

LEGISLATIVE COUNSEL BUREAU—Continued
1990-91 FUNDING BY ITEM AND SOURCE

| Item—Description | Fund | Amount |
|----------------------|---------|---------------------|
| 0160-001-001—Support | General | \$24,007,000 |
| Reimbursements | — | <u>11,689,000</u> |
| Total | | <u>\$35,696,000</u> |

GENERAL PROGRAM STATEMENT

The Legislative Counsel Bureau provides legal assistance to the Members and committees of the Legislature. The bureau drafts bills, provides legal opinions and legal counsel, supplies attorney support for legislative committee hearings, and represents the Legislature in litigation. It also prepares indices and tables to identify legislative measures; and compiles and indexes statutes and codes. In addition, the bureau operates a data center which is used for the processing of legislative measures and for the payroll, personnel, accounting, and information systems maintained by both houses of the Legislature.

The bureau has 423.5 personnel-years in the current year.

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

The budget proposes total expenditures of \$35.7 million for the Legislative Counsel Bureau in 1990-91. This amount includes a General Fund appropriation of \$24 million and \$11.7 million in reimbursements—primarily from the Assembly Contingent Fund.

Proposed expenditures are \$3.3 million, or 10 percent, higher than estimated expenditures in the current year. This increase represents additional staff positions, price increases, and data processing equipment. The new positions include (1) six attorney positions and (2) four temporary senior legal typist positions.

JUDICIAL

Item 0250 from the General

Fund and various funds

Budget p. LJE 7

| | |
|--|---------------|
| Requested 1990-91 | \$143,044,000 |
| Estimated 1989-90 | 129,074,000 |
| Actual 1988-89 | 104,620,000 |
| Requested increase (excluding amount for salary increases) \$13,970,000 (+10.8 percent) | |
| Total recommended reduction | 1,568,000 |
| Recommendation pending | 1,241,000 |

1990-91 FUNDING BY ITEM AND SOURCE

| Item—Description | Fund | Amount |
|---------------------------------------|--|---------------|
| 0250-001-001—Support | General | \$142,622,000 |
| 0250-001-044—Support/Local Assistance | Motor Vehicle Account, State Transportation | 119,000 |
| 0250-101-001—Local Assistance | General | 10,000 |
| Reimbursements | | 293,000 |
| Total | | \$143,044,000 |

SUMMARY OF MAJOR FINDINGS AND RECOMMENDATIONS

- | | <i>Analysis
page</i> |
|---|--------------------------|
| 1. <i>Staff Support for STATSCAN. Reduce Item 0250-001-001 by \$285,000.</i> Recommend reduction because proposal is premature. | 17 |
| 2. <i>Consulting Services for STATSCAN. Reduce Item 0250-001-001 by \$140,000.</i> Recommend reduction because requested amount is overbudgeted. | 17 |
| 3. <i>Family Court Services. Reduce Item 0250-001-001 by \$239,000.</i> Recommend reduction because funding request is inconsistent with authorizing legislation. | 18 |
| 4. Mainframe Computer. Withhold recommendation on \$1.2 million requested for new mainframe computer, pending receipt of additional information. | 19 |
| 5. <i>Optical Imaging Pilot Project. Reduce Item 0250-001-001 by \$239,000.</i> Recommend reduction because proposal is premature. | 20 |
| 6. <i>Supreme Court Central Staff. Reduce Item 0250-001-001 by \$547,000.</i> Recommend reduction because the proposal is premature. | 20 |
| 7. <i>Court of Appeals Library Shelving. Reduce Item 0250-001-001 by \$118,000.</i> Recommend reduction because less costly alternative will meet the needs of the court. | 21 |
| 8. Courts of Appeal's Report on Affirmative Action and Equal Employment Opportunity Goals. Judicial Council report did not satisfy the request of the Legislature. | 22 |

GENERAL PROGRAM STATEMENT

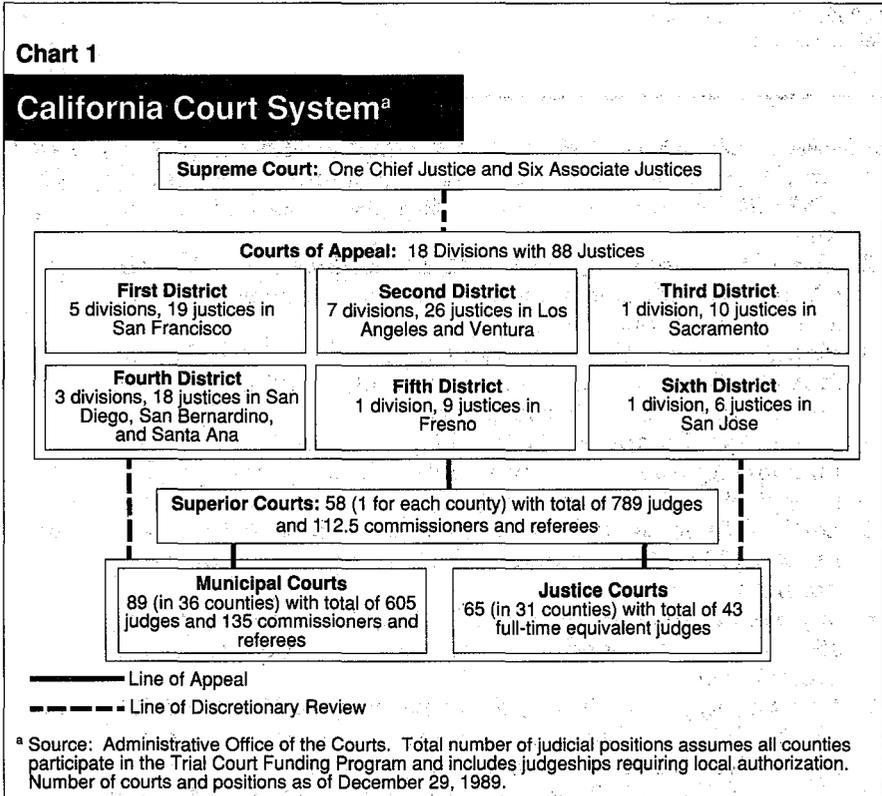
The California Constitution vests the state's judicial power in the Supreme Court, the courts of appeal, and the superior, municipal, and justice courts. The Supreme Court and the courts of appeal hear appeals from the trial courts, and have original jurisdiction over certain writs, such as habeas corpus.

The Supreme Court and the six courts of appeal are entirely state supported. Under the Trial Court Funding Program, the state also provides a significant amount of funding for the trial courts in participating counties, while the counties bear the remainder of these costs.

Fines, fees, and forfeitures collected by the trial courts are currently deposited in each county's general fund, and then distributed to the county, cities, special districts, and state special funds, as required by law. Fees collected by the courts of appeal and the Supreme Court are deposited in the state's General Fund.

JUDICIAL—Continued

Chart 1 displays the structure of the California court system. The chart also shows the lines of appeal and review within the courts.



The Trial Court Funding Program

The Trial Court Funding Program, enacted by Ch 945/88 (SB 612, Presley), the Brown-Presley Trial Court Funding Act, provides for the state to assume primary responsibility for funding the operations of the trial courts in counties that choose to participate in the program. This program was originally established by Ch 1607/85 (AB 19, Robinson) and modified by Ch 1211/87 (SB 709, Lockyer). Chapter 944, Statutes of 1988 (AB 1197, Willie Brown), appropriated funding to implement the program on a half-year basis beginning January 1, 1989. The Governor's Budget estimates that in 1990-91, the state will incur General Fund costs of approximately \$455 million for this program. The increased state assistance takes the form of block grants to fund trial court operating expenses and increased state participation in the funding of judges' salaries and benefits. Proposed funding for these purposes is included in Item 0450-101-001.

Chapter 945 also provided for an annual Budget Act appropriation to the Trial Court Improvement Fund, from which the Judicial Council would award grants for projects to improve court management and efficiency. In 1989-90, there was no appropriation for this fund. Similarly, the proposed budget does not include an appropriation for this purpose in 1990-91.

As a condition of participating in the Trial Court Funding Program, counties must forgo state payment of existing annual \$60,000 block grants for superior court judgeships. Participating counties must also agree to forgo state reimbursement for state-mandated programs in the trial courts, and to waive their rights to seek reimbursement funding for other existing but not yet funded mandated programs.

Judicial Council

The Judicial Council consists of the Chief Justice (chairperson), one other Supreme Court justice, three court of appeal justices, five superior court judges, three municipal court judges, two justice court judges, four members of the State Bar, and one Member of each house of the Legislature. The council is staffed by the Administrative Office of the Courts. As required by the State Constitution, the council seeks to improve the administration of justice by (1) surveying judicial business, (2) making appropriate recommendations to the courts, the Governor, and the Legislature, and (3) adopting rules for court administration, practice, and procedure. The council also provides education for both newly appointed and continuing judges through the Center for Judicial Education and Research.

Commission on Judicial Performance

The Commission on Judicial Performance receives, investigates, holds hearings on, and makes recommendations to the Supreme Court on complaints relating to the qualifications, competency, and conduct of the judiciary.

The state judicial programs have 971.8 personnel-years in the current year.

OVERVIEW OF THE BUDGET REQUEST

The budget proposes appropriations of \$143 million from the General Fund (\$142.6 million), the State Transportation Fund (\$119,000), and reimbursements (\$293,000) for support of judicial functions in 1990-91. This is an increase of \$14 million, or 11 percent, above estimated current-year expenditures.

Table 1 shows the budget program for judicial functions in the prior, current, and budget years.

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MAJOR ISSUES

- ☑
STATSCAN automated data collection system has grown beyond levels authorized by the Legislature.
- ☑
Family court services funding proposal is inconsistent with authorizing legislation.
- ☑
Proposal for \$1.2 million mainframe computer lacks needed justification for approval.
- ☑
Proposal to add seven central staff attorney positions at General Fund cost of \$547,000 is premature.

Table 1
State Judicial Functions
Budget Summary
1988-89 through 1990-91
(dollars in thousands)

| <i>Program</i> | <i>Actual</i> | <i>Est.</i> | <i>Prop.</i> | <i>Percent</i> |
|--|----------------|----------------|----------------|--------------------|
| | <i>1988-89</i> | <i>1989-90</i> | <i>1990-91</i> | <i>Change From</i> |
| | | | | <i>1989-90</i> |
| Supreme Court..... | \$12,309 | \$14,516 | \$15,625 | 7.6% |
| Courts of Appeal..... | 71,241 | 85,602 | 96,601 | 12.8 |
| Judicial Council..... | 19,039 | 27,592 | 29,597 | 7.3 |
| Commission on Judicial Performance..... | 916 | 1,174 | 1,211 | 3.2 |
| Local Assistance..... | 1,115 | 190 | 10 | -94.7 |
| Totals..... | \$104,620 | \$129,074 | \$143,044 | 10.8% |
| | | | | |
| <i>Funding Sources</i> | | | | |
| <i>General Fund</i> | \$103,284 | \$127,170 | \$142,632 | 12.2% |
| <i>Special Account for Capital Outlay</i> | 135 | 1,582 | — | -100.0 |
| <i>Motor Vehicle Account, State Transportation</i> | | | | |
| <i>Fund</i> | 60 | 119 | 119 | — |
| <i>Trial Court Improvement Fund</i> | 999 | — | — | — |
| <i>Reimbursements</i> | 142 | 203 | 293 | 44.3 |
| | | | | |
| <i>Personnel-Years</i> | | | | |
| Supreme Court..... | 110.9 | 123.3 | 131.5 | 6.7% |
| Courts of Appeal..... | 588.0 | 625.7 | 643.3 | 2.8 |
| Judicial Council..... | 166.0 | 210.0 | 248.0 | 18.1 |
| Commission on Judicial Performance..... | 11.4 | 12.8 | 12.9 | 0.8 |
| Totals..... | 876.3 | 971.8 | 1,035.7 | 6.6% |

Table 2 identifies (by funding source) the changes in the Judiciary's expenditure levels proposed for 1990-91.

Table 2
Judiciary
Proposed 1990-91 Budget Changes
(dollars in thousands)

| | <i>General Fund</i> | | | | <i>Total</i> |
|--|-------------------------|-------------------------|----------------------------------|-----------------------|--------------|
| | <i>State Operations</i> | <i>Local Assistance</i> | <i>Special Funds^a</i> | <i>Reimbursements</i> | |
| 1989-90 Expenditures (Revised) | \$126,980 | \$190 | \$1,701 | \$203 | \$129,074 |
| <i>Workload Adjustments</i> | | | | | |
| Appointed counsel | 6,074 | — | — | — | 6,074 |
| Courts of Appeal staffing | 694 | — | — | — | 694 |
| Facilities operation | 2,312 | — | — | — | 2,312 |
| Coordination of civil cases | 375 | — | — | — | 375 |
| Subtotals | (\$9,455) | — | — | — | (\$9,455) |
| <i>Cost Adjustments</i> | | | | | |
| Employee compensation | 2,246 | — | — | — | 2,246 |
| One-time cost reductions | -2,877 | — | — | — | -2,877 |
| Merit salary adjustments | 1,017 | — | — | — | 1,017 |
| Other adjustments | -860 | — | — | — | -860 |
| Subtotals | (-\$474) | — | — | — | (-\$474) |
| <i>Program Adjustments</i> | | | | | |
| Data processing | 2,454 | — | — | — | 2,454 |
| Judicial Council staffing | 1,018 | — | — | — | 1,018 |
| Family court services | 909 | — | — | — | 909 |
| Limited-term programs | -906 | — | — | — | -906 |
| Supreme Court staffing | 1,033 | — | — | — | 1,033 |
| Courts of Appeal staffing | 561 | — | — | — | 561 |
| Judicial training | 155 | — | — | — | 155 |
| Expiring legislation | -187 | -180 | -1,582 | — | -1,949 |
| Furniture—L.A. state building | 453 | — | — | — | 453 |
| Implementation of legislation | 914 | — | — | — | 914 |
| Optical imaging grant | — | — | — | 90 | 90 |
| Assigned judges program | 167 | — | — | — | 167 |
| Alternative dispute resolution study | 90 | — | — | — | 90 |
| Subtotals | (\$6,661) | (-\$180) | (-\$1,582) | (\$90) | (\$4,989) |
| 1990-91 Expenditures (Proposed) | \$142,622 | \$10 | \$119 | \$293 | \$143,044 |
| <i>Changes from 1989-90</i> | | | | | |
| Amount | \$15,642 | -180 | -1,582 | \$90 | \$13,970 |
| Percentage | 12.3% | -94.7% | -93.0% | 44.3% | 10.8% |

^a Includes special accounts in the General Fund.

As Table 2 indicates, workload adjustments represent \$9.5 million, or 68 percent, of the net change in the proposed Judicial budget. Most of this increased workload is in the court-appointed counsel program (\$6.1 million). This increase results primarily from additional criminal cases before the appellate courts in which defendants are indigent and require appointed counsel. Table 2 also shows an increase of \$5 million for program adjustments. Several of the proposed adjustments are discussed in more detail below.

STATSCAN Program

The *Supplemental Report of the 1989 Budget Act* requested the Legislative Analyst's Office to review the history and progress of the STATSCAN program and examine the relationship of this program to the

JUDICIAL—Continued

SUSTAIN program (a commercial case processing system), the Trial Court Delay Reduction Program, and the Trial Court Improvement Fund. In addition, the report requested us to examine the appropriate sharing of program costs between the state and the counties.

The analysis below is in response to the request in the supplemental report. In completing this analysis, we reviewed STATSCAN program documentation, interviewed a variety of Judicial Council staff, visited several STATSCAN pilot courts, and interviewed local court personnel.

Background

What is STATSCAN? STATSCAN is an automated data collection system that uses bar codes, scanners, and computers to store information about court filings and to generate workload statistics. At its inception in 1985-86, four courts participated in the program. Currently, 26 courts use STATSCAN software and hardware. At one time as many as 34 courts participated in the program.

What Led to the Development of STATSCAN? In 1985, after previous efforts to develop a system were not successful, the council formulated goals to guide the design of a new data collection system using bar code technology. These goals included: satisfying user needs for statistics, improving the weighted caseload system, streamlining the data collection at the Judicial Council, providing an advanced data collection technology that would have widespread applications for a variety of court operations, improving the council's ability to analyze new legislation, and avoiding the need for additional staff. The council envisioned the system to be a pilot project with subsequent application statewide.

The objectives of the pilot project included: testing the bar code technology in several different court environments, testing the new data elements to determine their value and usefulness, and testing the viability of the bar code technology for general court operations.

Our analysis indicates, however, that the STATSCAN pilot project did not include several elements that are included in most "pilot" projects. Namely, the project did not have a specific expiration date nor did it include a formal process to evaluate the project at the end of a specified period.

Legislative Analyst's Findings on STATSCAN

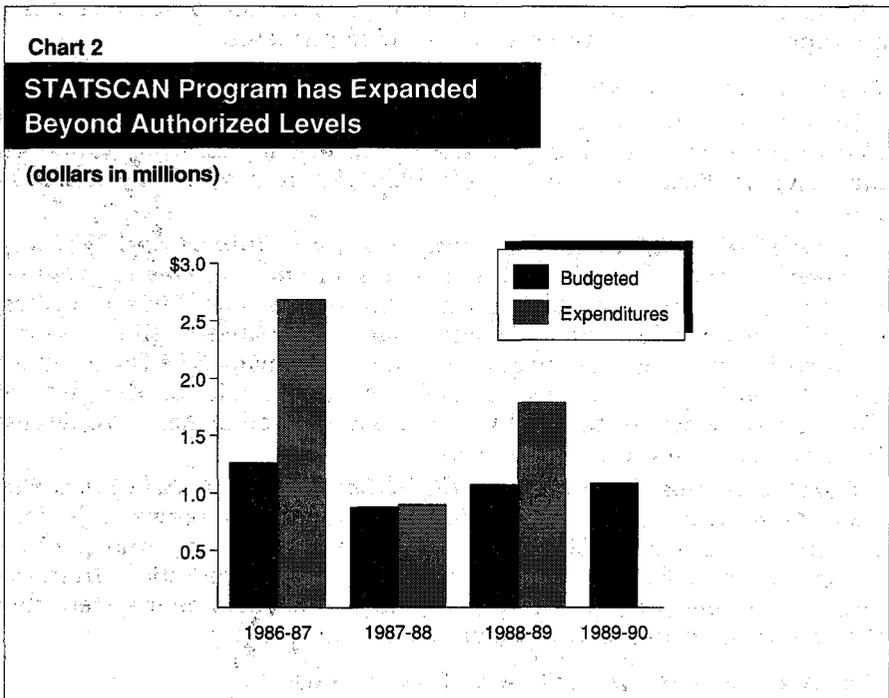
In our review of STATSCAN, we found a number of themes that the Legislature may wish to consider when reviewing this project or other pilot projects operated by the Judicial Council.

Fiscal Management of STATSCAN Program Was Poor

Our analysis indicates that the Judicial Council's fiscal management of the STATSCAN project was inconsistent with fiscal practices that the Legislature should expect of state agencies.

Judicial Council Has Spent More For STATSCAN Than Authorized by the Legislature. We found that the Judicial Council's expenditures for

the STATSCAN program have consistently exceeded the amounts specifically authorized for the program by the Legislature, as shown in Chart 2. In 1986-87, the Legislature appropriated \$1.3 million for the program and the Judicial Council spent \$2.7 million. In 1987-88, the Legislature approved \$880,000, and the council spent \$901,000. In 1988-89, \$1.1 million was appropriated, but the council spent \$1.8 million. A total of \$1.1 million also was appropriated for the current year. Interviews with Judicial Council staff and review of the program documentation indicate that funds from other council programs were redirected to finance the STATSCAN program.



Judicial Council Committed Money for Equipment in Advance of Legislative Authorization. Our review indicates that the Judicial Council agreed to purchase approximately \$1.3 million in equipment for the STATSCAN project in advance of authorization by the Legislature. Review of program documentation and interviews with Judicial Council staff indicate that funds appropriated in Ch 238/87 (AB 846, Stirling) were used to enter into a lease of computer equipment in the fall of 1987. The lease agreement provided that the state initially would only pay interest on the lease. The council used the funds to pay the interest in anticipation that the Legislature would approve funding for the Trial Court Improvement Fund (TCIF) in the 1988 Budget Act to purchase

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the equipment. When the TCIF was not funded, the Judicial Council renegotiated the lease and extended the number of interest payments, again in anticipation that TCIF would be fully funded. The council paid the lease by giving computer equipment to certain STATSCAN courts and paying off the lease with the funds appropriated for the TCIF in subsequent legislation. This transaction had a total cost of approximately \$1.3 million.

As a result of concerns about this lease agreement that we raised during hearings on the 1989 Budget Bill, the Legislature adopted budget control language requiring the Judicial Council to report on certain leases, contracts, and the initiation of new projects or reallocation of funds appropriated by the Legislature for specific purposes.

Judicial Council Experienced Other Administrative Difficulties

In addition to the fiscal issues noted above, we found that the Judicial Council experienced other problems administering the project which may have implications for the state's role in future trial court automation projects.

Council Had Difficulty Providing Adequate Support and Training to Local Courts. Interviews with council staff and a review of program documentation indicate that growth of the program and, in some cases, problems experienced by the courts that participated in the program, resulted in inadequate support and training for many STATSCAN pilot project courts. Part of this difficulty is attributable to the Judicial Council's response to the Trial Court Delay Reduction Act. (We discuss this response in more detail below.)

