

Trial Court Funding In 2013-14

LEGISLATIVE ANALYST'S OFFICE

Presented to:

Joint Legislative Audit Committee

Hon. Mike A. Gipson, Chair

and

Assembly Budget Subcommittee No. 5 on Public Safety

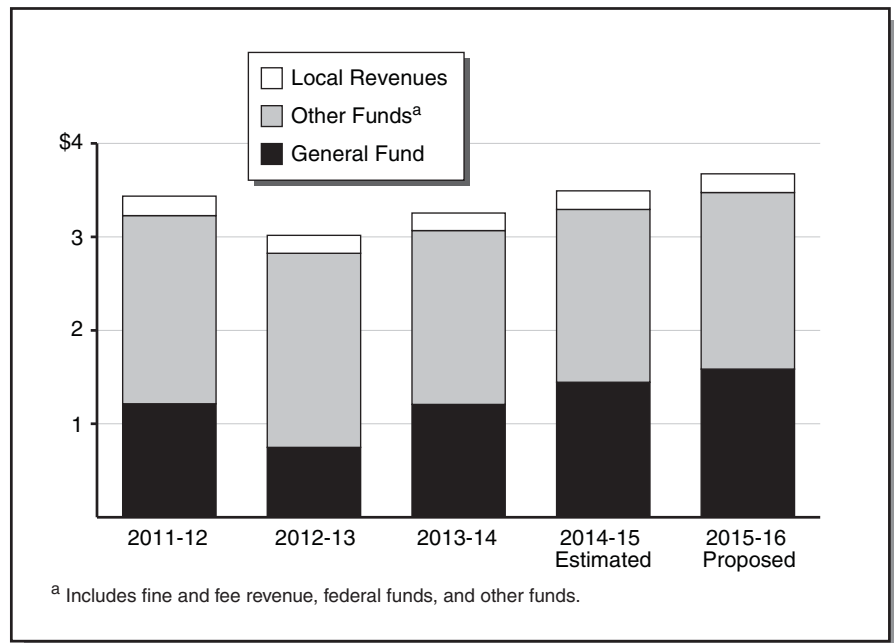
Hon. Reginald B. Jones-Sawyer, Sr., Chair





Total Judicial Branch Funding

(In Billions)

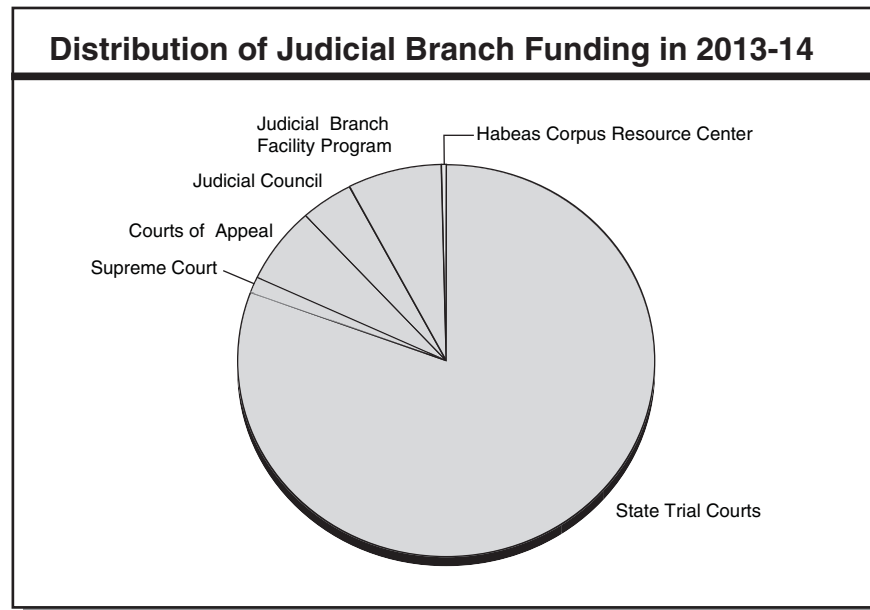


- The judicial branch receives revenues from several funding sources including the state General Fund, civil filing fees, criminal penalties and fines, county maintenance-of-effort payments, federal grants, and local revenues collected by individual trial courts.

- In 2013-14 (most recent year for which actual expenditure data exists), total funding for the judicial branch was almost \$3.3 billion. Of this amount, about \$1.2 billion was from the General Fund—37 percent of the total judicial branch budget. As shown in the figure, total funding for the branch has increased since 2013-14.



