



JUDICIAL COUNCIL
OF CALIFORNIA

JUDICIAL BRANCH BUDGET
COMMITTEE

JUDICIAL BRANCH BUDGET COMMITTEE

MATERIALS JUNE 28, 2022

Meeting Contents

Agenda	1
Minutes	
Draft Minutes from the June 1, 2022 Meeting	3
Discussion and Possible Action Items (1-2)	
Item 1– 2022-23 Civil Assessment Allocation Methodology (Action Required)	7
Item 2 –Civil Assessments Policy Rescission (Action Required)	11



JUDICIAL COUNCIL OF CALIFORNIA

JUDICIAL BRANCH BUDGET
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www.courts.ca.gov/jbbc.htm
JBBC@jud.ca.gov

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JUDICIAL BRANCH BUDGET COMMITTEE

NOTICE AND AGENDA OF OPEN MEETING

Open to the Public (Cal. Rules of Court, rule 10.75(c)(1) and (e)(1))

THIS MEETING IS BEING CONDUCTED BY ELECTRONIC MEANS

THIS MEETING IS BEING RECORDED

Date: June 28, 2022
Time: 12:00 p.m. to 1:30 p.m.
Public Videocast: <https://jcc.granicus.com/player/event/1828>

Meeting materials will be posted on the advisory body web page on the California Courts website at least three business days before the meeting.

Members of the public seeking to make an audio recording of the meeting must submit a written request at least two business days before the meeting. Requests can be e-mailed to JBBC@jud.ca.gov.

Agenda items are numbered for identification purposes only and will not necessarily be considered in the indicated order.

I. CLOSED SESSION (CAL. RULES OF COURT, RULE 10.75(D))

Call to Order and Roll Call

Item 1 (No Action Required)

Pursuant to California Rules of Court, rules 10.75 (d)(2) and 10.75(d)(7)

II. ADJOURNMENT

Adjourn to Open Meeting

III. OPEN MEETING (CAL. RULES OF COURT, RULE 10.75(C)(1))

Call to Order and Roll Call

Approval of Minutes

Approve minutes of the June 1, 2022, Judicial Branch Budget Committee meeting.

IV. PUBLIC COMMENT (CAL. RULES OF COURT, RULE 10.75(K)(1))

This meeting will be conducted by electronic means with a listen only conference line available for the public. As such, the public may submit comments for this meeting only in writing. In accordance with California Rules of Court, rule 10.75(k)(1), written comments pertaining to any agenda item of a regularly noticed open meeting can be submitted up to one complete business day before the meeting. For this specific meeting, comments should be e-mailed to JBBC@jud.ca.gov attention: Angela Cowan. Only written comments received by 12:00 p.m. on Monday, June 27, 2022, will be provided to advisory body members prior to the start of the meeting.

V. DISCUSSION AND POSSIBLE ACTION ITEMS (ITEMS 1 - 2)

Item 1

2022-23 Civil Assessment Allocation Methodology (Action Required)

Consideration of a recommendation from the Trial Court Budget Advisory Committee on a new methodology for 2022-23 civil assessment allocations.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee

Ms. Oksana Tuk, Senior Analyst, Judicial Council Budget Services

Item 2

Civil Assessments Policy Rescission(Action Required)

Consideration of a recommendation that the Judicial Council rescind, as outdated, previously approved trial court collections statewide criteria related to civil assessments.

Presenter(s)/Facilitator(s): Ms. Donna Newman, Fiscal Supervisor, Judicial Council Budget Services

VI. ADJOURNMENT

Adjourn



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JUDICIAL BRANCH BUDGET
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JUDICIAL BRANCH BUDGET COMMITTEE

MINUTES OF OPEN MEETING

June 1, 2022

8:00 a.m. to 10:30 a.m.

