

SUBCOMMITTEE NO. 5

Agenda

Senator Aisha Wahab, Chair
Senator María Elena Durazo
Senator Josh Newman
Senator Kelly Seyarto



Thursday, March 7, 2024
9:30 a.m. or Upon Adjournment of Session
State Capitol – Room 112

Consultant: Nora Brackbill, Ph.D.

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Public Comment

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ITEMS FOR DISCUSSION

5227 BOARD OF STATE AND COMMUNITY CORRECTIONS

Issue 1: Department Overview

Panelists

- Kathleen Howard, Executive Director, Board of State and Community Corrections
- Caitlin O’Neil, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Skyler-Myles Clinton Cobb, Junior Staff Analyst, Department of Finance
- Cynthia Mendonza, Principal Program Budget Analyst, Department of Finance

Background. The Board of State and Community Corrections (BSCC) was established in its current form in 2012 to provide statewide coordination and technical assistance for local justice systems, largely in response to the 2011 public safety realignment. BSCC develops minimum standards for local detention facilities, inspects and reports on facility compliance, sets training standards for correctional staff, and administers facility funding and numerous grant programs for local corrections and law enforcement entities.

Proposed Budget. The Governor’s Budget includes \$615.4 million for BSCC. This includes \$258.7 million for their infrastructure program, which helps counties with financing for the design and construction of county correctional facilities, and \$299.9 million in local grants. The remaining \$56.9 million covers developing and enforcing standards for local correctional facilities and for correctional staff training, and covers various administrative and program supports and research programs. More detail on these programs is included below.

Structure of the Board. The agency is overseen by a 13-member board, largely consisting of corrections and law enforcement staff, including:

- 10 members appointed by the Governor and confirmed by the Senate, including:
 - Chair.
 - Secretary of CDCR.
 - Director of Division of Adult Parole Operations for CDCR.
 - Sheriff in charge of a small detention facility (capacity of 200 or less).
 - Sheriff in charge of a large detention facility (capacity over 200).
 - Chief probation officer from a small county (population of 200,000 or fewer).
 - Chief probation officer from a large county (population over 200,000).
 - County supervisor or county administrative officer.
 - Chief of police.
 - Member of the public.
- 3 members appointed by others, including:
 - Judge appointed by Judicial Council of California.
 - Community provider of rehabilitative treatment or services for adult offenders appointed by the Speaker of the Assembly.
 - Advocate or community provider of rehabilitative treatment or services for juvenile offenders appointed by the Senate Rules Committee.

Stakeholder Input. BSCC is also often required to consult stakeholders and subject matter experts. BSCC typically fulfills this requirement through Executive Steering Committees (ESCs), which are appointed by the board to carry out specific tasks and provide recommendations, and working groups, which are appointed by ESCs to carry out subtasks and make recommendations. For example, BSCC routinely appoints an ESC to oversee the review of the local detention facility standards and recommend changes, and the ESC may assign working groups to review specific areas of the standards, such as nutritional health.

Infrastructure Program. The Board of State and Community Corrections (BSCC) and the Department of Corrections and Rehabilitation (CDCR) jointly administer several programs to partially finance the design and construction of county correctional facilities. The programs consist of Adult Local Criminal Justice and Local Youth Offender Rehabilitation facilities. Approximately \$294 million has been awarded to 19 counties to build or remodel Youth Offender facilities and approximately \$2.158 billion has been awarded to 54 counties to build or remodel Adult Local Criminal facilities. BSCC oversees 30 of these projects totaling approximately \$938 million.

General Fund Solutions. The Governor's Budget also includes the following proposed General Fund solutions:

General Fund Solution	Summary	Category
Adult Reentry Grant (ARG)	The Governor's budget proposes to delay \$57 million General Fund for the ARG from 2024-25 to \$19 million per year for three years beginning in 2025-26. The Administration notes that 2024-25 funds have not yet been obligated and there should be no impact to existing grantees, which are being funded with resources from the 2020-21, 2021-22, and 2022-23 fiscal years. BSCC anticipates releasing the next ARG Request for Proposals (RFP) by the end of calendar year 2024, even with the proposed delay.	Delay
California Violence Intervention and Prevention Grant (CalVIP)	CalVIP grants provide funding to cities and community-based organizations for violence intervention and prevention services. CalVIP currently has a \$9 million annual General Fund allocation, in addition to various one-time and limited-term augmentations that have been provided in recent years. The Governor's Budget proposes to eliminate that baseline General Fund allocation beginning in 2025-26, in anticipation of funding from the newly created Gun and Ammunition Tax, established by Chapter 231, Statutes of 2023 (AB 28, Gabriel). CalVIP will receive up to \$75 million annually from that tax, and it is continuously appropriated. BSCC anticipates that the next RFP will be released by the end of the 2025 calendar year, and that these funding changes will not affect current grantees.	Fund Shift

Proud Parenting Grant	The proposed budget eliminates the Proud Parenting Grant Program, for General Fund savings of \$835,000 ongoing. The program has been administered by BSCC since 2005 and provides funding to community-based organizations, county offices of education, county probation departments, and tribes to provide services to young parents who are or were involved in the juvenile justice system or are considered crossover youth with the child welfare system.	Reduction
Public Defender Pilot Program	The proposed budget eliminates the third year of funding for the Public Defender Pilot Program, a reduction of \$40 million General Fund in 2023-24. These funds were unobligated, and \$100 million has been appropriated to date. However, counties were anticipating these funds arriving in March 2024 and had already made and submitted budgets to BSCC that accounted for these funds.	Reduction
Community Corrections Partnership Plan	The proposed budget eliminates the funding for counties that provide updated Community Corrections Partnership (CCP) Plans to BSCC each year, resulting in annual savings of \$7.95 million. It is anticipated that because of this cut, the BSCC would no longer administer the annual survey, and counties would no longer provide information to the BSCC regarding any updates to the CCP Plans.	Reduction
Allocation 3 Cannabis Tax Fund Special Fund	The proposed budget includes a one-time loan of \$100 million of unobligated funding from the Allocation 3 Cannabis Tax Sub Fund 3354 (BSCC) to the General Fund. This loan will not impact current grantees.	Special Fund Loan

Staff Recommendation. Hold Open.

Issue 2: Proposed Reduction in Public Defense Pilot Program

Proposal. The proposed budget eliminates the third year of funding for the Public Defense Pilot Program, a reduction of \$40 million General Fund in 2023-24.

Panelists.

