

DEPARTMENT OF CONSUMER AFFAIRS <u>COURT REPORTERS BOARD</u>

OF CALIFORNIA



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Report on Transcript Reimbursement Fund

DATE	July 1, 2022
то	California Legislature
FROM	Paula Bruning, Executive Analyst

PURPOSE

Business & Professions Code (BPC) section 8030.10 requires the Court Reporters Board (Board) to provide a report to the Legislature by July 1, 2022, regarding the Transcript Reimbursement Fund (TRF).

BACKGROUND

There are two pathways under the Transcript Reimbursement Fund (TRF) (BPC sections 8030.1. through 8030.10). The first pathway, known as the Pro Bono Program, was established by the Legislature in 1981 and is available to pro bono attorneys representing indigent litigants. The second pathway, known as the Pro Per Program, was an expansion of the TRF in 2011 for indigent pro per litigants. Both programs assist qualified indigent litigants in civil matters; however, they differ in who may apply and how much monetary assistance is available to individual cases and all cases overall. The TRF is funded by annual license renewal fees and since its inception has reimbursed transcription costs totaling more than \$9.3 million.

Transfers are made from the Court Reporters Board Fund to the TRF in increments of \$100,000 up to \$300,000 per year. The Board must stop transfer to the TRF when the Board's reserve of operating expenses falls below six months. This threshold was reached in FY 2016-17, and the TRF was temporarily closed in April of 2018. The Board took restorative measures to increase its revenue resulting in a budget reserve healthy enough reopen the TRF on November 2, 2020. Part of these measures included an increase of licensing fees from \$125 to \$225 annually effective January 1, 2019.

In anticipation of the reopening the TRF, application forms and guidelines were updated and a dedicated TRF tab was added to the Board's website in an effort to help applicants understand the application process more clearly. Fewer deficient applications will help reduce the processing time.

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On September 23, 2021, two bills were chaptered affecting the law governing the TRF:

- AB163 (Committee on Budget)
 - Increased the maximum allowed per case from \$1,500 to \$2,500 for pro se applicants;
 - Increased the maximum allowed per case per year from \$20,000 to \$30,000 for pro bono applicants;
 - Eliminated the annual limit of \$75,000 for pro per cases. The pro per cases are now included in the total allotment for the fiscal year; and
 - Allowed funding from sources other than licensing fees without impacting the \$300,000 annual transfer limit from the Court Reporters' Fund to the TRF.
- SB170 (Skinner) made a one-time appropriation of \$500,000 to the TRF.

TRF DATA

The TRF is operated on a fiscal year basis. In Fiscal Year 2020/21, \$200,000 was transferred from the Court Reporters Board Fund to the TRF. As reported above, \$500,000 was transferred to the TRF in Fiscal Year 2021/22 from the General Fund.

The totals below are based on the number of invoices or estimates received and/or processed, not the number of applications or cases.

Transcript Reimbursement Fund (Pro Bono)					
	FY 2020/21	FY 2021/22			
No. of Requests for Reimbursement Received	164	122			
No. of Requests Approved	142	91			
No. of Requests Denied	8	7			
Amount of Funds Disbursed	\$96,421	\$61,317			
Amount of Funds Recovered by Judicial Award of Costs	\$2,1475	\$666			

Transcript Reimbursement Fund (Pro Per)					
	FY 2020/21	FY 2021/22			
No. of Requests for Reimbursement Received	79	270			
No. of Requests Approved	100	279			
No. of Requests Denied	21	9			
Amount of Funds Allocations (Provisional Approval)	\$15,079	\$27,217			
Amount of Funds Disbursed	\$8,043	\$33,896			
Amount of Funds Recovered by Judicial Award of Costs	\$0	\$0			

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Most Pro Per allocations are based on estimates provided by the applicants from the court reporters. As invoices for payment are processed, the actual cost for the transcript is commonly lower than the original estimate; therefore, previously allocated money slowly becomes available and can be reallocated.

Administrative costs include an annual pro rata fee of approximately \$14,000 paid to the Department of Consumers Affairs. This fee covers the administrative costs associated with scheduling payments through Fi\$Cal along with other budget-related duties. The costs for TRF program staff are absorbed by the Board and currently include one full-time AGPA. Of the duties assigned to the AGPA, 55% of her time is allocated to the TRF. One half-time SSA position is vacant.

LICENSING DATA

Certificates Processed				
	FY 2020/21	FY 2021/22		
New Certificates Issued	39	35		
Certificates Renewed	5,815	5,629		

SUMMARY

For more than 40 years, the TRF has played an integral part in helping provide access to justice for some of the most vulnerable Californians. More than 3,500 invoices have been paid since electronic record keeping began in 2010. With the reopening of the TRF in November 2020, the increase in Court Reporters Fund revenue, and the appropriation from the General Fund, claims will continue to be paid on behalf of indigent litigants for many years to come.

This report will be posted to Board's website at <u>www.courtreportersboard.ca.gov</u>. Hard copies may be ordered by calling (916) 263-4690.