Most Judicial Branch Funds Distributed to Trial Courts



- ☑ The judicial branch consists of trial courts in each of the state's 58 counties, statewide courts (the Supreme Court and Courts of Appeal), and statewide entities of the branch (the Judicial Council, Judicial Branch Facility Program, and the Habeas Corpus Resource Center).
- ☑ In 2013-14, trial courts received 81 percent (or \$2.6 billion) of the total funding to the judicial branch. Most trial court funding is allocated directly to individual trial courts for their discretionary use. However, some funds are provided indirectly to trial courts, meaning it is not allocated directly to individual courts but is used for purposes that benefit the trial courts.



Funding Allocated Directly to Trial Courts



Local Revenues

- Individual trial courts collect local revenues to help support their operations, such as local fees, revenues for operating local programs, and interest income.
- Local revenues are retained by individual trial courts and are not appropriated by the Legislature.



State Funds

- Trial courts directly receive a portion of the total state funding appropriated by the Legislature as local assistance to support their operations. Courts generally have complete discretion in how they use these funds.
- The state funds are allocated by the Judicial Council. With certain exceptions (such as funding for court interpreters), the council has significant flexibility in how it allocates these funds among the trial courts.
- Until recently, Judicial Council generally based each trial court's allocation on the court's historic share of the statewide allocation.



Workload Allocation Funding Formula (WAFM)

- In April 2013, Judicial Council approved a new methodology to begin to allocate state funding to individual trial courts based on workload. This reallocation of funds is intended to address historic funding inequities among the trial courts by redistributing funds based on workload.
- Beginning in 2013-14, the Judicial Council began to phase in WAFM over a five-year period, with a larger percentage of funds being allocated based on workload each year. Under this plan, 50 percent of state funds allocated directly to trial courts will eventually be allocated under WAFM.



Funding Allocated Directly to Trial Courts

(Continued)

- In addition, any augmentations not designated for a specified purpose will be allocated using WAFM. To the extent such additional funding is provided, the judicial branch will shift an equal amount of funding from the amount allocated under the old methodology to the amount allocated under WAFM.



Funding Provided Indirectly to Trial Courts



Funds Appropriated for Trial Courts

- The annual state budget includes local assistance funding that is appropriated to support trial court operations, but are not provided directly to them. Instead, these funds are used to support certain programs or services that benefit trial courts.
- Such funding includes (1) monies paid by the State Controller's Office (such as for some judicial salaries), (2) monies paid directly by Judicial Council to third-party vendors (such as for certain court-ordered dependency counsel providers), and (3) monies used to help support various programs or services that benefit trial courts upon approval by Judicial Council (such as certain expenditures from the judicial branch's Improvement and Modernization Fund).



Funds Appropriated for Judicial Council

- The annual state budget also includes funding for Judicial Council for state operations—a small portion of which is designated for the benefit of trial courts. For example, in 2013-14, about \$133 million was appropriated to support Judicial Council. Of this amount, about \$19 million (14 percent) was to benefit trial courts.
- Specifically, these funds support case management systems for certain courts, a pilot program to provide legal representation to eligible low-income litigants in certain civil cases, and other programs and services administered by the Judicial Council.



Summary of Funds Supporting Trial Courts in 2013-14

Funds Supporting Trial Court Operations in 2013-14		
<i>(In Millions)</i>		
	Funding	Appropriated by Legislature
Direct Distribution to Trial Courts		
State funds (local assistance)	\$2,074	Yes
Local revenues	188	No
Total, Direct Funding	\$2,262	
Indirect Funding for Trial Courts		
State funds—Trial courts (local assistance)	\$364	Yes
State funds—Judicial Council (state operations)	19	Yes
Total, Indirect Funding	\$383	
Total Funding Supporting Trial Courts	\$2,644	

- Funding Allocated Directly to Trial Courts (\$2.3 Billion).***
 In 2013-14, about \$2.3 billion (or 86 percent) of the monies supporting trial courts were directly allocated to them. Of this amount, about 92 percent consisted of state funds appropriated by the Legislature.

- Funding Provided Indirectly to Trial Courts (\$383 Million).***
 The remaining \$383 million (or 14 percent) of monies supporting trial courts in 2013-14 were not provided directly to individual courts. Of this amount, about 95 percent consisted of state funds that were appropriated by the Legislature to support trial courts.