- Kathleen Howard, Executive Director, Board of State and Community Corrections
- Caitlin O’Neil, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Skyler-Myles Clinton Cobb, Junior Staff Analyst, Department of Finance
- Cynthia Mendonza, Principal Program Budget Analyst, Department of Finance

Background. The 2021 Budget Act included \$50 million General Fund per year for three years for public defender offices, alternative public defender offices, and other alternative offices providing indigent criminal defense services to support specific resentencing workloads. BSCC was required to collaborate with the Office of the State Public Defender (OSPD) to identify offices providing indigent services in each county. Each office receiving funding will report to BSCC by March 1, 2025 on the use of the funds. BSCC was also required to contract with a university or research institution to complete the independent evaluation of the program. Of the amount appropriated in 2021-22, \$500,000 was available for this and other administrative costs.

This funding was designated to support specific resentencing workloads. When laws defining crimes or sentences are amended, there may be incarcerated individuals whose criminal charges and/or sentence lengths are no longer consistent with the new law. However, if enabled by the Legislature, these individuals may seek to be resentenced. Resentencing legislation results in an increased workload for all those involved in criminal cases, including both prosecutors and defense attorneys.

SB 1437 (Skinner), Chapter 1015, Statutes of 2018 amended the statutes related to felony murder, and created a legal path for those convicted of murder under the old laws to ask a judge to resentence them to a lesser crime if they (1) were not the person who took a life, (2) did not act with intent to take a life, or (3) were not a major participant who acted with reckless indifference to life in a felony that resulted in a loss of life. SB 775 (Becker), Chapter 551, Statutes of 2021 extended similar resentencing options for individuals convicted of manslaughter or attempted murder. These statutes were explicitly included in the Public Defense Pilot Program, but these are not the only resentencing changes that have created additional workload for public defenders.

While both defense and prosecution are affected by resentencing efforts, historically, prosecutor offices have been better funded than indigent defense offices¹. In 2018-19, spending on indigent defense across the state was about 55 percent of the amount spent statewide on district attorney offices (see figure on the next page).

¹ <https://lao.ca.gov/Publications/Report/4623>

Spending Per Person on District Attorney Offices and Indigent Defense



Source: LAO²

Impact of Resentencing. OSPD provided the following general information on resentencing efforts related to SB 1437 (Skinner) and SB 775 (Becker):

- Preliminary data from January 1, 2019 to June 30, 2022 indicates approximately 470 people have been resentenced, resulting in a cumulative reduction of 10,380 years of incarceration and \$135 million in savings from marginal incarceration costs.
- Approximately 88 percent of the people resentenced were people of color, with Black individuals comprising the largest share (45 percent).

In addition, OSPD noted that 414 people received reduced sentences under Penal Code 1172.1, which allows CDCR, jail administrators, and prosecutors to recommend resentencing under certain circumstances, resulting in a cumulative reduction of 2,186 years of incarceration time and roughly \$30 million in savings.

Recidivism. OSPD also noted that individuals released from a long prison sentence have a lower recidivism rate than other populations. For example, according to CDCR, the three-year re-conviction rate for persons who previously served an indeterminate term was 3.2 percent.

Proposal. The 2023 Governor's Budget proposed to remove the third year of funding, but the enacted budget retained \$40 million of the original \$50 million for the program. The 2024 Governor's Budget again proposes to remove the third year of funding from the program, now a current year reduction, resulting in savings of \$40 million in 2023-24. The Administration did not

² <https://lao.ca.gov/Publications/Report/4623>

express any policy concerns with the program; it was primarily a fiscal decision given that the funding has not yet been granted. The Administration noted that the evaluation would still proceed as planned.

Staff Comment.

Impact on cases in progress. The Legislature rejected the elimination of this funding when it was proposed last year, due to potential disruptions caused by an early end to the program. The Legislature should consider the impact of the current proposal, as the counties were anticipating receiving this funding in March of this year, and may need it to complete their current cases.

State funding of prosecutors. The Legislature should consider how the state contributes to unequal funding of prosecution and indigent defense. For example, the 2022 Budget Act included an additional \$10 million per year for three years for district attorneys to prosecute retail theft, and provided the DOJ with \$4.8 million to implement resentencing legislation (including \$3.6 million in 2022-23 and \$3.5 million ongoing specifically for the implementation of SB 775), but included no commensurate funding for public defenders or other providers of indigent defense.

Staff Recommendation. Hold Open.

Issue 3: Allocation 3 Cannabis Tax Fund Special Fund Loan

Proposal. The Governor’s budget proposes a budgetary loan of \$100 million from the BSCC’s Cannabis Tax Fund subaccount to the General Fund.

Panelists

- Kathleen Howard, Executive Director, Board of State and Community Corrections
- Caitlin O’Neil, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Skyler-Myles Clinton Cobb, Junior Staff Analyst, Department of Finance
- Cynthia Mendonza, Principal Program Budget Analyst, Department of Finance

Background.

Proposition 64 (2016) specifies the allocation of resources in the Cannabis Tax Fund, which are continuously appropriated. Pursuant to Proposition 64, expenditures are prioritized for regulatory and administrative workload necessary to implement, administer, and enforce the Cannabis Act, followed by research and activities related to the legalization of cannabis and the past effects of its criminalization. Once these priorities have been met, the remaining funds are directed to youth education, prevention, early intervention, and treatment; environmental protection; and public safety-related activities. AB 195 (Committee on Budget, Chapter 56, Statutes of 2022) requires that these Allocation 3 programs are funded at a baseline of approximately \$670 million, and included a \$150 million General Fund appropriation to backfill revenues, which has been fully allocated in 2023-24.

The Governor’s budget estimates \$568.9 million will be available for Allocation 3 programs in 2024-25 as follows:

- Education, prevention, and treatment of youth substance use disorders and school retention—60 percent (\$341.3 million)
- Clean-up, remediation, and enforcement of environmental impacts created by illegal cannabis cultivation—20 percent (\$113.8 million)
- Public safety-related activities—20 percent (\$113.8 million)

The BSCC Allocation 3 subaccount is funded by the 20 percent for public safety-related activities, specifically for grants to local governments to assist with law enforcement, fire protection, or other local programs addressing public health and safety associated with the implementation of the Cannabis Act.

LAO Comments.

As of February 27, 2024, the LAO projects cannabis tax revenues of \$675 million in 2023-24. This forecast is \$15 million above the January Governor's Budget forecast. As shown in the figure below, the resulting 2024-25 revenue allocations are very similar to the Administration's January projections. Looking further ahead, the LAO's preliminary revenue projection for 2024-25 is \$789 million, which is \$95 million above the Administration's January forecast for 2024-25.

Cannabis Tax Revenue Outlook (In Millions)		
	January 2024 Governor's Budget Forecast	February 2024 LAO Forecast
2023-24 Revenue	\$660	\$675
Allocation 3 Amounts in 2024-25		
Youth Account		
Department of Public Health	\$12	\$12
Department of Social Services (Child Care)	247	254
Department of Health Care Services	66	68
Natural Resources Agency	17	17
Environmental Account		
Department of Fish and Wildlife	\$68	\$70
Department of Parks and Recreation	46	47
Law Enforcement Account		
California Highway Patrol	\$50	\$50
Board of State and Community Corrections	64	67

Staff Recommendation. Hold Open.

