The Governor’s proposed fiscal year (FY) 2019–20 budget released today provides $4.1 billion in operating funds for the judicial branch. This includes $327 million in new General Fund monies. These additional funds would be used to address a variety of branch needs including pretrial pilot projects, technology, facilities’ needs, trial court operational costs, and solvency of the State Trial Court Improvement and Modernization Fund.

The budget proposal for the branch provides $2.1 billion in General Fund monies, representing 1.5 percent of all General Fund spending. The judicial branch represents 2 percent of total state funds of $209.1 billion. Approximately 77 percent of the branch’s operational budget is allocated to the trial courts.

A breakdown of the proposed FY 2019–20 budget for all judicial branch entities follows.
### Judicial Branch Entity | Proposed Total Funding Level
---|---
Supreme Court | 51.5 m
Courts of Appeal | 247.1 m
Trial Courts | 3,156.2 m
Judicial Council | 171.8 m
Judicial Branch Facility Program | 528.5 m
Habeas Corpus Resource Center | 16.8 m
**Subtotal, Operational Budget** | **$4,171.9 m**
Offset from Local Property Tax Revenue | -$62.7 m
**Adjusted Operational Budget** | **$4,109.2 m**

Less Non-State Funds<sup>1</sup> | -$95.2 m
Adjusted Operational Budget, State Funds | $4,014.0 m

**Total Funding**<sup>2</sup> | **$4,109.2 m**

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<sup>1</sup> Non-state funds include federal funds and reimbursements.

<sup>2</sup> Includes General Fund; special, bond, federal, and nongovernmental cost funds; and reimbursements.

Specifics on the proposals that provide the foundation for budget discussions with the legislative and executive branches of government over the next several months are outlined below.

**Trial Courts**

The Governor’s proposal includes $275.2 million in new funding from the General Fund to support trial court programs, facilities, and operations, for a total of $3.16 billion. Of this amount, $2.38 billion is for trial court operations. The breakdown is as follows:

- **Pretrial Pilot Projects:** $75 million General Fund to be allocated over a two-year period by the Judicial Council to fund the implementation, operation, or evaluation of programs or efforts in eight to ten courts related to pretrial decisionmaking. The Governor noted the importance of continuing and replicating the work of the courts related to the Recidivism Reduction Fund and local probation department efforts to conduct risk assessments.

- **Revenue Backfill:** $52.5 million in General Fund support to address anticipated revenue shortfalls in the Trial Court Trust Fund due to lower filing fee and criminal assessment revenues.

- **Employee Costs:** $25.9 million to support the increase in trial court employee retirement and health benefit costs.

In addition, beginning in 2019–20, the proposal includes a mechanism to fund trial court employee benefit increases in both the current year and budget year. The current set aside for those costs is $25 million.
Trial Court Case Management System Replacements: $23.1 million from General Fund in 2019–20 (a total of $33.7 million over five years) to replace various outdated legacy case management systems used by 10 trial courts (Amador, Colusa, Contra Costa, Lassen, Marin, Mariposa, Mono, Nevada, Shasta, and Solano) with a new, commercial, off-the-shelf case management system.

Trial Court Facility Operation and Maintenance: $20.2 million General Fund for underfunded trial court facility operations and maintenance costs. This funding would extend the useful life of trial court facilities and avoid adverse impacts on court operations.

Dependency Counsel: $20 million General Fund to help reduce the average attorney caseload statewide.

Chapter 993, Statutes of 2018 (AB 1793, Bonta) – Cannabis Convictions – Resentencing: $13.9 million General Fund in 2019–20 and $2.9 million in 2020–21 to support costs associated with increased workload for the trial courts as a result of the enactment of chapter 993, Statutes of 2018 (AB 1793). This legislation requires sentence modification of past cannabis conviction cases pursuant to The Control, Regulate, and Tax Adult Use of Marijuana Act.

