

AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 5 ON PUBLIC SAFETY

ASSEMBLYMEMBER CRISTINA GARCIA, CHAIR

MONDAY, MARCH 7, 2022
2:30 PM, STATE CAPITOL – ROOM 447
(PLEASE NOTE ROOM CHANGE)

*All are encouraged to watch the hearing from its live stream on the Assembly's website
at <https://www.assembly.ca.gov/todaysevents>.*

*We encourage the public to provide written testimony before the hearing. Please send your written
testimony to: BudgetSub5@asm.ca.gov. Please note that any written testimony submitted to the
committee is considered public comment and may be read into the record or reprinted. The Capitol will
be open for attendance of this hearing. Any member of the public attending a hearing in the Capitol will
need to wear a mask at all times while in the building.*

*A moderated telephone line will be available to assist with public participation. The public may provide
comment by calling the following toll-free number: [877-692-8957](tel:877-692-8957), access code: [131 54 47](tel:1315447)*

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0250 JUDICIAL BRANCH

ISSUE 1: COURT BACKLOGS, REMOTE HEARINGS, AND ASSOCIATED BUDGET PROPOSAL

The Judicial Council will provide an update on remote hearings, progress made on reducing court backlogs and the budget proposal related to court proceedings.

PANELISTS

- Robert Oyung, Chief Operating Officer, Judicial Council
- Heather Pettit, Director and Chief Information Officer, Judicial Council
- Jessie Romine, Department of Finance

*The LAO is available for any questions from the Subcommittee

BACKGROUND

State and Judicial Branch Took Various Actions to Address Pandemic-Related Impacts. Since the start of the COVID-19 pandemic, the state and the judicial branch have taken various actions to protect the health of court staff, stakeholders, and members of the public, as well as to address pandemic-related impacts on trial court operations. Some of these actions included restricting physical access to court facilities, temporarily suspending court activities, and authorizing remote proceedings to allow cases to move forward. The actions taken to respond to the pandemic have generally had three major impacts on trial court operations: (1) reduced service levels; (2) case backlogs and delays; and, (3) increased one-time and ongoing costs, such as from changing business practices to implement technology for remote proceedings. These impacts on individual trial courts differ due to various factors, including the specific actions taken during the pandemic. For example, some courts may have larger backlogs or increased costs due to a lack of space to conduct jury trials while appropriately socially distancing. The state and the judicial branch have taken various actions to address such impacts. For example, the 2021-22 budget included \$90 million one-time General Fund to address case backlogs—with \$30 million specifically for certain criminal case backlogs and \$60 million for backlogs across all case types.

Status Update on Court Backlogs. The Judicial Council has made steady progress in reducing the court backlogs caused by the COVID-19 pandemic. The following two tables show case clearance rates comparing pre-pandemic levels to the period between March 2020 and September 2021:

	Mar to Aug 2019 (Pre pandemic)			Mar 2020 to September 2021 (All pandemic)		
	Average Monthly Filings	Average Monthly Dispositions	2019 Clearance Rate	Average Monthly Filings	Average Monthly Dispositions	Clearance Rate
Certification	4,510	3,811	84%	4,063	3,842	95%
Child Support	7,262	7,132	98%	5,369	5,127	95%
Civil - Limited	36,582	30,828	84%	24,290	24,363	100%
Civil - Unlimited	20,176	17,749	88%	17,814	14,409	81%
Conservatorship/Guardianship	1,529	1,110	73%	1,155	913	79%
Dissolution	11,175	10,038	90%	8,992	6,899	77%
Domestic Violence	7,070	5,161	73%	5,538	4,007	72%
Estates/Trusts	3,110	2,399	77%	3,146	2,239	71%
Felony	16,629	13,806	83%	15,405	9,348	61%
Infractions	335,176	278,711	83%	208,432	174,488	84%
Juvenile Delinquency	2,329	2,132	92%	1,265	1,383	109%
Juvenile Dependency	3,480	3,141	90%	2,880	2,800	97%
Mental Health	3,557	3,480	98%	2,945	2,675	91%
Misd - Non traffic	36,613	35,695	97%	25,779	19,692	76%
Misd - Traffic	23,142	22,197	96%	17,334	13,456	78%
Other Family Petition	3,399	2,373	70%	2,507	1,775	71%
Parentage	2,215	1,483	67%	1,470	834	57%
Small Claims	12,862	13,505	105%	5,235	6,341	121%
Unlawful Detainer	10,507	10,782	103%	3,035	3,160	104%
Total Average	541,320	465,529	86%	356,655	297,752	83%

Proposed Funding

Remote Access to Court Proceedings (AB 716). The Governor's Budget proposes \$33.2 million General Fund and 4 positions in 2022-2023 and 2023-2024, and \$1.63 million ongoing to implement, support and maintain remote access to courtroom proceedings as required by Chapter 526, Statutes of 2021(AB 716). These one-time funds over two years are proposed to be used to upgrade courtroom audio and video solutions to allow for remote access to all courtroom proceedings through the use of internet or telephonic access. AB 716 requires all courts to provide remote access to courtroom proceedings either by audio or telephonic means. Of the 2030 Superior Court courtrooms, 1775 or more than 85% were built more than 20 years ago. Courtrooms designed and built in the past 5-10 years have the capability of being retrofitted to introduce internet based digital solutions; however, the older courtrooms need new audio and video solutions to provide mandatory courtroom access through the internet.

Staff Recommendation: Hold Open.

ISSUE 2: TRIAL COURT EQUITY FUNDING

The Judicial Council (JC) will provide an overview of trial court funding for operations and their trial court equity funding proposal.

PANELISTS

- John Wordlaw, Chief Administrative Officer, Judicial Council
- Anita Lee, Legislative Analyst's Office
- Jessie Romine, Department of Finance

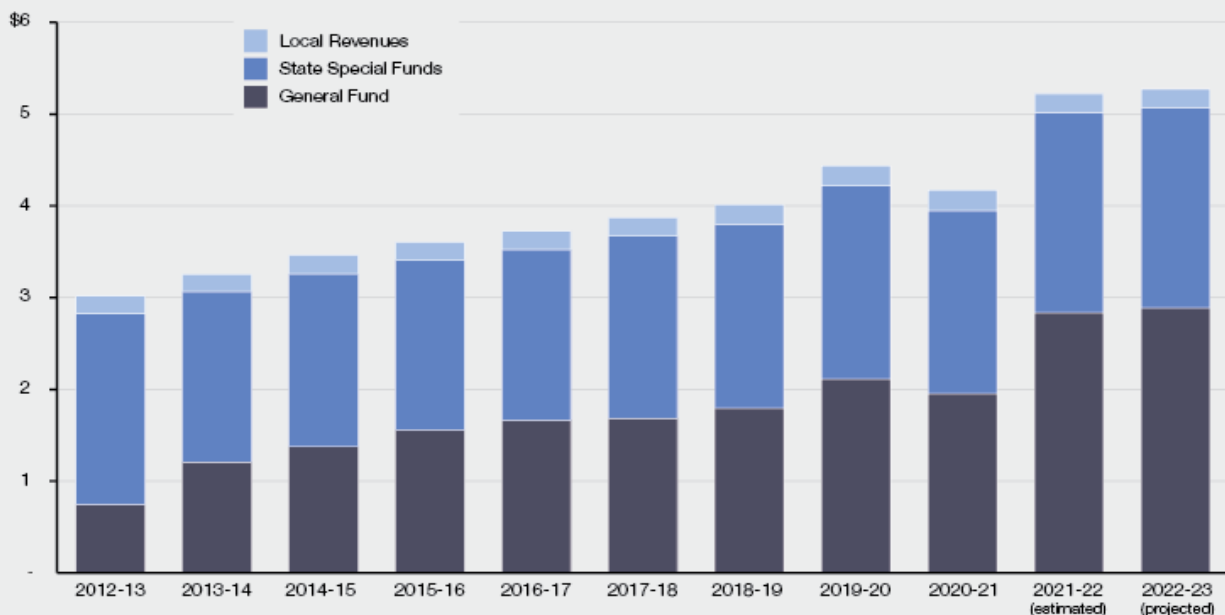
BACKGROUND

The judicial 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 (Judicial Council, the Judicial Council Facility Program, and the Habeas Corpus Resource Center). The branch receives support from several funding sources including the state General Fund, civil filing fees, criminal penalties and fines, county maintenance-of-effort payments, and federal grants. Figure 1 shows total operational funding for the judicial branch from 2012-13 to 2022-23. The Governor proposes about \$5.3 billion in support in 2022-23. Between 2012-13 and 2022-23, the percent of total operational funding from the General Fund has steadily increased from 25 percent in 2012-13 to 55 percent in 2022-23. This growth is generally due to increased operational costs as well as decreases in fine and fee revenue.

Figure 1

Total Judicial Branch Funding

(In Billions)



^a State law requires excess property tax revenues collected by county offices of education beyond their annual funding allotment be used to offset state General Fund support of trial courts. This chart reflects these revenues as state special funds.

Funding Trial Court Operations. The state’s annual budget typically designates the total amount of funding available to fund trial court operations. While a portion of this funding is provided for specific programs or purposes, a significant portion of the funding is provided on a discretionary basis with little to no restrictions on its use. Judicial Council— is responsible for allocating the discretionary funding to individual trial courts. Upon receiving its allocation, each individual trial court has significant flexibility in determining how its share of discretionary funding from the state is used, resulting in differences in the programs or services offered and the level of service provided across trial courts. In recent years, increased funding for trial court operations has generally been provided through the approval of: (1) budget requests for specific priorities (such as increased funding to implement enacted legislation and funding to promote fiscal equity); (2) discretionary (or unallocated) funding increases; and, (3) funding to support cost increases to maintain existing service levels (such as funding for increased trial court health benefit and retirement costs).

Workload Formula. Since 2013, the judicial branch has used the “workload formula” to calculate how much funding each individual trial court should receive based on its workload. This amount is known as a court’s workload formula identified need. The formula then calculates the level of funding each trial court actually received as a percentage of its workload formula identified need. This amount is known as the court’s funding ratio. At the end of 2021-22, individual trial court funding ratios are estimated to range from 73 percent to over 100 percent of their workload formula identified need—with the statewide average funding ratio being about 80 percent. Judicial Council has adopted certain rules related to the workload formula to determine how to allocate discretionary funding increases provided in the annual state budget. While these rules have changed over the years, since 2018-19, increased discretionary funding provided in the state budget is first allocated to the 15 smallest trial courts to ensure they receive 100 percent of their workload formula identified needs. Up to 50 percent of the remaining funding is then allocated to courts below the statewide average funding ratio. The remaining amount is then allocated to all trial courts generally based on workload.

Proposed Funding

The Governor’s Budget proposes \$5.1 Billion in state funds for the Judicial Branch, an increase of \$52 million (1 percent) above the revised amount for 2021-22 (These totals do not include expenditures from local reserves or trial court reserves.) Of this amount, about \$3 billion (or 61 percent) is from the General Fund.

In addition, the Governor’s Budget proposes \$100 million ongoing General Fund to promote fiscal equity among the trial courts. Judicial Council would have discretion in the allocation of the funds.

LEGISLATIVE ANALYST’S OFFICE (LAO)

The Legislative Analyst’s Office provides the following analysis and recommendations regarding the \$100 million proposal for trial court equity.

Unclear How Judicial Council Would Allocate Funding. At the time of this analysis, it is unclear how the proposed augmentation would be allocated to the trial courts. This is because while the Governor's proposal requires the funding be used to address fiscal equity, it would give Judicial Council discretion in allocating these funds and it is unclear how they would do so at this time. This makes it very difficult for the Legislature to assess how the funds will promote fiscal equity among the trial courts and if it is consistent with legislative priorities.

Different Ways to Promote Fiscal Equity Among Individual Trial Courts. We note that promoting fiscal equity is a goal with merit as it promotes equal access to justice across the state. To accomplish this, there are different ways to do so depending on the specific equity-related goals the Legislature has (for example, narrowing the gap in funding between the trial courts with the highest and lowest trial court funding ratios or bringing all courts up to a minimum funding ratio) and how quickly that goal is to be reached. These decisions, in turn, dictate how much funding is needed as well as the number of courts that will receive funding and the specific amount of funding each court will receive.

One example is to specify an equity goal, separate from the workload formula allocation rules discussed above. For example, the Legislature could specify that the funding be used to bring all courts up to the statewide average funding ratio (similar to how a \$47.8 million ongoing General Fund augmentation was allocated in the 2018-19 budget package). This would require funding less than the \$100 million proposed by the Governor. Alternatively, the Legislature could require the funding be used to ensure that no courts have a funding ratio below a certain level. For example, the \$100 million could be sufficient to bring all courts up to an estimated 84.5 percent of their workload formula identified need. Under these approaches, only a subset of trial courts would receive funding but there would be greater improvements in fiscal equity as the range of funding differences among trial courts would be narrowed more quickly.

Another example would be to allocate the funding using workload formula allocation rules. While up to half of the funding would be allocated to courts below the statewide average funding ratio, all courts would receive some portion of the funding. Under this approach, all courts would benefit from additional funding, though courts below the statewide average funding ratio would receive a greater share of the funding. Since all courts would be receiving some funding, this approach would slow improvements in fiscal equity among the trial courts.

Other Priorities Could Be Considered. The Legislature could also determine that other funding priorities are more important. In particular, to the extent the pandemic continues to impact court operations and delay court proceedings, it may want to prioritize funding to address backlogs and delays in the short term in order to minimize impacts on court users. For example, social distancing guidelines could mean that selecting and maintaining a jury for jury trials requires more in-person space, staff, and resources, which in turn could result in fewer jury trials moving forward at any given time, resulting in backlogs. Funding could be targeted to address such impacts—such as leasing space or hiring temporary staff. Examples of other priorities outside the pandemic could include prioritizing funding for technology modernization as well as physical or remote infrastructure to help ensure that individuals have similar access—physical, remote, or electronic—across all trial courts.

LAO Recommendations

Ensure Funding Reflects Legislative Priorities. We recommend the Legislature ensure the amount of funding provided, as well as how the funding is allocated, reflects its funding priorities for trial court operations. This can include specifying how funding must be allocated to improve fiscal equity among trial courts (as proposed by the Governor) or addressing other priorities. In particular, the Legislature could provide some, or all, of the requested funding to address pandemic-related impacts in 2022-23 in order to minimize impacts (such as backlogs or delays) on courts users statewide. This could help address equity in terms of public access to the courts and how quickly cases can be resolved. To provide assistance with this, the Legislature could direct the judicial branch to report in budget hearings on pandemic-related impacts on court operations and identify where the greatest needs are. In future years, the funding could be allocated to ensure that all trial courts have at least 84.5 percent of their workload formula identified need. While this would mean that only a subset of trial courts received funding, it would narrow the fiscal inequity among trial courts more quickly.

STAFF COMMENT

The proposal for trial court equity was not submitted in a budget change proposal and therefore did not include sufficient detail as noted by the LAO for the Legislature to consider. The Judicial Council has provided the Subcommittee with a funding scenario of the trial court equity funding; however, it serves as an estimate only as it does not include other technical adjustments such as filings updates, court cost updates, non-sheriff security reduction, and other allocation changes that have occurred this fiscal year. In addition, the final allocation approach is contingent on approval through the Trial Court Budget Advisory Committee, Judicial Branch Budget Committee and ultimately, the Judicial Council.

Staff Recommendation: Hold Open.

ISSUE 3: COURT CONSTRUCTION PROPOSALS

The Judicial Council will provide an overview of court construction funding and highlight their proposal related to the State Court Facilities Construction Fund.

PANELISTS

- Pella McCormick, Director of Facility Services, Judicial Council
- Zlatko Theodorovic, Deputy Director of Budget Services, Judicial Council
- Anita Lee, Legislative Analyst's Office
- Jessie Romine, Department of Finance

BACKGROUND

The Judicial Branch currently manages around 450 facilities across all 58 counties. Its facility program is responsible for various activities including maintaining these facilities, managing leases, and constructing new courthouses to replace outdated facilities. In a November 2019 assessment of its facilities, the judicial branch identified a need for a total of 80 construction projects—56 new buildings and 24 renovations—totaling \$13.2 billion. These projects were categorized into five groups—and ranked within each group—in the following descending priority order: 18 immediate need projects (\$2.3 billion), 29 critical need projects (\$7.9 billion), 15 high need projects (\$1.3 billion), 9 medium need projects (\$1.6 billion), and 9 low need projects (\$100 million). Additionally, in August 2021, the judicial branch identified 22,743 deferred maintenance projects totaling \$5 billion. The following table shows the status of approved court construction related projects.