Issue 4: Post Release Community Supervision Funding

Proposal. The Governor proposes \$4.4 million one-time General Fund in 2024-25 for county probation departments to supervise individuals on Post Release Community Supervision (PRCS), due to the temporary increase in the PRCS population caused by Proposition 57.

Panelists

- Kathleen Howard, Executive Director, Board of State and Community Corrections
- Caitlin O’Neil, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Skyler-Myles Clinton Cobb, Junior Staff Analyst, Department of Finance
- Cynthia Mendonza, Principal Program Budget Analyst, Department of Finance

Background.

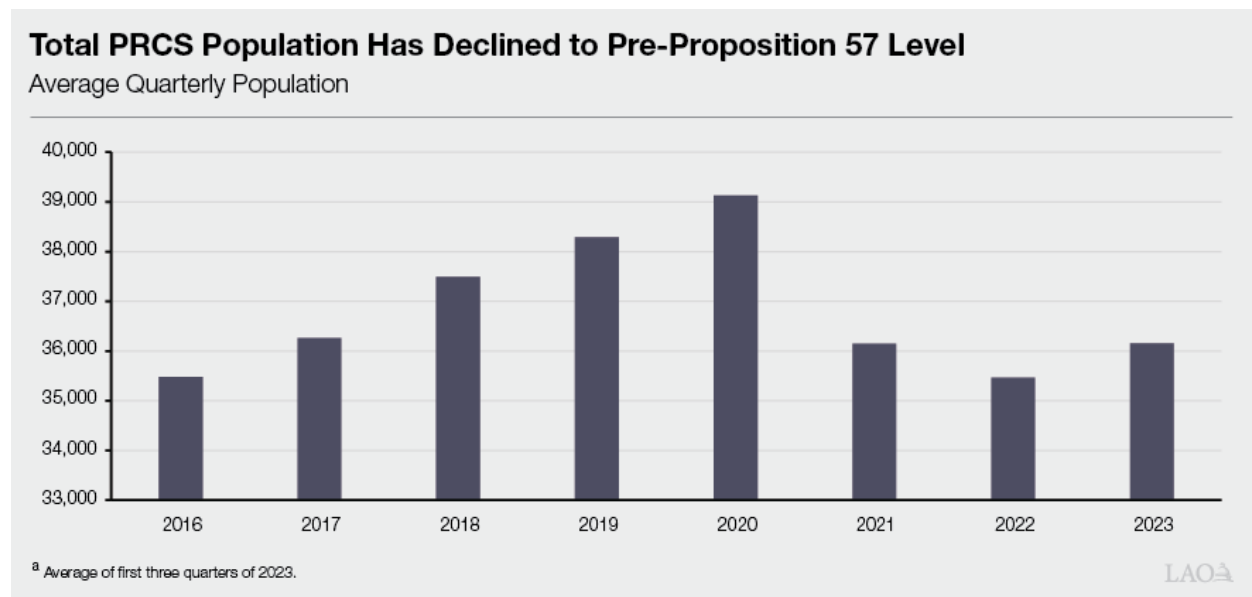
Prior to the 2011 public safety realignment, all individuals released from prison were supervised by state parole agents at CDCR. Realignment shifted the responsibility for supervising low-level offenders to the county probation departments, while serious, violent, and high-risk offenders are still supervised by CDCR. The 2011 realignment included significant funding for the shift of this population. In the first three quarters of 2023 (the most recent data available), the average quarterly PRCS population was 36,200.

Proposition 57 (2016) expanded credit earning opportunities and enabled earlier parole consideration for individuals not convicted of violent crimes, leading some individuals being released to parole or PRCS earlier than would have been expected. As a result, there was a temporary increase of people on PRCS and on parole. This temporary increase is not the product of new people being placed on PRCS or parole, but rather the result of people being released to PRCS and parole ahead of schedule. Since implementation of Proposition 57 began in 2017, the prison population has declined by about 37,500 people (29 percent)—from 131,300 on June 30, 2017 to 93,700 as of January 31, 2024.

While counties receive realigned sales tax revenue to support the PRCS population, this funding does not get moved forward in time to reflect people starting their supervision terms earlier. The state has provided a series of one-time augmentations associated with Proposition 57—totaling \$121 million from 2017-18 through 2023-24—to BSCC to distribute to probation departments. These augmentations were based on estimates of the average daily population increase in the PRCS population caused by Proposition 57 and funded at a rate of \$10,250 per person. The state has also provided funding to probation departments for temporary increases in the PRCS population caused by population reduction measures implemented in response to (1) a federal court order related to prison overcrowding and (2) the COVID-19 pandemic.

LAO Comments.

Proposed Funding Likely Not Needed. Unlike the state prison and parole populations, the Administration does not report projections of the statewide PRCS population. Accordingly, there are no available projections of the total PRCS population in 2024-25. However, as shown in Figure 1, the PRCS population has declined substantially in recent years, reaching levels comparable to 2016, which was the year before Proposition 57 implementation began. Accordingly, the LAO finds it unlikely that counties continue to need funding to support the temporary increase in the PRCS population for cash-flow reasons. Moreover, the Administration has not provided any data indicating that current 2011 realignment funding levels are such that cash-flow problems are likely to occur.



Source: LAO³

Higher Bar for Approving New Spending Proposals Given General Fund Condition. The Governor's proposal would commit the state to \$4.4 million in discretionary General Fund expenditures, as the state is not required to provide payments to the counties to offset the cost of the workload. Importantly, the state currently is experiencing a budget problem where revenues already are insufficient to fund existing commitments. In this context, every dollar of new spending in the budget year comes at the expense of a commitment the Legislature deemed a priority and approved funding for, as it requires finding a commensurate level of solution somewhere within the budget. The Governor "makes room" for this (and other) proposed new spending by making reductions to funds committed for other programs. The LAO has therefore recommended that the Legislature apply a higher bar to its review of new spending proposals such as this proposal than it might in a year in which the General Fund had more capacity to support new commitments. In the LAO's view, this proposal does not meet that higher bar.

³ <https://lao.ca.gov/Publications/Report/4849>

LAO Recommendation.

Reject Governor's Proposal. The LAO recommends that the Legislature reject the Governor's proposal for two primary reasons. First, the proposed funding is likely not needed. Second, given the state's budget problem, dedicating new General Fund to this purpose would come at the expense of previously identified priorities and the LAO does not find it sufficiently justified for prioritizing limited state resources.

Staff Recommendation. Hold Open.

0250 JUDICIAL BRANCH

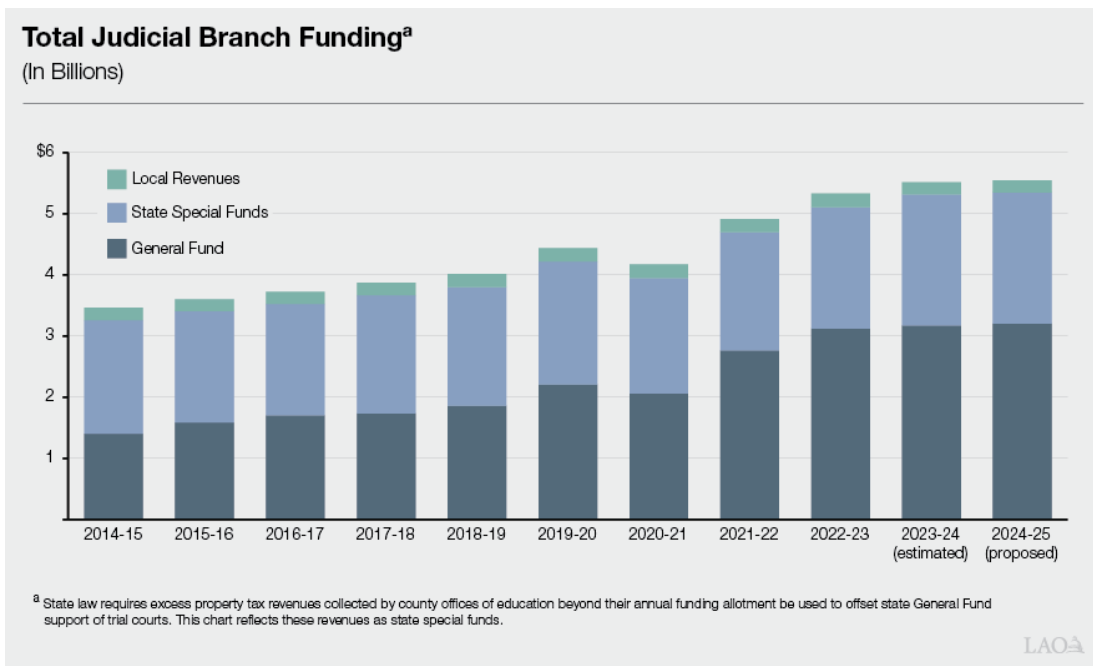
Issue 5: Department Overview

Panelists

- Shelley Curran, Administrative Director, Judicial Council
- Zlatko Theodorovic, Director, Judicial Council Budget Services
- David Yamasaki, Court Executive Officer, Orange Superior Court
- Anita Lee, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
- Henry Ng, Staff Finance Budget Analyst, Department of Finance

Background. The Judicial Branch is responsible for the interpretation of law, the protection of people's rights, the orderly settlement of all legal disputes, and the adjudication of accusations of legal violations. The branch consists of statewide courts (the Supreme Court and Courts of Appeal), trial courts in each of the state's 58 counties, and statewide entities of the branch (Judicial Council, the Judicial Council Facility Program, and the Habeas Corpus Resource Center). The branch receives support from several funding sources including the state General Fund, civil filing fees, criminal penalties and fines, county maintenance-of-effort payments, and federal grants.

Total operational funding for the judicial branch has steadily increased from 2013-14 through 2023-24. The percent of total operational funding from the General Fund has also steadily increased during this period, from 41 percent in 2014-15 to 58 percent in 2023-24. Since 2019-20, most of the judicial branch budget has been supported by the General Fund. This growth is generally due to increased operational costs and decreases in fine and fee revenue.



Source: LAO⁴

⁴ <https://lao.ca.gov/Publications/Report/4848>

For 2024-25, the Governor’s proposed budget includes \$5.5 billion from all fund sources in support for the judicial branch. This amount includes about \$5.3 billion from all state funds (General Fund and special funds), a decrease of \$31 million (0.6 percent) below the revised amount for 2023-24. (These totals do not include expenditures from local reserves or trial court reserves.) Of this amount, about \$3.2 billion (63 percent) is from the General Fund. This is a net increase of \$30 million (1 percent) from the revised 2023-24 General Fund amount. This net increase reflects various changes, including increased operational costs. The funding for the different programs within the judicial branch is outlined in the table below.

Judicial Branch Budget Summary—All State Funds

(Dollars in Millions)

	2022-23 Actual	2023-24 Estimated	2024-25 Proposed	Change From 2023-24	
				Amount	Percent
State Trial Courts	\$3,749	\$3,986	\$4,033	\$47	1.2%
Supreme Court	49	58	56	-2	-3.6
Courts of Appeal	278	290	290	—	0.1
Judicial Council	284	347	311	-36	-10.4
Judicial Branch Facility Program	728	614	637	23	3.7
Habeas Corpus Resource Center	17	20	20	—	-0.3
Totals	\$5,105	\$5,315	\$5,346	\$31	0.6%

Source: LAO⁵

Reserves. Trial courts have a limited ability to keep and carry over any unspent funds (also known as “reserves”) from one fiscal year to the next. Specifically, trial courts are only allowed to carry over funds equal to 3 percent of their operating budget from the prior fiscal year under current law. However, certain funds held in the reserve—such as those that are encumbered, designated for statutorily specified purposes, or funds held on a court’s behalf by Judicial Council for specific projects—are not subject to this cap, meaning they also can generally be carried over. At the end of 2022-23, trial courts reported having \$485 million in reserves. Of this amount, \$402 million (83 percent) is not subject to the cap. This amount consists of funds that are encumbered (\$157 million), statutorily excluded (\$110 million), designated for prepayments or other purposes (\$108 million), or held by Judicial Council on behalf of the trial courts for specific projects (\$27 million). This leaves \$82 million (17 percent) in reserves subject to the cap. This is less than the \$97.5 million the trial courts could have retained under the current 3 percent cap. The Governor’s 2024-25 budget proposes increasing the cap to 5 percent or \$100,000—whichever is greater—which would allow the courts to retain more in their reserves.

Trial Court Trust Fund and Trial Court Emergency Fund. The Trial Court Trust Fund (TCTF) supports trial court operations. The TCTF receives some revenues from certain fees and county funds, but has largely been supported by General Fund backfill in recent years. The Trial Court Emergency Fund is a \$10 million set-aside within the TCTF to support trial courts in the case of

⁵ <https://lao.ca.gov/Publications/Report/4848>

emergencies. Individual trial courts can apply to the Judicial Council for funding, and then the trial courts collectively contribute to refill the emergency fund. The Judicial Council indicated that they have received very few applications, and the emergency fund is almost never used.

Governor's Budget Proposals. The proposed budget includes:

- \$83.1 million ongoing to continue backfilling the Trial Court Trust Fund.
- Statutory changes to allow trial courts to maintain a reserve of up to 5 percent of the previous year's operating budget or \$100,000 for small courts. The current statutory limit is 3 percent.
- Reversions of \$75 million one-time from the Trial Court Trust Fund and \$5 million one-time from the Trial Court Emergency Fund.

Staff Recommendation. Hold Open.

Issue 6: Remote Proceedings

Proposal. The proposed budget includes statutory changes to remove the sunsets on currently allowed remote court proceedings.

Panelists

- Tracy Kenny, Deputy Director, Judicial Council Office of Governmental Affairs
- Zlatko Theodorovic, Director, Judicial Council Budget Services
- Anita Lee, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
- Henry Ng, Staff Finance Budget Analyst, Department of Finance

Background.

During the pandemic, the court system had to make several adjustments to protect the health of court staff, stakeholders, and members of the public, while allowing necessary proceedings to continue. Some of these actions included restricting physical access to court facilities, suspending court activities, and authorizing remote proceedings to allow cases to move forward. The impacts of these actions varied from court to court, but generally resulted in reduced service levels, case backlogs and delays, and increased costs (for example, technology to implement remote proceedings). The state and the judicial branch have taken various actions to address such impacts. For example, the 2021-22 budget included \$90 million one-time General Fund to address case backlogs—with \$30 million specifically for certain criminal case backlogs and \$60 million for backlogs across all case types.

Technology Investments. The state has also invested in technology upgrades to improve the audio and visual quality of remote proceedings. For example, one of the major issues in older courtrooms is sound quality – remote participants are not able to clearly hear the sound from all of the in-person participants. While many courtrooms have been retrofitted, sound quality and other technical issues remain a problem. The 2022 budget package included \$33.2 million General Fund in 2022-2023 and 2023-2024, and \$1,632,000 ongoing to implement and support remote access in courtroom proceedings, including upgrading audio and video equipment in courtrooms, as well as investments in branch wide information technology upgrades and data and security systems. The 2020 budget also included \$25 million in 2020-21 and 2021-22 for modernizing court operations.

Remote Proceedings. Remote proceedings were initially authorized by an emergency rule adopted by the Judicial Council of California on April 6, 2020. Subsequent statutory changes clarified which proceedings were allowed and placed various other limitations on remote proceedings, and required reporting on civil proceedings.

The Judicial Council reports that an average of 141,762 civil proceedings were conducted remotely per month statewide in the 12-month period from September 2022 through August 2023⁶. Collectively, courts reported spending \$14,588,633.70 to purchase, lease, or upgrade remote technology between September 1, 2022, and August 31, 2023. Eleven of the 51 responding courts reported no expenditures for remote technology during this reporting period.

⁶ <https://www.courts.ca.gov/documents/lr-2023-tc-remote-technology-civil-actions-civ367.8.pdf>

The Judicial Council also collected experience surveys from 64,369 users statewide, including 28,332 external court users and 36,037 internal court workers. Users reported technical issues at a rate of 1.9 percent for audio and 0.8 percent for visual. External court users reported higher levels of technical issues than court workers. Overall, both court users and court workers reporting overall positive experiences with remote proceedings, although nearly 10 percent of external court users had a negative experience.

Table 8. Count and Percentages of Positive vs. Negative Remote Proceedings Experiences

Remote Proceedings Experience Response	Court Users	Court Workers	Total
Positive	25,632 (90.5%)	35,418 (98.3%)	61,050 (94.8%)
Negative	2,700 (9.5%)	619 (1.7%)	3,319 (5.2%)
Total	28,332	36,037	64,369

Source: Judicial Council⁷

Recent Budget Action. The 2023 budget package included the following statutory changes, which the Governor's budget is proposing to extend:

- Extends the sunset on specified civil and juvenile remote court proceedings from July 1, 2023 to January 1, 2026, and requires the development and adoption of minimum standards for courtroom technology and reporting on the impact of remote proceedings, among other statutory changes.
- Extends the sunset on specified criminal remote court proceedings from January 1, 2024 to January 1, 2025, consistent with the provisions of AB 199 (Committee on Budget), Chapter 57, Statutes of 2022.

Staff Recommendation. Hold Open.

⁷ <https://www.courts.ca.gov/documents/lr-2023-tc-remote-technology-civil-actions-civ367.8.pdf>

Issue 7: Ongoing Funding for Court-Based Self-Help Centers

Proposal. The proposed budget includes \$19.1 million General Fund ongoing for court-based self-help centers. This would maintain the current level of funding for self-help centers at \$30 million ongoing, a result of limited-term funding that would otherwise expire this year.

Panelists.

- Zlatko Theodorovic, Director, Judicial Council Budget Services
- Charlene Depner, Director, Judicial Council Center for Families, Children and the Courts
- Judge Maria Hernandez, Presiding Judge, Orange Superior Court
- Anita Lee, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
- Henry Ng, Staff Finance Budget Analyst, Department of Finance

Background. Self-represented people are those who choose to access certain court services without the assistance of legal counsel. This happens most often in civil cases when the person cannot afford an attorney. People do not generally have a right to counsel in civil matters, even though civil matters can include serious legal issues such as evictions and debt collections. In eviction cases, 93 percent of tenants are unrepresented, while 81 percent of landlords who seek evictions are represented⁸. According to the 2022 Justice Gap Study by the Legal Services Corporation (LSC), 74 percent of low-income households experienced at least one civil legal problem in the past year, and low-income Americans did not get any or enough legal help for 92 percent of their substantial civil legal programs⁹.

Given their lack of familiarity with statutory requirements and court procedures (such as what forms must be filled out or their legal obligations in the potential case), self-represented people can be at a legal disadvantage. In addition, trial court staff tend to spend significantly more time processing a self-represented filing than one with legal representation. For example, a self-represented litigant who files incomplete or inaccurate paperwork can lead to the litigant having to file paperwork repeatedly, the court having to continue or delay cases, or the court needing to schedule additional hearings.

Self-Help Centers. Each of California's trial courts operates a self-help center which serves as a central location for self-represented people to educate themselves and seek assistance with navigating court procedures. Attorneys and other trained personnel who staff the centers provide services in a variety of ways (such as through one-on-one discussions, workshops, and referrals to other legal resources). Court-based self-help centers provide self-represented litigants with assistance in their legal matters approximately 950,000 times a year, including many seeking help with family cases, restraining orders, and evictions, among other topics, and often needing assistance in a language other than English.

