their debt by 50 percent if they pay the reduced amount in full.

PANELISTS

- Judicial Council
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

During court proceedings, trial courts typically levy a monetary punishment upon individuals convicted of traffic violations or other criminal offenses. All fines and fees, forfeitures, penalty surcharges, assessments, and restitution assessed by the trial courts is known as court-ordered debt, meaning the total amount of debt that an individual owes the court. As shown in the figure below, state law sets a base fine for each traffic or criminal offense and requires the court to add certain charges (such as a state penalty assessment) to the base fine. Individuals satisfy such debt obligations by making payments to collection programs.

Examples of Total Obligation Owed for Traffic Violations

As of February 1, 2015

	Failure to Stop at Stop Sign^a(Infraction)	Driving Under Influence of Alcohol/Drugs^a(Misdemeanor)
Base Fine	\$35	\$390
State Surcharge	7	78
State Penalty Assessment	40	390
County Penalty Assessment	28	273
Court Construction Penalty Assessment	20	195
DNA Identification Fund Penalty Assessment	20	195
EMS Penalty Assessment	8	78
EMAT Penalty Assessment	4	4
Court Operations Fee	40	40
Conviction Assessment Fee	35	30
Night Court Fee	1	1
Totals	\$238	\$1,674

^aThese examples show the total obligation owed for a selected infraction and misdemeanor. Depending on the specific violation and other factors, additional county or state assessments may apply.

EMS = Emergency Medical Services and EMAT = Emergency Medical Air Transportation.

State law specifies the order in which the payments collected from an individual debtor are to be used to satisfy the various charges added to the base fine. Additionally, state law further specifies how each of the various fines, assessments, and fees will be distributed among various state and local funds - such as the State Court Facilities Construction Fund, county general funds, and POTF. We note that many of these funds have experienced a decline in fine and fee revenue in recent years. At the end of

2011-12, an estimated \$10.2 billion in total court-ordered debt remained outstanding. However, the cost of collecting much of this debt likely exceeds the amount owed.

Traffic Amnesty Program. The Governor's budget proposes the authorization of an 18-month traffic amnesty program for delinquent debt. The proposal is similar to a one time, six-month amnesty program that was implemented in 2012. Under the 2012 program, individuals received a 50 percent reduction in the total amount of court-ordered debt they owed for traffic infractions and specified traffic misdemeanors (upon agreement of the court and county) if they met certain eligibility criteria and paid the reduced amount in full. Revenue collected from this particular amnesty program was distributed in accordance with existing state law. As part of an evaluation of the 2012 amnesty program, collection programs reported that \$1.9 billion worth of debt was eligible for the program. Programs collected \$14.9 million but retained \$2.6 million to cover their operating costs - leaving \$12.3 million available for distribution to state and local funds. The evaluation also reported that only 38 percent of collection programs stated that they would support a future amnesty program.

The Governor's proposed amnesty program would use the same eligibility and operational criteria that were used in the 2012 amnesty program. Accordingly, individuals would receive a 50 percent reduction in the total amount of court-ordered debt owed for traffic infractions and certain traffic misdemeanors as long as the debt was assessed and the individual made no payments prior to January 1, 2013. Collection programs would be authorized to recover most of their operational costs for administering the program. Revenues collected in the amnesty program would be distributed to various state and local funds in accordance with state law - except for the revenue deposited into the SPF. Instead of distributing it amongst the nine funds supported by the SPF, the Governor proposes depositing all SPF amnesty revenue into only two funds - 82.2 percent to the POTF and 17.8 percent to the CTF - in order to address their immediate insolvency. The Governor's budget assumes that about \$150 million of court-ordered debt revenue will be collected in total through the amnesty program. The SPF would receive \$12 million of this amnesty revenue with \$9.9 million going to the POTF and \$2.1 million going to the CTF.

LAO ASSESSMENT

Revenue Estimates Appear Too High. Based on the experience of the 2012 amnesty program, we believe that the administration's revenue estimates for the proposed amnesty program are too high. The 2012 program generated \$12.3 million in total amnesty revenue for distribution to various state and local funds. Of this amount, approximately \$1 million was ultimately deposited into the SPF for distribution to POTF, CTF, and other funds. To meet the Governor's collection target of approximately \$150 million in total amnesty revenue - the amount necessary to generate \$12 million for the SPF, collection programs would need to collect nearly 12 times more than was previously collected. We find it unlikely that collection programs would be able to improve their performance to such a drastic degree for several reasons. First, the proposed program's only major difference from the 2012 amnesty program is that it would operate for 18 months rather than 6 months. Assuming that the proposed program generated revenue at the same rate as the 2012 amnesty program, it would

only result in about \$37 million in additional revenue (compared to the \$150 million assumed by the Governor). This would result in \$3 million being deposited into the SPF, only about a quarter of the amount assumed by the administration. As a result, the POTF would only receive about \$2.5 million (rather than the \$9.9 million assumed) and the CTF would only receive about \$500,000 (rather than the \$2.1 million assumed).

Second, the proposed amnesty program may have difficulties generating revenue at the same rate as the 2012 amnesty program. This is because a portion of the debt included in the proposed program was likely eligible under the 2012 program, but was not collected at that time, making it questionable whether it would be collected now. Moreover, collection programs may be reluctant to actively pursue debt in the proposed amnesty program since they may not collect sufficient revenue to justify the cost of collection activities. As mentioned above, only 38 percent of collection programs stated that they would support a future amnesty program. As a result, it is possible that the POTF and CTF may receive even less revenue than the \$3 million mentioned above. Accordingly, it is likely that both of these funds will still face insolvency in 2015–16 under the proposal.

Potential Negative Impacts on Future Collections. Offering a new traffic amnesty program within four years of the last amnesty program may reduce future court-ordered debt collections. Amnesty programs are most successful when they are offered rarely so that individuals view them as a unique opportunity to resolve their debt and avoid actions that collection programs use to motivate payment (such as wage garnishments). Since such individuals would be unlikely to pay any portion of their debt in the absence of the amnesty program, it can increase the total amount collected from these individuals. In addition, when amnesty programs are offered rarely, those individuals who are able to pay will continue to do so.

However, offering two amnesty programs within such a short time frame could result in individuals expecting that such programs will be offered on a regular basis in the future. This could result in individuals who would have otherwise paid or taken steps to pay their debt choosing not to pay in order to wait for another amnesty program. If the state offers a future amnesty program, such individuals will only be required to pay a fraction of the debt they would have otherwise paid in full. Even if the state chooses not to authorize further amnesty programs, it could decrease the amount of revenue the state collects in future years since some of these individuals may end up never paying their debt.

LAO RECOMMENDATION

In order to address the above concerns, we offer a series of recommendations. Specifically, we recommend that the Legislature: (1) reject the proposed traffic amnesty program, (2) consider comprehensively evaluating funds receiving court-ordered debt revenue, and (3) restructure the overall court-ordered debt collection process. Each recommendation is discussed in more detail below.

Reject Proposed Traffic Amnesty Program. As indicated above, we find that the administration's revenue estimates appear too high, will not address the long-term

insolvency of the POTF and CTF, and may negatively impact the collection of court-ordered debt in the future. Thus, we recommend the Legislature reject the Governor's proposed traffic amnesty program.

Consider Comprehensive Evaluation of Funds Receiving Court-Ordered Debt Revenue. The Governor's proposal raises a much larger issue regarding the decline in court-ordered debt in recent years and its impact on various state and local funds that benefit from such revenue. Accordingly, the Legislature may want to consider a more comprehensive evaluation of how court-ordered debt revenue should be used and distributed. For example, the Legislature may decide that certain state or local programs have greater need than others or that certain programs or specific program activities should no longer be funded.

Restructure Court-Ordered Debt Collection Process. Given the decline in fine and fee revenue deposited in various state and local funds and the large outstanding balance of court-ordered debt, we recommend that the Legislature restructure the existing court-ordered debt collection process by implementing the recommendations outlined in our November 2014 report, Restructuring the Court-Ordered Debt Collection Process. In the report, we identified a number of weaknesses with the existing process, including a lack of clear fiscal incentives for programs to collect debt in a cost-effective manner or to maximize the total amount of debt collected. To address these weaknesses, we provided a number of recommendations, including a new incentive model that would likely increase the amount of debt collected, while ensuring such debt was collected in a cost-effective manner. This would leave more money available for distribution to support state and local programs.