City	Courtrooms	Square Feet	Current Phase	Phase % Complete	Approved Project Budget	Forecast Project Completion
Yreka	5	67,459	Completed	100%	\$ 77,186,179	06/02/2021
Sonora	5	60,800	Completed	100%	\$ 71,316,000	10/15/2021
Redding	14	166,887	Construction	83%	\$ 184,753,394	06/22/2022
El Centro	4	46,810	Construction	65%	\$ 67,096,000	06/29/2022
Willows	3	41,867	Construction	48%	\$ 58,423,967	08/03/2022
Nevada City	6	NA	Study	27%	\$ 972,000	09/30/2022
Los Angeles	NA	NA	Study	27%	\$ 2,347,000	05/07/2023
Sacramento	53	543,347	Construction	23%	\$ 514,792,000	11/15/2023
Santa Rosa	15	167,147	Construction	11%	\$ 204,803,000	12/13/2023
Indio	5	53,047	Construction	1%	\$ 80,873,800	02/16/2024

Menifee	9	85,010	Construction	3%	\$	95,253,100	03/21/2024
Oroville	1	610	Preliminary Plans	5%	\$	3,384,899	11/30/2024
Modesto	27	309,284	Construction	1%	\$	345,355,000	12/12/2024
San Bernardino	2	5,000	Acquisition	29%	\$	8,981,910	12/21/2024
Lakeport	4	46,000	Performance Criteria	60%	\$	73,134,139	09/22/2025
Mendocino	7	82,000	Performance Criteria	15%	\$	118,125,538	11/02/2026
Monterey	7	83,000	Acquisition	15%	\$	154,255,918	04/06/2028

Construction Account Insolvent. State law authorizes Judicial Council to construct trial court facilities and established a special fund, the State Court Facilities Construction Fund (SCFCF), to support the judicial branch's court facility-related projects. Specifically, state law increased certain criminal and civil fines and fees and deposited the revenues into the SCFCF to finance trial court construction and other facility-related expenses. The amount of revenue deposited has steadily declined over time, largely due to declining criminal fine and fee revenue. This has resulted in SCFCF expenditures—including debt service, facility modifications, and trial court operations—routinely exceeding revenues. Currently, a total of \$55.5 million is redirected annually from the SCFCF to support trial court operations. Such transfers were initially implemented to mitigate the impacts of budget reductions on trial court operations. To support this level of spending, the judicial branch has been expending funds from the SCFCF fund balance. As a result, the SCFCF faces insolvency in 2022-23. Based on current projections, SCFCF expenditures would exceed revenues by nearly \$225 million in 2022-23 and are estimated to result in a negative fund balance of approximately \$40 million. The 2021 Budget Act combined the Immediate and Critical Needs Account and the SCFCF, which were the primary fund sources for the Judicial Branch facilities program. This allowed the SCFCF to remain solvent in 2021-22.

New Construction Supported by General Fund. Given the insolvency of the SCFCF, the 2021-22 budget shifted support for the construction of any future courthouses to the General Fund. The 2021-22 budget also included funding to start the construction or renovation of six of the highest ranked immediate need projects identified in Judicial Council's 2019 reassessment of facilities.

Proposed Funding

State Court Facilities Construction Fund Solvency. The Governor's Budget proposes \$40 million General Fund on a one-time basis in 2022-23 to backfill the State Court Facilities Construction Fund (SCFCF) and maintain existing service levels. The SCFCF, which covers a range of costs including Judicial Council Facilities Services staff costs, trial court operations, facility modifications, repairs, and debt service, has a structural deficit due to a decline in fine and fee revenues. Since 2010-11 the revenues in the fund continued to decline and those declines accelerated due to the COVID-19 pandemic.

LEGISLATIVE ANALYST'S OFFICE

The Legislative Analyst's Office provides the following analysis and recommendations.

Insolvency Requires Ongoing General Fund Resources. As noted above, the SCFCF faces insolvency in 2022-23. The Governor's proposed one-time SCFCF backfill would only address the insolvency in the budget year—effectively leaving the SCFCF with a zero fund balance. SCFCF revenues are estimated to be around \$200 million and expenditures to be around \$425 million in 2022-23. While both amounts are estimated to decline slightly in the future, this trend continues into future years—which means that ongoing General Fund resources will be needed to backfill the difference in revenues in order for the state to meet financing payments for completed projects as well as other obligations. Absent any changes in expenditures, this could mean that at least \$200 million would be needed annually for nearly a decade. The amount would then decline as the state ends debt service payments on completed construction projects.

Proposal Provides Ongoing General Fund Support for Facility Modification for the First Time. Trial court facility modification projects are currently supported by \$65 million annually from the SCFCF. While the Governor's proposal maintains this level of annual funding in 2024-25, almost one-fourth of facility modification spending would be supported by the General Fund.

LAO Recommendations

Shift Full Responsibility for Trial Court Construction to the General Fund. In order to permanently address the insolvency of the SCFCF, we recommend the Legislature shift full responsibility for trial court construction to the General Fund. This includes: (1) shifting all financing obligations for completed projects to the General Fund; (2) appropriating \$160 million General Fund annually (declining to \$145 million in 2024-25) to support all non-construction-related expenditures currently supported by the SCFCF; and, (3) depositing all SCFCF revenues into the General Fund to partially offset the shifted costs. This approach would ensure that all construction-related obligations are fully accounted for and considered when evaluating the state's overall fiscal condition and determining General Fund priorities. It would also maintain existing levels of support for all non-construction-related expenditures—such as facility modification projects and trial court operations. Finally, it allows the Legislature to fund future trial court construction projects based on its priorities.

Appropriate Funding for Facility Modification and Construction Based on General Fund Priorities. Regardless of whether the Legislature adopts the recommendation to shift full responsibility for trial court construction to the General Fund, we recommend the Legislature appropriate funding for facility modification projects and construction based on its General Fund priorities. While the Governor's proposals are generally reasonable, the judicial branch has identified significant facility needs. If a priority, the Legislature could consider additional one-time funding—such as for facility modification projects or deferred maintenance. We note that such spending is excludable under the state appropriations limit (SAL).

Staff Recommendation: Hold Open.

ISSUE 4: CIVIL ASSESSMENT FEE

The Department of Finance will provide an overview of the Administration's proposal to reduce the civil assessment fee.

PANELISTS

- Jessie Romine, Department of Finance
- Stephanie Campos-Bui, Deputy Director, Policy Advocacy Clinic, UC Berkeley School of Law

*The Judicial Council and the Legislative Analyst's Office are available for questions from the members.

BACKGROUND

In the last several years, the Legislature eliminated a series of fees that have disproportionately impacted people of color who are overrepresented in the justice system from arrest to incarceration. In the 2020 and 2021 Budget, approximately 40 criminal administrative fees were repealed and backfill was provided for the loss of revenue associated with these fees. The 2020 Budget Act provided approximately \$65 million in ongoing funding for backfill beginning in 2021 for the 23 eliminated fees. The 2021 Budget Act provided \$25 million in 2021-22 and \$50 million in 2022-23 and ongoing for the 17 additional fees that were repealed. In the 2021-22 budget discussions, full elimination of the civil assessment was considered but not adopted.

Penal Code 1214.1 allows for a civil assessment of up to \$300 that may be levied against a person if they fail to appear in court or does not pay a court ordered fine. For example, a person who is cited for jaywalking may have a base fine of \$25 but with additional fees including the civil assessment fee, the person may end up with a total fine of \$522. In addition to or in lieu of the civil assessment, courts may also issue a bench warrant in these cases. After a fee is imposed, they are often converted into civil judgments which allows the state Franchise Tax Board to seize tax funds or garnish wages when payments are not made. In 2019-20, the collection of civil assessments generated \$96.9 million in revenue for the courts.

A recently released report titled "Hidden Fees—Civil Assessments: The Hidden Court Fee that Penalizes Poverty" by Debt Free Justice California included a survey of individuals who have recently incurred traffic citations. A handout has been provided to the Subcommittee with key findings which include the following:

- 73% of respondents were unaware that they could receive a \$300 civil assessment fee for missing a deadline to pay.
- 68% of the individuals could not afford to pay the civil assessments.
- Traffic stops disproportionately impact people of color. For example, Black people make up 7% of the state's population but more than 16% of all stops. Black

Californians are 9.7 times more likely to receive a citation for an infraction and Latinx Californians are 5.8 times more likely.

The report also mentions other alternatives that are more effective than civil assessments in getting people to pay their fines or appear in court, such as text message reminders, and makes a recommendation to repeal the civil assessment.

In addition, there has been litigation on the issue of civil assessments in the state. Most recently, a lawsuit was filed in the San Mateo County Superior Court challenging the use of the civil assessment in that county. In this case, the plaintiff, a 28 year old Black man, was on his way to a job interview when he was cited for fare evasion. At the time of the citation, he was unhoused. The base fine for fare evasion is a maximum of \$250. He missed his payment and he was charged the \$300 civil assessment. Several years later, he received a letter stating he owed \$860 from that original toll evasion.

Proposed Funding

The Governor's Budget proposes statutory changes to reduce the Civil Assessment Fee from \$300 to \$150 and also proposes to provide \$50 million ongoing General Fund to backfill trial courts. In addition, the Administration proposes budget bill language to allow for additional backfill if necessary, with notification to the Joint Legislative Budget Committee. The Governor's proposal does not address civil assessments that were incurred prior to July 1, 2022.

Staff Recommendation: Hold Open.

0690 OFFICE OF EMERGENCY SERVICES

ISSUE 4: EXPANSION OF OFFICE OF EMERGENCY SERVICES

The Office of Emergency Services (OES) shall provide an overview of the expansion of its office in the last several years and proposed budget proposals to continue this expansion.