The 2018-19 budget provided \$19 million General Fund annually for three years to supplement \$11 million in existing support from the Trial Court Trust Fund (TCTF, \$6.2 million) and Improvement and Modernization Fund (\$5 million). This increased the total annual direct funding for self-help centers to \$30 million through 2020-21. The 2021-22 budget then extended this

⁸ https://info.stout.com/hubfs/PDF/Eviction-Reports-Articles-Cities-States/Los%20Angeles%20Eviction%20RTC%20Report_12-10-19.pdf

⁹ <https://justicegap.lsc.gov/resource/executive-summary/>

increased funding level for an additional three years. These funds are allocated to individual centers using a formula based on the population of the county where the center is located. Self-help centers also can receive funding from other sources, such as trial court operation dollars and federal funds.

Other Resources. Self-help centers are just one way that the state aids self-represented people. There are two main categories of programs: legal assistance, which refers to programs which help people find information and navigate the court system and includes self-help centers, and legal services, which may provide direct legal advice and representation. Recent budgets have included the following investments in legal resources for self-represented individuals:

- *Community Assistance, Recovery, and Empowerment (CARE) Program.* The CARE Program is a new civil court proceeding that allows specific people to seek assistance for certain adults with severe mental illness. The 2023-24 budget includes \$75 million in ongoing General Fund support, including \$10.6 million for attorneys to provide legal assistance related to the CARE program and \$64.4 million for legal services providers (or county public defender offices) to provide legal representation related to the program.
- *Statewide Web Portal.* The judicial branch currently maintains a statewide web portal to help self-represented people navigate the court system. The 2018-19 budget included \$3.2 million General Fund in 2018-19, declining to \$709,000 annually beginning in 2020-21, to construct and maintain this web portal.
- *County Law Libraries.* County law libraries—generally supported by a share of civil filing fees—provide free access to legal books and publications to county residents, State Bar members, and certain governmental officials. These libraries may also offer legal assistance with forms, offer classes and workshops, and facilitate obtaining advice from attorneys. To address declines in the amount of civil filing fee revenues available to support county law libraries, four budgets have included one-time General Fund assistance to help maintain service levels. Specifically, this includes \$17 million in 2018-19, \$7 million in 2020-21, \$17 million in 2021-22, and \$17 million in 2022-23.
- *Shriver Program.* The Shriver Program provides competitive grants to support projects in which a court partners with a legal services provider to provide legal representation to low-income people in civil matters that affect basic human needs (such as housing, child custody, probate, and conservatorship matters). The 2020-21 budget included \$11 million in ongoing funding from the TCTF to reflect the additional amount of revenue available to support the program after Chapter 217 of 2019 (AB 330, Gabriel) increased the amount of certain post-judgement civil filing fees that are available to support the program.
- *Equal Access Fund (EAF) Program.* The EAF program provides grants to more than 100 legal services providers (such as Legal Aid) across the state to support legal services or assistance to low-income or self-represented people. Funding may be provided for discretionary use or for specific purposes (such as specifically for housing-related issues). The 2021-22 budget included an ongoing \$15 million General Fund augmentation to provide discretionary funding for the program. Additionally, the 2022-23 budget included

\$45 million in one-time General Fund support for eviction-related matters (\$30 million) and consumer debt-related issues stemming from the COVID-19 pandemic (\$15 million).

LAO Comments.

Proposed Self-Help Funding Would Help Promote Equity. Funding for self-help centers helps promote equity. People seeking self-help center services generally are lower-income and cannot afford the services of an attorney to address issues that may have significant impacts on their lives—such as divorce, child custody, domestic violence, eviction, and guardianship issues. While some of these people may be low-income enough to obtain free legal representation (such as through the Shriver Program or EAF Program), a number of them will not be eligible because the income threshold that must be met to qualify for those programs is quite low. This puts them at a legal disadvantage compared to those who receive representation or legal advice, as they do not have the legal knowledge or expertise to know how to navigate courts processes. For example, such people may have difficulty identifying, completing, and serving the necessary forms and documents to initiate a case or to respond to an attorney’s filing. Moreover, such people are also less likely to be able to afford to come back to court repeatedly—such as if their case has to be refiled or continued due to inaccurate completion of forms or a lack of knowledge about how to navigate court processes. Self-help centers can help mitigate such obstacles, which increases the ability of these people to successfully access the courts on a more equal footing with those who are represented by lawyers.

Cost Benefit Evaluation Found Some Self-Help Services Created Net Benefits. As directed by the Legislature, the judicial branch completed a cost-benefit analysis of self-help centers in June 2022. The analysis measured benefits to the courts as the cost-savings estimated to be generated by self-help centers, such as savings from reduced judicial and staff time needed due to more efficient and fewer court interactions. The analysis measured benefits to litigants as the money they saved as a result of using self-help centers, such as wages they would have otherwise lost from having to travel to court unnecessarily. The analysis measured costs as the cost to the courts of providing the self-help assistance. The analysis found that providing self-help in family, civil, and probate cases were net beneficial to both the courts and litigants. This means the benefits to the courts and litigants outweighed the costs of providing the self-help center services. For example, the analysis found that a civil case which received self-help one-on-one assistance resulted in \$322 in benefits and \$89 in costs—resulting in net benefits of \$233 per filing. For civil cases which received self-help assistance through a workshop, the net benefit was \$267 per filing. The full cost-benefit analysis table is below.

Table 1. Benefit-to-Cost Amount and Ratio per Filing*			
One-on-One	Family	Civil	Probate
Benefits	\$322	\$322	\$322
Costs	\$97	\$89	\$172
Net Amount	\$225	\$233	\$150
Ratio	3.31	3.63	1.87
Workshop			
Benefits	\$322	\$322	\$322
Costs	\$78	\$55	\$107
Net Amount	\$244	\$267	\$215
Ratio	4.11	5.87	3.00
* Discrepancies in ratios are the result of rounding; see appendix Table B.			

Source: Judicial Council¹⁰

Evaluation of Shriver Program Showed It Produced Notable Benefits Over Self Representation. A June 2020 statutorily required evaluation of the Shriver Program found that legal representation generated different benefits than self-help centers. For example, in comparing eviction cases in which low-income tenants were represented through Shriver projects with those who were self-represented, the evaluation found notable additional benefits for tenants represented by Shriver project attorneys. The evaluation found that tenants served by the Shriver projects were more likely to participate in their case, more likely to have their case resolved by settlement rather than trial, and reduced the level of court involvement. While most tenants still ultimately moved, few tenants served by the Shriver projects were ultimately formally evicted—which would have impacted their ability to seek replacement housing. Additionally, in comparison to self-represented tenants, Shriver project attorneys were able to help reduce the amount of money their tenant clients ultimately had to pay to resolve their cases and to obtain terms to benefit their clients' credit (such as not reporting the case to credit agencies). This made it more likely that Shriver clients found replacement housing within a year.