Communication Between the Judicial Council and Local Courts Has Been Poor. Our review found that communication between Judicial Council and the STATSCAN courts was hampered by, among other things, the council's slow response to questions and suggestions from the local courts, and problems in the communication/comment system that the council used to receive feedback from the courts.

STATSCAN Did Not Attain All of Its Original Goals

We found that STATSCAN had mixed success at meeting many of the original objectives and goals of the project. On the one hand, STATSCAN satisfied the original objectives of testing new technologies and data elements. In addition, California courts gained valuable experience with automation and became more aware of the need for statistical consistency. The project also produced more meaningful and accurate information for use in court management.

On the other hand, some of the most important goals, from the standpoint of state court management, have not been attained as detailed below.

STATSCAN Has Not Streamlined Data Collection Systems of the Courts or the Judicial Council. A major goal of STATSCAN was the development of a new data collection system that would allow courts to

move away from manual reporting. Our review indicates the current-process for gathering statistical data remains cumbersome and duplicative and has not been markedly improved as a result of STATSCAN. We found that many STATSCAN courts still operate manual systems in order to report their case statistics to the council. A primary reason for this is that the council's statistics unit has not been significantly involved in the development of the STATSCAN project.

STATSCAN Has Not Improved the Weighted Caseload System. One of the original goals of the STATSCAN program was improvement of the weighted caseload system, which is used to determine the need for additional judges in the state. Interviews with Judicial Council personnel indicate that STATSCAN has not been used in the weighted caseload process and that the council's division that is responsible for the weighted caseload process had no involvement with the STATSCAN project.

STATSCAN Has Not Improved the Judicial Council's Ability to Analyze the Effects of New Legislation. Another original goal of the STATSCAN project was to improve the ability of the council to analyze the effects of new legislation. Interviews with council staff indicate that no progress has been made toward this goal.

STATSCAN Played a Significant Role in Implementation of the Trial Court Delay Reduction Act

The Trial Court Delay Reduction Act, which was established by Ch 1335/86 (AB 3300, Willie Brown), required superior courts to monitor their cases to meet time standards and report a new set of statistics to the Judicial Council. Nine courts were designated to experiment with exemplary pilot delay reduction programs. Four of the nine courts were also participating in the STATSCAN project (Los Angeles, Sacramento, Orange, and San Diego). Since 1986, delay reduction has been a top priority of the Judicial Council. In response to the act, the council shifted resources to support the four courts that participated in both the STATSCAN and delay reduction programs.

Our review found that the data collection and report generating capabilities of STATSCAN significantly helped courts implement the act. When Chapter 1335 was enacted, the courts became interested in case management systems in order to manage their own programs and satisfy the Judicial Council's reporting requirements. The information produced by STATSCAN allowed the courts to reach the level of case tracking and case management necessary to satisfy the requirements of the act. Interviews with council staff and local court personnel indicate that the required level of case monitoring would be difficult to attain under an exclusively manual system.

Although STATSCAN assisted in implementation of Chapter 1335, some courts found that their need to monitor events and time standards required something more than STATSCAN. They met this need by combining STATSCAN and a commercially available case processing system called SUSTAIN. SUSTAIN operates in the same personal computer environment as STATSCAN.

JUDICIAL—Continued**Appropriate Sharing of STATSCAN Costs Between the State and the Courts**

The supplemental report language requested us to review the appropriate sharing of STATSCAN costs between the state and the courts. Our analysis indicates that there are three categories of costs associated with the STATSCAN program. First, there are costs of maintaining the central support staff at the Judicial Council. Second, there are costs of hardware, software, and operations at the local court level for basic statistical reporting. Third, there are costs of hardware, software, and operations at the local level for case management and processing.

The state has paid the costs associated with the Judicial Council staff and equipment. These staff are state employees. Consequently, we conclude that it is appropriate for the state to pay these costs.

The question of the appropriate sharing of costs associated with basic statistical reporting and case management is more difficult. As was mentioned above, STATSCAN and case management programs, like SUSTAIN, generally run on the same computer and complement each other. Benefits of such an arrangement are gained by both counties and the state. The counties get a court management tool to help process cases and improve operations of the trial courts. The state receives the benefit of accurate data so that, among other things, it can monitor the business of the courts and measure their progress toward reducing delay.

Although the mutual benefits that the state and counties receive from STATSCAN point toward some joint funding relationship, we have no analytical basis to determine what the relationship should be.

Conclusions

Our review led us to a number of conclusions about the STATSCAN program that the Legislature may wish to consider when reviewing this or other judicial programs.

Legislature Should Maintain Close Oversight of Council's Fiscal Practices. Because of the council's poor fiscal management of the STATSCAN program, we believe that the Legislature should scrutinize the council's finances to ensure that the council does not spend or commit money for programs in excess of the amounts authorized. The 1990 Budget Bill includes the same control language established last year that requires the Judicial Council to report on certain leases, contracts, and the initiation of new projects or reallocation of appropriations. We believe that the language is necessary in order for the Legislature to maintain necessary oversight.

Legislature Should Consider Trial Court Automation When It Reviews Trial Court Delay Reduction Act. Provisions of the Trial Court Delay Reduction Act are scheduled for review in 1991. Given the impact of STATSCAN on implementation of the Trial Court Delay Reduction Act, we believe that the Legislature may want to consider the issue of trial court automation when it reviews the Trial Court Delay Reduction Act in 1991. We believe that this would also be an appropriate time to reconsider the future of STATSCAN.

Legislature and Judicial Council Should Reconsider the State's Role in Trial Court Automation Projects. Given the difficulties experienced by the council in providing support and training for local courts, we believe that the Legislature and the Judicial Council should carefully consider the state's role in future automation projects. The state has limited authority and control over local trial courts. The council itself advises that its experience from STATSCAN made clear that the diversity of trial courts in size, operational procedures, and local technical support require the state to let courts establish automation projects in the manner best suited to their circumstances.

Legislature Needs to Reevaluate STATSCAN Before Expansion

We recommend deletion of \$285,000 requested from the General Fund to expand the support activities provided by the Judicial Council for the STATSCAN system because the proposal is premature. (Reduce Item 0250-001-001 by \$285,000.)

The budget requests \$285,000 from the General Fund for five positions in the Judicial Council to enhance the use of automation in the trial courts. The budget proposes that the five additional positions would establish the information standards and guidelines. Currently, the Judicial Council is authorized five positions for the STATSCAN project where these additional positions would be located.

We believe that this proposal is premature for several reasons. First, we concluded earlier in this analysis that the Legislature should reconsider the state's role in trial court automation projects and should specifically consider trial court automation issues when it reviews the Trial Court Delay Reduction Act. These considerations may result in significantly different responsibilities for the STATSCAN staff. We believe that the outcome from such assessments must be determined before the current staff is doubled in size.

Second, the council has not finished its own evaluation of the effectiveness of the STATSCAN program. The council hired a consultant to write a report on the program which was in draft form at the time this analysis was completed. We believe that it is premature for the council to seek to expand the program before reviewing the findings and recommendations of its own consultant's report.

Finally, the council itself advises that it may limit its role for STATSCAN in the future. Given that this change should have an impact on the workload of the current staff, we believe that it is premature to add more staff at this time.

For these reasons, we recommend deletion of the proposed funding, for a General Fund savings of \$285,000.

