



JUDICIAL COUNCIL
OF CALIFORNIA

TRIAL COURT BUDGET
ADVISORY COMMITTEE

TRIAL COURT BUDGET ADVISORY COMMITTEE
FUNDING METHODOLOGY SUBCOMMITTEE

MATERIALS FOR JULY 6, 2022
VIRTUAL MEETING

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www.courts.ca.gov/tcbac.htm
tcbac@jud.ca.gov

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TRIAL COURT BUDGET ADVISORY COMMITTEE FUNDING METHODOLOGY SUBCOMMITTEE

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: July 6, 2022
Time: 12:00 p.m. to 1:00 p.m.
Public Call-in Number: <https://jcc.granicus.com/player/event/1853>

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 tcbac@jud.ca.gov.

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

I. 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 15, 2022 Funding Methodology Subcommittee meeting.

II. 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 tcbac@jud.ca.gov. Only written comments received by 12:00 p.m. on July 5, 2022 will be provided to advisory body members prior to the start of the meeting.

III. DISCUSSION AND POSSIBLE ACTION ITEMS (ITEM 1)

Item 1

2022-23 AB 177 Allocation Methodology (Action Required)

Deliberation on the development of an allocation methodology for trial court backfill funding related to the repeal of fees authorized by AB 177.

Presenter(s)/Facilitator(s): Ms. Oksana Tuk, Senior Analyst, Judicial Council Budget Services

IV. INFORMATION ONLY ITEMS (NO ACTION REQUIRED)

None

V. ADJOURNMENT

Adjourn



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TRIAL COURT BUDGET ADVISORY COMMITTEE

FUNDING METHODOLOGY SUBCOMMITTEE

MINUTES OF OPEN MEETING

June 15, 2022

3:00 p.m. - 5:00 p.m.

<https://jcc.granicus.com/player/event/1826>

Advisory Body Members Present:	Judges: Hon. Patricia L. Kelly and Hon. Kevin M. Seibert. Executive Officers: Ms. Rebecca Fleming (Cochair), Mr. Chad Finke, Mr. Kevin Harrigan, Mr. Brandon E. Riley, Mr. Neal Taniguchi, and Mr. David Yamasaki.
Advisory Body Members Absent:	Hon. Jonathan B. Conklin (Cochair), Hon. B. Scott Thomsen, and Mr. James Kim.
Others Present:	Ms. Fran Mueller, Mr. Zlatko Theodorovic, Ms. Brandy Olivera, Ms. Michele Allan, and Mr. Catrayel Wood.

OPEN MEETING

Call to Order and Roll Call

The cochair called the meeting to order at 3:16 p.m. and took roll call.

Approval of Minutes

The subcommittee reviewed and approved the minutes of the April 19, 2022 Funding Methodology Subcommittee (FMS) meeting.

DISCUSSION AND ACTION ITEMS (ITEM 1)

Item 1: 2022-23 Civil Assessment Allocation Methodology (Action Required)

Deliberation on the development of a new methodology for 2022-23 civil assessment allocations.

Presenter(s)/Facilitator(s): Ms. Oksana Tuk, Senior Analyst, Judicial Council Budget Services

Action: *The FMS voted, with six "yes" votes, two "no" votes, and three absences, to approve a civil assessment allocation methodology effective July 1, 2022 for consideration by the Trial Court Budget Advisory Committee, the Judicial Branch Budget Committee, and then the Judicial Council at its July 14-15 business meeting as follows:*

Of the civil assessment redistribution funding provided:

- 1. Maintain the current allocation of the \$48.3 million maintenance of effort (MOE) in the Workload Formula;*
- 2. Fund the remaining civil assessment obligations for those impacted courts from the amount of retained civil assessments after the MOE obligation is met;*
- 3. Allocate the remaining amount of civil assessment revenue via the Workload Formula and without a security reduction;*
- 4. 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*
- 5. Recalculate funding proposed in the 2022-23 Governor's Budget including inflationary, equity, and new judgeship funding, and then civil assessment redistribution funding.*

A D J O U R N M E N T

There being no further business, the meeting was adjourned at 4:49 p.m.