<http://icc.granicus.com/player/event/1800>

Advisory Body Members Present: Hon. David. M. Rubin, Chair; Hon. Ann Moorman, Vice Chair; Hon. Brad R. Hill, Hon. Carin T. Fujisaki, Hon. Harold W. Hopp; Mr. Kevin Harrigan

Advisory Body Members Absent: Hon. C. Todd Bottke

Others Present: Mr. John Wordlaw, Mr. Zlatko Theodorovic, Ms. Fran Mueller; Hon. Jonathan Conklin, Ms. Angela Cowan, Ms. Audrey Fancy, Ms. Michele Allan, Ms. Martha Wright, Mr. Nick Armstrong, Mr. Catrayel Wood, and Ms. Shirley Mohammed

OPEN MEETING

Call to Order and Roll Call

The chair called the meeting to order at 8:00 a.m. and took roll call.

Approval of Minutes

The advisory body proposed revisions to the minutes and subsequently approved the minutes, as revised, from the May 18, 2022, Judicial Branch Budget Committee (Budget Committee) meeting.

DISCUSSION AND POSSIBLE ACTION ITEMS (ITEM 1-5)

Item 1- 2022-23 Court-Appointed Dependency Counsel Allocations (Action Required)

Consideration of the 2022-23 allocations from the Trial Court Trust Fund (TCTF) for court-appointed dependency counsel.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Ms. Audrey Fancy, Principal Managing Attorney, Judicial Council Center for Families, Children & the Courts

Action: The Budget Committee unanimously voted to approve three recommendations, from the Trial Court Budget Advisory Committee (TCBAC), on Court Appointed Dependency Counsel methodology and funding for further consideration by the Judicial Council at its July 14-15, 2022 business meeting:

1. Revising the current court-appointed dependency counsel funding allocation methodology to specify that the cost of the small court adjustment be funded by a pro rata adjustment to the funding allocations of all courts not falling under the definition of "small court" in this methodology;
2. Specifying that the county counsel median salary survey be updated on an annual basis beginning in 2022-23 as shown in Attachment 1A, Column C; and
3. 2022-23 funding allocations based on the recommended amended methodology.

Item 2 Allocations from the State Trial Court Improvement and Modernization Fund (IMF) for 2022-23 (Action Required)

Consideration of recommendations of the Revenue and Expenditure (R&E) Subcommittee regarding allocations from the IMF for 2022-23.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Ms. Shirley Mohammed, Analyst, Judicial Council Budget Services

Action: The Budget Committee unanimously voted to approve the TCBAC recommendation, to the Judicial Council, for a total of \$45,384,000 in preliminary 2022-23 allocations from the IMF for consideration at its July 14-15, 2022 business meeting.

Item 3 -Allocations from the TCTF and Trial Court Allocations for 2022-23 (Action Required)

Consideration of recommendations of the R&E Subcommittee and the Funding Methodology Subcommittee regarding allocations from the TCTF for 2022-23, and consideration of 2022-23 trial court allocations, including proposed funding, interpreter funding, and the Workload Formula from the TCTF, State Court Facilities Construction Fund, and General Fund.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Ms. Michele Allan, Supervisor, Judicial Council Budget Services

Action: The Budget Committee unanimously voted to approve recommendations, from the TCBAC, that include TCBAC allocation methodologies and recommendations, an informational update on Resource Assessment Study filings data related to the Workload Formula, and assume the funding proposed in the 2022-23 Governor's Budget will remain in the final 2022 Budget Act: This approval includes the provision that civil assessment allocations will be addressed independently.

1. Approve base, discretionary, and non-discretionary programs from the TCTF in the amount of \$2.853 billion including:

- SCFCF allocation in the amount of \$50.0 million for support of operation of the trial courts; and
- GF allocation in the amount of \$68.8 million for employee benefits.

2. As a subset of the \$2.853 billion total allocation, approve a Workload Allocation of \$2.447 billion based on methodologies recommended by the TCBCAC and approved by the Judicial Council.

Item 4- 2022-23 Pretrial Allocations and Funding Floor (Action Required)

Consideration of 2022-23 pretrial allocations and funding floor adjustment.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Ms. Martha Wright, Manager, Judicial Council Criminal Justice Services

Action: The Budget Committee unanimously voted to approve the TCBCAC recommendation to approve the 2022–23 allocations for Pretrial Release funding, as outlined in Attachment 4A, for consideration by the Judicial Council at its July 15, 2022 business meeting.

