



**Judicial Council of California**  
**ADMINISTRATIVE OFFICE OF THE COURTS**

OFFICE OF GOVERNMENTAL AFFAIRS  
770 L Street, Suite 1240 • Sacramento, California 95814-3368  
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TANI G. CANTIL-SAKAUYE  
*Chief Justice of California*  
*Chair of the Judicial Council*

STEVEN JAHR  
*Administrative Director of the Courts*

CORY T. JASPERSON  
*Director, Office of Governmental Affairs*

April 5, 2013

Hon. Bob Wieckowski, Chair  
Assembly Judiciary Committee  
State Capitol, Room 4016  
Sacramento, California 95814

Subject: AB 566 (Wieckowski), as introduced – Oppose  
Hearing: Assembly Judiciary Committee – April 9, 2013

Dear Assembly Member Wieckowski:

The Judicial Council regrets to inform you of its opposition to AB 566 which would restrict the trial courts' ability to contract out for personal services. However we are committed to working with you and the sponsor to address our concerns.

AB 566 would require courts to demonstrate actual cost savings for the duration of any contract and award contracts through competitive bidding processes, while also not allowing courts to approve contracts solely because savings will be achieved through lower contractor pay rates or if the contract results in the displacement of any trial court employee.

The Judicial Council opposes AB 566 because the bill:

- inhibits the trial courts' ability to manage their staff and resources, which is critical in view of ongoing cuts to the trial courts' budgets over the last five years. The flexibility of contracting out for certain services is integral to the trial courts' ability to meet their budget obligations while also providing access to justice for the public.

- reduces local control and discretion over trial court management. Trial courts are uniquely independent and different from one another and each presiding judge has the responsibility to manage the court in a manner deemed appropriate to the unique characteristics of that court and its court users. Restrictions on the way trial courts provide for appropriate staffing reduces their ability to serve the public. Many courts currently contract for services, such as child custody evaluations and probate investigations. In light of judicial branch autonomy, and taking into consideration the budget crisis facing the trial courts, the courts should not be hampered in their ability to provide court services, even with respect to personal service contracts.
- inhibits smaller courts from contracting with other courts for such services as collections, which would be more costly for the courts to do individually.
- contains issues that are more appropriately addressed at the local level through collective bargaining agreements. Currently, trial courts bargain individually with labor unions for their employee collective bargaining agreements, which may or may not include provisions that allow or restrict contracting out for personal services. Applying one-size-fits-all contracting restrictions to the 58 uniquely different trial courts unnecessarily interferes with the ability of the trial courts and the respective bargaining units to enter agreements they consider best for their individual courts, court users and court employees.

AB 566 is modeled after a Government Code section that limits contracting in the executive branch for services that could be performed by civil service employees (Gov. Code, § 19130). This contracting restriction model is inappropriate for the trial courts because, unlike the executive branch agencies, the trial courts are not a unified, statewide entity, as are the executive branch agencies, and each of the 58 trial courts is managed and operated independently. A further factor differentiating the trial courts and executive branch agencies is that most executive branch agencies can impose limitations and controls on the amount of work they receive, the number and types of people they serve, and the services provided. In contrast, trial courts must accept all filings from the public, have no control over the number and type of cases they must process, and have no ability to limit court users. In order to effectively manage their caseloads, courts need flexibility in managing their costs and contracts.

Finally, AB 566 is overly broad and restrictive. Though it includes some of the same restrictions on contracting that currently apply to executive branch agencies, K-12 school districts, and community colleges, it differs from these other statutes by including additional restrictions for contracts over \$100,000 and AB 566 does not include the list of exceptions to the contracting out restrictions that are present in other statutes. (see attachment). Further, when contracting restrictions were extended to new entities (K-12 schools and community colleges), they included a "grandfather clause" allowing for the continuation and renewal of existing contracts without being affected by the new restrictions, which AB 566 does not include.

Hon. Bob Wieckowski

April 5, 2013

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The Judicial Council is open to engaging in discussions about the bill and would be happy to work with you and your staff on alternative approaches to addressing your underlying concerns that are more workable for the courts.

