



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: 22-341

April 26, 2022

Introduced: 4/14/2022

Current Status: Agenda Ready

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Matter Type: General Agenda Item

- a. Accept Assembly Bill (AB) 1869 annual allocations in the amount of \$762,744 per year from the California Department of Finance (DOF) for FY 21-22 through FY 25-26 to backfill revenue loss for the Probation Department and Sheriff's Office due to the repeal of various criminal fees;
- b. Receive the report on the metrics of the funding loss related to AB 1869 repealed fees; and
- c. Authorize the County Administrative Office to file the required annual reports with the State on the metrics of the funding loss related to AB 1869 and how the annual backfill allocation will be spent by affected County departments.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Accept Assembly Bill (AB) 1869 annual allocations in the amount of \$762,744 per year from the California Department of Finance (DOF) for FY 21-22 through FY 25-26 to backfill revenue loss for the Probation Department and Sheriff's Office due to the repeal of various criminal fees;
- b. Receive the report on the metrics of the funding loss related to AB 1869 repealed fees; and
- c. Authorize the County Administrative Office to file the required annual reports with the State on the metrics of the funding loss related to AB 1869 and how the annual backfill allocation will be spent by affected County departments.

SUMMARY:

On September 18, 2020, Governor Newsom signed AB 1869 into law. Effective July 1, 2021, AB 1869 rescinded the authority of counties and state agencies to assess and collect 23 specific criminal administrative fees. Additionally, the unpaid balance of any court-imposed costs for these specific fees is unenforceable and uncollectable and any portion of a judgment imposing those costs shall be vacated. The bill also appropriated \$65 million annually for five years to backfill counties for associated revenue losses. Finally, related to the backfill, AB 143 legislation was passed that determined the method of allocation and County reporting requirements.

DISCUSSION:

In recent years, several legislative changes have taken place as part of the broader trend in the state of California of reducing or eliminating criminal justice fees. Specifically, AB 1869 of 2020 repealed the authority of counties to assess and collect criminal administrative fees from adult offenders, effective July 1, 2021. Chapter 92, statutes of 2020 (AB 1869) eliminated 23 different criminal administrative fees charged by local governments to individuals arrested, prosecuted, or convicted of a crime. In addition, AB 1869 set aside \$65 million annually from fiscal years 2021-22 through 2025-26 to backfill counties for estimated lost revenue. Finally, AB 143 legislation was passed that determined the method of the backfill funding allocation and County reporting requirements. The backfill for each

County is based on its percentage for the statewide average of the following three variables for the calendar years 2017, 2018, and 2019: 1) adult population (50 percent of the allocation); 2) felony and misdemeanor arrests (25 percent of the allocation); and 3) traffic and non-traffic felony and misdemeanor filings (25 percent of the allocation). Finally, beginning May 1, 2022, AB 143, requires that counties receiving the backfill report out on metrics of the lost funding and beginning January 10, 2023, for the years the funding is allocated, how the backfill allocation is spent.

For Monterey County, three departments were affected by the fee repeal. The impacted departments of the Sheriff, Probation and the Public Defender's Office had the below six fees repealed. Further, all three departments ceased assessing and collecting these fees on or before June 30, 2021. Additional action was undertaken by the Probation Department in coordination with County Counsel and the Board of Supervisors to rescind Ordinance #4051 Chapter 2.93 of the Monterey County Code which repealed Probation's authority to collect fees pursuant to the legislative changes effective July 1, 2021. Further, on July 1, 2021, as legislated by the State, the Monterey County Treasurer-Tax Collector's Office which operated as the collecting arm for Probation fees, ceased collection of and vacated the unpaid balance of related accounts. A total of 5,609 client accounts amounting to an unpaid balance of \$5.0 million dollars were vacated.

The Sheriff's Office, in coordination with County Counsel and the Board of Supervisors, likewise amended Article VII of the Monterey County Master Fee Resolution to reflect the elimination of Work Alternative Program fees pursuant to the legislative changes.

OTHER AGENCY INVOLVEMENT:

The Monterey County Probation Department, Sheriff's Department and Public Defender's Office coordinated efforts on the attached fees collected analysis.

FINANCING:

Per AB 143, the annual backfill amount of \$762,744 is allocated to Monterey County to be received each year from FY21-22 through FY25-26. The State released the FY21-22 funding to counties in mid-December 2021. The first allocation of \$762,744 has been received by Monterey County and was deposited by the County Treasury. The proposed annual backfill allocation of \$762,744 is to be disbursed based on the average amount of fees collected over the prior three years for the Probation Department and Sheriff. Note that the Public Defender's Office has declined to request funding from the backfill as the impact is less than five thousand dollars annually. The proposed amounts are \$450,746 (59.1%) to Probation and \$311,998 (40.9%) for the Sheriff.

The County Departments will use these funds to mitigate the loss of fees and continue to support services to clients. The funds will be used to continue to support preparation of required presentence investigation reports, cost of mandated supervision and alternative custody options.

There is no impact to the County General Fund associated with the actions in this Board Report.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This recommendation supports key objectives of: 1) Administration with efficient and effective fiscal management of the State backfill funds, and 2) Public Safety for the continuation of required

Legistar File Number: 22-341

investigative reports, mandated supervision of probationers and providing alternative custody options.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Bella Lesik, Administrative Analyst, ext. 6767

DocuSigned by:
Bella Lesik
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Approved by: Ezequiel Vega, County Budget Director, ext. 3078

DocuSigned by:
Ezequiel Vega
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Approved by: Dewayne Woods, Assistant County Administrative Officer, ext. 5309

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Dewayne Woods
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Attachments: Fiscal Loss of Revenue Report - AB 1869 Monterey County; Template Backfill
Allocation Spending Report - Due Jan 10