Item 5 - Workload Formula Impact from Remote Appearance Fee Revenue (Action Required)

Consideration of the impact to the Workload Formula from fees imposed under Government Code section 70630.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Ms. Michele Allan, Supervisor, Judicial Council Budget Services

Action: The Budget Committee unanimously voted to approve the following recommendation from the TCBCAC for consideration by the Judicial Council at its July 14- 15, 2022 business meeting:

1. Approve that the fees deposited into the TCTF as a result of GC section 70630 be distributed back to courts on an ongoing, dollar-for-dollar basis, retroactive to January 1, 2022, when CRC rule 3.672 was effective; and
2. Exclude revenues collected under GC section 70630 as a funding category in the Workload Formula methodology for “Other Local Revenues” effective July 1, 2022.

INFORMATION ONLY ITEMS (NO ACTION REQUIRED - ITEM 1-2)

Info 1 - 2022-23 Self Help Annual Update

Annual informational update of the three-year average population data from the California Department of Finance, Demographic Research Unit, and population estimates for cities and counties and the state.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Mr. Nick Armstrong, Senior Research Analyst, Judicial Council Business Management Services

Action: *No action taken*

Info 2 – TCTF Funds Held on Behalf Expenditure Reporting

Quarterly report to the TCBAC on how funds were expended for projects and planned expenditures that are complete.

Presenter(s)/Facilitator(s): Hon. Jonathan B. Conklin, Chair, Trial Court Budget Advisory Committee
Mr. Catrayel Wood, Senior Analyst, Judicial Council Budget Services

Action: *No action taken*

A D J O U R N M E N T

There being no further business, the meeting was adjourned at 8:58 a.m.

Approved by the advisory body on enter date

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee
(Action Item)

Title: 2022-23 Civil Assessment Allocation Methodology
Date: 6/22/2022
Contact: Oksana Tuk, Senior Analyst, Judicial Council Budget Services
916-643-8027 | oksana.tuk@jud.ca.gov

Issue

Consideration of a recommendation from the Trial Court Budget Advisory Committee (TCBAC) on a new, policy-driven civil assessment allocation methodology effective July 1, 2022 for consideration by the Judicial Council at its July 15, 2022 business meeting.

Background and Methodology Development

On June 1, 2022, the Judicial Branch Budget Committee (Budget Committee) considered 2022-23 allocation recommendations from the TCBAC that included new funding proposed in the 2022-23 Governor’s Budget, the largest budget ever for the judicial branch. This funding includes \$84.2 million for inflationary costs, \$100 million for equity, and \$31.2 million for new judgeships¹. In total, this funding is estimated to bring the trial courts up to a 91.3 percent average funding level within the Workload Formula, with the lowest funded courts at 89.9 percent.

The Budget Committee approved the allocation recommendations with the caveat that civil assessment revenues were not included since the Funding Methodology Subcommittee (FMS) and the TCBAC would be considering alternative allocation methods. The allocations also excluded the \$50 million included in the Governor’s Budget for civil assessment backfill due to a proposed reduction in the civil assessment fee, which was to be considered at a later date.

Policy Principles

The TCBAC met on June 21, 2022 to consider a new civil assessment allocation methodology recommendation by considering various principles and options. The recommendation focused on a policy-driven approach and excluded court-level details and measured impact². These principles, first developed by the FMS in 2017 during the development of the Workload Formula methodology, are still in practice today and include the following³:

1. Minimize volatility, maximize stability, and predictability to the extent possible.

¹ Budget Committee meeting (June 1, 2022), <https://www.courts.ca.gov/documents/jbbc-20220601-materials.pdf>.

² TCBAC meeting (June 21, 2022), <https://www.courts.ca.gov/documents/tcbac-20220621-materials.pdf>.

³ FMS meeting (October 2, 2017), <https://www.courts.ca.gov/documents/tcbac-20171002-fms-materials.pdf>; FMS meeting minutes (October 2, 2017), <https://www.courts.ca.gov/documents/tcbac-20171002-fms-minutes.pdf>.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee
(Action Item)

2. Committed to evaluating all submissions as submitted via the process ([Workload Formula] Adjustment Request Process).
3. Time for adjustment and adaptation.
4. Responsiveness to local circumstances.
5. Transparency and accountability.
6. Independent authority of the trial courts.
7. Simplification of reporting while maintaining transparency.

Maintenance of Effort

Currently, civil assessment revenues are retained by the trial courts that impose this fee after maintenance of effort (MOE) and/or civil assessment obligations are met. The MOE obligation amount of \$48.3 million is deposited into the Trial Court Trust Fund and factored into the Workload Formula methodology for inclusion in base allocations to support trial court operations for all 58 trial courts⁴.

The civil assessment allocation methodology recommendation would keep the current allocation of the \$48.3 million the same because all 58 trial courts are currently receiving this funding through the Workload Formula model. To the extent backfill funding for civil assessment revenue is included in the 2022-23 budget, the 38 courts currently contributing to the MOE would be relieved of this obligation.

Civil Assessment Obligations

There are other civil assessment obligations included as part of the civil assessment allocation methodology. It was determined that the current practice of applying civil assessment revenues towards these obligations would remain intact for those impacted courts by funding these obligations after the \$48.3 million MOE obligation is covered.

Retained Civil Assessments

Any remaining civil assessment revenue available after the \$48.3 million MOE obligation and other civil assessment obligations are met, would be allocated via the Workload Formula methodology as outlined below⁵:

⁴ Judicial Council agenda/materials (August 31, 2007), <https://www.courts.ca.gov/documents/age083107.pdf>;
Judicial Council minutes (August 31, 2007), <https://www.courts.ca.gov/documents/min0807.pdf>.

⁵ Judicial Council materials (January 12, 2018),
<https://jcc.legistar.com/View.ashx?M=F&ID=5722980&GUID=EB419556-68BE-4685-A012-6A8D8502A126>;
Judicial Council minutes (January 12, 2018),
<https://jcc.legistar.com/View.ashx?M=M&ID=559778&GUID=3553B33A-BE03-4DF3-84E1-8196225C58DB>.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee
(Action Item)

I. Bring all Cluster 1 courts up to 100 percent of funding need.

II. Allocate up to 50 percent of remaining funding to courts under the statewide average funding ratio. Allocated funds will bring courts up to but not over the statewide average funding ratio. The first 50 percent allocation of new funding to courts below the statewide average will be scaled by courts' distance from the statewide average and size based on the courts' Workload Formula need.

III. Allocate remaining funding to all courts based on the Workload Formula.

IV. Allow no court's allocation to exceed 100 percent of its need unless it is the result of a funding floor calculation.

Because this civil assessment funding is a redistribution and not considered "new money" by definition⁶, the security reduction would not be included in the methodology.

In addition, the sequence of new funding would remain the same as presented to the Budget Committee on June 1, 2022, with the civil assessment redistribution applied as the final step in the calculation as follows: 1) inflationary funding, 2) equity funding, 3) new judgeship funding, and then 4) civil assessment redistribution.

Civil Assessment Redistribution

As part of the new civil assessment allocation recommendation, the retained civil assessment amounts currently included in the "Other Local Revenues" column of the Workload Formula calculation would be removed from the methodology. Removing this calculation would impact trial courts' position in the Workload Formula, ultimately creating a new starting point for courts as the new funding outlined above in steps 1 through 4 is recalculated.

Alternatives Considered

Other methodology alternatives considered included:

- Allocate funding proportionally via Workload Formula need, which would allocate the amount of civil assessment revenue on a proportional basis according to the Workload Formula *need of each court*. *Need* is the amount of funding a court *requires* to support its operations based on workload.
- Allocate funding proportionally via Workload Formula allocations, which would allocate the amount of civil assessment revenue on a proportional basis according to the Workload Formula *allocation* each court would receive. Workload Formula

⁶ New money is defined as any new, ongoing allocation of general discretionary dollars to support cost of trial court workload, excluding funding for benefits and retirement increases.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee
(Action Item)

allocation is the amount of *available funding* that a court would *receive* to fund its operations.