PANELISTS

- Mark Ghilarducci, Director, OES
- Jessica Peters, Legislative Analyst's Office
- Stephen Benson, Department of Finance

BACKGROUND

The California Emergency Services Act establishes OES as the state entity responsible for overseeing the state's response to emergencies. To accomplish this mission, OES develops emergency preparedness plans and tasks other state departments with specified response activities (commonly referred to as "mission tasking"). OES is also responsible for coordinating with local and federal emergency responders at active emergency sites and assisting them in various ways. For example, OES maintains certain emergency response equipment (such as mutual aid fire engines and swift water rescue boats) that are used by local emergency responders. In addition, OES operates the state operations center (SOC)—the state's emergency response hub where response activities are coordinated during significant state emergencies—as well as a headquarters and three regional offices. OES is also responsible for emergency recovery activities, including administering California Disaster Assistance Act grants to local governments for various disaster-related purposes, such as to fund the repair or replacement of publicly owned property damaged by a disaster and reimburse local governments for their share of cost for certain federal emergency assistance programs. In addition, OES administers various state and federal grant programs unrelated to emergencies, including programs that provide assistance to victims of crime.

In recent years, both the number and severity of emergencies experienced by the state has increased. The primary reason for the major increase in SOC activation days in 2020 and 2021 is the state of emergency that has been in place since March 4, 2020 due to the COVID-19 pandemic. Emergencies unrelated to the pandemic have also increased in severity. Most significantly, the state has experienced a notable increase in the severity of wildfires in recent years. While wildfires are a natural part of California's ecosystems, when exacerbated by other factors, such as unhealthy forests, development in fire-prone areas, and the effects of climate change (including hotter temperatures and droughts), they are more problematic and represent a greater threat to lives and property.

OES Base Budget Has Significantly Increased in Recent Years. In recognition of the increased level of emergencies, OES has received numerous augmentations to its base budget, as well as additional positions, in recent years. From 2017-18 to 2021-22, the state operations budget for OES increased by \$237 million, which represents a

109 percent increase. The following summarizes the ongoing augmentations that the state has recently provided OES, which were largely supported by the General Fund.

1. **Strengthening Capabilities.** \$60.6 million and 114 positions in 2021-22 to: (1) augment emergency capacity and capabilities to respond to increasingly complex disasters, security threats, and emergencies; (2) maximize federal funds for disasters; (3) modernize technology and data analytics; and, (4) strengthen equity and connections with vulnerable populations.
2. **Long-Term Recovery Support.** \$37.8 million and 214 positions—110 new positions and 104 positions previously funded on a limited-term basis—in 2021-22 to support recovery efforts, increase federal disaster cost reimbursements for the state and local governments, and enhance programs intended to mitigate the impacts of future disasters.
3. **Mutual Aid Prepositioning.** \$25 million in 2019-20 to preposition existing OES and local resources in areas with identified wildfire threat.
4. **Disaster Planning, Preparedness, and Response.** \$7.4 million and 88 positions in 2019-20 for activities related to disaster planning, preparedness, and response.
5. **Regional Hazardous Materials Response.** \$3.6 million for five positions and vehicles in 2021-22 to respond to emergencies involving hazardous materials.
6. **Transfer of Seismic Safety Commission.** \$2.4 million and six positions in 2020-21 for costs associated with transferring the Seismic Safety Commission to OES.
7. **Wildfire Forecast and Threat Intelligence Center.** \$2 million and five positions in 2020-21 for OES to participate with other state agencies in operating the Wildfire Forecast and Threat Intelligence Center.
8. **Emergency Response Operations.** \$1.6 million and eight positions in regional offices in 2018-19 to support local agencies and coordinate emergency response activities.

Proposed Funding

In total, the Governor's Budget proposes \$227 million (largely from the General Fund) and 163 positions to augment various OES programs in 2022-23. If provided, OES would have 1507.2 positions and a total budget of \$1.97 billion, of which \$1.46 billion is for special programs and grant management in 2022-23. A few of the proposals seeking augmentations are listed below.

1. **Support Capacity.** The Governor's Budget proposes \$5.04 million General Fund, \$3.95 million Federal Trust Fund, \$145,000 State Penalty Fund, \$68,000 bond funds, and 71 positions in 2022-23 and ongoing to provide continuity of operations for an increase in administrative support activities. According to OES, the 71 positions requested reflect permanent support workload needed due to OES' exponential growth. Support functions include financial operations, accounting, legal, communications and technology. To ensure the effective operation of the department, in addition to the direct funding requested, OES has eight total Budget Change Proposals in fiscal year 2022-23 that

generate distributed administration (DA) funding that will fund 33 of the requested 71 support positions. DA costs are those support costs that benefit more than one cost objective/organization unit.

LAO Analysis and Recommendation. This proposal would provide additional staffing for multiple OES functions, including additional executive positions; administration, finance, legal, and audits staff; as well as staff to augment certain programs including emergency response, planning, and preparedness programs. This request is similar to augmentations provided to OES in recent years. Without a strategic plan it is unclear why the resources previously provided were insufficient and what the total level of resources that OES would need to effectively support the state's emergency response goals is. Such information would assist the Legislature in determining the extent to which OES needs additional staff. **Provide 3 year limited term funding.**

2. Logistics Management. The Governor's Budget proposes \$4.89 million ongoing General Fund and 21 positions to improve core operations and effectiveness, foster quality improved projects, enhance emergency response capabilities, and address workforce needs. OES states that the proposed resources will achieve the following:

- Reduce the response time to support multiple statewide activations
- Provide increased support and capabilities during the first 48-72 hours of an extreme event, mitigating loss and increasing logistical support
- Provide enhanced planning activities to ensure local partners and agencies are trained in the use and implementation of standard operating procedures during an event
- Identify and prepare sites throughout California for use as staging areas and first responder basecamps during an event
- Ensure projects meet identified timelines and budgets, ensuring reduced overages and a reduction in resource time
- Provide streamlined processes for the management of projects, increased status tracking, and issue mitigation
- Increased program oversight to ensure effective program management and completion of agency goals and objectives

LAO Analysis. Similar to the support capacity proposal described above, it is unclear why the prior augmentations provided to the OES logistics division were insufficient and whether the requested augmentation achieves the total level of resources necessary to support the state's emergency response goals. For example, the administration indicates that the proposed funding is needed to allow the logistics division to set up multiple staging areas in the case of multiple large-scale emergencies. While this seems reasonable, without a strategic plan, it is unclear whether this proposal supports the number of staging areas that would align with goals for state emergency response capacity and whether other OES emergency response functions have the capacity needed to utilize the multiple staging areas that would be set up by these additional logistics staff. **Provide 3-year limited term funding.**

3. Mission Tasking. The Governor's Budget proposes \$10 million ongoing General Fund to make funding available for transfer, upon order of the Department of Finance, to other state entities for costs incurred to perform activities as a result of mission tasking for incidents not covered by a Governor's proclaimed state of emergency.

LAO Analysis and Recommendation. Mission-Tasking Funding Duplicative of Existing Authority, Circumvents Legislative Oversight—We find the requested \$10 million for mission-tasking funding to be unnecessary for two reasons. First, the proposed funding would allow OES to reimburse departments for costs they incur due to being mission-tasked when other emergency response funding sources are unavailable, such as when a state of emergency has not been declared. However, the Governor’s budget already includes the ability to augment funding for departments for unexpected costs or emergencies. Specifically, Item 9840-001-0001 includes \$40 million to augment departments’ General Fund budgets and Item 9840-001-0494 includes \$15 million to augment departments’ special fund budgets upon approval of the Director of Finance and no sooner than 30 days after notification to the Joint Legislative Budget Committee. We also note that the proposed level of funding for Item 9840-001-0001 is \$20 million higher in 2022-23 than the amount included in the 2021-22 budget.

Second, the Governor’s proposal would allow the administration to transfer the \$10 million from OES to other departments without any legislative notification. Under the proposal, OES would only be required to report by March 1, 2024 on the use of the funds. Thus, such transfers would be subject to considerably less legislative oversight than required by the 9840 items. **Reject the proposal.**

Legislative (LAO)	Analyst’s	Office
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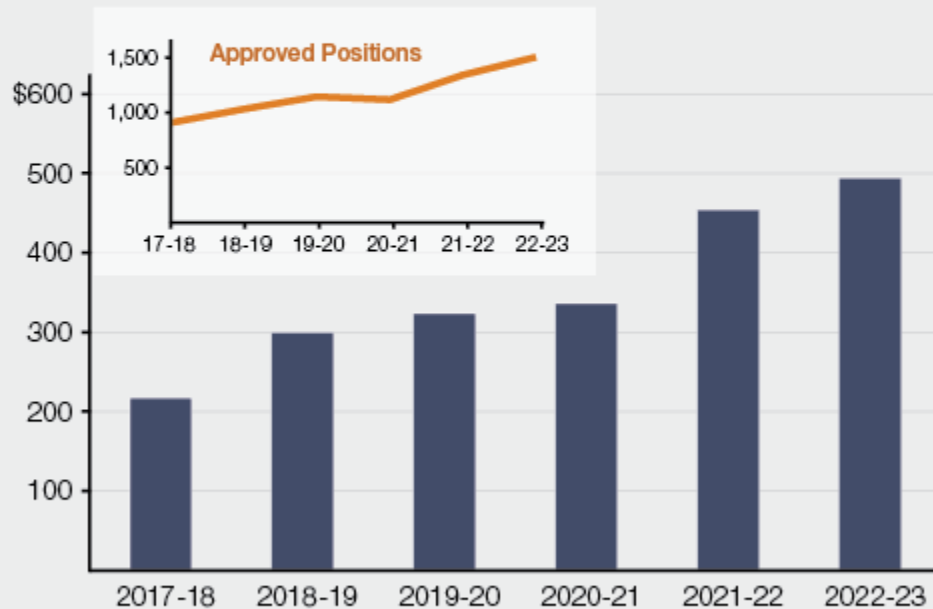
The LAO provides the following overarching analysis and recommendations for the Governor’s OES proposals.