QUESTIONS FOR JUDICIAL COUNCIL

- 1) Will you please provide the Subcommittee with a summary of the proposal and information on any potential opportunities for improvement over past amnesty offerings?

STAFF COMMENTS

In light of the LAO's concerns about the proposed revenue projections being overly optimistic, staff suggests that a much more robust offering of amnesty is needed in order to capture the level of delinquent debt necessary to reach identified goals. Staff notes that this may be accomplished by adopting some, or all, of the following modifications to the initial proposal:

- 1) Provide additional incentives to program participants (ie. reinstatement of Driving privileges).
- 2) Allow for flexibility in repayment (ie. long/short term payment plans)
- 3) Allow for income based settlements.
- 4) Allow for the consolidation of debt owed to numerous counties.
- 5) Broaden the universe of debt eligible for amnesty consideration.
- 6) Ensure a robust outreach campaign is in place and fully funded.

Additionally, staff reminds the Subcommittee that many of those who have fallen into California's complex web of fines, assessments, surcharges, fees, and debt are productive, tax paying, and responsible citizens who fell victim to the recent recession and deserve another opportunity.

STAFF RECOMMENDATION

Adopt proposal as a placeholder and direct the DOF, LAO, Legislative Staff, and the Judicial Council to work on a solution that addresses the LAO's concern about reaching revenue goals.

ISSUE 5: DISCONTINUE \$20 MILLION TRANSFER FROM THE STATE TRIAL COURT IMPROVEMENT AND MODERNIZATION FUND TO THE TRIAL COURT TRUST FUND

The issue before the Subcommittee is elimination of the annual transfer of \$20 million from the State Trial Court Improvement and Modernization Fund to the Trial Court Trust Fund.

PANELISTS

- Judicial Council
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND (PROVIDED BY LAO)

Two Separate Judicial Branch Funds. In 1997, the state took significant steps towards shifting responsibility for trial courts from counties to the state. For example, Chapter 850, Statutes of 1997 (AB 233, Escutia and Pringle), transferred financial responsibility for trial courts (above a fixed county share) to the state. Chapter 850 also established the following two special funds to benefit trial courts, which, as we discuss later, were consolidated in 2012.

- **Judicial Administration Efficiency and Modernization Fund.** The purpose of this fund was to promote projects designed to increase access, efficiency, and effectiveness of the trial courts. Such projects included judicial or court staff education programs, technological improvements, incentives to retain experienced judges, and improvements in legal research (such as through the use of technology). The fund received monies primarily from a General Fund transfer to the judicial branch. Beginning in 2008–09, the fund received approximately \$38.7 million annually. In recent years, some of these funds were redirected to help offset reductions to the trial courts.
- **Trial Court Improvement Fund.** The purpose of this fund was to support various projects approved by the Judicial Council. The fund received monies from (1) fine and fee revenue from criminal cases and (2) a transfer of 1 percent of the amount appropriated to support trial court operations from the TCTF. (The TCTF provides most of the funding to support trial court operations.) While the Judicial Council had significant flexibility regarding the expenditure of monies in the fund, some of the monies were restricted for specified uses. For example, a portion of the fine and fee revenues had to be used for the development of automated administrative systems (such as accounting, data collection, or case processing systems). State law also required that some of these funds be redirected back for allocation to trial courts for court operations.

While the Legislature would appropriate a set amount of funding from the Judicial Administration Efficiency and Modernization Fund and the Trial Court Improvement Fund each year in the annual state budget, Judicial Council was responsible for approving and allocating monies to specific projects or programs. Accordingly, the Legislature's role in determining how the funds were used was limited.

Two Funds Merged Into New IMF. Chapter 41, Statutes of 2012 (SB 1012, Committee on Budget and Fiscal Review), merged the Judicial Administration Efficiency and Modernization Fund with the Trial Court Improvement Fund into the new IMF. While there are some differences between the IMF and the previous two funds, there are many similarities.

