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AB-136 Courts. (2025-2026)



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Assembly Bill No. 136

CHAPTER 11

An act to repeal Section 241 of the Code of Civil Procedure, and to amend Sections 68502.6, 77202, 77202.5, and 77209 of, to add Sections 68515 and 70397.1 to, and to repeal Sections 68604 and 77001.5 of, the Government Code, relating to courts, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor June 27, 2025. Filed with Secretary of State June 27, 2025.]

LEGISLATIVE COUNSEL'S DIGEST

AB 136, Committee on Budget. Courts.

(1) Existing law requires the Judicial Council to sponsor a pilot program for 2 fiscal years to study whether increases in juror compensation and mileage reimbursement rates increase juror diversity and participation. Existing law requires the Judicial Council to provide a report to the Legislature describing the findings of the pilot program and providing information for promoting juror diversity by September 1, 2026. Existing law repeals these provisions on January 1, 2027.

This bill would repeal these provisions.

(2) Existing law requires the Administrative Office of the Courts, an obsolete entity, to perform specified functions. Under existing law, any reference to the Administrative Office of the Courts means the Judicial Council.

This bill would revise references to the Administrative Office of the Courts to the Judicial Council.

(3) Existing law requires the Judicial Council to annually report to the Department of Finance, the Legislature, and the Joint Legislative Budget Committee the total amount of revenue collected in the prior fiscal year, by each court and county, from criminal fines, fees, forfeitures, penalties, restitution fines, and assessments related to infractions, misdemeanors, and felonies, as specified.

This bill would require the Judicial Council to annually, on or before February 1, provide a report to the Legislature on the operations of each trial court that includes specified operational and budgetary metrics for the prior fiscal year, including, among others, backlogs and staff vacancies.

(4) Existing law requires the Judicial Council to report all approved allocations and reimbursements to trial courts in each fiscal year, as specified, on or before September 30 following the close of each fiscal year.

This bill would instead require the report to be submitted on or before February 1 each year.

(5) Existing law authorizes the Judicial Council to sell specific courthouses at fair market value and upon the terms and conditions the Judicial Council deems in the best interests of the state.

This bill would authorize the Judicial Council to sell additional specified courthouses.

(6) Existing law requires the Judicial Council to collect and maintain statistics, and to publish them at least on a yearly basis, about the compliance of the superior court of each county and each branch court with the standards of timely disposition, as specified.

Existing law requires, on or before November 1, 2007, the Judicial Council to adopt, and report to the Legislature annually thereafter, judicial administration standards and measures that promote the fair and efficient administration of justice, as specified.

Existing law requires the Judicial Council to present an annual report to the Legislature on the use of the State Trial Court Improvement and Modernization Fund, with appropriate recommendations.

This bill would delete these requirements for the Judicial Council and make a conforming change.

- (7) This bill would appropriate \$4,690,000 from the General Fund to the State Court Facilities Construction Fund to provide a one-time backfill.
- (8) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill. Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 241 of the Code of Civil Procedure is repealed.

SEC. 2. Section 68502.6 of the Government Code is amended to read:

- **68502.6.** (a) If the cash balance of the Trial Court Trust Fund is insufficient to support trial court operations during the fiscal year, the Judicial Council may transfer funds from any fund identified in subdivision (c) as a loan to the Trial Court Trust Fund. The total amount of outstanding loans shall not exceed one hundred fifty million dollars (\$150,000,000) at any time during the fiscal year. The Judicial Council shall not authorize a loan pursuant to this section to provide cash resources to any court that has not first provided a balanced budget approved by the Judicial Council.
- (b) The Judicial Council may transfer funds from the Trial Court Trust Fund for the repayment of the loan described in subdivision (a). Interest shall not be charged or paid on any loan authorized pursuant to this section and all loans shall be repaid within two years from the date on which the loan originated. The authority to transfer funds provided by this section shall not interfere with the objectives for which the funds identified in subdivision (c) were created. This section shall not be construed to provide additional expenditure authority to the Trial Court Trust Fund.
- (c) Moneys in the following funds shall be available for transfer to the Trial Court Trust Fund as a loan for cash flow purposes:
 - (1) The State Court Facilities Construction Fund.
 - (2) The Judicial Branch Workers' Compensation Fund.
- (d) If a loan is executed pursuant to this section, the Judicial Council shall, no later than August 30 of each year, report the following information to the Joint Legislative Budget Committee and the Department of Finance:
 - (1) The date of the loan.
 - (2) The amount loaned to each court.
 - (3) The funding source of the loan.
 - (4) The repayment date or proposed repayment date of the loan.
- **SEC. 3.** Section 68515 is added to the Government Code, to read:
- **68515.** (a) Notwithstanding Section 10231.5, the Judicial Council shall annually, on or before February 1, provide a report to the Legislature on the operations of each trial court that includes various operational and budgetary metrics for the prior fiscal year, including, but not limited to, all of the following:
 - (1) Time to disposition, by case type.
 - (2) Case clearance rates, by case type.

- (3) Backlogs, by case type.
- (4) Court hours of operations, including public counter hours.
- (5) Staff vacancy rates by classification.
- (6) Fund balance detail from the prior fiscal year.
- (7) Calculated funding level of each court and the percent of funding actually provided to each court.
- (8) Funding level of each trial court, as measured by the Judicial Council-approved workload formula.
- (b) The report shall be submitted in compliance with Section 9795.
- **SEC. 4.** Section 68604 of the Government Code is repealed.
- SEC. 5. Section 70397.1 is added to the Government Code, to read:
- **70397.1.** (a) Notwithstanding any other law, the Judicial Council may sell the property, in a fair market value transaction and upon the terms and conditions and subject to the reservations the Judicial Council deems in the best interests of the state, if all of the following requirements are satisfied:
 - (1) The sale complies with Section 70391, as applicable.
 - (2) The Judicial Council consults with the county in which the property is located concerning the sale of the property.
 - (3) The Judicial Council offers the county in which the property is located the right to purchase the property in a fair market value transaction before otherwise offering the property for sale.
- (b) Notwithstanding any other law, the net proceeds from the sale of the property shall be deposited into the General Fund.
- (c) For purposes of this section, "property" means each of the following:
 - (1) The Plumas/Sierra Regional Courthouse located at 600 South Gulling Street, City of Portola, County of Plumas, Assessor Parcel Number 126-050-046.
 - (2) The Modesto Main Courthouse located at 800 11th Street, and the Hall of Records, located at 1100 I Street, City of Modesto, County of Stanislaus, collectively a portion of Assessor Parcel Number 105-025-001.
 - (3) The Ceres Superior Court located at 2744 Second Street, City of Ceres, County of Stanislaus, Assessor Parcel Number 127-016-014.
- (d) The disposition of the property authorized in this section does not constitute a sale or other disposition of surplus state property within the meaning of Section 9 of Article III of the California Constitution and is not subject to subdivision (g) of Section 11011.
- SEC. 6. Section 77001.5 of the Government Code is repealed.
- **SEC. 7.** Section 77202 of the Government Code is amended to read:
- **77202.** (a) The Legislature shall make an annual appropriation to the Judicial Council for the general operations of the trial courts based on the request of the Judicial Council. The Judicial Council's trial court budget request, which shall be submitted to the Governor and the Legislature, shall meet the needs of all trial courts in a manner that ensures a predictable fiscal environment for labor negotiations in accordance with the Trial Court Employment Protection and Governance Act (Chapter 7 (commencing with Section 71600) of Title 8), that promotes equal access to the courts statewide, and that promotes court financial accountability. The annual budget request shall include the following components:
 - (1) Commencing with the 2006–07 fiscal year, annual General Fund appropriations to support the trial courts shall be comprised of both of the following:
 - (A) The current fiscal year General Fund appropriations, which include all of the following:
 - (i) General Fund moneys appropriated for transfer or direct local assistance in support of the trial courts.
 - (ii) Transfers to the State Trial Court Improvement and Modernization Fund.
 - (iii) Local assistance grants made by the Judicial Council, including the Equal Access Fund.