Governor’s Proposals Would Further Increase Base Budget of OES. As discussed earlier in this brief, the state operations budget for OES increased significantly in recent years following the occurrence of major state emergencies—from \$217 million in 2017-18 to \$454 million in 2021-22. If the Legislature were to approve all of the Governor’s operations proposals for OES, the base budget would increase by an additional \$40 million (9 percent) from 2021-22 to 2022-23, as shown in Figure 4 on the following page. (We note that the above numbers and those shown in Figure 4 exclude funding provided over the course of the year to address specific emergencies.)

Figure 4

OES Base Budget and Staffing Have Grown Following Recent Emergencies

State Operation Budget (Dollars in Millions)



OES = Governor's Office of Emergency Services

LAOA

OES Staffing Levels Would Also Further Increase. As also shown in Figure 4, the base staffing levels for OES have also increased since 2017-18. The Governor's proposed staffing level for 2022-23 of 1,507 positions is 598 positions (66 percent) higher than the level approved in the 2017-18 Budget Act.

Positions Requested Each Year for Similar Purposes, but Overall Staffing Plan and Needs Remain Unclear. OES has often requested resources for similar purposes year after year. For example, the 2019-20 budget provided \$7.4 million to support 88 additional positions for disaster planning and preparedness, recovery workload, logistics, administration, and grants management. Similarly, the 2021-22 budget provided a \$60.6 million augmentation to support 114 additional positions for many of the same purposes. OES is requesting staffing increases in 2022-23 for the same or similar functions that it has received staffing augmentations for in prior years. While the additional positions provided in recent years, and proposed by the Governor for the budget year, assist in the operations of OES, the overall staffing needs of the department in both the near and long term are not clear. Moreover, OES lacks a staffing plan that outlines a strategy for addressing identified staffing needs. The absence of clearly identified staffing needs and plan is evident in the department requesting positions for similar functions each year.

Proposals Not Tied to Specific Emergency Response Goals and Objectives Making it Difficult to Assess Their Effectiveness. Given the possibility that an increase in the number and severity of emergencies continues, it is reasonable for the Governor to propose increasing the state's response capacity. While the Governor's proposed approach would provide additional funding to OES for a variety of programs and activities, it is difficult at this time to determine whether the specific proposals reflect the most effective and efficient approach for meeting the state's emergency response needs. This is because the administration has not provided information on what the state's emergency response goals are in both the near and long term. Such goals should take into account the number and type of emergencies OES should be prepared to handle at once. Moreover, it is important for the administration to identify clear objectives that are aligned to each goal and provide a list of potential activities and programs that could effectively help meet specific objectives. Such information could then be used to comprehensively assess the state's existing emergency response capacity and capabilities, such as how emergency response coverage is distributed throughout the state and how current OES capacity fits in with the capabilities of other state departments (such as CalFire), as well as with local and federal emergency responders.

Without the above information, it is very difficult for the Legislature to evaluate: (1) how each of the Governor's proposals is aligned to the state's overall strategy; (2) the extent to which each proposal fills gaps in the state's response capacity in the most cost-effective way; and, (3) how each proposal fits in with the efforts of other state and local emergency responders.

LAO Recommendations

1. Strategic Plan for Enhancing Emergency Response Capacity Needed to Guide Future Budget Decisions. We find that the development of a strategic plan to enhance emergency response capacity would be valuable in assessing future proposals regarding the operations of OES. Specifically, this plan should include:

1. Goals for the level of emergency response capacity the state needs to maintain—such as the number and type of emergencies the state needs to be prepared to respond to simultaneously—and clear objectives for meeting these goals.
2. An assessment of existing emergency response capacity, such as how emergency response capacity is distributed throughout the state and how OES capacity fits in with the capabilities of other responders.
3. Identification of gaps or weaknesses in current response capacity that prevent the state from meeting its emergency response goals.
4. An assessment of the level of staffing necessary to support both base workload and the emergency response capacity goals and a plan for obtaining the needed staffing.

Such a plan would allow the Legislature to determine the extent to which existing OES capacity is insufficient and whether the administration's goals and priorities for enhancing the state's capacity align with its own.

2. Require Review of Base Budget After Completion of Strategic Plan. We recommend that the Legislature also require that the OES base budget be reviewed after the completion of the strategic plan. Such a review would determine the extent to which existing resources are meeting the goals in the strategic plan, whether some resources should be reallocated to higher-priority uses, and the extent to which recent augmentations have already provided the necessary resources. This base budget review, coupled with the strategic plan, would provide the Legislature the information it needs to determine how to allocate funds to enhance the state's emergency response capacity in the most efficient and effective manner. We note that the Department of Finance has a unit that conducts such budget reviews. One option that the Legislature could consider is requesting this unit to review the OES budget, depending on how such a review would fit into the timing and schedule of other budget reviews that the Legislature has requested.

Staff Recommendation: Hold Open.

ISSUE 5: IMPLEMENTING A 9-8-8 BEHAVIORAL/MENTAL HEALTH HOTLINE

The Office of Emergency Services (OES) will provide an overview of the proposal related to 9-8-8.

PANELISTS

- Mark Ghilarducci, Director, OES
- Jessica Peters, Legislative Analyst's Office
- Stephen Benson, Department of Finance

BACKGROUND

The federal National Suicide Hotline Designation Act established 9-8-8 as the new three-digit alternative to 9-1-1 for behavioral or mental health crisis response. The FCC issued Report and Order 18-336 and mandated telecommunication carriers to implement 9-8-8 by July 16, 2022. Before July 2022, when 9-8-8 goes live, states must create a framework to receive and respond to 9-8-8 calls. On December 20, 2021, the U.S. Dept. of Health and Human Services announced \$282 million in investments to help transition the current ten digit number to 9-8-8. Specifically, \$177 million will be used to strengthen the existing Lifeline network operations and telephone infrastructure and \$105 million to build up staffing across local crisis call centers. Most recently, on March 1, the Biden Administration announced an additional \$700 million to “staff up and shore up local crisis centers while also building out the broader crisis care continuum.”

Proposed Funding

The Governor's Budget proposes \$7.52 million General Fund in 2022-23, \$5.98 million ongoing, and 10 positions in response to the Federal Communications Commission (FCC) requirement to implement 9-8-8 nationwide. The requested resources will be used to procure, install, and maintain the 9-8-8 call handling equipment and to develop and implement the 9-1-1 to 9-8-8 interface. The ongoing funding will allow the continued support needed for the 13 existing Lifeline Call Centers across the state to answer 9-8-8 calls, handle the expected 9-8-8 call volume, and transfer calls between 9-1-1 and 9-8-8. OES states that there will be a 30 percent increase in call volumes at existing Lifeline Call Centers. The Lifeline Call Centers report that the existing equipment cannot handle the increased call volume and must be upgraded.

**LEGISLATIVE ANALYST'S OFFICE
(LAO)**

While the Governor's 9-8-8 hotline proposal appears necessary as the system's implementation is federally required, the proposal does not account for potential federal funding available for this purpose through the federal American Rescue Plan Act that was enacted in March 2021. These federal funds could reduce, or potentially replace, the need for state General Fund support. The administration indicates it is currently looking into the availability of federal funds to support the implementation of the 9-8-8 hotline.

LAO Recommendation.

We recommend that the Legislature direct OES to report on the administration's efforts to secure federal funds for implementation of the 9-8-8 hotline. This should include the level of federal funding the state has requested and the potential timing of receiving federal funds if they are awarded to the state. Until the receipt and review of such information, we withhold recommendation the Governor's 9-8-8 hotline implementation proposal.

STAFF COMMENT

OES has stated that according to the California Department of Health Care Services Agency, the federal funding resources announced on December 20, 2021 that have been allocated to California are currently obligated and unavailable for this proposal.

Staff Recommendation: Hold Open.

ISSUE 6: CALIFORNIA EARLY EARTHQUAKE WARNING SYSTEM

The Office of Emergency Services (OES) shall provide an overview of the proposal related to the California Early Earthquake Warning System.