Evaluations Show That Different Benefits Achievable Based on What Legal Resources Are Funded. Both evaluations demonstrated that self-help centers and the Shriver Program generated benefits, and thus could merit funding consideration. However, the different benefits generated raises policy considerations for the Legislature regarding where funding should be invested to generate legislatively desired results. For example, the Shriver Program evaluation demonstrates that legal representation for low-income tenants can have a meaningful impact on their ability to obtain replacement housing relatively quickly—which could reduce the chance they become homeless. If the Legislature determined the benefits of the Shriver Programs were policy priorities, it could provide funding to prioritize expanding legal representation to tenants to the 47 courts that currently lack the Shriver Program or expanding the number of people who would be eligible for services. In contrast, if the Legislature prioritized court operational efficiency by reducing delays

¹⁰ <https://www.courts.ca.gov/documents/lr-2022-narrative-self-help-supplement.pdf>

from incomplete forms or lack of procedural knowledge, it would be preferable to invest in self-help centers, which can reduce court operational costs.

LAO Recommendation.

Direct Judicial Council to Convene Working Group to Provide a Report Assessing Legal Resources and Develop a Strategic Plan for Legal Resource Funding. The LAO recommends the Legislature direct Judicial Council to convene a working group to assess the legal resources available in the state, and develop a strategic plan for legal resource funding. The working group would consist of diverse representatives from the courts (such as judges and self-help staff) and the legal service provider community to represent the different ways in which legal services are provided as well as the different legal resource needs across the state. The working group would review all programs providing legal assistance or services in the state and make recommendations on how to improve the allocation of funding, and report to the Legislature by January 1, 2027.

Consider Providing Proposed \$19 Million in Self-Help Funding for Three-Years. Given the state is currently facing a budget problem, the Legislature will need to weigh the \$19 million proposed for continued funding for self-help centers against its other spending priorities. This is because the Legislature will likely need to offset the requested funding for this proposal with spending reductions elsewhere in the budget. If the state's budget problem worsens, as our recent update to the state budget deficit recently indicated, the Legislature may need to make even more reductions to existing programs and services. This can result in heightened trade-offs to fund this proposal and would therefore require heightened legislative scrutiny on whether this proposal should be approved. However, when evaluating this proposal on its individual merits, the LAO finds it reasonable to approve the Governor's proposal as it would maintain existing funding levels for self-help center and avoid reductions in service levels. Maintaining such service levels benefits both the state and litigants, including making it easier for self-represented people access the courts. However, the LAO recommends only providing the requested funding for three years. This is because this time period would allow Judicial Council to convene the recommended working group and to facilitate the development of a strategic plan. The Legislature would then be able to determine how much funding should be provided beginning in the 2027-28 budget year to support self-help centers, as well as other legal resource programs, on an ongoing basis using the information in the assessment report and recommendations included in the strategic plan.

Staff Recommendation. Hold Open.

Issue 8: Proposed Reduction of the Judicial Council Firearm Relinquishment Grant

Proposal. The Governor’s budget proposes to reduce the funding available for court-based firearm relinquishment from \$40 million to \$20 million.

Panelists.

- Zlatko Theodorovic, Director, Judicial Council Budget Services
- Don Will, Deputy Director, Judicial Council Center for Families, Children and the Courts
- Anita Lee, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Henry Ng, Staff Finance Budget Analyst, Department of Finance

Background. The 2022 budget included \$40 million for court-based firearm relinquishment programs. The funding was intended to help courts ensure there was a consistent process for collecting weapons from people with court-ordered firearm prohibitions, with priority for civil matters such as domestic violence protection orders or gun violence restraining orders.

\$20 million has been distributed to eight courts and partner law enforcement agencies through two rounds of grant cycles. The Judicial Council has also used some funding for administrative purposes. The Judicial Council recently collected applications for another cycle of funding, which is open to both new applicants and existing grantees, and reported that they had received \$9.2 million in requests. In addition, the Judicial Council requested proposals for an external program evaluator, and is working with current grantees to identify promising models to assist other courts in project planning and expending the remaining funding.

Increasing Gun Violence. According to a 2018 survey from the Firearm Violence Research Center at UC Davis¹¹, around 4.2 million people in California own a total of 20 million firearms, including 9 million handguns. Most Californian gun owners own one or two guns, but ten percent of gun owners own ten or more guns, accounting for roughly half of the guns in the state. California has a lower rate of gun ownership than the national average and has the ninth lowest state gun ownership rate¹².

However, firearm ownership in California and the United States has increased since the beginning of the pandemic. Firearm sales in the United States surged by an estimated 64 percent between March and May of 2020¹³. Researchers at the Firearm Violence Research Center at UC Davis estimated that 110,000 new guns were purchased in California between March and July 2020. People with ready access to a firearm are almost twice as likely to be killed and three times more likely to commit suicide than those without such access¹⁴.

Increase in Number of Armed and Prohibited Persons. The state’s Armed and Prohibited Persons System (APPS) identifies individuals who legally purchased or registered firearms, but subsequently became prohibited from owning or possessing them. These “armed and prohibited persons” include those convicted of felonies and some misdemeanors, found by a court to be a

¹¹ https://health.ucdavis.edu/vprp/UCFC/Fact_Sheets/CSaWSBrief_InjPrev_Kravitz-Wirtz.pdf

¹² <https://journalistsresource.org/health/gun-buybacks-what-the-research-says/>

¹³ <https://www.medrxiv.org/content/10.1101/2020.10.03.20206367v1.full.pdf>; <https://www.latimes.com/science/story/2020-10-17/about-110-000-californians-have-bought-a-gun-since-the-coronavirus-arrived-study-says>

¹⁴ <https://www.nejm.org/doi/full/10.1056/NEJMsa1916744>; <https://www.latimes.com/science/la-sci-guns-20140121-story.html>

danger to themselves or others due to mental illness, or have a restraining order against them. From 2008 to 2023, the number of such persons more than doubled—from 10,266 to 23,669 individuals as of January 1, 2023¹⁵. Individuals are generally removed from this list when law enforcement reports they no longer possess their firearms (such as if a police department seized them).

Increased Role of Firearms in Crime and in Firearm Deaths. California experienced a concerning 33.9 percent increase in homicides and a 25.3 percent increase in aggravated assaults between 2019 and 2022, with gun-related homicides and aggravated assaults increasing by 37.7 percent and 61.1 percent respectively¹⁶. Robberies fell by 6.7 percent in this period, but robberies involving a firearm rose by 12.5 percent.

New Excise Tax on Firearms and Ammunition. Beginning July 2024, Chapter 231 of 2023 (AB 28, Gabriel) imposes a new excise tax on firearm dealers, firearm manufacturers, and ammunition vendors. Specifically, an 11 percent tax is applied to the gross retail sales of firearms, firearm precursor parts, and ammunition. Retail sales to law enforcement agencies and active or retired peace officers, as well as those that total less than \$5,000 per quarter, are exempt from this tax. Entities paying this tax are required to submit an electronic return and pay taxes quarterly, no later than the quarter after the sales were made. As Chapter 231 went through the legislative policy process, the California Department of Tax and Fee Administration preliminarily estimated that this new tax could generate \$159 million.