Consulting Services for STATSCAN Overbudgeted

We recommend a General Fund reduction of \$140,000 for consulting and professional services for the STATSCAN program because the requested amount is overbudgeted. (Reduce Item 0250-001-001 by \$140,000.)

JUDICIAL—Continued

The budget proposes \$280,000 from the General Fund for consulting and professional services for the STATSCAN program. This is the same amount budgeted for 1988-89 and 1989-90.

Our analysis indicates that the council has consistently overbudgeted in this area. As a result, the funds budgeted for consulting services have been either transferred for other, unbudgeted uses, or reverted back to the General Fund. Table 3 shows the amounts budgeted and expended for consulting services for STATSCAN since 1986-87.

Table 3
Judicial
Consulting Service Expenditures for STATSCAN
1986-87 through 1990-91

| <i>Year</i> | <i>Budgeted</i> | <i>Expenditure</i> | <i>Percent Expended</i> |
|---------------|-----------------|----------------------|-------------------------|
| 1986-87 | \$175,000 | \$80,176 | 46% |
| 1987-88 | 150,000 | 130,316 | 87 |
| 1988-89 | 280,000 | 136,562 | 49 |
| 1989-90 | 280,000 | 130,000 ^a | 46 |
| 1990-91 | 280,000 | — | — |

^a Judicial Council estimate.

As the table shows, the council has never spent more than \$140,000 for consulting services and only spent more than 50 percent of the budgeted amount one year. Based on information provided by the council, we know of no reason to expect that the council would spend significantly more for services in the budget year than it has in current or previous years. Consequently, we recommend that the amount budgeted be reduced to \$140,000 to bring the amount more in line with actual expenditure patterns. This represents a General Fund savings of \$140,000.

Family Court Services Proposal Inconsistent with Authorizing Legislation

We recommend a General Fund reduction of \$239,000 requested for the Family Court Services Program because the request is inconsistent with the authorizing legislation for the program. (Reduce Item 0250-001-001 by \$239,000.)

The budget requests \$1.2 million from the General Fund for support of the Family Court Services Program in 1990-91. This is an increase of \$283,000, or 31 percent, above the estimated expenditures for the current year. The requested increase results primarily from a proposed change in methodology for calculating the amount of resources available for the program.

Chapter 893, Statutes of 1984 (AB 2445, Farr), required the Judicial Council to assist counties in implementing family law mediation procedures. The Family Court Services Program was established pursuant to Chapter 893. The program is funded from fees generated by the sale of certified copies of marriage licenses and dissolution decrees. These fees are collected by counties and transmitted to the State Controller's Office for deposit into the General Fund.

Traditionally, the Judicial Council has determined the revenue base for the program by adjusting the *actual revenues* from the past year by a growth factor. For 1990-91, however, the council proposes to determine the revenue base by estimating the amount of revenues that *should be collected* by the counties. Historically, the actual amount collected by the State Controller's Office from the counties has not equaled the amount estimated to be collected based on Department of Health Services' data on the number of marriage licenses and dissolution decrees issued. Thus, this change in methodology carries the risk of the Legislature making expenditure commitments that exceed available revenues.

Our analysis indicates that the council's proposal is inconsistent with Chapter 893, which states that funds *collected by the state* are to be used for the Family Court Services Program—not funds that *should be collected*. If the amount actually collected does not equal the amount budgeted, then the program will face a deficiency. This would pose a second problem because Chapter 893 also provides that no funds other than those deposited pursuant to the statute may be used to support the program.

For these reasons, we recommend that the council's proposal to change the methodology for estimating resources available to the program be rejected. Using the old methodology, which we believe is consistent with Chapter 893, we estimate that the amount available to the program in 1990-91 will be \$935,000, or \$239,000 less than the council's request. Consequently, we recommend a reduction of that amount.

More Information Needed for Computer Request

We withhold recommendation on \$1.2 million requested from the General Fund for the purchase of a new mainframe computer, pending receipt and analysis of the council's feasibility study, needs projection, and other evaluations of the proposed system.

The Judicial Council requests \$1.2 million from the General Fund for the purchase of a mainframe computer because of an anticipated change in the council's current software program. We have two concerns with this proposal.

Studies Not Complete. At the time this analysis was written, the Judicial Council had not completed the feasibility study, needs projections, and other evaluations for the anticipated system. The council advises that these studies will be completed later in the spring. The Legislature needs the information contained in these documents to review, among other things, the full scope, specifications, and requirements of the proposed system that will operate on the proposed equipment. Without these documents, we have no analytical basis to evaluate whether the proposal is reasonable.

Costs are Uncertain. Our second concern is that the Judicial Council has not determined the full cost of the proposed computer system. The council advises that since the feasibility study, needs projections, and other evaluations have not been completed, information on the alternatives and projected annual costs are not available.

JUDICIAL—Continued

In view of the above, we withhold recommendation on the request, pending receipt of the feasibility study, needs projections, and other evaluations to support the proposal.

Imaging Pilot Project is Premature

We recommend a reduction of \$239,000 from the General Fund for the Optical Imaging Pilot Project because the proposal has not been fully developed and is premature. (Reduce Item 0250-001-001 by \$238,500.)

The budget proposes \$239,000 from the General Fund for installation of an optical imaging system in the Judicial Council. The council advises that this proposal would represent the pilot phase of a multi-year project. Optical imaging systems capture, store, and retrieve document images that are permanently stored on optical disks. The technology can be used to input and index documents containing graphics, signatures, seals, and photographs.

Our analysis indicates that the council has done no formal analysis which evaluates the advantages and disadvantages of the current document storage system and compares that system to the advantages and disadvantages of optical imaging and other alternatives. As a result, the Legislature has no basis to evaluate the proposal and its related costs.

The Legislature also has no information on the following:

- **Evaluation Criteria.** Although the council has stated goals of the pilot project, it has not established objective criteria to measure success in achieving the goals.
- **Project Location.** The council has no definite idea where the pilot project would be conducted, except that it would be limited to some aspect of the council's business operations.
- **Time Frame.** The council has no time frame for the pilot project, except that it would terminate at an arbitrary point somewhere between 12 and 18 months after it starts.
- **Costs.** The council could not advise the Legislature of the potential ongoing costs of the project.

Given that the above concerns have not been addressed, we believe that the proposal is premature. We therefore recommend that the request for \$239,000 be deleted.

Central Staff Positions Proposal is Premature

We recommend a reduction of \$547,000 from the General Fund for seven additional central staff positions because the request is premature. (Reduce Item 0250-001-001 by \$547,000.)

The budget proposes \$1 million for 15 positions for the Supreme Court's central staff. Eight of the requested positions (seven attorneys and one clerical position) were initially approved on a limited-term basis for 1988-89 and were continued as limited term in the current year. This proposal would make the eight positions permanent and augment the staff with seven additional attorney positions.

The *Supplemental Report of the 1989 Budget Act* requested the Judicial Council to report to the Legislature regarding the need to establish the eight central staff positions on a permanent basis. The report confirms the utility of the new staff. The council indicates that the existing eight staff currently handle approximately half of the Supreme Court's civil conference memoranda. On this basis, the council requests seven more attorney positions to handle the other half of the workload. The council indicates that this will allow the justices and their individual staff, who currently handle the balance of the civil conference memoranda to devote more time to writing court opinions and other tasks.

