

## Judicial Council of California, Administrative Office of the Courts Office of Communications, 455 Golden Gate Ave., San Francisco, CA 94102-3688 California Courts Infoline 800-900-5980, www.courts.ca.gov

## **NEWS RELEASE**

## FOR IMMEDIATE RELEASE

Contact: Lynn Holton, Public Information Officer, 415-865-7726

Philip Carrizosa, 415-865-8044

May 17, 2012

## **Judicial Council Assesses Impact of May Revise**

Seeks details on plan to restructure state funding for trial courts

SACRAMENTO—At an emergency session today in Sacramento, the Judicial Council questioned Ms. Ana Matosantos, the Director of the state Department of Finance (DOF), about the Governor's new proposals for drastic reductions in the judicial branch budget. The council also heard input from court leadership and justice system partners on the impacts of ongoing cuts to the branch.

Chief Justice Tani G. Cantil-Sakauye, chair of the Judicial Council, called the special session in the wake of the Governor's May Revised Budget announced on Monday. The new budget proposal includes a \$544 million reduction to the judicial branch in fiscal year 2012-13 after four consecutive years of cuts totaling \$653 million.

The Chief Justice opened the meeting by noting that court leaders have been so successful in protecting essential court services that the Governor believes that the trial courts "have largely been held harmless from budget reductions."

"Over the last three years, through a combination of one-time fixes and reallocation of resources, the council has sought to minimize the impact of the reductions on the courts," the Chief Justice noted. "Those solutions are unavailable to us this year."

Much of the discussion at the meeting focused on the plan to restructure trial court funding by offsetting each court's allocation by their available reserves and establishing a statewide reserve.

Ms. Matosantos provided the council with an overview of the challenges facing the Governor and the state facing a \$16.7 billion shortfall.

"We see that the trial courts have substantial reserves that we think are available to help us achieve some general fund savings while also being able to protect court operations," she said. "So, a couple of principles: maintaining local reserves is a lower priority in light of the state's fiscal challenges and, in fact, we go a step further and believe the local reserve system should be modified."

That modification would include the establishment of a statewide reserve of 3 percent allocated by the Judicial Council based on uniform criteria.

Of the \$544 million proposed reduction in the May Revise, \$300 million would come from trial court reserves. Another \$240 million would come from delays in court construction, and \$4 million in increased retirement contributions from state court employees.

Justice Marvin Baxter questioned the source of the Department of Finance's estimates for trial court reserves, and also the timing in implementing the reductions so close to the start of the new fiscal year on July 1.

Another issue of particular interest to several council members was the Governor's proposal to create a working group to conduct an evaluation of the state's progress in achieving the goals of statewide funding as detailed in the Trial Court Funding Act of 1997.

"We see [the working group] as a fact-finding body to look at the administrative side of the house," explained Ms. Matosantos. "We would want to work with the Chief and want to do this in partnership with the judiciary."

The Chief Justice questioned the DOF representatives about their focus on the trial courts.

"Our thought is you have already made some reductions—ongoing reductions in other areas of the budget," Ms. Matosantos stated. "You have achieved ongoing savings with Supreme Court and ongoing savings in the Courts of Appeal. The Judicial Council's budget we see as having been reduced by \$13 million—10 percent from 2010-11 to 12-13. And we look at reductions."

Following the hour and half long discussion with DOF representatives, the council heard several presentations about the impact of the proposed reductions on the courts from Alan Carlson, Chief Executive Officer of the Superior Court of Orange County and Chair of the Court Executives Advisory Committee; Presiding Judge Laurie Earl of the Superior Court of Sacramento County and a member Trial Court Presiding Judges Executive Committee; and Presiding Judge Robert Trentacosta of the Superior Court of San Diego County and vice chair of the Trial Court Presiding Judges Advisory Committee.

Judge Trentacosta outlined how the trial courts had tried to operationalize cuts so "the public would not feel the full impact of our pain."

The council also heard from the co-chair of the Bench Bar Coalition, Judge Mary Ann O'Malley, Superior Court of Contra Costa County, as well as two members of the bar, Jonathan Bacon, president of the California Defense Counsel, and Niall McCarthy, president of the Consumer

Attorneys of California, on the anticipated impact of the proposed cuts and efforts to restore funding to the courts.

At the conclusion of the meeting the Chief Justice announced that she will appoint a working group to negotiate the budget and other proposals included in the May Revise.

"I anticipate naming a small representative group with the flexibility and the ability to move quickly and nimbly in the Capitol at all hours and any part of the week," she said. "And every member of that group will be tasked with the responsibility of outreach to the particular entity they represent."

###

The Judicial Council is the policymaking body of the California courts, the largest court system in the nation. Under the leadership of the Chief Justice and in accordance with the California Constitution, the council is responsible for ensuring the consistent, independent, impartial, and accessible administration of justice. The Administrative Office of the Courts carries out the official actions of the council and promotes leadership and excellence in court administration.