- **Revenues.** The IMF retained all sources of revenue associated with the two prior funds, such as fines and fees from criminal cases.
- **Fund Transfers.** As discussed above, various monies were required to be transferred into and out of the two funds. The IMF maintains these various transfers. For example, the IMF is required to annually transfer a portion of its revenues to the TCTF.
- **Expenditures.** While the Legislature appropriates a total amount of funding from the IMF in the state budget, the Judicial Council generally has even more discretion in how the funds are allocated to specific projects and activities than previously. Except for a couple requirements (such as one that requires a certain portion of the fine and fee revenue be used for the development of automated administrative systems), none of the statutory purposes that applied to the two previous funds (such as to improve legal research through the use of technology) currently apply to the IMF. The judicial branch is only required to provide an annual report to the Legislature on the expenditures from the IMF.

IMF Struggles to Remain Solvent

Persistent Operational Shortfalls. Prior to the establishment of the IMF in 2012–13, the combined revenues and transfers of the prior two funds generally did not cover their expenditures, as shown in Figure 8. Upon the consolidation of the two funds into the IMF in 2012–13, these shortfalls continued, steadily reducing the IMF's fund balance. In the current year, the IMF is estimated to have combined revenues and transfers of approximately \$43 million and expenditures of approximately \$66 million. This will largely deplete the IMF fund balance, which will be \$3 million going into 2015–16. As we discuss below, these shortfalls in the IMF result from (1) declines in fine and fee revenue deposited into the IMF and (2) spending decisions made by Judicial Council that did not fully reflect the decline in revenue.

Decline in Fine and Fee Revenue. During court proceedings, trial courts typically levy a monetary punishment - consisting of fines, fees, penalty surcharges, assessments, and restitution, upon individuals convicted of criminal offenses (including traffic violations). When partial payments are collected from an individual, state law specifies the priority order in which the partial payments are to be allocated to various state and local funds. In cases where full payment is not made, funds that are a lower priority

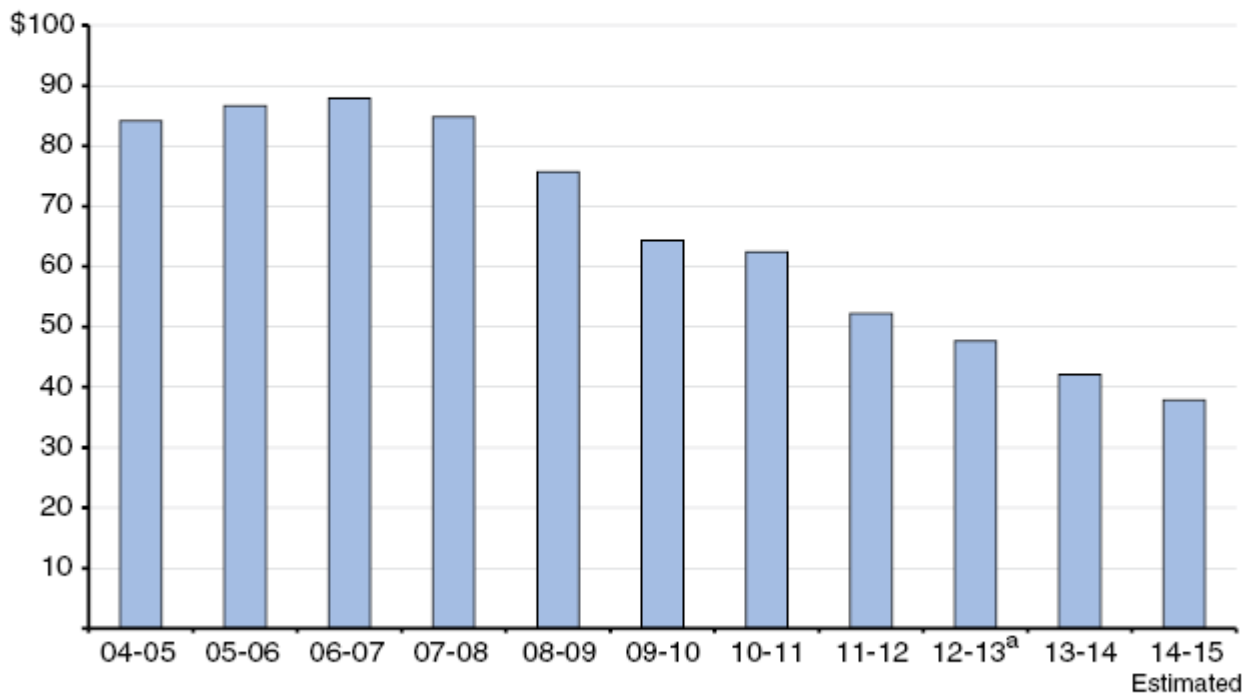
(such as the IMF) receive less revenue than those funds that are a higher priority (such as victim restitution or reimbursement for certain collection activities).