We have two concerns with this proposal. First, the civil central staff has not operated at full productivity long enough to justify seven additional positions. The report states that the positions authorized by the Legislature were filled by February 1989, but that the staff did not produce at a relatively consistent rate until July. While the civil central staff has prepared approximately half of the court's civil conference memoranda over the last six months, the potential exists for increased productivity in the future as the central staff gains more experience. Our concern is that six months of productivity is a limited time to measure the full impact of the civil central staff, much less justify an additional seven positions. In addition, the report states that it is not possible to precisely measure the effect of the civil central staff on the court's workload in part due to changes in court operating procedure. Given the limited period of full productivity and the uncertainty identified in the report, we believe that a longer period of operation is needed to determine whether the court needs additional attorneys.

Second, we are concerned that the court's civil filing estimate used to justify the additional attorneys may be overstated. The council anticipates 1,930 civil petitions to be filed in 1989-90. Our review of the council's most recent annual data found that civil petitions *decreased* about 8 percent from 1985-86 to 1987-88. Data supplied by the council in response to our questions also indicate that the council's estimate of civil petition filings for 1990-91 may be too high. Based on available data for the current year, we estimate that the total filings may be about 10 percent *less* than the council's estimate for the budget year and 6 percent *lower* than actual experience in 1987-88.

For these reasons, we believe that it is premature to add seven additional attorneys, which would double the size of the central staff, at this time. Deletion of these positions would result in a General Fund savings of \$547,000.

Less Costly Alternative Available for Library Shelving

We recommend a reduction of \$118,000 from the General Fund for library shelving for the Second District Court of Appeals because a less costly alternative will meet the needs of the court. (Reduce Item 0250-001-001 by \$118,000.)

The budget requests a General Fund augmentation of \$200,000 for new library shelving for the Second District Court of Appeals in Los Angeles

JUDICIAL—Continued

when it relocates to the new Ronald Reagan State Office Building in 1991. The Judicial Council advises that the new shelving is needed for a dignified and distinguished appearance.

Our analysis indicates the library shelving needs of the court can be satisfied for significantly less cost to the state. Another alternative identified by the council would modify the existing shelving by adding new frames, bases, and reinforcements. This alternative would cost approximately \$82,000, or \$118,000 less than the requested amount. There is no evidence suggesting that modifications to the existing shelving could not adequately serve the needs of the court or that this alternative would result in an appearance that is any less dignified or distinguished.

Accordingly, we recommend that the less costly alternative be approved, for a General Fund savings of \$118,000.

Courts of Appeal's Report on Affirmative Action and Equal Employment Opportunity Goals Does Not Satisfy Reporting Requirement

Our analysis indicates that the Judicial Council's report on affirmative action and equal employment opportunity goals in the Courts of Appeal did not satisfy the Legislature's request in the Supplemental Report of the 1989 Budget Act because it did not provide information on the goals, or the courts' efforts to recruit women and minorities.

The *Supplemental Report of the 1989 Budget Act* requested the Judicial Council to report to the Joint Legislative Budget Committee and the Legislature's fiscal committees regarding the Courts of Appeal's affirmative action and equal employment opportunity goals and its activities to realize them. The council was specifically requested to include in this report information about the current composition of the court's staff and how the composition of staff coincides with the goals, the recruitment and outreach efforts made by the courts, and a description of the efforts planned during the current year to bring the court closer to achieving its goals. As explained below, we believe this report does *not* satisfy the reporting requirement because it does not provide information on goals, or the courts' efforts to recruit women and minorities.

The council submitted its report to the Legislature in December 1989. In its report, the council compares the minority and female composition of the staff to Economic Development Department labor market information. The period of review is from July 1988 to June 1989.

Courts of Appeal Report Underrepresentation of Minorities. Currently, the courts of appeal have 511 employees in six job categories: officials and managers, professionals, paraprofessionals, technicians, office and clerical, and service and maintenance. Chart 3 shows the representation of minorities and women on the court's staff.

The council reports that minorities are underrepresented on the staff of the courts of appeal, as Chart 3 indicates. According to the council, the court's staff contains 86 minority employees. These staff members represent nearly 17 percent of the court's total staffing complement. As

Chart 3

Female and Minority Representation on the Staffs of the California Courts of Appeal

As of June 30, 1989

| | Total | | Female | | Minority | |
|--|------------|--|------------|--------------|-----------|--------------|
| | Employees | | Employees | Percent | Employees | Percent |
| Statewide labor market ^a | -- | | -- | 42.0% | -- | 30.2% |
| Court of Appeal | | | | | | |
| <i>First District</i> (San Francisco) | 99 | | 59 | 59.6 | 16 | 16.2 |
| <i>Second District</i> (Los Angeles & Ventura) | 162 | | 110 | 67.9 | 49 | 30.2 |
| <i>Third District</i> (Sacramento) | 65 | | 40 | 61.5 | 7 | 10.8 |
| <i>Fourth District</i> (San Diego, San Bernardino & Santa Ana) | 103 | | 68 | 66.0 | 8 | 7.8 |
| <i>Fifth District</i> (Fresno) | 45 | | 33 | 73.3 | 3 | 6.7 |
| <i>Sixth District</i> (San Jose) | 37 | | 26 | 70.3 | 3 | 8.1 |
| Totals | 511 | | 336 | 65.8% | 86 | 16.8% |

^a Based on Employment Development Department data, as supplied by the Judicial Council.

Chart 3 shows, this is about 13 percent below the statewide labor force market figures. The council reports that minority employment levels are deficient in four areas: officials and managers, professionals, paraprofessionals, and office and clerical.

Courts of Appeal Report that Female Employment Exceeds the California Female Labor Force Employment Level. The council also reports that women are utilized above California female labor force employment levels, as Chart 3 indicates. According to the council, the court's staff contain 336 women. These staff members comprise nearly 66 percent of total staffing. The council reports that female employment is deficient in two areas: officials and managers, and technicians.

Report Does Not Satisfy Reporting Language. Notwithstanding the information provided, the report does not satisfy the reporting requirement of the supplemental report. Specifically, language requested the council to report on the courts of appeal's affirmative action and equal employment opportunity goals. The report only states that the report data will be compared to the Employment Development Department's labor market information. It does not state the affirmative action and equal employment opportunity goals of the courts of appeal. In addition,

JUDICIAL—Continued

the report does not provide data on specific minority groups and goals regarding their representation.

The language also requested the council to report on the recruitment and outreach efforts made by the courts, and to provide a description of the specific efforts planned during 1989-90 to bring courts closer to achieving their goals. Notwithstanding the statement that as vacancies occur, efforts are made to hire minority and women staff members in vacant positions where they are underrepresented, there is no mention of the recruitment and outreach efforts made by the courts. In addition, the report does not describe any specific efforts during the current year to bring courts closer to achieving their goals.