Proceeds from the new tax are intended for a variety of programs designed to prevent gun violence, including up to \$15 million annually for court-based firearm relinquishment. This is the third priority, after \$75 million for the California Violence Intervention and Prevention (CalVIP) Grant Program and \$50 million for programs or activities addressing risk factors for gun violence affecting K-12 students. It also must be appropriated by the Legislature.

LAO Comments. The LAO notes that the budget currently does not reflect any revenue or expenditures from the proceeds of the new excise tax. The Legislature could consider making appropriations for 2024-25. Because funding for the CalVIP Program is continuously appropriated, the Legislature does not need to specifically authorize the Board of State and Community Corrections (which administers CalVIP) to use the funding for CalVIP. However, the Legislature could consider whether it wants to make any funding available for the other eligible programs or purposes. For example, to address the state's budget problem, the Governor's budget proposes to revert \$20 million (out of \$40 million) appropriated in 2022-23 to support a court-based firearm relinquishment grant program. To the extent the Legislature prioritizes this program, it could consider appropriating funding to offset this reduction.

Staff Recommendation. Hold Open.

¹⁵ <https://oag.ca.gov/system/files/media/2022-apps-report.pdf>

¹⁶ <https://www.ppic.org/publication/crime-trends-in-california/>

Issue 9: Capital Outlay and Facilities

Proposal. The Governor’s Budget includes the following resources for capital outlay and facilities:

- *New Sixth Appellate District Courthouse.* \$89.5 million Lease Revenue Bond authority for the Design-Build phase of the New Sixth Appellate District Courthouse.
- *Trial Courts Facility Operations and Maintenance.* \$3.57 million for maintenance of the Stanislaus–New Modesto Courthouse opening in 2024–25.
- *State Court Facilities and Construction Fund Backfill.* \$80 million in 2024-25 and \$119 million ongoing to backfill the State Court Facilities and Construction Fund.

Panelists.

- Zlatko Theodorovic, Director, Judicial Council Budget Services
- Pella McCormick Director Facilities Services, Judicial Council of California
- Anita Lee, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office
- Phil Osborn, Staff Finance Budget Analyst, Department of Finance
- Koreen van Ravenhorst, Principal Program Budget Analyst, Department of Finance

Background. The Judicial Branch currently manages around 450 facilities across all 58 counties. Its facility program is responsible for various activities including maintaining these facilities, managing leases, and constructing new courthouses to replace outdated facilities. In a November 2019 assessment of its facilities¹⁷, the judicial branch identified a need for a total of 80 construction projects—56 new buildings and 24 renovations—totaling \$13.2 billion. These projects were categorized into five groups—and ranked within each group—in the following descending priority order: 18 immediate need projects (\$2.3 billion), 29 critical need projects (\$7.9 billion), 15 high need projects (\$1.3 billion), 9 medium need projects (\$1.6 billion), and 9 low need projects (\$100 million). The status of these projects is listed in the table below. Additionally, in August 2022, the judicial branch identified 22,042 deferred maintenance projects totaling around \$4.5 billion¹⁸.

Status of Trial Court Construction Projects From 2019-20 through 2022-23 Budget			
Priority Group	Number of Projects	Estimated Project Costs (in billions)	Number Initiated
Immediate Need	18	\$2.3	11
Critical Need	29	7.9	—
High Need	15	1.3	—
Medium Need	9	1.6	—
Low Need	9	0.1	—
Total	80	\$13.2	11

Source: LAO¹⁹

¹⁷ <https://www.courts.ca.gov/documents/Statewide-List-Capital-Projects-2019.pdf>

¹⁸ <https://www.courts.ca.gov/documents/facilities-deferred-maintenance-report-fy-2022-23.pdf>

¹⁹ <https://lao.ca.gov/handouts/crimjust/2023/Trial-Court-Construction-Maintenance-Overview-022723.pdf>

State Court Facilities Construction Fund (SCFCF). State law authorizes Judicial Council to construct trial court facilities and established a special fund, the SCFCF, to support the judicial branch's court facility-related projects. This fund was supported by increases in certain criminal and civil fines and fees. The amount of revenue deposited into the SCFCF has steadily declined over time, largely due to declining criminal fine and fee revenue, and the fund was facing insolvency. Due to this, the budget for new courthouse construction was shifted to the General Fund beginning in 2021-22.

In the 2023-24 budget, the amount available to support trial court facility modifications was permanently increased from \$65.4 million to \$80.4 million annually. In addition, \$55.5 million that had been redirected from the SCFCF to support trial court operations was shifted to General Fund. These two changes helped address insolvency issues within the SCFCF. However, the fund still requires General Fund backfill. The proposed budget includes \$80 million in 2024-25 and \$119 million ongoing to backfill the State Court Facilities and Construction Fund.

New Sixth Appellate District Courthouse. The Governor's budget includes funding for a new appellate courthouse in Santa Clara County. The project will include the demolition of an existing building on the state-owned site as well as the construction of a new courthouse to replace the appellate court's current leased facility. The Administration noted concerns about being able to maintain the current lease at a reasonable rate due to significant development in the area. In addition, the current location is not large enough, leading to overcrowding in waiting areas and insufficient space for security, among other issues.

The proposed new courthouse project will provide construction of a new, one-courtroom, two-story courthouse of approximately 50,000 square feet (SF) on an existing 2-acre, state-owned property in the city of Sunnyvale in Santa Clara County. The site contains the former Sunnyvale Courthouse, which was built in 1967 and has been vacant since 2016. The building has surpassed its useful life, and the Administration intends to demolish it to build the new courthouse. The Administration notes that the site is in Sunnyvale's Civic Center, with access to public transit. The project includes secured parking for justices and surface parking spaces. The estimated total project cost is \$92.3 million. The project will use the Design-Build delivery method.

Trial Courts Facility Operations and Maintenance. The Judicial Council of California Facilities Services program oversees the overall care and management of the judicial branch building assets, ensuring access to justice in California's trial courts, Courts of Appeal, and the Supreme Court. The facilities program executes emergency, routine, and preventative maintenance on building systems, portfolio, and lease management, building system renovations, and many other functions required to produce a safe and secure building for the public, court staff, and judiciaries. Judicial Council Facilities Services systematically assessed the costs of an adequately funded facilities program using the International Facilities Management Association (IFMA) rate as the industry standard cost benchmarking measures. One of the new trial court facilities under construction is the 309,284 square foot Stanislaus–New Modesto Courthouse. The New Modesto Courthouse is due to open in 2025, which will require new maintenance funding. The Governor's budget includes \$3.57 million for this purpose.

Staff Recommendation. Hold Open.