As shown in Figure 9, fine and fee revenues deposited in the IMF and its predecessor funds peaked at \$88 million in 2006–07 and steadily declined since to an estimated \$38 million in 2014–15, a drop of 57 percent. The specific causes of this decline are likely due to two reasons. First, there may have been a reduction in collections of the fine and fee revenues allocated to the IMF. For example, law enforcement could be writing fewer tickets for traffic violations or judges may be waiving more fines and fees, thereby reducing the amount of debt available for collection. Second, even if the total amount of fine and fee collections had remained the same, state and local funds that are a higher priority in the distribution of fine and fee payments may have been receiving an increased share of the revenue compared to the IMF.

Figure 9

Decline in Fine and Fee Revenue to the IMF Since 2006-07

(In Millions)



^a Improvement and Modernization Fund (IMF) created in 2012-13.

Judicial Council Authorized More Expenditures Than Available Revenues. As discussed above, state law authorizes Judicial Council to allocate funds from the IMF, as well as its predecessor funds, to specific projects and programs with very little legislative oversight. Once annual revenue into the IMF began declining, the Judicial Council struggled to reduce expenditures to match the amount of available resources. Although the council took some steps to address the operational shortfalls by eliminating or reducing funding for certain projects, or shifting projects to other fund sources, it continued to authorize funding for projects and services in excess of available resources. As shown in Figure 10, funding is provided to a wide array of one-time and ongoing projects and services. For example, in 2013–14, the IMF supported nearly 60 one-time and ongoing projects or services totaling approximately \$70 million.

Figure 10

Examples of Projects Currently Funded From IMF

- ✓ **Internet Technology Services**
 - Telecommunications support.
 - California Court Technology Center services.
 - Interim case management systems support.
- ✓ **Trial Court Administrative Service Projects**
 - Phoenix Financial Management System.
 - Court-Ordered Debt Taskforce.
- ✓ **Legal Services**
 - Complex Civil Litigation Program.
 - Litigation Management Program.
- ✓ **Family and Children Programs**
 - Self-help centers.
 - Domestic Violence Interpreter Program.
- ✓ **Court Operations**
 - Trial court security enhancement grants.
 - Court interpreters training and recruitment.
- ✓ **Other Projects**
 - Assistance to trial courts with certain post-employment benefits.
 - Training for judges and court personnel.
 - Certain workers' compensation claims.
 - Audit services.

LAO RECOMMENDATION

Increase Legislative Control of IMF Expenditures. The Governor's proposal is a step in the right direction because it helps address the short-term insolvency of the IMF. Specifically, it frees up additional resources in the IMF to help address the operational shortfall in 2015–16. Under the Governor's proposal, the judicial branch would be required to reduce expenditures by an estimated \$13 million to maintain solvency of the IMF in 2015–16. To help ensure that the expenditures from the IMF are more closely aligned to available revenues, we recommend that the Legislature provide greater oversight and direction over such expenditures. As discussed earlier, the Legislature currently authorizes Judicial Council to make all decisions on the projects funded by the IMF and only receives an annual report on expenditures once the fiscal year is complete. At a minimum, we recommend the Legislature require the judicial branch to provide a spending plan for the use of IMF monies prior to appropriation of the total amount of IMF funds in the annual state budget. This would provide the Legislature with an opportunity to review the proposed expenditures from the fund and determine the extent to which they are aligned to its priorities and the expected revenue to the IMF in the budget year.

