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Superior Court of California
County of Los Angeles

APR 01 2014

Sherri R. Carter, Executive Officer/Clerk By Shaunya Bolden, Deputy

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES

HAROLD P. STURGEON,

Plaintiff,

VS.

THE COUNTY OF LOS ANGELES; GLORIA MOLINA, MARK RIDLEY-THOMAS; ZEV YAROSLAVSKY; DON KNABE; MICHAEL D. ANTONOVICH; WILLIAM T. FUJIOKA; JOHN NAIMO, and GREGG G. IVERSON, in their official capacities.

Defendants.

BC541213

Case No.:

COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

#### INTRODUCTION

1. Plaintiff, a taxpayer and resident of the County of Los Angeles, seeks to enjoin Defendants from continuing to expend taxpayer funds or taxpayer-financed resources to pay "supplemental judicial benefits" to the judges of the Superior Court of

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California, County of Los Angeles ("the Superior Court").

Plaintiff also seeks a judgment declaring Defendants' payment of these benefits to be unlawful.

#### JURISDICTION AND VENUE

2. Jurisdiction in this case is found under California Code of Civil Procedure § 526(a), which provides as follows:

An action to obtain a judgment, restraining and preventing any illegal expenditure of, waste of, or injury to, the estate, funds, or other property of a county, town, city or city and county of the state, may be maintained against any officer thereof, or any agent, or other person, acting in its behalf, either by a citizen resident therein, or by a corporation, who is assessed for and is liable to pay, or, within one year before the commencement of the action, has paid, a tax therein.

- 3. In Blair v. Pitchess, 5 Cal.3d 258, 267-68, 96 Cal. Rptr. 42, 48-49 (1971), the Supreme Court of California stated that "[t]he primary purpose of this statute [Section 526a], originally enacted in 1909, is to 'enable a large body of the citizenry to challenge governmental action which would otherwise go unchallenged in the courts because of the standing requirement' [citations omitted]."
- 4. In Blair, 5 Cal.3d at 268, 96 Cal. Rptr. at 49, the Court noted that "the mere expending [of] the time" of paid public officials "performing illegal and unauthorized acts constitute[s] an unlawful use of funds which could be enjoined under section 526a." The Court also declared that "it is immaterial that the

amount of the illegal expenditures is small or that the illegal procedures actually permit a savings of tax funds." Id.

## PARTIES

- 5. Plaintiff Harold P. Sturgeon is a resident and taxpayer of the County of Los Angeles. Plaintiff has paid taxes to the County of Los Angeles, including property taxes, in the one-year period prior to commencement of this action.
- 6. Defendant County of Los Angeles is a legal subdivision of the State of California under Article 11, Section 1 of the California Constitution. Defendant County of Los Angeles pays the "supplemental judicial benefits" challenged by Plaintiff in this action.
- 7. Defendant Gloria Molina is a member of the Los Angeles
  County Board of Supervisors. As a member of the Los Angeles County
  Board of Supervisors, Defendant Molina authorized and approved
  Defendant County of Los Angeles' payment of the "supplemental
  judicial benefits" challenged by Plaintiff in this action and has
  the authority to terminate payment of these unlawful benefits.

  Defendant Molina is being sued in her official capacity.
- 8. Defendant Mark Ridley-Thomas is a member of the Los
  Angeles County Board of Supervisors. As a member of the Los
  Angeles County Board of Supervisors, Defendant Ridley-Thomas
  authorized and approved Defendant County of Los Angeles' payment of
  the "supplemental judicial benefits" challenged by Plaintiff in

this action and has the authority to terminate payment of these unlawful benefits. Defendant Ridley-Thomas is being sued in his official capacity.

- 9. Defendant Zev Yaroslavsky is a member of the Los Angeles County Board of Supervisors. As a member of the Los Angeles County Board of Supervisors, Defendant Yaroslavsky authorized and approved Defendant County of Los Angeles' payment of the "supplemental judicial benefits" challenged by Plaintiff in this action and has the authority to terminate payment of these unlawful benefits.

  Defendant Yaroslavsky is being sued in his official capacity.
- 10. Defendant Don Knabe is a member of the Los Angeles County Board of Supervisors. As a member of the Los Angeles County Board of Supervisors, Defendant Knabe authorized and approved Defendant County of Los Angeles' payment of the "supplemental judicial benefits" challenged by Plaintiff in this action and has the authority to terminate payment of these unlawful benefits.

  Defendant Knabe is being sued in his official capacity.
- 11. Defendant Michael D. Antonovich is a member of the Los
  Angeles County Board of Supervisors. As a member of the Los
  Angeles County Board of Supervisors, Defendant Antonovich
  authorized and approved Defendant County of Los Angeles' payment of
  the "supplemental judicial benefits" challenged by Plaintiff in
  this action and has the authority to terminate payment of these

unlawful benefits. Defendant Antonovich is being sued in his official capacity.

- 12. Defendant William T. