



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Submitted on:
(COB Stamp)

Department Name: Probation
Department No.: 022
Agenda Date: December 16, 2025
Placement: Administrative Agenda
Estimated Time: N/A
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

TO: Board of Supervisors *[Signature]*
FROM: Department Director: Holly L. Benton, Chief Probation Officer
Contact: Damon Fletcher, Chief Financial and Administrative Officer
SUBJECT: Assembly Bill (AB) 199 Backfill Allocation Spending Report for Fiscal Year 2024-25
for Criminal Justice Fees Eliminated by AB 177

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Consider and adopt the report in Attachment A as the Board of Supervisors' annual report for Fiscal Year (FY) 2024-25 as required by Government Code section 29554 subsection (f), documenting the County's spending of State backfill allocations which provides fiscal relief due to the repeal of the fees specified in Chapter 257, Statutes of 2021 (AB 177);
- b) Authorize the Chair to sign the letter included in Attachment A, regarding the submission of the above referenced report, and direct Probation staff to submit the letter and report to the State of California Director of Finance, the Legislative Analyst's Office, and the Joint Legislative Budget Committee; and
- c) Determine pursuant to CEQA Guidelines 15378(b)(5) that the above actions are not a project subject to CEQA review, because they are government administrative activities that do not result in direct or indirect physical changes to the environment.

Summary Text:

This item is before your Board to fulfill State reporting requirements of AB 199 by submitting to the State an annual report detailing the County's spending of the State backfill allocation for revenues lost from fees repealed by AB 177. The County received a backfill allocation for FY 2024-25 totaling

\$651,457.95, of which the Probation Department was allocated \$418,200 (64%). Probation's allocation was used to fund staff salaries and benefits related to pretrial assessments and supervision. Additionally, during the reporting period, \$569,300 of prior fiscal years' AB 199 unallocated backfill funding was transferred to the State to fund the County's FY 2022-23 and FY 2023-24 Department of State Hospitals (DSH) Incompetent to Stand Trial (IST) growth cap penalty payments. The DSH IST growth cap penalty payments are ultimately returned to the County for restricted uses as approved by DSH.

Discussion:

Effective January 1, 2021, AB 177, repealed the authority of counties to charge individuals for various criminal justice fees and cost of administering the criminal justice system, including lab fees, drug testing, and incarceration, among other costs contingent upon a criminal arrest, prosecution, or conviction. AB 177 includes a backfill provision that provides some relief to counties to mitigate revenues lost as a result of the repeal. Backfill funds are provided to counties through AB 199, for which each county's board of supervisors is required to submit a report no later than January 10 of every year beginning in 2024, to the Joint Legislative Budget Committee, Legislative Analyst's Office, and the Director of Finance. The report details the county's spending of the State backfill allocated for revenues lost from fees repealed by AB 177, which modified Chapter 257 of the Statutes of 2021. With approval by your Board, the attached report will satisfy this annual requirement.

Of the County's annual backfill allocation of \$651,457.95, Probation currently receives ongoing funding totaling \$418,200 per year, which funds two full-time equivalent (FTE) Pretrial Support Specialist (PTSS) Senior positions and one FTE Deputy Probation Officer (DPO). The PTSS Senior positions review the reports of lower level PTSS staff before submission to the courts and complete reports that are considered more difficult, to aid in the pretrial release of individuals who are booked into County jail. The DPO position was funded to provide supervision services and ensure compliance with pretrial release conditions for the growing number of individuals subject to pretrial release. The remainder of the ongoing funding is currently unallocated as it anticipated to support one-time funding obligations as described below.

Additionally, within the reporting period, a total of \$569,300 in one-time unallocated AB 199 backfill funding was transferred to the State to fund the County's FY 2022-23 and FY 2023-24 DSH IST growth cap penalty payments (\$414,000 and \$155,300, respectively). These amounts were drawn from AB 199 fund balance comprised of prior year unallocated backfill funding. In order for the growth cap penalty payment funding to be returned to the County for local use, the County must submit an expenditure plan that outlines planned uses of the funding, aimed at reducing the County's felony IST population. On May 6, 2025, your Board approved submittal of the expenditure plan for the FY 2022-23 growth cap penalty payment, which DSH subsequently approved, and those funds (\$414,000) have since been returned to the County for restricted use within the Public Defender's Office, as described in a September 9, 2025 Board item. The expenditure plan for the FY 2023-24 growth cap penalty of \$155,300 has yet to be developed and will return to your Board at a later date.

Background:

Chapter 257, Statutes of 2021 (AB 177) eliminated 17 different criminal administrative fees charged by local governments to individuals arrested, prosecuted, or convicted of a crime. These include fees for victim restitution collection, processing installment accounts, and dismissal of charges. AB 177 set aside \$25 million for FY 2021-22 and \$50 million annually thereafter to backfill counties for estimated lost revenue. The provision of the bill took effect on January 1, 2022.

The Department of Finance established an allocation schedule based on the methodology provided by Chapter 57, Statutes of 2022 (AB 199). 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% of the allocation); 2) felony and misdemeanor arrests (25% of the allocation); and 3) traffic and non-traffic felony and misdemeanor filings (25% of the allocation).

The annual allocation from AB 199 of \$651,457.95 exceeds the actual collections of the specified fees in the three fiscal years prior to the repeal, which averaged \$278,757 per fiscal year. However, this positive fiscal impact only partially offsets the revenue lost on the prior repeal of criminal justice fees related to AB 1869. AB 1869 resulted in over \$1.8 million in annual ongoing fee revenue loss in the Probation Department and only provided \$846,777 in backfill for five years; the backfill provision under that legislation will sunset after FY 2025-26, creating an ongoing fiscal impact.

AB 199 requires that beginning January 10, 2024 and repeating annually, a county receiving funding report on how the backfill allocation was spent, and, at a minimum, report the total annual budget of the county department or departments that receive the allocation, the share of this allocation received, and an accounting of the expenditures of the allocation by county department that received a share of this allocation.

Fiscal and Facilities Impacts:

Staff anticipate no fiscal or facilities impacts as a result of the Board's action on this matter. In FY 2024-25, the Probation Department spent \$280,728.35 of its \$418,200 allocation, as the funded positions were not filled until partway through the fiscal year. Probation anticipates fully expending its current year (FY 2025-26) allocation of AB 199 funding for the subsequent reporting period. Additionally, within the reporting period, a total of \$569,300 was paid to DSH as explained above.

AB 199 Activity	Beginning Balance (July 1, 2024)	Ongoing Activity		One-Time Activity	Ending Balance (June 30, 2025)
		Budgeted FY 2024-25	Actual FY 2024-25	Fund Balance Draws during FY 2024-25	
State Backfill	\$0	\$651,458	\$651,458	\$0	\$0
<i>Less: Probation Allocation</i>	\$0	(\$418,200)	(\$280,728)	\$0	\$0
<i>Less: DSH IST Penalty Payments</i>	\$0	\$0	\$0	(\$569,300)	\$0
Fund Balance	\$1,628,700	\$233,258	\$370,730	(\$569,300)	\$1,430,130

Special Instructions:

Clerk of the Board, please send an original signed letter and a copy of the minute order to Damon Fletcher, Chief Financial and Administrative Officer, Probation Department, no later than January 5, 2026.

Attachments:

Attachment A – Letter to State of California, Director of Finance, Legislative Analyst's Office, and Joint Legislative Budget Committee with Backfill Allocation Spending Report enclosure

Contact Information:

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