

# Joint Legislative Budget Committee

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June 13, 2023

Mr. Joe Stephenshaw, Director  
Department of Finance  
1021 O Street, Suite 3110  
Sacramento, California 95814

Dear Mr. Stephenshaw:

In a letter dated June 7, 2023, you notified the Joint Legislative Budget Committee, pursuant to Item 0820-013-0001, Provision 1 in the *2022-23 Budget Act*, of a request from the Department of Justice (DOJ) for a \$10 million augmentation to backfill a shortfall in the DNA Identification Fund. However, the Department of Finance (DOF) is recommending and requesting \$7 million to address the budget deficit, which still provides an estimated reserve fund balance of \$355,000 for any unanticipated costs.

As you are aware, the DNA Identification Fund revenues are derived from criminal justice fines and fees, specifically Government Code section 76104.6 and Government Code section 76104.7. Like all funds similarly reliant on fines and fees, the DNA Identification Fund has struggled with declining revenues since the 2013-14 Fiscal Year. While we are fortunate to have the reserves necessary to address the DOJ's current shortfall, continuing to use fines and fees as a revenue source is not a sound budgeting practice because revenue estimates on fines and fees do not properly account for the unpaid fines and fees that the state ultimately does not recover. Additionally, the cost to the state for multiple collection attempts as well as the hardship that fine and fee debt causes to low-income families raises legitimate issues related to the practice of relying on fines and fees as a revenue source. California has been wise in the past few budget cycles to repeal over half of the 90 administrative fees in state law.

While we work on long-term solutions to the chronic underfunding of programs reliant on fines and fees, I also recognize the need to act on your request to resolve this year's shortfall. As such, I have reviewed the letter and concur with DOF's request for a reduced backfill augmentation of \$7 million. In

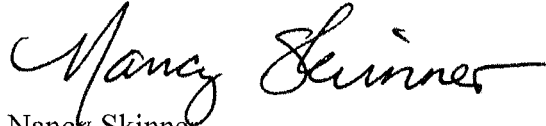
Mr. Joe Stephenshaw

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addition, I waive the remainder of the 30-day review period, to ensure funds are available for expenditure for forensic services in the current fiscal year.

Sincerely,

A handwritten signature in black ink that reads "Nancy Skinner". The signature is written in a cursive, flowing style.

Nancy Skinner  
Chair

cc: Members of the Joint Legislative Budget Committee