Approved by the advisory body on

JUDICIAL COUNCIL OF CALIFORNIA
BUDGET SERVICES
Report to the Trial Court Budget Advisory Committee
Funding Methodology Subcommittee
(Action Item)

Title: 2022-23 AB 177 Allocation Methodology
Date: 7/6/2022
Contact: Oksana Tuk, Senior Analyst, Judicial Council Budget Services
916-643-8027 | oksana.tuk@jud.ca.gov

Issue

Development of an allocation methodology is required for trial court backfill funding related to the repeal of fees authorized by Assembly Bill 177 (Stats. 2021, ch. 257). The approved recommendation will be considered by the Trial Court Budget Advisory Committee (TCBAC), the Judicial Branch Budget Committee (Budget Committee), and then the Judicial Council at its September 19-20, 2022 business meeting.

Background

AB 177 repealed trial court authority to collect the following administrative fees, effective January 1, 2022, making any unpaid balance unenforceable and uncollectible and requiring any portion of a judgment imposing the fees to be vacated¹:

- Penal Code (PC) 1203.1 – Administrative fee (up to 15%) for collection of restitution orders, per subdivision (l);
- PC 1203.4a – Administrative fee (up to \$60) for seeking dismissal of infraction/misdemeanor convictions, per subdivision (e);
- PC 1203.9 – Courts receiving probation cases from other courts may not impose additional local fees, per subdivision (d)(2);
- PC 1205 (e) – Installment fee and accounts receivable fee; and
- Vehicle Code (VC) 40510.5 – Administrative fee (up to \$35) for processing installment accounts, per subdivision (g).

These fees were for the recovery of costs associated with various administrative activities performed at the court. To ensure that the backfill funding included in the 2022 Budget Act would sufficiently cover the loss of these fees for court administrative costs, Judicial Council Budget Services staff surveyed trial courts in February and March 2022. The survey reported total fees charged by the trial courts for these activities for the eliminated code sections from

¹ AB 177 bill information, https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB177. PC 1203.9 had \$0 revenue impact on the trial courts, https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=1203.9&lawCode=PEN.

JUDICIAL COUNCIL OF CALIFORNIA
 BUDGET SERVICES
 Report to the Trial Court Budget Advisory Committee
 Funding Methodology Subcommittee
 (Action Item)

2018–19 through 2020–21². The reported revenue only included the amount retained by the court for its administrative costs, and excluded fees or revenue collected by the court and passed on to the county, or fees retained by the court for the collection of any county fees.

Due to the impact of COVID-19 on trial court operations, the revenues collected in 2020-21 totaling \$7.7 million were excluded as they were atypical compared to revenue collections during the prior two pre-pandemic fiscal years.

Budget Services staff, in consultation with the Department of Finance, adopted a methodology recommendation using the average of 2018-19 and 2019-20 revenue collections as outlined in Table 1 below:

Table 1 – Revenue Collections by Code Section

Code Section	2018-19	2019-20	Two-Year Average
PC 1203.1	\$335,000	\$356,000	\$346,000
PC 1203.4a	351,000	275,000	313,000
PC 1203.9	0	0	0
PC 1205 (e)	5,280,000	5,206,000	5,243,000
VC 4010.5	4,547,000	4,303,000	4,425,000
Total	\$10,513,000	\$10,140,000	\$10,327,000

The allocation methodology, as outlined in Attachment A, provides the two-year average breakdown by court for revenue collected in 2018-19 and 2019-20, and then proportionally allocates the remaining funding resulting in an annual backfill appropriation and allocation amount of \$10.3 million.

Recommendation

Approve the two-year average revenue collection methodology for allocation of the \$10.3 million backfill funding to trial courts, for consideration by the TCBAC, Budget Committee, and Judicial Council effective September 20, 2022.

Attachments

Attachment A: Trial Court Revenue Collections and AB 177 Allocation

² Six trial courts reported \$0 revenue loss; Lake, Mendocino, Placer, Trinity, Tuolumne, and Ventura. Plumas Superior Court did not participate in the survey.

Trial Court AB 177 Revenue Collections and Allocation

Court	Revenue Collected		Two Year Average	% of Average	Allocation of Remaining Funds	Total Allocation
	2018-19	2019-20				
	A	B	C (AVG (A,B))	D (C / Total C)	E (D * \$97)	F (C + E)
Alameda	\$ 444,833	\$ 331,500	\$ 388,166	3.8%	\$ 4	\$ 388,170
Alpine	989	557	773	0.0%	0	773
Amador	3,245	2,031	2,638	0.0%	0	2,638
Butte	39,800	31,267	35,534	0.3%	0	35,534
Calaveras	8,991	7,720	8,355	0.1%	0	8,355
Colusa	17,512	19,002	18,257	0.2%	0	18,257
Contra Costa	578,962	580,337	579,649	5.6%	5	579,655
Del Norte	15,463	11,793	13,628	0.1%	0	13,628
El Dorado	71,318	74,391	72,855	0.7%	1	72,855
Fresno	494,372	488,301	491,336	4.8%	5	491,341
Glenn	16,995	10,833	13,914	0.1%	0	13,914
Humboldt	16,873	25,892	21,382	0.2%	0	21,383
Imperial	50,783	52,028	51,406	0.5%	0	51,406
Inyo	13,014	9,932	11,473	0.1%	0	11,473
Kern	751,806	589,296	670,551	6.5%	6	670,557
Kings	103,551	85,616	94,584	0.9%	1	94,584
Lake	-	-	-	0.0%	-	-
Lassen	33,030	35,070	34,050	0.3%	0	34,050
Los Angeles	1,071,143	998,228	1,034,686	10.0%	10	1,034,695
Madera	-	112,206	56,103	0.5%	1	56,104
Marin	19,505	14,924	17,214	0.2%	0	17,214
Mariposa	6,473	4,343	5,408	0.1%	0	5,408
Mendocino	-	-	-	0.0%	-	-
Merced	231,296	250,461	240,879	2.3%	2	240,881
Modoc	2,834	3,844	3,339	0.0%	0	3,339
Mono	9,321	11,234	10,278	0.1%	0	10,278
Monterey	64,890	84,643	74,767	0.7%	1	74,767
Napa	107,975	97,261	102,618	1.0%	1	102,619
Nevada	59,571	56,625	58,098	0.6%	1	58,099
Orange	1,203,199	1,300,527	1,251,863	12.1%	12	1,251,875
Placer	-	-	-	0.0%	-	-
Plumas	-	-	-	0.0%	-	-
Riverside	1,920,376	1,882,070	1,901,223	18.4%	18	1,901,241
Sacramento	99,098	85,114	92,106	0.9%	1	92,107
San Benito	18,450	6,450	12,450	0.1%	0	12,450
San Bernardino	974,857	815,654	895,256	8.7%	8	895,264
San Diego	9,832	25,245	17,538	0.2%	0	17,539
San Francisco	80,415	129,416	104,915	1.0%	1	104,916
San Joaquin	136,811	196,441	166,626	1.6%	2	166,628
San Luis Obispo	99,596	78,673	89,134	0.9%	1	89,135
San Mateo	132,938	101,190	117,064	1.1%	1	117,065
Santa Barbara	33,456	22,016	27,736	0.3%	0	27,736
Santa Clara	344,857	289,479	317,168	3.1%	3	317,171
Santa Cruz	79,346	80,616	79,981	0.8%	1	79,982
Shasta	251,626	311,539	281,582	2.7%	3	281,585
Sierra	2,145	1,987	2,066	0.0%	0	2,066
Siskiyou	12,561	13,350	12,956	0.1%	0	12,956
Solano	191,388	186,336	188,862	1.8%	2	188,863
Sonoma	122,600	90,798	106,699	1.0%	1	106,700
Stanislaus	93,793	86,293	90,043	0.9%	1	90,044
Sutter	57,351	49,379	53,365	0.5%	1	53,365
Tehama	49,037	73,189	61,113	0.6%	1	61,114
Trinity	-	-	-	0.0%	-	-
Tulare	247,832	221,862	234,847	2.3%	2	234,849
Tuolumne	-	-	-	0.0%	-	-
Ventura	-	-	-	0.0%	-	-
Yolo	88,025	76,196	82,110	0.8%	1	82,111
Yuba	28,731	27,789	28,260	0.3%	0	28,260
Total	\$ 10,512,864	\$ 10,140,942	\$ 10,326,903	100.0%	\$ 97	\$ 10,327,000