CONTRIBUTIONS TO JUDGES' RETIREMENT FUND

Item 0390 from the General
Fund

Budget p. LJE 14

| | |
|---|--------------|
| Requested 1990-91..... | \$39,445,000 |
| Estimated 1989-90 | 32,182,000 |
| Actual 1988-89 | 26,745,000 |
| Requested increase \$7,263,000 (+ 23 percent) | |
| Total recommended reduction..... | None |

1990-91 FUNDING BY ITEM AND SOURCE

| Item—Description | Fund | Amount |
|--|---------|---------------------|
| 0390-001-001—Supreme and Appellate Court Judges | | |
| —Budget Act Appropriation | General | \$2,158,000 |
| —Government Code Section 75101 | General | 850,000 |
| 0390-101-001—Superior and Municipal Court Judges—Budget Act Appropriation | General | 26,077,000 |
| —Government Code Section 75101 | General | <u>10,360,000</u> |
| Total | | <u>\$39,445,000</u> |

GENERAL PROGRAM STATEMENT

The Judges' Retirement Fund (JRF) provides benefits for those municipal, superior, appellate and supreme court judges, and their survivors, who are members of the Judges' Retirement System (JRS). This system is administered by the Public Employees' Retirement System (PERS).

The primary revenues deposited in the fund come from the following sources:

- *Active members' contributions*, equal to 8 percent of members' actual salaries;
- *Fees on civil suits* filed in municipal and superior courts; and

- **State General Fund appropriations**, which are equivalent to:
 - (a) 8 percent of judicial salaries based on authorized positions, *plus*
 - (b) any amount necessary to cover JRS benefit payments made in a given year.

The JRF will pay out \$54 million in benefits in the budget year.

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

The budget proposes four General Fund appropriations totaling \$39,445,000 as the state's contribution to the JRF in 1990-91. This amount consists of \$11,210,000 (equivalent to 8 percent of judicial salaries) in statutory contributions and \$28,235,000 in Budget Bill appropriations needed to meet the cost of projected benefit payments during 1990-91. Without the latter amount, the JRF—which has little reserve funding—would be insolvent. This is because receipts anticipated from other revenue sources will finance only about 47 percent of the benefit payments projected for the budget year. The proposed benefit payments are \$6.3 million, or 13 percent, more than the estimated payments in the current year.

The proposed \$39 million in General Fund appropriations is needed to finance the cost of benefits expected to be paid by the JRS during 1990-91. Table 1 shows the revenues and expenditures for the JRF in the prior, current, and budget years.

Table 1
Judges' Retirement Fund
Revenues and Expenditures
1988-89 through 1990-91
(dollars in millions)

| | <i>Expenditures</i> | | | <i>Percent Change from 1989-90</i> |
|---|---------------------------|------------------------------|-----------------------------|--|
| | <i>Actual 1988-89</i> | <i>Estimated 1989-90</i> | <i>Proposed 1990-91</i> | |
| Beginning Reserves | \$3.3 | \$1.2 | — ^a | -100.0% |
| Revenues | | | | |
| State Contributions: | | | | |
| Statutory 8 Percent | \$9.9 | \$10.6 | \$11.2 | 5.7% |
| Budget Act | 16.6 | 21.3 | 28.0 | 13.1 |
| Budget Act (administration) | 0.2 | 0.3 | 0.3 | — |
| Subtotals, State Contributions | (\$26.7) | (\$32.2) | (\$39.5) | (22.7%) |
| Nonstate Contributions: | | | | |
| Judges' Contributions | \$8.8 | \$9.3 | \$9.5 | 2.2% |
| Other ^b | 4.7 | 4.9 | 5.0 | 2.0 |
| Subtotals, Nonstate Contributions | (\$13.5) | (\$14.2) | (\$14.5) | (2.1%) |
| Totals, Revenues | \$40.2 | \$46.4 | \$54.0 | 16.4% |
| Expenditures: | | | | |
| Benefits and others (net) | \$42.2 | \$47.3 | \$53.6 | 13.3% |
| Administrative costs | 0.2 | 0.3 | 0.3 | — |
| Totals, Expenditures | \$42.4 | \$47.6 | \$53.9 | 13.2% |
| Ending Resources ^c | \$1.2 | — ^b | — ^a | — |

^a Less than \$50,000.

^b Includes filing fees, investment income, and contributions from employers.

^c Totals do not add due to rounding.

SALARIES OF SUPERIOR COURT JUDGESItem 0420 from the General
Fund

Budget p. LJE 15

| | |
|--|--------------|
| Requested 1990-91 | \$69,189,000 |
| Estimated 1989-90 | 67,443,000 |
| Actual 1988-89 | 77,116,000 |
| Requested increase (excluding amount for salary increases) \$1,746,000 (+2.6 percent) | |
| Total recommended reduction | None |

GENERAL PROGRAM STATEMENT

The state provides approximately 90 percent of the salaries, plus the full cost of health benefits, to the state's superior court judges.

Currently, each county contributes \$5,500, \$7,500, or \$9,500 per year toward each of these judge's salary, depending on the county's population. Counties pay their share directly or reimburse the state for payment of the county contribution. The state pays the balance of each judge's salary, which increased from \$89,851 to \$94,344 in January 1990. The counties' share of total salary cost has not changed since 1955, when the program began.

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

The budget proposes an appropriation of \$69.2 million from the General Fund to pay approximately 90 percent of the salaries and the full benefits of the 789 authorized superior court judgeships. This is an increase of \$1.7 million, or 2.6 percent, above estimated current-year

Table 1
State Expenditures for
Salaries and Health Benefits
for Superior Court Judgeships
and Salaries for Municipal Court Judgeships
1988-89 through 1990-91
(dollars in thousands)

| <i>Expenditure Category</i> | <i>Actual 1988-89</i> | <i>Est. 1989-90</i> | <i>Prop. 1990-91</i> | <i>Percent Change From 1989-90</i> |
|--------------------------------------|---------------------------|-------------------------|--------------------------|--|
| Superior court salaries | \$57,540 | \$65,361 | \$67,134 | 2.7% |
| Superior court health benefits | 2,358 | 3,172 | 3,172 | — |
| Municipal court salaries | 20,733 ^a | — | — | — |
| Salary savings | -3,515 | -1,090 | -1,117 | 2.5 |
| Reimbursements from counties | (1,000) | (1,190) | (1,190) | — |
| Totals | \$77,116 | \$67,443 | \$69,189 | 2.6% |

^a Chapter 944, Statutes of 1988 (AB 1197, Willie Brown), amended the Budget Act of 1988 to provide state funding of municipal court judges' salaries in counties that participated in the Trial Court Funding Program in 1988-89. Funding for these salaries now appears as a supplement to the trial court funding block grants in Item 0450.

expenditures. This increase is the result of salary adjustments which reflect the full-year costs of salary increases granted in the current year.

Table 1 summarizes expenditures for superior court judges' salaries and benefits, municipal court judges' salaries, and reimbursements from counties for the past, current, and budget years.

Our analysis indicates that the amount budgeted for the salaries and benefits of the 789 authorized superior court judgeships is appropriate. Consequently, we recommend approval of the request.

STATE BLOCK GRANTS FOR TRIAL COURT FUNDING

Item 0450 from the General
Fund

Budget p. LJE 16

| | |
|--|---------------|
| Requested 1990-91 | \$454,917,000 |
| Estimated 1989-90 | 433,486,000 |
| Actual 1988-89 | 180,546,000 |
| Requested increase \$21,431,000 (+4.9 percent) | |
| Total recommended reduction | None |

GENERAL PROGRAM STATEMENT

The Trial Court Funding Program, enacted by Ch 945/88 (SB 612, Presley), the Brown-Presley Trial Court Funding Act, provides for the state to assume primary responsibility for funding the operations of the trial courts in counties that choose to participate in the program. This program was originally established by Ch 1607/85 (AB 19, Robinson) and modified by Ch 1211/87 (SB 709, Lockyer). Chapter 944, Statutes of 1988 (AB 1197, Willie Brown), appropriated funding to implement the program on a half-year basis beginning January 1, 1989.