PANELISTS

- Mark Ghilarducci, Director, OES
- Jessica Peters, Legislative Analyst's Office
- Stephen Benson, Department of Finance

BACKGROUND

Chapter 803 of 2016 authorized the development of the CEEW system through a multi-agency partnership including OES, the University of California, the United States Geological Survey, and other stakeholders. When fully deployed, the CEEW system would use a network of 1,115 sensor stations and other related infrastructure to provide warnings several seconds prior to the arrival of an earthquake. These advance warnings would enable individuals, business, and governments to take actions to reduce harm and loss of life from earthquakes.

OES has received the following resources in previous budget years to fund the CEEW.

- \$10 million General Fund and four permanent positions in 2016-17 for Cal OES to begin the buildout of the CEEW System, including installing seismic stations, increasing telemetry speed and pathways, and improving system performance; developing strategies to reduce the latency to distribute alerts; writing the CEEW Business Plan; implementing a comprehensive statewide public service announcement campaign; and providing program oversight through the CEEW Board.
- \$15 million General Fund in 2018-19 to complete the seismic station buildout through interagency agreements to support seismic sensor installation, enhancements of the state microwave network and last-mile telemetry, and research methods to improve earthquake early warning algorithms. Additionally, Cal OES received \$750,000 General Fund ongoing to provide permanent funding for the four positions previously established to support the CEEW Program.
- \$16.3 million General Fund in 2019-20 to finish the build-out of the CEEW System by adding Global Positioning System (GPS) stations to the network, improving telemetry, and launching a statewide education and outreach campaign.
- \$17.3 million California Earthquake Safety fund in 2020-21, funded by a loan from the Schools Land Bank Fund, to support the ongoing maintenance, operation, and education required for the CEEW System to function as intended.

- \$17.3 million General Fund in 2021-22, to support the ongoing maintenance, operation, research, and education required for the CEEW System to function as intended.

Proposed Funding

The Governor's Budget proposes \$17.09 million General Fund ongoing and 3 positions starting in fiscal year 2022-23 for expanded support of ongoing education and outreach, operations, and research and development of the California Earthquake Early Warning

LEGISLATIVE ANALYST'S OFFICE (LAO)

The Governor proposes to make permanent the level of funding that has been provided previously on a one-time basis to support the development of the California Earthquake Early Warning System. While the system is potentially promising, without a strategic plan, it is unclear how the current approach to building out the system would align with overall emergency response goals. For example, it is unclear whether the current efforts to expand the system would provide the highest-priority benefits or whether alternative strategies, such as increased funding for building seismic retrofits, would better mitigate the potential harm from earthquakes.

LAO Recommendation

Approve the proposal with three-year limited term funding, so that it can be reassessed once the plan is available.

STAFF COMMENT

Chapter 803 of 2016, which established the CEEW, also required OES to submit a business plan related to the CEEW in 2018. The report had to include the following provision found in Government Code 8587.12(a)(1)(B):

“Identification of specific sources of funding, including, but not limited to, federal funds, funds from revenue bonds, local funds, general funds, special funds, funds from private sources, and funding from any written agreements with public or private entities to fund components of the program.”

In 2018, OES identified a number of potential financing sources for the CEEW including charges on industries that benefit from the CEEW, charges to transportation providers, charges to EEW technology and service providers, and several others, in addition to the state General Fund. OES has stated that earthquake early warning alerts have been sent out since 2019, and that “millions” of Californians have downloaded the state's MyShake app. Some in the transit sector have also adopted and invested in its own earthquake early warning technology, including Bay Area Rapid Transit and the Los Angeles Metro Rail. Schools and hospitals use public address systems to alert students, staff, and patients. Some public safety agencies have also installed systems that allow for notification, particularly to firefighters. OES anticipates that other industries such as

utilities will also increase their contributions. Staff notes that while these investments are notable, they do not offset the cost of the CEEW.

The updated business plan submitted by OES in 2021 for CEEW stated, “OES continues to explore a sustainable and equitable path to long-term funding with industries and other sectors that will benefit from this technology.” OES has not yet identified any viable funding opportunities, including public/private partnerships or any other funding source other than the General Fund. Staff notes that, should the Legislature approve the permanent, ongoing resources requested in this proposal, no incentive would exist for OES to identify other funding sources that could offset the costs of this program.

Staff Recommendation: Hold Open.

NON-DISCUSSION ITEMS

The Subcommittee does not plan to have a presentation of the items at this time in this section of the agenda but the Department of Finance and the Legislative Analyst's Office are available to answer questions from members. Public Comment may be provided on these items.

0250 JUDICIAL BRANCH

ISSUE 7: VARIOUS BUDGET CHANGE PROPOSALS

1. Improvement and Modernization Fund (IMF). The Governor's Budget proposes provisional budget language authorizing the Director of the Department of Finance to transfer additional General Fund support to the IMF if revenues are lower than expected. The transfer can only occur 30 days after written notification to the Legislature.

LAO Analysis and Recommendations. Based on current projections, the IMF fund balance will effectively be zero at the end of 2022-23. This is generally due to the ongoing decline in criminal fine and fee revenue, which has been even greater during the pandemic for various reasons, such as the temporary suspension of the collection of criminal fines and fees by certain trial courts. As such, it is possible that actual revenues will be even lower than currently projected. Accordingly, the proposed budget language would ensure that the IMF has sufficient funds in 2022-23 to avoid the need for Judicial Council to make midyear expenditure reductions.

But Insolvency Possible in 2023-24. However, absent any additional actions, the IMF will likely face insolvency in future years. Specifically, if revenues and expenditures are similar to the amounts projected in 2022-23, the IMF would become insolvent in 2023-24. We estimate up to \$18 million could be necessary to backfill the IMF unless steps are taken to reduce expenditures from the fund or revenues are greater than anticipated.

LAO Recommendations

1. **Approve Proposed Budget Bill Language.** We recommend the Legislature approve the Governor's proposed provisional budget language as it helps ensure the IMF has sufficient funds to maintain anticipated expenditure levels.
2. **Deposit IMF Revenues Into the General Fund and Eliminate IMF Next Year.** While the Governor's proposal would address potential IMF insolvency in 2022-23, it does not provide a long-term solution to address the IMF's potential insolvency which could occur as early as 2023-24. In order to permanently address the IMF's solvency, as well as increase legislative oversight over the programs and systems currently funded from the IMF, we recommend the Legislature deposit IMF revenues into the General Fund and eliminate the IMF next year. To accomplish this, we recommend that Legislature first direct the judicial branch to provide a report by December 1, 2022 on each of the programs and systems currently supported by the IMF, including information on past expenditures and the

benefits achieved. Based on its review of this report, we recommend that the Legislature shift the programs and systems currently supported by the IMF that it prioritizes to the General Fund and eliminate funding for any remaining programs or systems as part of the 2023-24 budget process. Specifically, we recommend the Legislature evaluate the need for each program and system and its cost-effectiveness relative to all other state programs currently supported by the General Fund and determine what level of funding, if any, is appropriate to provide these programs and systems. This would greatly increase legislative oversight over these programs and systems. Our recommendation to deposit all IMF revenues into the General Fund and eliminate the IMF would offset the additional General Fund costs of the shifted programs and systems.

2. AB 177 Trial Court Backfill. The Governor's Budget proposes requests \$13.4 million ongoing General Fund to backfill revenues lost from the repeal of fees in AB 177. AB 177 repealed various Penal Code and Vehicle Code sections that dealt with predominantly administrative fees which were used generally to cover various court services. The backfill was estimated by a survey of the following eight courts: Contra Costa, Madera, Merced, Monterey, Orange, Riverside, San Diego, and Ventura. The total non-delinquent debt collected was used to extrapolate a percentage of the revenue represented by the repealed fees. Non-delinquent debt was used for the estimate because collection entities were allowed to charge the above listed fees when debtors pay their debt forthwith and will now have to absorb costs that these fees previously covered. The lost revenue represented approximately 2.2% of the total non-delinquent debt collected. To annualize for all 58 courts, the 2.2% was applied to the revenue collected for statewide non-delinquent debt of \$606.8 million. Based on this calculation, it is estimated that the annual revenue lost to the courts is \$13.4 million.

3. Branchwide IT Modernization. The Governor's Budget proposes 27 positions, and \$34.7 million General Fund in 2022-23; 15 additional positions and \$38.8 million General Fund in 2023-24; 8 additional positions and \$40.4 million General Fund in 2024-25; and, a total of 50 positions and \$40.3 million ongoing funding to support Judicial Branch modernization and stabilization efforts for the trial courts, Courts of Appeal, and the Supreme Court. The funds will be used for the recruitment of management, project management, engineers, development architects, and security staff positions. From 2016-17 through 2021-22, the budget provided a total of \$149.4 million for modernization projects including digitization of court records, a statewide electronic filing program, IT modernization, and the online adjudication of traffic violations. A survey conducted with the 58 county trial courts in 2020 identified the following top five priorities: (1) Remote Appearance Technology, (2) Digital Court Records, (3) Next Generation Cloud Services, (4) Digital Services, and (5) Data Driven Forms.

