

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 0250	Department JUDICIAL BRANCH	Priority No. 18
Budget Request Name 0250-018-BCP-BR-2016-GB		Program 0150 - SUPPORT FOR OPERATION OF TRIAL COURTS	Subprogram 0150010-Support for Operation of Trial Courts

Budget Request Description
 Proposition 47 Workload

Budget Request Summary

The Judicial Council requests a one-time General Fund augmentation of \$21.4 million in 2016-17 to address increased court workload associated with voter approval of Proposition 47 (the Safe Neighborhoods and Schools Act).

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed N/A	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		

If proposal affects another department, does other department concur with proposal? Yes No
 Attach comments of affected department, signed and dated by the department director or designee.

Prepared By F. Byrne/P. Ballard	Date	Reviewed By	Date
Chief Administrative Officer <i>Glenn Medema</i>	Date <i>12/21/15</i>	Administrative Director <i>Patricia MH</i>	Date <i>12/31/15</i>

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

BCP Type: Policy Workload Budget per Government Code 13308.05

PPBA <i>[Signature]</i>	Date submitted to the Legislature <i>1/7/16</i>
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A. Budget Request Summary

The Judicial Council requests a General Fund augmentation of \$21.4 million in 2016-17 to address increased court workload associated with voter approved Proposition 47 (the Safe Neighborhoods and Schools Act). The law reduced many drug offenses and theft offenses to misdemeanors and created a process for individuals convicted of felonies for these offenses to petition the courts to be resentenced or to have the crimes reclassified as misdemeanors. This resulted in a temporary but significant workload increase for the courts. In FY 2015-16 the Judicial Council estimated that the trial courts would need an augmentation of \$34.5 million over two fiscal years to address the increased workload associated with processing petitions for Proposition 47 relief. The final budget included an augmentation of \$26.9 million in FY 2015-2016. The number of petitions for Proposition 47 relief that the courts received in the initial year following the passage of the initiative exceeded the original estimates. Therefore, the council requests an augmentation of \$21.4 million for FY 2016-17.

B. Background/History (Provide relevant background/history and provide program resource history. Provide workload metrics, if applicable.)

California voters approved Proposition 47 in November 2014. The law reduced most possessory drug offenses and thefts of property valued under \$950 to straight misdemeanors; created a process for individuals currently serving sentences for these offenses to petition the courts for resentencing; and, created a process for individuals who have completed sentences for these offenses to apply to the courts to have these crimes reclassified as misdemeanors. This resulted in a temporary but significant workload increase for the courts.

In FY 2015-16, Judicial Council staff estimated that a total of \$34.5 million was needed for the courts to process Proposition 47 relief requests over two fiscal years. This estimate was based on the amount of court time needed to process the cases (1.8 million minutes). The state budget included an augmentation of \$26.9 million in FY 2015-2016 to address this estimated need. Proposition 47 data now suggest that the original estimate may have been too low.

As of June 30, 2015, the courts received over 165,000 petitions for relief under Proposition 47. Based on that information, the Judicial Council estimates that the courts will receive approximately 248,000 petitions for Proposition 47 relief by June 30, 2017. Approximately 2,492,400 minutes of court time will be needed to process the petitions, resulting in a need for a total augmentation of \$48.3, of which \$21.4 million is requested in FY 2016-17.

C. State Level Considerations

State General Fund dollars support trial court operations. The Proposition 47 initiative did not provide any specific funding for this new workload. Without a general fund augmentation, courts will be delayed in processing these claims and will have to redirect resources from other parts of the court system in order to address the cases in a timely manner. This could have a negative impact on the public's access to court services and may result in significant delays throughout the justice system.

D. Justification

The voter approved Proposition 47 enabled individuals convicted of certain drug and theft crimes to petition the courts to have their felony convictions resentenced or reclassified as misdemeanors. This resulted in a temporary, but substantial increase in workload for the trial courts. As of June 30, 2015, the courts received over 165,000 petitions for Proposition 47 relief. Courts redirected resources in order to process these cases. The FY 2015-16 augmentation assisted the courts by mitigating many of the workload effects of the proposition implementation, but additional help is needed for FY 16-17.

Prior to Proposition 47 implementation, the Judicial Council estimated that the courts would conduct approximately 120,000 resentencing hearings, which translates to approximately 1.8 million minutes of

court time at a cost of \$34.5 million statewide. Subsequently, Judicial Council staff collected data on the actual number of Proposition 47 relief petitions received that indicate that the original estimate may be low. The revised estimate of court time needed to process Proposition 47 cases is approximately 2.49 million minutes at a cost of \$48.3 million statewide. The trial counts need \$ \$21.4 million in FY 16-17.

The funding augmentation need estimate employs the same methodology that was used for the allocation to the trial courts for the workload associated with criminal justice realignment. This methodology converts minutes of hearings into judgeships and then into dollars.

- Judicial Council staff estimate the number of minutes needed to process the Proposition 47 cases statewide to be 2,492,400. This methodology assumes that 2/3 of the petitions result in 15 minutes of court time each ($248,000 \times .67 = 166,160$): $166,160 \text{ petitions} \times 15 \text{ minutes court time} = 2,492,400 \text{ minutes court time}$.
- Each judgeship is the equivalent of 77,400 minutes in court time (includes judge and support staff). The number of judgeships needed to process the cases is 32.2 ($2,492,400 / 77,400 = 32.2$).
- Each judgeship is funded at approximately \$1.5 million, including support staff. $32.2 \text{ judges} \times \$1.5 \text{ million} = \text{total funding need of } \48.3 million .
- \$26.9 million was allocated in FY 2015-16; therefore the funding need in FY 2016-17 is \$21.4 million ($\$48.3 \text{ million} - \26.9 million).