The increased state assistance to the trial courts consists of four components: block grants to fund trial court operating expenses, block grant supplements for specified new judgeships, contributions toward the salaries of municipal court judges, and contributions toward the salaries of justice court judges.

State block grants will be disbursed to counties for superior, municipal, and justice court judges, and superior and municipal court commissioners and referees. The block grant amount will increase annually at the same rate as the average percentage increase in state employees' salaries in the previous year. In 1990-91, the block grant amount will be \$235,956 per judge, commissioner, or referee.

Supplements to the block grants are available to certain counties for specific judgeships created by Chapter 1211. That measure authorized 98 additional trial court judgeships. These positions become operative only if the counties in which they are located participate in the program. Participating counties that gained more than 10 judgeships in Chapter 1211 receive a block grant supplement for each judgeship in excess of that

STATE BLOCK GRANTS FOR TRIAL COURT FUNDING—Continued

number. The supplement represents the difference between the county's average appropriation for court operations per judicial position in 1987-88 and the base year block grant amount. This supplement, calculated by the State Controller, is available for four years and decreases by 25 percent each year.

The Trial Court Funding Program also extends the current system of state participation in the salaries of superior court judges to the salaries of municipal and justice court judges. Each county that participates in the program will contribute \$5,500, \$7,500, or \$9,500 toward the salary of each judge, depending on the county's population. The state will pay the balance of each judge's salary which is currently \$86,157. The state contribution will be prorated according to the full-time equivalency of each position.

As a condition of participating in the program, counties must forgo previous state funding for certain purposes. Specifically, counties must forgo state payment of annual block grants of \$60,000 for certain judgeships. In addition, they must waive reimbursement for existing and future state-mandated costs relating to the trial courts and all other state mandated costs for which they had not submitted claims by September 16, 1988.

ANALYSIS AND RECOMMENDATIONS*We recommend approval.*

The budget proposes expenditures of \$455 million to provide block grants for trial court operating expenses, block grant supplements for new judgeships, and contributions toward the salaries of municipal and justice court judges. The budgeted amount assumes that all 58 counties participate in the Trial Court Funding Program, and is based on an estimate of 1,707.5 judicial positions statewide, as follows:

- 789 superior court judgeships,
- 112.5 superior court commissioners and referees,
- 605 municipal court judgeships,
- 135 municipal court commissioners and referees, and
- 66 justice court judgeships.

Table 1 displays proposed expenditures for the Trial Court Funding Program in the budget year, by category.

As Table 1 indicates, proposed state expenditures for the Trial Court Funding Program are 4.9 percent, or \$21.4 million, greater than the estimated expenditures for this program in the current year. The main reason for this increase is that the block grant amount increases annually at the same rate as the average percentage increase in state employees' salaries in the previous years.

Table 1
Trial Court Funding Program
General Fund
1988-89 through 1990-91
(dollars in thousands)

| <i>Expenditure Category</i> | <i>Actual 1988-89^a</i> | <i>Est. 1989-90</i> | <i>Prop. 1990-91</i> | <i>Percent Change From 1989-90</i> |
|--|---------------------------------------|-------------------------|--------------------------|--|
| Block grants for trial court funding..... | \$175,842 | \$378,586 | \$397,515 | 5.0% |
| Block grant supplement for new judgeships... | 4,704 | 7,895 | 5,758 | -27.1 |
| Salaries of municipal court judges..... | (19,631) ^b | 43,748 | 46,467 | 6.2 |
| Salaries of justice court judges | — | 3,257 ^c | 5,177 | 58.9 |
| Totals..... | \$180,546 | \$433,486 | \$454,917 | 4.9% |

^a Chapter 944, Statutes of 1988 (AB 1197, Willie Brown), appropriated funding for the program on a *half-year* basis beginning January 1, 1989.

^b Chapter 944 appropriated funding for the state payment of municipal court judges' salaries in 1988-89 in Item 0420. Beginning in 1989-90, this funding appears in Item 0450.

^c Chapter 945, Statutes of 1988 (SB 612, Presley), provided for state payment of justice court judges' salaries to begin in 1989-90.

Proposed Funding May Not Be Adequate

Data provided by the State Controller's Office (SCO) indicate that the amount proposed for this item may not be sufficient to finance the Trial Court Funding Program in 1990-91. This is because recent SCO data indicate that the current rate of vacancies among trial court judgeships is lower than anticipated. As a result, the SCO estimates that an additional \$2 million *may* be needed for the block grants in the current year. If the vacancy rate remains the same or becomes even lower during the next several months, the amount proposed for 1990-91 may need to be revised. Given the uncertainties about the vacancy rate, however, we do not have an analytical basis to recommend a specific adjustment to the proposed amount at this time. We will advise the Legislature of any changes that should be made to the request during legislative hearings on the budget.

NATIONAL CENTER FOR STATE COURTS

Item 0460 from the General
 Fund

Budget p. LJE 18

| | |
|--|-----------|
| Requested 1990-91 | \$254,000 |
| Estimated 1989-90 | 226,000 |
| Actual 1988-89 | 226,000 |
| Requested increase: \$28,000 (+12 percent) | |
| Total recommended reduction | None |

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

NATIONAL CENTER FOR STATE COURTS—Continued

The budget proposes an appropriation of \$254,000 from the General Fund to finance California's membership in the National Center for State Courts (NCSC). This amount is \$28,000, or 12 percent, greater than estimated current-year expenditures. The requested amount would provide payment of 100 percent of California's assessment in the budget year. The current-year expenditure provides 94 percent of California's assessment. Although California has historically paid less than its full assessment, the Judicial Council advises that it has increased its use of NCSC services in recent years.

Members of the NCSC include all 50 states, four territories, and the District of Columbia. Membership entitles California to judicial research data, consultative services, and information on the views of the various states on federal legislation and national programs affecting the judicial system. The assessment imposed on each member is based primarily on the state's population.

California's proposed payment represents approximately 2.2 percent of the NCSC's annual operating budget.

GOVERNOR'S OFFICE

Item 0500 from the General Fund

Budget p. LJE 18

| | |
|--|-------------|
| Requested 1990-91 | \$8,620,000 |
| Estimated 1989-90 | 8,283,000 |
| Actual 1988-89 | 7,394,000 |
| Requested increase (excluding amount for salary increases) \$337,000 (+4.1 percent) | |
| Total recommended reduction | None |

GENERAL PROGRAM STATEMENT

The California Constitution grants the executive power of the state to the Governor, who is responsible for administering and enforcing state law. The Governor is elected to a four-year term, and receives an annual salary of \$85,000.

The Governor's Office has 86 personnel-years in the current year.

ANALYSIS AND RECOMMENDATIONS

We recommend approval.

The budget proposes an appropriation of \$8.6 million from the General Fund for support of the Governor's Office in 1990-91. The proposed amount is \$337,000, or 4.1 percent, greater than estimated current-year expenditures. Table 1 provides a summary of the budget for the Governor's Office in the past, current, and budget years.