While deliberations considered other guiding factors, the proportional approach was eliminated as it would provide funding to all courts—even those that are funded at higher levels than other courts as calculated in the Workload Formula. The Workload Formula methodology was chosen as it aligns with guiding principles, offers a more straightforward and consistent approach supported by prior application of other funding, focuses on equity, and minimizes volatility.

Recommendation

The TCBAC recommends the following civil assessment allocation methodology, effective July 1, 2022, and in the order outlined below:

Of the civil assessment redistribution funding provided:

- a) Maintain the current allocation of the \$48.3 million MOE in the Workload Formula;
- b) Fund the remaining civil assessment obligations for those impacted courts from the amount of retained civil assessments after the MOE obligation is met;
- c) Allocate the remaining amount of civil assessment revenue via the Workload Formula and without a security reduction;
- d) Remove retained civil assessment dollars from the Workload Formula model’s “Other Local Revenues” column and identify each courts’ new position in the Workload Formula as it relates to percentage funded; and
- e) Recalculate funding proposed in the 2022-23 Governor’s Budget including inflationary, equity, and new judgeship funding, and then civil assessment redistribution funding.

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee
(Action Item)

Title: Collections: Rescind Outdated Policy on Civil Assessments
Date: 6/28/2022
Contact: Zlatko Theodorovic, Deputy Director, Budget Services
916-263-1397 | zlatko.theodorovic@jud.ca.gov

Issue

The Judicial Council approved a policy in August 2005 regarding statewide criteria for civil assessments¹. In light of the Judicial Council's and judicial branch's efforts in the past years, the existing policy is outdated and should be considered for rescission.

Background

Penal Code Section 1214.1 authorizes a court to impose a civil assessment of up to \$300 against a defendant who fails to appear, after notice and without good cause, in court for a proceeding authorized by law or who fails to pay all or any portion of a fine ordered by the court or to pay an installment of bail as agreed.

Assembly Bill 139 (Stats. 2005, Ch. 74) increased the maximum amount that could be imposed under Penal Code 1214.1 from \$250 to \$300. The bill also stated that if a civil assessment was imposed, no bench warrant or warrant of arrest would be issued.

At the August 26, 2005, Judicial Council meeting, a policy regarding civil assessments was approved. This policy was included in the Judicial Council item, *Implementation of Assembly Bill 139 Provisions and Establishment of a Statewide Enhanced Civil Assessments Program*. The approved policy included provisions related to criteria for establishing or enhancing a civil assessment program (Link A). The policy is now outdated and should be rescinded.

Other documents currently available on the Judicial Council's [website](#) that are impacted by this policy change will also be revised, as needed.

¹ Judicial Council action taken on August 26, 2005. See report: [Implementation of Assembly Bill 139 Provisions and Establishment of a Statewide Enhanced Civil Assessment Program](#)

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Judicial Branch Budget Committee

Recommendation

The following recommendation is presented to the Judicial Branch Budget Committee for consideration by the Judicial Council at its July 14-15, 2022, business meeting:

1. Rescind the outdated August 2005 policy that approved statewide criteria related to the imposition of civil assessments. The documents listed as attachments and any others that relate to the rescinded policy will be revised, as needed.

Attachments

Link A: Criteria for Civil Assessment (adapted version)

<https://www.courts.ca.gov/partners/documents/Rev-Dist-Criteria-for-Successful-Civil-Assessment-Program.pdf>

Link B: Collections Best Practices <https://www.courts.ca.gov/partners/documents/Collections-Best-Practices-Dec2021.pdf>

Link C: Cost Recovery Guidelines <https://www.courts.ca.gov/partners/documents/Guidelines-and-Standards-for-Cost-Recovery-2022.pdf>