Additional information on the methodology and data assumptions employed to determine the needed augmentation is provided below.

- Between November 6, 2014 and June 30, 2015 the courts received approximately 165,000 filings for relief under Proposition 47.
- The number of petitions for resentencing hearings has fluctuated, but appears to be in decline (roughly 25% reduction per month). Assuming the decline remains at 25% per month, the number of petitions in FY 15-16 will be approximately 23,000.
- The number of petitions applications for reclassification has remained steady at approximately 5,000 per month or 60,000 per year.
- The total number of petitions (requests for resentencing and applications for reclassification) estimated for FY 2015-16 is approximately 83,000 (23,000 resentencing + 60,000 reclassification). The total estimated total number of petitions for relief under proposition 47 is **248,000** (165,000 already received + 83,000 FY 2015-16).

E. Outcomes and Accountability *(Provide summary of expected outcomes associated with Budget Request and provide the projected workload metrics that reflect how this proposal improves the metrics outlines in the Background/History Section.)*

The table below identifies the estimated workload and project outcomes associated with Proposition 47 case processing. Proposition 47 was implemented the day after the initiative passed and resulted in the immediate need to redirect resources from other parts of the court system in order to process the cases. Through June 30, 2015, the courts had received 165,000 petitions for Proposition 47 relief. The Judicial Council estimates that the courts will receive at least 83,000 more petitions in FY 2015-16, many of which will be processed in 2016-17. The funding augmentation provided in 2015-16 supported the courts by allowing them to hire additional staff or pay overtime in order to process the cases or to address back logs in other court cases that result from the redirection of resources. Additional funding in FY 2016-17 will allow the courts to complete the remaining Proposition 47 eligible case processing

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and to address the backlog associated with the redirection of resources. Although the projected outcome measures are based on the number of petitions received, processing those petitions and addressing the resulting backlog will cross over into the next fiscal year.

Projected Outcomes

Workload Measure	PY	CY	BY
	(November 2014-June 30, 2015)		
Petitions	165,000 petitions for relief received.	83,000 estimated petitions for relief will be received.	15,000 estimated petitions for relief will be received.

F. Analysis of All Feasible Alternatives

1. No additional funding for trial courts

Pro:

- No fiscal impact to the State General Fund

Con:

- There will be delays in the processing of Proposition 47 cases and subsequent realization of state savings.
- Backlogs, reduced court hours will occur if courts have to redirect resources to process Proposition 47 cases.

2. Approve partial funding of \$7.6 million based on the original workload estimate.

Pro:

- Less fiscal impact to the State General Fund.
- The courts will have some funding to assist in addressing the Proposition 47 workload and provide court users more access to services.

Con:

- Courts would continue to operate with less than the funding needed. The issues with delays, backlogs, reduced court hours though potentially improved would continue.

3. Approve a total of \$21.4 million to the trial courts.

Pro:

- Courts will process Proposition 47 cases more quickly providing faster realization of state savings.
- Backlogs, reduced court hours, and delays would be addressed.
- Meaningful timely and equitable access to justice would be improved for all Californians.

Con:

- Impact on General Fund, would require additional General Fund resources/appropriation.

G. Implementation Plan

If the requested funding is included in the Budget Act of 2016, the Judicial Council could allocate the funds to the trial courts with the same methodology used to allocate the FY 2015-16 Proposition 47 General Fund augmentation. In that process, a committee was appointed to evaluate and review different allocation options to recommend to the Judicial Council. The committee will likely review the current workload based allocation methodology and determine the funding distribution based up a similar methodology that takes into account the number of petitions for Proposition 47 relief received by each court.

H. Recommendation

The Judicial Council recommends alternative 3 – the one-time general fund augmentation of \$21.4 million to address increased trial court workload associated with voter approval of Proposition 47. Allowing the trial courts to process Proposition 47 cases more quickly and improve the public's access to justice.

BCP Fiscal Detail Sheet

BCP Title: Prop 47

DP Name: 0250-018-BCP-DP-2016-DP

Budget Request Summary

	CY	BY	BY+1	BY+2	BY+3	BY+4
Operating Expenses and Equipment						
54XX - Special Items of Expense	0	21,400	0	0	0	0
Total Operating Expenses and Equipment	\$0	\$21,400	\$0	\$0	\$0	\$0
Total Budget Request	\$0	\$21,400	\$0	\$0	\$0	\$0

Fund Summary

Fund Source - Local Assistance

0001 - General Fund	0	21,400	0	0	0	0
Total Local Assistance Expenditures	\$0	\$21,400	\$0	\$0	\$0	\$0
Total All Funds	\$0	\$21,400	\$0	\$0	\$0	\$0

Program Summary

Program Funding

0150010 - Support for Operation of Trial Courts

0150010 - Support for Operation of Trial Courts	0	21,400	0	0	0	0
Total All Programs	\$0	\$21,400	\$0	\$0	\$0	\$0