In order to provide upfront guidance to the Judicial Council regarding expenditures from the IMF, we further recommend that the Legislature identify its priorities for use of the IMF in statute, such as by placing statutory limits on how the fund can be used. In developing priorities for the IMF, we recommend the Legislature consider the following questions:

- **What Is the Purpose of the IMF?** A key question for the Legislature to consider is what the purpose of the IMF is, particularly since there generally are few restrictions on how the funds can be used. Given recent changes in the way trial courts are funded, the Legislature could choose to redefine what projects and programs should be supported by the IMF. For example, the cap on the amount of reserves that courts are allowed to maintain significantly limits the ability of trial courts to plan and fund limited-term projects to help themselves operate more efficiently, support additional workload, or provide greater access to court services. The Legislature could prioritize the use of the IMF for these types of projects.
- **Should Projects Support Ongoing Expenditures?** Given the steady decline of fine and fee revenue deposited into the IMF, the Legislature may want the judicial branch to focus on one-time (versus ongoing) expenditures. Supporting a greater proportion of one-time expenditures would provide the Judicial Council with a funding cushion that would help them more easily reduce expenditures to match unexpected fluctuations in revenues. Additionally, the Legislature could encourage the judicial branch to focus on one-time projects that specifically help trial courts operate more efficiently. To the extent that such projects replace existing programs or systems, trial courts can use those existing monies to support the ongoing costs of the new programs or systems instead.

Modify Governor's Proposal. We recommend not approving the proposal to support CCMS V3 from the IMF as this proposal does not help address the immediate insolvency of the IMF. Instead, we recommend that the Legislature wait to decide whether to support CCMS V3 from the IMF until it decides how to better control judicial branch expenditures from the fund. As such, we recommend that the Legislature modify the administration's proposal by approving a reduction in the annual transfer out of the IMF of \$13.7 million, from \$20 million to \$6.3 million. This reduced transfer would help the judicial branch partially address the immediate insolvency of the IMF.

STAFF COMMENTS

This proposal is intended to avoid eliminations, or significant reduction, to important statewide projects and programs funded by the IMF. While this proposal would likely address this issue, the Assembly may wish to explore how this proposal would impact trial court funding and whether it will be offset by other funding directed to trial courts.

To the extent that this proposal would have a negative impact on trial court funding, the Subcommittee may wish to maintain all or some of the transfer if doing so is better aligned with the Subcommittee's funding priorities.

ISSUE 6: JUDICIAL BRANCH – CAPITAL OUTLAY

The issue before the Subcommittee is The Judicial Branch's 2015-16 Capital Outlay Budget proposal.

PANELISTS

- Judicial Council
- Department of Finance
- Legislative Analyst's Office
- Public Comment

BACKGROUND

California's courthouses are managed at the state level. The Judicial Council of California serves trial and appellate courts statewide by managing maintenance, renovations, new court construction, and real estate.

Two staff offices under the Judicial Council share responsibility for supporting the court facilities of California's Supreme Court, Courts of Appeal, and trial courts:

- The Capital Program office leads strategic planning for capital outlay and funding, and manages new courthouse design and construction.
- The Real Estate & Facilities Management office manages court real estate, environmental compliance and sustainability, and facilities maintenance and modifications.

The Judicial Council, the policymaking body of the California courts, and its two advisory groups - the Court Facilities Advisory Committee and the Trial Court Facility Modification Advisory Committee, provide ongoing oversight and governance of both offices.

The process of building a new courthouse is complex, involving local communities, state and local government agencies, justice partners, and contractors. Each judicial branch courthouse project managed by the staff of the Judicial Council follows a standard procedure, from funding and site selection through occupancy and evaluation. Even before the process begins, there are several required steps:

- The Judicial Council approves the project;
- A project feasibility report and budget proposal are completed and submitted for executive branch and legislative approvals;
- A local project advisory group is formed; and
- Judicial Council staff solicit site offers.