4. Court Of Appeals Court-Appointed Counsel. \$8.3 million ongoing General Fund in 2022-23 to support the Courts of Appeal Court Appointed Counsel Program. This total amount includes \$6.4 million ongoing General Fund for a \$15 rate increase for non-capital appeal appointments, and \$1.9 million for a permanent 10.5 percent increase in the Project Offices annual contracts. The increase funding is proposed to address and support significant increases in the cost of rent, technology enhancements, staff salaries (5% salary adjustment) and health benefits for the annual contracts of the Courts of Appeal's Court Appointed Counsel Project Offices.

5. Electronic Filing for Restraining Orders (AB 887 and SB 538). The Governor's Budget proposes \$2.6 million General Fund in 2022-23 and three positions and \$1.7 million in 2023-24 and ongoing to implement, support, and maintain electronic filing interfaces for domestic violence restraining orders, domestic temporary restraining orders, and gun violence restraining orders at all trial courts. AB 887 requires courts to accept petitions for domestic violence restraining orders and domestic temporary restraining orders that are submitted electronically. SB 538 facilitates the filing of a domestic violence restraining order and gun violence restraining order by allowing petitions to be submitted electronically and hearings to be held remotely.

6. Judicial Branch Data and Information Governance. The Governor's Budget proposes \$15 million General Fund in 2022-23 and 11 positions and \$3.75 million General Fund ongoing beginning in 2023-24 to establish and implement branch data and information governance and expand the technology platform needed to improve and expand Judicial Branch data access, use, and sharing. This proposal is consistent with similar data governance efforts undertaken by the state Department of Health and Human Services, CalPERS, and the Department of Technology, among others. Currently there are no dedicated resources for the Judicial Branch's data analytics program. Earlier budget allocations included one-time funding for staff infrastructure that were used to hire temporary, contracted staff to carry out the pilots.

7. Probate Conservatorship Report (AB 1194). The Governor's Budget proposes \$1.25 million one-time General Fund in 2022–2023 to support costs of producing a comprehensive study of probate conservatorships in California and developing statewide recommendations, as required by AB 1194 which requires the Judicial Council, on or before January 1, 2024, to report to the Legislature the findings of a study of at least three courts measuring court effectiveness in conservatorship cases. The study must, in particular, measure effectiveness in protecting the legal rights and best interests of a conservatee and must also include recommendations for statewide performance measures to be collected, best practices that serve to protect the legal rights of conservatees, and staffing needs to meet case processing requirements.

8. Public Access Staffing. The Governor's Budget proposes \$1.2 million General Fund in 2022-23 and 4 positions and \$1.1 million in 2023-24 and ongoing to address the volume and work related to requests for legal guidance and support with public access requirements for judicial branch administrative records and proceedings. According to the Judicial Council, the additional employees proposed will provide timely, consistent, and high-quality legal services to address an escalating number of public access related responsibilities.

9. Trial Court Facility Modifications. The Governor's Budget proposes \$15.4 million ongoing General Fund, and \$4.0 million ongoing State Court Facilities Construction Fund reimbursement authority to address facility modifications in trial courts providing longevity of the state's assets, extending the useful life of building systems, and replacing aged systems in a timely manner to mitigate the risk of system failure.

10. Butte County—Juvenile Hall Additional and Renovation. The Governor's Budget proposes \$3.19 million General Fund for the Construction phase of the Butte County Juvenile Hall. The project will provide an addition of approximately 600 square feet and

renovate approximately 1,300 square feet of court exclusive space in the existing Butte County Juvenile Hall in Oroville. The total estimated project cost is \$3.8 million.

11. Fresno County—New Fresno Courthouse. The Governor's Budget proposes \$21.16 million General Fund for the acquisition of the New Fresno Courthouse in Fresno County. The project will provide construction of a new 36-courtroom courthouse of approximately 413,000 square feet and will also require acquisition of a 2.09 acres site. The estimated total project cost is \$749,369,000. The project will require acquisition of a site of approximately 2.09 acres.

12. Los Angeles County—New Santa Clarita Courthouse. The Governor's Budget proposes \$53.05 million General Fund for the Acquisition (\$41.75 million) and Performance Criteria (\$11.3 million) phases of the New Santa Clarita Courthouse in Los Angeles County. The project will provide construction of a new, 24-courtroom courthouse of approximately 278,000 square feet and will also require acquisition of a 4.53 acre site. The estimated total project cost is \$519,561,000.

13. Mendocino County—New Ukiah Courthouse. The Governor's Budget proposes \$127.21 million Lease Revenue Bonds for the Design-Build phase of the Mendocino—New Ukiah Courthouse. The project will provide construction of a new, 7-courtroom courthouse of approximately 82,000 square feet. The estimated total project cost is \$135.87 million. The project will be located on a Judicial Council owned site located in the city of Ukiah and will replace an existing aging building owned by the county that has no secure in-custody access or circulation, and two entire floors without elevators or Americans with Disabilities Act accessibility.

14. Plumas County—New Quincy Courthouse. The Governor's Budget proposes \$7.06 million General Fund for the Acquisition (\$3.96 million) and Performance Criteria (\$3.1 million) phases of the New Quincy Courthouse in Plumas County. The project will provide construction of a new 3-courtroom courthouse of approximately 54,000 square feet and will also require acquisition of a 1.88 acre site. The estimated total project cost is \$100.89 million.

15. San Bernardino County—Juvenile Dependency Courthouse Addition. The Governor's Budget proposes \$721,000 General Fund for the Working Drawings phase for the San Bernardino Juvenile Dependency Courthouse. The project provides for an approximately 5,000 square feet addition for two courtrooms, associated clerical space, and a lobby expansion at the current Juvenile Dependency Courthouse. The estimated total project cost is \$9.43 million.

16. San Luis Obispo County—New San Luis Obispo Courthouse. The Governor's Budget proposes \$29.17 million General Fund for the acquisition of the New San Luis Obispo Courthouse in San Luis Obispo County. The project will provide construction of a new, 12-courtroom courthouse of approximately 145,000 square feet and also requires the acquisition of a 2.5 acre site. The estimated total project cost is \$291.9 million.

17. Solano County—New Solano Hall of Justice (Fairfield). The Governor's Budget proposes \$21.41 General Fund for the Acquisition (\$16.49 million) and Performance Criteria (\$4.91 million) phases of the New Solano Hall of Justice (Fairfield). The project will provide construction of a new 12-courtroom courthouse of approximately 141,000

square feet and also requires the acquisition of a 2.94 acre site. The total estimated project cost is \$265.12 million.

18. Judgeships. The Governor's Budget proposes \$42.6 million in 2022-23 and \$42.3 million ongoing for 23 additional superior court judgeships, including associated security costs. The judgeships will be allocated based on the Judicial Council's 2020 Judicial Needs Assessment. If approved, this proposal will fully fund and fill all judgeships authorized under the current law.

19. Civil Assessment Fees. The Governor's Budget proposes trailer bill language to reduce the civil assessment fee from \$300 to \$150 and \$50 million ongoing General Fund to backfill the resulting loss in revenue for trial courts.

0690 OFFICE OF EMERGENCY SERVICES

ISSUE 8: VARIOUS BUDGET CHANGE PROPOSALS

1. Peace Officer and Law Enforcement Legislative Requirements (AB 481). (Please note this proposal includes implementation funding for other state departments in other subcommittees) The Governor's Budget proposes \$418,000 ongoing and 2 positions for OES to comply with AB 481 which requires all law enforcement agencies to obtain approval from their applicable governing body before they can request to acquire military equipment through the 1033 Program. AB 481 would also require similar approval for the continued use of military equipment acquired prior to January 1, 2022. This bill would also require a yet to be determined state agency to create a military equipment use policy. OES states that the two positions are needed to confirm requesting law enforcement agencies had their governing body approval in place and cover any potential legal oversight requirement changes to the 1033 Program.

LAO Analysis and Recommendation. We find the request for two positions to verify whether local law enforcement agencies have approval of their local governing body before accepting military equipment to be unnecessary. First, Chapter 406 does not require OES to verify whether local law enforcement agencies have approval of their local governing bodies to accept military equipment. Furthermore, even if the Legislature wanted OES to perform this task, it is unclear why OES cannot absorb this workload within its existing resources. **Reject the proposal.**

2. Addressing Heightened Risks Through Enhanced Partnerships. The Governor's Budget proposes \$5.51 million General Fund and \$291,000 Federal Trust Fund in 2022-23, \$4.81 million General Fund and \$291,000 Federal Trust Fund ongoing, and 20 positions to address regional response capacity and partnerships with local governments and others. OES' emergency response structure is designed under the Standardized Emergency Management System (SEMS), which unifies all elements for the state's emergency management communities into a single integrated system and standardizes key elements. While local jurisdictions and counties implement the State Emergency Plan at their level, the Emergency Services Act makes clear the State's overall responsibility and OES facilitates coordination and cooperation amongst and between the State, counties, and local jurisdictions. The SEMS overarching approach recognizes that the

impacts of disaster occur, ultimately, at the local level. Because of this, SEMS takes a layered approach, with local governments, followed by counties, having primary responsibility until their respective capabilities are exceeded. To serve as this focal point, OES has three regions (Coastal, Inland, and Southern) that work with each of the 58 counties. While other Cal OES directorates and programs may be the lead for a grant or specific effort, such as preparedness and mitigation programs or post-disaster long-term recovery, the region staff is the entree point to the county.