Sincerely,

A handwritten signature in black ink that reads "Theresa Taylor-Carroll". The signature is written in a cursive, flowing style.

Theresa Taylor-Carroll  
Assistant Director

Attachment

TTC/lmb

cc: Members, Assembly Judiciary Committee  
Ms. Leora Gershenzon, Counsel, Assembly Judiciary Committee  
Mr. Paul Dress, Consultant, Assembly Republican Office of Policy  
Ms. June Clark, Deputy Legislative Secretary, Office of the Governor

Attachment to AB566 Letter

The following exceptions are modeled after other Personal Services Contracting Statute exceptions. Personal services contracting should be permissible when any of the following conditions can be met;

- (1) The functions contracted are exempted from civil service by Section 4 of Article VII of the California Constitution, which describes exempt appointments.
- (2) The contract is for a new trial court function and the Legislature has specifically mandated or authorized the performance of the work by independent contractors.
- (3) The services contracted are not available from court's trial court employees, cannot be performed satisfactorily by the trial court's employees, or are of such a highly specialized or technical nature that the necessary expert knowledge, experience, and ability are not available from the court's trial court employees.
- (4) The services are incidental to a contract for the purchase or lease of real or personal property. Contracts under this criterion, known as "service agreements," shall include, but not be limited to, agreements to service or maintain office equipment or computers that are leased or rented.
- (5) The legislative, administrative, or legal goals and purposes cannot be accomplished through the utilization of persons selected pursuant to the regular process for hiring trial court employees. Contracts are permissible under this criterion to protect against a conflict of interest or to insure independent and unbiased findings in cases where there is a clear need for a different, outside perspective.
- (6) In cases of emergency where a contract is necessary for the immediate preservation of the public health, welfare, or safety, or protection of state property, as authorized under sections 10340 and 12102 of the Public Contract Code.
- (7) The contractor will provide equipment, materials, facilities, or support services that could not feasibly be provided by the court in the location where the services are to be performed.
- (8) The contractor will conduct training courses for which appropriately qualified trial court employee instructors are not available from the court, provided that permanent instructor positions shall be filled through the process for hiring trial court employees.
- (9) The services are of such an urgent, temporary, or occasional nature that the delay incumbent in their implementation under the process for hiring trial court employees would frustrate their very purpose.



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*Director, Office of Governmental Affairs*

April 25, 2013

Hon. Mike Gatto, Chair  
Assembly Appropriations Committee  
State Capitol, Room 2114  
Sacramento, California 95814

Subject: AB 566 (Wieckowski), as introduced – Oppose and Fiscal Impact Statement  
Hearing: Assembly Appropriations Committee – May 1, 2013

Dear Assembly Member Gatto:

The Judicial Council regrets to inform you of its opposition to AB 566 which would all but eliminate the trial courts' ability to contract out for personal services. In addition, in its current form, AB 566 poses significant financial burdens to the courts, burdens which pose undue hardships to court users and public safety because of the budget reductions courts already face. Nevertheless, we are committed to working with the bill's author and sponsor to address our concerns.

AB 566 requires trial courts to demonstrate actual cost savings for the duration of every personal services contract but does not allow this cost savings to be achieved through lower contractor pay rates or benefits. Further, the contract cannot cause any existing trial court employee to lose their job, seniority, or experience a reduction in wages, benefits, hours, or an involuntary transfer requiring a change in residence. In other words, AB 566 would require courts to use court employees to perform many services even if it would be more cost effective for courts to contract for these services.

The Judicial Council opposes AB 566 because the bill:

- inhibits the trial courts' ability to manage their staff and resources, which is critical in view of ongoing cuts to the trial courts' budgets over the last five years. The flexibility of contracting out for certain services is integral to the trial courts' ability to meet their budget obligations while also providing access to justice for the public.
- reduces local control and discretion over trial court management. Trial courts are uniquely and constitutionally independent, as well as different from one another. Each presiding judge has the responsibility to manage the court in a manner deemed appropriate to the unique characteristics of that court and its court users. Restrictions on the way trial courts provide for appropriate staffing reduces the courts' ability to serve the public. Many courts currently contract for services, such as child custody evaluations and probate investigations. In light of judicial branch autonomy, and taking into consideration the budget crisis facing the trial courts, the courts should not be hampered in their ability to provide court services, even with respect to personal service contracts.
- inhibits smaller courts from contracting with other courts for such services as collections, which would be more costly for the courts to do individually.
- affects circumstances that are more appropriately addressed at the local level through collective bargaining agreements. Currently, trial courts bargain individually with labor unions for their employee collective bargaining agreements, which may or may not include provisions that allow or restrict contracting for personal services. Applying one-size-fits-all contracting restrictions to the 58 trial courts unnecessarily interferes with the ability of the trial courts and the respective bargaining units to enter agreements they consider best for their individual courts, court users and court employees.

AB 566 appears to be modeled after a Government Code section that limits contracting in the executive branch for services that could be performed by civil service employees (Gov. Code, § 19130). This contracting restriction model is inappropriate for the trial courts because, unlike the executive branch agencies, the trial courts must operate independently from one jurisdiction to the next. Moreover, most executive branch agencies can manage the amount of work they receive, the number and types of people they serve, and the services provided. In contrast, trial courts must accept all filings from the public, have no control over the number and type of cases they must process, and have no ability to limit court users. In order to effectively manage their caseloads, courts need flexibility in managing their costs and contracts.

Finally, AB 566 as currently drafted is overly broad and restrictive. Though it includes some of the same restrictions on contracting that apply to executive branch agencies, K-12 school districts, and community colleges, it differs from these other statutes by including additional restrictions for contracts over \$100,000. Additionally, AB 566 does not include the list of exceptions to the contracting restrictions that are present in the other statutes. (see attachment). Finally, when contracting restrictions were extended to new entities (K-12 schools and

community colleges), the legislation included a “grandfather clause” allowing for the continuation and renewal of existing contracts without being affected by the new restrictions. The most recent amendments to AB 566 explicitly preclude the ability of the trial courts to renew existing contracts for services.

In addition to these substantive issues, AB 566 in its current form would pose significant financial and staffing hardships on the courts. Smaller courts contract for services for which there isn’t enough work to warrant hiring a trial court employee or where, in the case of rural courts, there isn’t the skilled workforce to hire from. Based on feedback from three small courts, the additional costs of having to hire staff rather than contract for services under these circumstances would be a minimum of \$400,000 a year. One court explained, “If the law precludes the Court from contracting for services we currently obtain from an independent contractor, there would most probably be a reduction in services. For example, between our employee Self-Help Assistant and the [Family Law Facilitator]/Self-Help Attorney we staff our Self-Help Center 72 hours/week.... We would not be able to provide this level of service if we were required to convert the FLF/Self-Help Attorney to an employee.” Another court stated that “there are not...qualified individuals within our County to hire as employees for the services we require.” That county further explained that the contracts it has are in place “because these individuals are necessary for...court users, and without a contract, the court wouldn’t have these services.”

There are 37 courts that are considered small or very small. Impacts of \$400,000 per year for just these courts would total \$14.8 million.

The negative fiscal impacts of AB 566 on mid-sized courts are significant, as well. Estimates provided by three courts ranged widely. One court said that the cost to convert just one contract, a traffic citation scanning contract, into employees would cost \$614,000 for the one-time costs and \$175,000 in ongoing annual expenses. The other courts said the impacts on their budgets could range from over \$900,000 per year in new costs to as much as \$3.3 million, depending on which contracts would be subject to the terms of AB 566.

There are 12 courts that are considered medium in size. If, per AB 566, the work performed under a single contract was required to be performed by employees, the costs to just these mid-size courts would be \$2.1 million annually for one contract. These courts have a dozen or more contracts, the terms and circumstances of which may result in the application of AB 566.