The steps in funding a new courthouse are as follows:

1. Site Selection and Acquisition
2. Design
3. Construction

Major Legislation Impacting Court Construction:

Senate Bill 1732 - Escutia (Stats. 2002, Ch. 1082) - SB 1732 created the "Trial Court Facilities Act of 2002," to transfer responsibility for trial court facilities from counties to the state.

Senate Bill 1407 (Stats. 2008, Ch. 311) - SB 1407 authorized the issuance of up to \$5 billion in lease-revenue bonds to finance the construction of critical needs courthouse construction projects, and supports the debt service for the bonds by raising specified criminal and civil fees and fines.

2015-16 Proposals:

- 1) **Lake – New Lakeport Courthouse.** \$40.8 million from the Public Building Construction Fund (0668) for the construction phase of the new four-courtroom courthouse of approximately 45,300 square feet in the city of Lake. Total project costs of \$50 million funded pursuant to SB 1407.
- 2) **Siskiyou – New Yreka Courthouse.** \$57 million from the Public Building Construction Fund (0668) for the construction phase of the new five-courtroom courthouse of approximately 67,500 square feet in the city of Yreka. Total project costs of \$66 million funded pursuant to SB 1407.
- 3) **Mendocino – New Ukiah Courthouse.** \$6.1 million from the Immediate and Critical Needs Account (3138) for the working drawings phase of the new eight-courtroom courthouse of approximately 90,200 square feet in the city of Ukiah. Total project costs of \$94.4 million funded pursuant to SB 1407.
- 4) **Santa Barbara – New Santa Barbara Criminal Courthouse.** \$6.3 million from the Immediate and Critical Needs Account (3138) for the working drawings (\$5.9 million) and demolition (\$400,000) phases of the new eight-courtroom courthouse of approximately 92,300 square feet in the city of Santa Barbara. Total project costs of \$94.4 million funded pursuant to SB 1407.
- 5) **Shasta – New Redding Courthouse.** \$8.5 million from the Immediate and Critical Needs Account (3138) for the working drawings (\$8.7 million) and demolition (\$174,000) phases of the new 14-courtroom courthouse of approximately 165,300 square feet in the city of Redding. Total project costs of \$159.3 million funded pursuant to SB 1407.

- 6) **Sonoma – New Santa Rosa Criminal Courthouse.** \$11.3 million from the Immediate and Critical Needs Account (3138) for the working drawings phase of the new 15-courtroom courthouse of approximately 169,300 square feet in the city of Santa Rosa. Total project costs of \$175.4 million funded pursuant to SB 1407.
- 7) **Stanislaus – New Modesto Courthouse.** \$15.3 million from the Immediate and Critical Needs Account (3138) for the working drawings phase of the new 26-courtroom courthouse of approximately 301,500 square feet in the city of Modesto. Total project costs of \$265.9 million funded pursuant to SB 1407.
- 8) **Tuolumne – New Sanora Courthouse.** \$4.1 million from the Immediate and Critical Needs Account (3138) for the working drawings phase of the new five-courtroom courthouse of approximately 61,500 square feet in the city of Sanora. Total project costs of \$65.4 million funded pursuant to SB 1407.

The chart below shows the status of all current courthouse projects:

Status of Judicial Branch Courthouse Construction Program
December 31, 2014

County	Capital Project Name	Capital Project Status
1 Alameda	New East County Courthouse	Construction began in August 2014 and is scheduled to end in first quarter of 2017
2 Butte	New North Butte County Courthouse	Construction began in May 2013 and is scheduled to end in first quarter of 2015
3 El Dorado	New Placerville Courthouse	In site acquisition; reappropriate site acquisition and preliminary plans in FY 2015–2016
4 Glenn	Renovate and Addition to Willows Courthouse	In working drawings; construction to start in FY 2014–2015 and is scheduled to end in fourth quarter of 2016
5 Imperial	New El Centro Courthouse	In design; proceed with working drawings in FY 2014–2015 and into FY 2015–2016
6 Inyo	New Inyo County Courthouse	In site acquisition; reappropriate site acquisition and preliminary plans in FY 2015–2016
7 Kings	New Hanford Courthouse	Construction began in August 2013 and is scheduled to end in fourth quarter of 2015
8 Lake	New Lakeport Courthouse	In working drawings; start construction in FY 2015–2016
9 Los Angeles	New Eastlake Juvenile Courthouse	In site acquisition; reappropriate site acquisition in FY 2015–2016
10 Los Angeles	New Hollywood Courthouse Modernization	In design; construction to start in FY 2015–2016 and is scheduled to end in second quarter of 2017
11 Mendocino	New Ukiah Courthouse	In site acquisition; proceed with design in FY 2014–2015; start working drawings in FY 2015–2016
12 Merced	New Los Banos Courthouse	Bidding in process; construction to start in FY 2014–2015 and is scheduled to end in second quarter of 2016
13 Riverside	New Indio Juvenile and Family Courthouse	In design; proceed with working drawings in FY 2014–2015 and into FY 2015–2016
14 Riverside	New Mid-County Civil Courthouse	In site acquisition; reappropriate site acquisition and preliminary plans in FY 2015–2016
15 Sacramento	New Sacramento Criminal Courthouse	In design; proceed with preliminary plans and working drawings using one-time funds authorized by AB 1476
16 San Diego	New Central San Diego Courthouse	Construction began in December 2013 and is scheduled to end in fourth quarter of 2016
17 San Joaquin	Renovate Juvenile Justice Center	Construction began in June 2014 and is scheduled to end in second quarter of 2015
18 Santa Barbara	New Santa Barbara Criminal Courthouse	In design; proceed with working drawings and demolition of existing structures on new courthouse site (using construction-phase funding of \$0.400 million) in FY 2015–2016
19 Santa Clara	New Santa Clara Family Justice Center	Construction began in August 2013 and is scheduled to end in first quarter of 2016
20 Shasta	New Redding Courthouse	In design; proceed with working drawings and demolition of existing structures on new courthouse site (using construction-phase funding of \$0.174 million) in FY 2015–2016
21 Siskiyou	New Yreka Courthouse	In working drawings; construction bidding in FY 2015–2016
22 Sonoma	New Santa Rosa Criminal Courthouse	In design; proceed with working drawings in FY 2015–2016
23 Stanislaus	New Modesto Courthouse	In design; proceed with working drawings in FY 2015–2016
24 Sutter	New Yuba City Courthouse	Construction began in August 2013 and is scheduled to end in second quarter of 2015
25 Tehama	New Red Bluff Courthouse	Construction began in December 2014 and is scheduled to end in third quarter of 2016
26 Tuolumne	New Sonora Courthouse	In design; proceed with working drawings in FY 2015–2016
27 Yolo	New Woodland Courthouse	Construction began in May 2013 and is scheduled to end in second quarter of 2015
County	Capital Project Name	Indefinitely-Delayed Capital Project Status
28 Fresno	Renovate Fresno County Courthouse	Indefinitely delayed as of Judicial Council meetings on October 26, 2012, and January 17, 2013
29 Kern	New Delano Courthouse	
30 Kern	New Mojave Courthouse	
31 Los Angeles	New Glendale Courthouse	
32 Los Angeles	New Santa Clarita Courthouse	
33 Los Angeles	New Southeast Los Angeles Courthouse	
34 Monterey	New South Monterey County Courthouse	
35 Nevada	New Nevada City Courthouse	
36 Placer	New Tahoe Area Courthouse	
37 Plumas	New Quincy Courthouse	

Proceed – Projects will move forward as indicated above.

Indefinitely Delayed – Projects are indefinitely delayed until funds become available in the future. No work to proceed on site acquisition or design, unless specified above.

Note: In October 2012, the Judicial Council referred one project, a renovation of the Lancaster (McCourtney Juvenile) Courthouse in Los Angeles County, to its Trial Court Facility Modification Advisory Committee for consideration of funding as a facility modification. The scope of this project is currently being developed with the Los Angeles Superior Court.

STAFF COMMENTS

These proposals reflect the next phase in funding these previously approved projects. Assuming the Subcommittee doesn't want to change path on any of these projects, the staff recommendation is to adopt all of the proposed capital outlay requests.

STAFF RECOMMENDATION

Approve all projects as budgeted.