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Aggressive Collections Urged as Moneymaker for Trial Courts

By KENNETH OFGANG, Staff Writer

A Los Angeles attorney yesterday urged the Judicial Council to make a policy change in the disposition of fines, fees, and penalties in order to obtain badly needed revenues for the trial courts.

David Farrar told the council, which held an emergency meeting in Sacramento yesterday, that it needs to provide an incentive for local trials courts to pursue what he said amounted to about \$7.7 billion in uncollected revenues. The council meeting was called by Chief Justice Tani Cantil-Sakauye on Monday after the governor and Department of Finance unveiled the May revise of the governor's budget proposal, including more than \$500 million in new cuts for the judicial branch.

A real-time transcription of the meeting was provided by the Judicial Council on its website.

Farrar practices with Linebarger Goggan LLP, a national law firm that limits its practice to the collection of debts owed to government agencies.

Little Incentive

He explained that local courts have little incentive to pursue tough collections because they don't keep the money. State law generally provides that if a trial court collects more than a specified amount of "fee, fine and forfeiture revenue," half the excess goes to the statewide Trial Court Improvement Fund and half to the county general fund.

Farrar, however, cited Government Code Sec. 77205, which allows the Judicial Council to return up to 80 percent of the Trial Court Improvement Fund share to the local court that collected it, or to distribute that amount among other trial courts.

Former Los Angeles County Counsel Lloyd W. Pellman, who now practices in the Los Angeles office of Nossaman LLP, provided the MetNews with a copy of a letter he had sent to the chief justice.

Pilot Project Urged

Pellman, who does some work on behalf of Farrar and his firm, urged Cantil-Sakauye to support a pilot project that would return the full amount allowed by Sec. 77205 to the county of collection for a five-year period in order to allow those counties to stabilize collections. This would "provide at least a partial solution on at least a temporary basis" to courts that have been forced to slash budgets for the last several years even as they are owed "escalating unpaid debt.

Pellman wrote:

"If the current trend continues, this State is headed for a two tier system of justice. Only those whose attorneys can afford to underwrite the costs of court reporters and increased filing fees or who can afford to pay such expenses themselves will be able to proceed with litigation with a record for appeal. I don't want to see that happen in my personal or professional lifetime."

Pellman noted that firms such as Farrar's offer their services on a contingency basis.

Cuts at AOC

Also at yesterday's meeting, interim state courts director Jody Patel reported that the Administrative Office of the Courts will reduce the size of its workforce by approximately 180 employees by the end of next month, with significant further reductions in the new fiscal year.

"It's important we make these changes," Patel said. "It's a painful process for everyone, especially those losing their jobs. But we have little choice. Our budget has been cut by 18.2 percent during the last four years. In addition, we feel that a realignment of AOC operations was long overdue. "

As part of that reorganization, Patel noted, the AOC, which had 17 executive level directors at one point, will be down to 10 by the end of June.