The negative fiscal impacts of AB 566 on the state’s nine largest courts should AB 566, in its current form, become law will be in the millions of dollars annually. That’s because some of the larger courts have begun to take advantage of significant advances in technology and innovation for their court operations. To subject contracts for e-services and other functions that can be performed more efficiently by technology to the stringent parameters of the bill as its written would require these larger courts to sacrifice efficiency for additional personnel. And the high cost of the new personnel will, logically, reduce the funds available for other existing court services. According to one court, AB 566 “‘freezes’ business practices at how we have always

done it. The proposal appears to discourage innovation and the use of new technology in favor of maintaining the method and type of services as they were 'customarily' performed. Restraining the courts from improving [their] business practices is poor public policy....Recent innovations like e-filing, and even ancient innovations like automated case management...would probably be precluded by this proposal. Had this bill been in place such innovation would never have taken place."

The Judicial Council is open to engaging in discussions about the bill and would be happy to work with you and your staff on alternative approaches to addressing your underlying concerns that are more workable for the courts.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cory Jasperson', with a long, flowing horizontal line extending to the right.

Cory T. Jasperson  
Director

CTJ/AL/yc-s  
Attachment

cc: Members, Assembly Appropriations Committee  
Hon. Bob Wieckowski, Member of the Assembly  
Mr. Chuck Nicol, Principal Consultant, Assembly Appropriations Committee  
Mr. Allan Cooper, Fiscal Consultant, Assembly Republican Fiscal Office  
Ms. June Clark, Deputy Legislative Secretary, Office of the Governor  
Ms. Madelynn McClain, Budget Analyst, Department of Finance



The following exceptions are modeled after other Personal Services Contracting Statute exceptions. Personal services contracting should be permissible when any of the following conditions can be met;

- (1) The functions contracted are exempted from civil service by Section 4 of Article VII of the California Constitution, which describes exempt appointments.
- (2) The contract is for a new trial court function and the Legislature has specifically mandated or authorized the performance of the work by independent contractors.
- (3) The services contracted are not available from court's trial court employees, cannot be performed satisfactorily by the trial court's employees, or are of such a highly specialized or technical nature that the necessary expert knowledge, experience, and ability are not available from the court's trial court employees.
- (4) The services are incidental to a contract for the purchase or lease of real or personal property. Contracts under this criterion, known as "service agreements," shall include, but not be limited to, agreements to service or maintain office equipment or computers that are leased or rented.
- (5) The legislative, administrative, or legal goals and purposes cannot be accomplished through the utilization of persons selected pursuant to the regular process for hiring trial court employees. Contracts are permissible under this criterion to protect against a conflict of interest or to insure independent and unbiased findings in cases where there is a clear need for a different, outside perspective.
- (6) In cases of emergency where a contract is necessary for the immediate preservation of the public health, welfare, or safety, or protection of state property, as authorized under sections 10340 and 12102 of the Public Contract Code.
- (7) The contractor will provide equipment, materials, facilities, or support services that could not feasibly be provided by the court in the location where the services are to be performed.
- (8) The contractor will conduct training courses for which appropriately qualified trial court employee instructors are not available from the court, provided that permanent instructor positions shall be filled through the process for hiring trial court employees.
- (9) The services are of such an urgent, temporary, or occasional nature that the delay incumbent in their implementation under the process for hiring trial court employees would frustrate their very purpose.



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May 29, 2013

Hon. Bob Wieckowski  
Member of the Assembly  
State Capitol, Room 4016  
Sacramento, California 95814

Subject: AB 566 (Wieckowski), as amended May 24, 2013 – Oppose

Dear Assembly Member Wieckowski:

The Judicial Council regrets to inform you of its continuing opposition to AB 566 which would severely hamper the trial courts' ability to contract with private entities for personal services. The council appreciates the May 24, 2013, amendments in that they allow the trial courts to contract with one another and with other local government entities. The council looks forward to working with you on additional amendments to address the trial courts' concerns. While the May 24, 2013, amendments take steps in the right direction in clarifying the breadth and applicability of the bill, AB 566 continues to place extreme and undue burdens on the trial courts' ability to enter into personal services contracts.

AB 566 requires trial courts to demonstrate actual cost savings for the duration of every personal services contract but does not allow this cost savings to be achieved through lower contractor pay rates or benefits. Further, the contract cannot cause any existing trial court employee to lose their job, seniority, or experience a reduction in wages, benefits, hours, or an involuntary transfer requiring a change in residence. In other words, AB 566 would require courts to use court employees to perform many services even if it would be more cost effective for courts to contract for these services. AB 566 also imposes audit requirements on courts that do enter into private contracts that are far more extensive and costly than requirements placed on other government entities.

