

## Review and Analysis of Proposal to Eliminate the Court Reporters Board

Prepared June 12, 2009, by:

Ray LeBov Ray LeBov and Associates 2006 5<sup>th</sup> Avenue Sacramento, CA 95818 (916)524-2573 judco12000@yahoo.com In his May Revision to the 2009-2010 Budget proposal, the Governor has made a series of suggestions that are intended to improve governmental efficiency and reduce costs. Many of these seem appropriate and wise but I defer to others to review most of those proposals. I address here solely the recommendation to eliminate the Court Reporters Board (CRB).

The elimination of the CRB does not fall into this category because it is a special fund entity (i.e. it is almost fully funded by licensing fees). It is overwhelmingly not supported from the General Fund (GF). Nonetheless, the purported General Fund savings have been projected at \$900,000. The reality is quite opposite to this; not only would there be infinitesimal GF savings (namely, limited to the \$6,000 which supports Board meetings and member per diems) but elimination of the Board would actually result in a GF loss of the approximately \$150,000 that the CRB pays in "pro rata" fees to the Department of Consumer Affairs for shared services. (Typically the Board does not use that level of service but nonetheless contributes that amount.) The state's budget constraints are so extraordinarily intense that an amount which might otherwise seem relatively inconsequential will be exceptionally difficult for the DCA's budget to absorb.

Not only would the CRB's elimination not save the state any money, it would result in significant societal costs. The CRB has an exceptional record of accomplishment in its prime consumer protection functions of licensing, disciplining and regulating the profession. The Board administers three licensing exams annually and also polices the professional conduct of its many licensees. Licensees are able to avoid problems by consulting the Board and relying on its excellent advice, and few enforcement actions are necessary because it is well known among licensees that the Board has an outstanding history of compelling compliance with all applicable laws and regulations.

If the CRB were to be eliminated, its functions would nonetheless need to continue. The recommendation to eliminate the CRB suggests "continued oversight by the State Bar." It is unclear what this is intended to mean. The State Bar does not presently oversee the practice of court reporting; so perhaps this is meant to suggest that the State Bar would take over the functions of the CRB. My understanding is that the State Bar has indicated no interest in assuming these responsibilities, at least in part because of the inevitable conflict of interest between the consumers (attorneys and litigants) and the providers of court reporting services.

Equally important, under existing law, fees that the CRB receives in excess of what is needed to support the Board's operating budget are used to support the Transcript Reimbursement Fund (TRF) which provides shorthand reporting services to low-income civil litigants who are otherwise unable to afford those services. Elimination of the CRB would have catastrophic consequences and seriously impact an indigent litigant's ability to pursue or defend their legal rights and remedies.

Upon a review of this proposal, it is my considered judgment that elimination of the CRB would not serve any useful purpose and would engender great societal harm. In summary, it would result in a net loss to the state budget, drastically impair vital consumer protection functions and unwisely and unfairly impair equal access to our legal system by our indigent population.

Ray LeBov has 25 years of experience and familiarity with the issues relating to this area. During his 12 years of service as Counsel to the Assembly Committee on Judiciary (1979-1991), one of his main assignments was to analyze and make recommendations to the Committee on all legislation addressing court reporting. Along with his Senate counterpart, he was considered the Legislature's expert in the area.

After leaving service in the Legislature in 1991, he became the Director of the Office of Governmental Affairs for the Judicial Council. As the chief lobbyist for the state's courts from 1991 through 2004, once again he was charged with lead responsibility for a branch of government relative to court reporting issues.