- (iv) The full year cost of budget change proposals approved through the 2006–07 fiscal year or subsequently approved in accordance with paragraph (2), but excluding lease-revenue payments and funding for costs specifically and expressly reimbursed through other state or federal funding sources, excluding the cost of one-time or expiring programs.
- (B) A cost-of-living and growth adjustment computed by multiplying the year-to-year percentage change in the state appropriation limit as described in Section 3 of Article XIII B of the California Constitution by the sum of all of the following:
 - (i) The current year General Fund appropriations for the trial courts, as defined in subparagraph (A).
 - (ii) The amount of county obligations established pursuant to subdivision (b) of Section 77201.1 in effect as of June 30, 2005, six hundred ninety-eight million sixty-eight thousand dollars (\$698,068,000).
 - (iii) The level of funding required to be transferred from the State Trial Court Improvement and Modernization Fund to the Trial Court Trust Fund pursuant to subdivision (i) of Section 77209, thirteen million three hundred ninety-seven thousand dollars (\$13,397,000).
 - (iv) Funding deposited into the Court Facilities Trust Fund associated with each facility that was transferred to the state not less than two fiscal years earlier than the fiscal year for which the cost-of-living and growth adjustment is being calculated.
 - (v) The court filing fees and surcharges projected to be deposited into the Trial Court Trust Fund in the 2005–06 fiscal year, adjusted to reflect the full-year implementation of the uniform civil fee structure implemented on January 1, 2006, three hundred sixty-nine million six hundred seventy-two thousand dollars (\$369,672,000).
- (2) In addition to the moneys to be applied pursuant to subdivision (b), the Judicial Council may identify and request additional funding for the trial courts for costs resulting from the implementation of statutory changes that result in either an increased level of service or a new activity that directly affects the programmatic or operational needs of the courts.
- (b) The Judicial Council shall allocate the funding from the Trial Court Trust Fund to the trial courts in a manner that best ensures the ability of the courts to carry out their functions, promotes implementation of statewide policies, and promotes the immediate implementation of efficiencies and cost-saving measures in court operations, in order to guarantee access to justice to citizens of the state.

The Judicial Council shall ensure that allocations to the trial courts recognize each trial court's implementation of efficiencies and cost-saving measures.

These efficiencies and cost-saving measures shall include, but not be limited to, the following:

- (1) The sharing or merger of court support staff among trial courts across counties.
- (2) The assignment of any type of case to a judge for all purposes commencing with the filing of the case and regardless of jurisdictional boundaries.
- (3) The establishment of a separate calendar or division to hear a particular type of case.
- (4) In rural counties, the use of all court facilities for hearings and trials of all types of cases and the acceptance of filing documents in any case.
- (5) The use of alternative dispute resolution programs, such as arbitration.
- (6) The development and use of automated accounting and case-processing systems.
- (c) (1) The Judicial Council shall adopt policies and procedures governing practices and procedures for budgeting in the trial courts in a manner that best ensures the ability of the courts to carry out their functions and may delegate the adoption to the Administrative Director of the Courts. The Administrative Director of the Courts shall establish budget procedures and an annual schedule of budget development and management consistent with these rules.
 - (2) The trial court policies and procedures shall specify the process for a court to transfer existing funds between or among the budgeted program components to reflect changes in the court's planned operation or to correct technical errors. If the process requires a trial court to request approval of a specific transfer of existing funds, the Administrative Office of the Courts shall review the request to transfer funds and respond within 30 days of receipt of the request. The Administrative Office of the Courts shall respond to the request for approval or denial to the affected court, in writing, with copies provided to the Department of Finance, the Legislative Analyst's Office, the Legislature's budget committees, and the court's affected labor organizations.