The Judicial Council opposes AB 566 because the bill:

- inhibits the trial courts' ability to manage their staff and resources, which is critical in view of ongoing cuts to the trial courts' budgets over the last five years. The flexibility of contracting out for certain services is integral to the trial courts' ability to meet their budget obligations while also providing access to justice for the public.
- reduces local control and discretion over trial court management. Trial courts are uniquely and constitutionally independent, as well as different from one another. Each presiding judge has the responsibility to manage the court in a manner deemed appropriate to the unique characteristics of that court and its court users. Restrictions on the way trial courts provide for appropriate staffing reduces the courts' ability to serve the public. Many courts currently contract for services, such as child custody evaluations and probate investigations. In light of judicial branch autonomy, and taking into consideration the budget crisis facing the trial courts, the courts should not be hampered in their ability to provide court services, even with respect to personal service contracts.
- inhibits courts from contracting for services that are only needed on a part-time or temporary basis making it cost prohibitive to hire employees to perform those services.
- affects circumstances that are more appropriately addressed at the local level through collective bargaining agreements. Currently, trial courts bargain individually with labor unions for their employee collective bargaining agreements, which may or may not include provisions that allow or restrict contracting for personal services. Applying one-size-fits-all contracting restrictions on the 58 trial courts unnecessarily interferes with the ability of the trial courts and the respective bargaining units to enter agreements they consider best for their individual courts, court users and court employees.

AB 566 appears to be modeled after a Government Code section that limits contracting in the executive branch for services that could be performed by civil service employees (Gov. Code, § 19130). This contracting restriction model is inappropriate for the trial courts because, unlike the executive branch agencies, the trial courts must operate independently from one jurisdiction to the next. Moreover, most executive branch agencies can manage the amount of work they receive, the number and types of people they serve, and the services provided. In contrast, trial courts must accept all filings from the public, have no control over the number and type of cases they must process, and have no ability to limit court users. In order to effectively manage their caseloads, courts need flexibility in managing their costs and contracts.

Finally, AB 566 as currently drafted is overly broad and restrictive. Though it includes some of the same restrictions on contracting that apply to executive branch agencies, K-12 school districts, and community colleges, it differs from these other statutes by including additional restrictions for contracts over \$100,000. Additionally, AB 566 does not include the list of exceptions to the contracting restrictions that are present in the other statutes. (see attachment). Finally, when contracting restrictions were extended to new entities (K-12 schools and community colleges), the legislation included a "grandfather clause" allowing for the

community colleges), the legislation included a “grandfather clause” allowing for the continuation and renewal of existing contracts without being affected by the new restrictions. The retroactive date of July 1, 2012, added by the May 24, 2013, amendments does not serve as a grandfather clause. Rather, it arbitrarily settles on a date in order to prohibit the renewal of specific contracts recently entered into by particular courts.

In addition to these substantive issues, AB 566 in its current form would pose significant financial and staffing hardships on the courts. Smaller courts contract for services for which there isn’t enough work to warrant hiring a trial court employee or where, in the case of rural courts, there isn’t the skilled workforce to hire from. Based on feedback from three small courts, the additional costs of having to hire staff rather than contract for services under these circumstances would be a minimum of \$400,000 a year. One court explained, “If the law precludes the Court from contracting for services we currently obtain from an independent contractor, there would most probably be a reduction in services. For example, between our employee Self-Help Assistant and the [Family Law Facilitator]/Self-Help Attorney we staff our Self-Help Center 72 hours/week... We would not be able to provide this level of service if we were required to convert the FLF/Self-Help Attorney to an employee.” Another court stated that “there are not...qualified individuals within our County to hire as employees for the services we require.” That county further explained that the contracts it has are in place “because these individuals are necessary for...court users, and without a contract, the court wouldn’t have these services.”