Judicial Compensation Adjustments: $14 million General Fund for previously approved judicial officer salary and benefit cost increases. Judicial salaries are set by operation of statute (Government Code section 68200 et seq.), and increases are tied to state employee salaries. The increase reflects the average salary increase for the current fiscal year for California state employees as explained in Government Code section 68203(a).

Implementation of Phoenix Roadmap: $7.7 million General Fund to maintain the Phoenix enterprise resource management system (financial and human resources) and deploy the requisite upgrade of the system’s software and infrastructure. This proposal addresses the most critical needs of the program to modernize and support the trial courts and provides some savings to the branch as the cost of equipment maintenance and refresh will be avoided. This proposal would provide the State Trial Court Improvement and Modernization Fund $3.2 million in relief and help address the ongoing solvency of the fund.

Data Analytics and Futures Commission Information Technology (IT) Directives: $7.8 million General Fund with a two-year expenditure period to advance: 1) three IT pilot projects recommended by the Futures Commission (video remote hearings, intelligent chat, and natural language voice-to-text translation), and 2) an IT project to establish and support the foundation of a business intelligence, date analytics, and identity and access management program.

Trial Court Security Systems and Equipment: $6 million General Fund to refresh, maintain, and replace security equipment and systems, including video surveillance, electronic access control, duress alarm, and specialized systems used to control access within court holding areas.
Digitizing Court Records: $5.6 million General Fund to conduct phase one of a multi-phase program for digitizing mandatory court records for trial and appellate courts, and to develop best practices for future statewide implementation. Of this amount, $600,000 is for appellate courts.

Language Access Funding: $4 million General Fund to make prior year one-time funding permanent, which would enable the continuation and expansion of interpreter services for civil matters in all courts.

Judicial Entities at the State Level

The Governor’s proposal includes $11.3 million in total General Fund and other state funds to support the following for state level judicial branch entities:

Litigation Management Program: $5.6 million General Fund to support the defense and indemnity (as permitted) of all judicial branch entities, including the Supreme Court, Courts of Appeal, the Superior Courts, and the Judicial Council. This proposal would provide the State Trial Court Improvement and Modernization Fund $5.2 million in relief and help address the ongoing solvency of the Fund.

Employee Costs: $3.3 million to support retirement and health benefit cost adjustments for employees of the Supreme Court ($0.26 million), Courts of Appeal ($1.8 million), Judicial Council ($1.2 million), and Habeas Corpus Resource Center ($0.08 million).

In addition, funding is provided in a separate budget item for a 3.5 percent salary increase for state level judiciary employees at the Supreme Court, Courts of Appeal, Judicial Council, and Habeas Corpus Resource Center.

Rent Costs: $1.4 million for rent increases in buildings occupied by the Supreme Court, Courts of Appeal, and Habeas Corpus Resource Center.

Fi$Cal Staffing: $952,000 General Fund to provide support and administer the newly deployed Financial Information System for California (Fi$Cal). This funding would be used to effectively manage use of the Fi$Cal and ensure the accuracy and integrity of financial information provided by the Judicial Council in support of judicial branch entities.

Judicial Branch Facilities

Deferred Maintenance: $40 million one-time for deferred maintenance in the courts, as prioritized by the Judicial Council.
Next Steps on Judicial Branch Budget

This proposed budget sets the stage for the next phase of the ongoing budget development cycle for the state for the 2019–20 fiscal year that begins on July 1, 2019. This will include further discussions with the Administration, legislative hearings, meetings with legislators and their staff, updated state revenue numbers in April, a May Revision to the Governor’s proposed budget, and then an intensive period of legislative activity to pass a balanced budget by the June 15 constitutional deadline.

Over the next several months, the Chief Justice and the Judicial Council, with the support of trial and appellate court leaders, the bar, and other justice system stakeholders, will continue to advocate with the Governor and the Legislature on judicial branch policy and funding issues critical to maintaining court services for the public and advancing solutions to improve the delivery of equal and timely access to justice for all Californians.

The Governor’s proposed FY 2019–20 budget may be reviewed at: www.ebudget.ca.gov.