- (3) The Judicial Council shall circulate for comment to all affected entities any amendments proposed to the trial court policies and procedures as they relate to budget monitoring and reporting. Final changes shall be adopted at a meeting of the Judicial Council.
- SEC. 8. Section 77202.5 of the Government Code is amended to read:
- **77202.5.** (a) The Judicial Council shall report all approved allocations and reimbursements to the trial courts in each fiscal year, including funding received through augmentations in accordance with paragraph (2) of subdivision (a) of Section 77202, to the chairs of the Senate Committees on Budget and Fiscal Review and Judiciary and the Assembly Committees on Budget and Judiciary on or before February 1 following the close of each fiscal year. The report shall include all of the following:
 - (1) A statement of the intended purpose for which each allocation or reimbursement was made.
 - (2) The policy governing trial court reserves.
- (b) The trial courts shall report to the Judicial Council on or before September 15 following the close of each fiscal year all court revenues, expenditures, reserves, and fund balances from the prior fiscal year for funding from all fund sources. The report shall specify all expenditures, including those associated with administrative costs, by program, component, and object. The Judicial Council shall summarize this information by court and report it to the chairs of the Senate and Assembly Committees on Budget and the Judiciary and post that information on a public internet website on or before December 31, 2009, and on or before December 31 following the close of each fiscal year thereafter.
- (c) Nothing in this section is intended to restrict public access to information otherwise authorized by statute, rule, or case law.
- SEC. 9. Section 77209 of the Government Code is amended to read:
- 77209. (a) There is in the State Treasury the State Trial Court Improvement and Modernization Fund. The State Trial Court Improvement and Modernization Fund is the successor fund of the Trial Court Improvement Fund and the Judicial Administration Efficiency and Modernization Fund. All assets, liabilities, revenues, and expenditures of the Trial Court Improvement Fund and the Judicial Administration Efficiency and Modernization Fund shall be transferred to and become a part of the State Trial Court Improvement and Modernization Fund. Any reference in state law to the Trial Court Improvement Fund or the Judicial Administration Efficiency and Modernization Fund shall be construed to refer to the State Trial Court Improvement and Modernization Fund.
- (b) Any funds in the State Trial Court Improvement and Modernization Fund that are unencumbered at the end of the fiscal year shall be reappropriated to the State Trial Court Improvement and Modernization Fund for the following fiscal year.
- (c) Moneys deposited in the State Trial Court Improvement and Modernization Fund shall be placed in an interest-bearing account. Any interest earned shall accrue to the fund and shall be disbursed pursuant to subdivision (d).
- (d) Moneys deposited in the State Trial Court Improvement and Modernization Fund may be disbursed for purposes of this section.
- (e) Moneys deposited in the State Trial Court Improvement and Modernization Fund pursuant to Section 68090.8 shall be allocated by the Judicial Council for automated administrative system improvements pursuant to that section and in furtherance of former Rule 991 of the California Rules of Court, as it read on July 1, 1996. As used in this subdivision, "automated administrative system" does not include electronic reporting systems for use in a courtroom.
- (f) Moneys deposited in the State Trial Court Improvement and Modernization Fund shall be administered by the Judicial Council. The Judicial Council may, with appropriate guidelines, delegate to the Administrative Director of the Courts the administration of the fund. Moneys in the fund may be expended to implement trial court projects approved by the Judicial Council. Expenditures may be made to vendors or individual trial courts that have the responsibility to implement approved projects.
- (g) Notwithstanding other provisions of this section, the 2-percent automation fund moneys deposited in the State Trial Court Improvement and Modernization Fund pursuant to Section 68090.8 shall be allocated by the Judicial Council to statewide initiatives related to trial court automation and their implementation. The Judicial Council shall allocate the remainder of the moneys deposited in the Trial Court Improvement Fund as specified in this section.

For the purposes of this subdivision, "2-percent automation fund" means the fund established pursuant to Section 68090.8 as it read on June 30, 1996. As used in this subdivision, "statewide initiatives related to trial court automation and their implementation" does not include electronic reporting systems for use in a courtroom.

(h) Royalties received from the publication of uniform jury instructions shall be deposited in the State Trial Court Improvement and Modernization Fund and used for the improvement of the jury system.

- (i) Each fiscal year, the Controller shall transfer thirteen million three hundred ninety-seven thousand dollars (\$13,397,000) from the State Trial Court Improvement and Modernization Fund to the Trial Court Trust Fund for allocation to trial courts for court operations
- **SEC. 10.** The sum of four million six hundred ninety thousand dollars (\$4,690,000) is hereby appropriated for the 2025–26 fiscal year from the General Fund to the State Court Facilities Construction Fund to provide a one-time backfill.
- **SEC. 11.** This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.