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Hon. Bob Wieckowski

May 29, 2013

Page 4

done it. The proposal appears to discourage innovation and the use of new technology in favor of maintaining the method and type of services as they were 'customarily' performed. Restraining the courts from improving [their] business practices is poor public policy....Recent innovations like e-filing, and even ancient innovations like automated case management...would probably be precluded by this proposal. Had this bill been in place such innovation would never have taken place."

The Judicial Council is open to engaging in discussions about the bill and would be happy to work with you and your staff on alternative approaches to addressing your underlying concerns that are more workable for the courts.

Sincerely,

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Cory T. Jaspersen  
Director

CTJ/KN/lmb  
Attachment

cc: Mr. Paul Dress, Consultant, Republican Office of Policy  
Ms. Khadijah Hargett, Consultant, Speaker's Office of Research & Floor Analysis  
Mr. David Lanier, Chief Deputy Legislative Secretary, Office of the Governor  
Ms. Madelynn McClain, Budget Analyst, Department of Finance

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- (5) The legislative, administrative, or legal goals and purposes cannot be accomplished through the utilization of persons selected pursuant to the regular process for hiring trial court employees. Contracts are permissible under this criterion to protect against a conflict of interest or to insure independent and unbiased findings in cases where there is a clear need for a different, outside perspective.
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- (8) The contractor will conduct training courses for which appropriately qualified trial court employee instructors are not available from the court, provided that permanent instructor positions shall be filled through the process for hiring trial court employees.
- (9) The services are of such an urgent, temporary, or occasional nature that the delay incumbent in their implementation under the process for hiring trial court employees would frustrate their very purpose.
- (10) A grandfather clause similar to that contained in Education Code section 45102.1(d): This section shall apply to personal service contracts entered into after January 1, 2014. This section shall not apply to the renewal of personal service contracts subsequent to January 1, 2014, where the contract was entered into before January 1, 2014, irrespective of whether the contract is

renewed or rebid with the existing contractor or with a new contractor. (As noted in the letter, above, the retroactive date of July 1, 2012, is not the same as a grandfather clause; rather, it targets particular courts that have already entered into contracts.)



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*Director, Office of Governmental Affairs*

June 18, 2013

Hon. Noreen Evans, Chair  
Senate Judiciary Committee  
State Capitol, Room 4085  
Sacramento, California 95814

Subject: AB 566 (Wieckowski), as amended June 15, 2013 – Oppose  
Hearing: Senate Judiciary Committee – June 25, 2013

Dear Senator Evans:

The Judicial Council remains opposed to AB 566 which would severely hamper the trial courts' ability to contract with private entities for personal services. The council appreciates the June 15, 2013, amendments, which add a few more instances in which trial courts may enter into private personal services contracts. However, the June 15, 2013 amendments do not address all of the concerns the council continues to raise with the author. The council is committed to continue working with the author to reduce the extreme and undue burden AB 566 continues to place on the trial courts' ability to enter into personal services contracts.

AB 566 continues to require trial courts to demonstrate actual cost savings for the duration of every personal services contract but does not allow this cost savings to be achieved through lower contractor pay rates or benefits. Further, the contract cannot cause any existing trial court employee to lose their job, seniority, or experience a reduction in wages, benefits, hours, or an involuntary transfer requiring a change in residence. In other words, AB 566 requires courts to use court employees to perform many services even if it would be more cost effective for courts to contract for these services. AB 566 also imposes audit requirements on courts that do enter into private contracts that are far more extensive and costly than requirements placed on other government entities.

The Judicial Council opposes AB 566 because the bill:



- inhibits the trial courts' ability to manage their staff and resources, which is critical in view of \$475 million in ongoing cuts to the trial courts' budgets over the last five years. The flexibility of contracting out for certain services is integral to the trial courts' ability to meet their budget obligations while also providing access to justice for the public.
- reduces local control and discretion over trial court management. Trial courts are uniquely and constitutionally independent, as well as different from one another. Each presiding judge has the responsibility to manage the court in a manner deemed appropriate to the unique characteristics of that court and its court users. Restrictions on the way trial courts provide for appropriate staffing reduces the courts' ability to serve the public. Many courts currently contract for services, such as child custody evaluations and probate investigations. In light of judicial branch autonomy, and taking into consideration the budget crisis facing the trial courts, the courts must not be hampered in their ability to provide court services, even with respect to personal service contracts.
- inhibits courts from contracting for services that are only needed on a part-time or temporary basis making it cost prohibitive to hire employees to perform those services.
- affects circumstances that are more appropriately addressed at the local level through collective bargaining agreements. Currently, trial courts bargain individually with labor unions for their employee collective bargaining agreements, which may or may not include provisions that allow or restrict contracting for personal services. Applying one-size-fits-all contracting restrictions on the 58 trial courts unnecessarily interferes with the ability of the trial courts and the respective bargaining units to enter agreements they consider best for their individual courts, court users and court employees.


AB 566 appears to be modeled after a Government Code section that limits contracting in the executive branch for services that could be performed by civil service employees (Gov. Code, § 19130). This contracting restriction model is inappropriate for the trial courts because, unlike the executive branch agencies, the trial courts must operate independently from one jurisdiction to the next. Moreover, most executive branch agencies can manage the amount of work they receive, the number and types of people they serve, and the services provided. In contrast, trial courts must accept all filings from the public, have no control over the number and type of cases they must process, and have no ability to limit court users. In order to effectively manage their caseloads, courts need flexibility in managing their costs and contracts.

Further, AB 566 as currently drafted is overly broad and restrictive. Though it includes some of the same restrictions on contracting that apply to executive branch agencies, K-12 school districts, and community colleges, it differs from these other statutes by including additional restrictions for contracts over \$100,000. Additionally, AB 566 does not include the same list of exceptions to the contracting restrictions that are present in the other statutes. The May 24, 2013 and June 15, 2013, amendments added several of these exceptions, but also omitted others. (See attachment.) Finally, when contracting restrictions were extended to new entities (K-12 schools and community colleges), the legislation included a "grandfather clause" allowing for the continuation and renewal of existing contracts without being affected by the new restrictions.

The retroactive date of July 1, 2012, added by the May 24, 2013, amendments does not serve as a grandfather clause. Rather, it arbitrarily settles on a date in order to prohibit the renewal of specific contracts recently entered into by particular courts.

The Judicial Council is open to continuing discussions about the bill and would be happy to work with you and your staff on alternative approaches to addressing the underlying concerns that are more workable for the courts.

Sincerely,

A handwritten signature in black ink, appearing to read 'Cory Jaspersen', with a long, wavy horizontal line extending to the right.

Cory T. Jaspersen  
Director

CTJ/KN/lmb

Attachment

cc: Members, Senate Judiciary Committee  
Hon. Bob Wieckowski, Member of the Assembly  
Ms. Ronak Daylami, Counsel, Senate Judiciary Committee  
Ms. June Clark, Deputy Legislative Secretary, Office of the Governor  
Mr. Mike Petersen, Consultant, Senate Republican Office of Policy

The following exceptions are modeled after other Personal Services Contracting Statute exceptions. Personal services contracting should be permissible when any of the following conditions can be met;

- (1) The services contracted are not available from court's trial court employees, cannot be performed satisfactorily by the trial court's employees, or are of such a highly specialized or technical nature that the necessary expert knowledge, experience, and ability are not available from the court's trial court employees. (See Gov. Code, § 19130(b)(3).)
- (2) The contractor will provide equipment, materials, facilities, or support services that could not feasibly be provided by the court in the location where the services are to be performed. (See Gov. Code, § 19130(b)(8).)
- (3) The services are of such an urgent, temporary, or occasional nature that the delay incumbent in their implementation under the process for hiring trial court employees would frustrate their very purpose. (See Gov. Code, § 19130(b)(10).)
- (4) This section shall apply to personal service contracts entered into after January 1, 2014. This section shall not apply to the renewal of personal service contracts subsequent to January 1, 2014, where the contract was entered into before January 1, 2014, irrespective of whether the contract is renewed or rebid with the existing contractor or with a new contractor. (See Ed. Code, § 45103.1(d).) The retroactive date of July 1, 2012, is not the same as this grandfather clause; rather, the July 1, 2012, date targets particular courts that have already entered in to contracts.