LAO Analysis and Recommendation. As previously mentioned, this proposal would: (1) increase staffing across all three OES regional offices; and, (2) support staffing and lease costs for a new Southern Region satellite office in San Diego that OES recently started with emergency COVID-19 response funding. While increasing regional office staffing could be reasonable, without a strategic plan, it is difficult to assess whether it is necessary given the state's existing response capacity. The proposal also highlights the need for a strategic plan in other ways. Because OES did not have a strategic plan that included an assessment of how its response capacity is distributed throughout the state, it had not identified a critical gap in geographic coverage near the international border in the San Diego region. OES only identified this issue when it became more acute during the initial response to the COVID-19 pandemic as it took staff from the Southern Regional Office in Orange County a significant amount of time to commute to San Diego. Accordingly, OES was forced to quickly establish a new satellite office while also managing COVID-19 emergency response activities. While the San Diego satellite office appears needed, the process used to create the office forced OES to redirect staff who could have otherwise been engaged in direct emergency response activities. **Provide three-year limited term funding.**

3. Enhancing the Fire and Rescue Mutual Aid Fire Fleet. The Governor's Budget proposes \$11.18 million General Fund in 2022-23, \$10.86 million ongoing General Fund, and 11 positions to enhance the California State Fire and Rescue Mutual Aid System (System) specific to fire fleet. In California, federal, state, and local government fire agencies have their own firefighting personnel and resources and are responsible to use them to support their own jurisdictions during continuous times of peril, but they cannot carry the burden alone. Through OES, the Fire and Rescue Division provides these agencies the firefighting and rescue surge capacity needed to offset their deficiency to combat these incidents. Given the severity and frequency of wildfires in California, the potential for earthquakes, floods, mud and debris flows, hazardous materials incidents, etc., the workload for the Fire and Rescue Division has increased. In addition to the workload directly associated with fire and rescue response, these disasters require additional technical expertise, equipment, and training related to the fire and rescue field.

4. Fire and Rescue Training. The Governor's Budget proposes \$4.05 million General Fund in 2022-23, \$3.998 million ongoing, and 8 positions to enhance the California State Fire and Rescue Mutual Aid System (System) by transferring training operations from the California Fire and Rescue Training Authority (CFRTA) to the California Specialized Training Institute (CSTI). OES is currently a party with Sacramento City and Sacramento Metropolitan Fire Departments in the CFRTA. OES has sent a letter to all parties requesting to dissolve the Joint Powers Authority and transfer operations to CSTI. OES will continue essential training to public safety members through the CSTI campus.

LAO Analysis and Recommendation. We find that this proposal is difficult to assess in the absence of a strategic plan. First, the proposal would replace an existing state-local partnership with a state-run program at a significantly higher cost. Specifically, under the proposal, OES would spend \$2 million more annually to provide the training. It is unclear whether and to what extent this approach would provide an increased level of service. To the extent the proposal would support an increased level of service, without a strategic plan, it is unclear if such an increase is necessary.

Second, for the \$1 million annually for local urban search and rescue teams, it is unclear whether providing funding for these local teams should be a state responsibility. For example, it is unclear whether the funding would simply replace local funding or increase the capacity of these teams. Moreover, without a strategic plan that outlines a long-term strategy on the use of local search and rescue teams, it is unclear if any increase in capacity is necessary.

Third, the proposal includes funding to align reimbursements provided to local governments for their cost of participating in mobile training exercises for search and rescue teams with their current actual costs. Adjusting the reimbursement rate to better reflect current costs appears reasonable. However, without a strategic plan, it is unclear whether the number of mobile training exercises funded would align with the state's capacity goals. **Provide three-year limited term funding.**

5. Headquarters Modernization. The Governor's Budget proposes \$5.23 million one-time General Fund in 2022-23 and \$1.96 million in 2023-24 for support costs associated with two authorized capital outlay projects for the construction phase of State Operations Center modification.

LAO Recommendation. Approve the proposal.

6. Mather: Headquarters Lobby Security Enhancements. The Governor's Budget proposes \$198,000 General Fund for the working drawings phase and \$1.11 million General Fund for the construction phase of the Mather: Headquarters Lobby Security Enhancements project. Of the construction phase request, \$855,000 for the construction contract, \$60,000 for contingency, \$83,000 for architectural and engineering services, \$60,000 for agency retained items, and \$53,000 for other project costs. The preliminary plans phase began September of 2021. The estimated total project costs are \$1.41 million and construction is anticipated for completion by November 2023.

LAO Recommendation. Approve the proposal.

7. Mather: Security Checkpoint Enhancements. The Governor's Budget proposes \$351,000 General Fund for the working drawing phase of this continuing project to install two permanent check points and upgrade existing entryway gates at the North and West entrances of the main parking lot. The preliminary plans phase began July 2021 with expected completion by July 21, 2022.

LAO Recommendation. Approve the proposal.

8. Mather: Security Checkpoint Support. The Governor's Budget proposes \$200,000 ongoing General Fund for support costs related to the Headquarters Security Checkpoint

Enhancement Capital Outlay project. This proposal will supplement an existing security contract to add two additional security guards.

LAO Recommendation. Approve the proposal.

9. Mather: State Operations Center Modification. The Governor's Budget proposes \$1 million General Fund for equipment and \$8.93 million General Fund for the construction phase of the State Operations Center (SOC) modification. The project will change the SOC from a tiered theatre style seating arrangement with computers to a flat workspace with work pods, add additional workstations, redesign and reconstruct the State Warning Center, and replace the aging technology video wall with the most current technology available. The estimated total project costs are \$17.54 million.

LAO Recommendation. Approve the proposal.

10. CA Disaster Assistance Act Adjustment (CDAA). The Governor's Budget proposes a one-time increase of \$114.03 million General Fund in 2022-23 and an ongoing increase of \$37.39 million to the existing annual \$62.61 million General Fund baseline, for a proposed 2022-23 total of \$176.64 million and a new ongoing annual baseline total of \$100 million to provide financial assistance to local governments for cost incurred as a result of disasters in California. The CDAA authorizes OES to administer a disaster assistance program that provides financial assistance from the state for costs incurred by local governments as a result of a disaster event. CDAA provides for the reimbursement of local government costs including funding for the repair, restoration, or replacement of public real property damaged or destroyed by a disaster. For federally declared disasters, the federal government covers 75 percent of eligible reimbursed costs and the state and local governments cover the remaining 25 percent at 18.75 percent and 6.25 percent, respectively. For state declared disasters, the state covers 75 percent of total eligible costs and the local government share is 25 percent.

LAO Recommendation. Approve the proposal.

11. Fire Integrated Real-Time Intelligence System (FIRIS). The Governor's Budget proposes \$30 million ongoing General Fund and 31 positions (\$24.4 million and 11 positions for Cal OES and \$5.6 million and 20 positions for CAL FIRE) beginning in 2022-23 to establish and operate a state level mutual aid asset known as the Fire Integrated Real-Time Intelligence System (FIRIS) – An All-Hazards Intelligence Platform, which enhances public safety, the mutual aid response system and situational awareness in real-time for all-hazard prediction and evaluation models, primarily for all-hazard response, to include primarily wildfires, but also mud slides, flooding, earthquakes, avalanches, urban and wilderness search and rescue events, environmental emergencies such as oil spills and hazardous material releases, preliminary and post-disaster damage assessments and fire management assistance grants.

This proposal was heard in Assembly Budget Subcommittee No. 3 on February 2, 2022.

12. Wildfire and Forest Resilience Package. The Governor's Budget proposes \$1.2 billion for forest health and fire prevention across two years, to build the state's resilience to wildfires, while restoring critical watersheds and bolstering local economies. This investment builds on the \$1.5 billion investment the previous year, realizing a coordinated,

scientific, state-wide approach to mitigating catastrophic wildfires. This request includes \$800 million General Fund and \$400 million Greenhouse Gas Reduction Fund (GGRF) across fiscal years 2022-23 and 2023-24—\$400 million General Fund and \$200 million GGRF in each year.

This proposal was heard in Assembly Budget Subcommittee No. 3 on February 2, 2022.

13. Emergency Services: Vulnerable Populations (AB 580). The Governor's Budget proposes \$1.41 million General Fund ongoing and 6 positions to review the emergency plans of each county to determine whether the plans are consistent with access and functional needs best practices and provide technical assistance, consistent with the requirements of Chapter 744, Statutes of 2021 (AB 580).

LAO Recommendation. Approve the proposal.

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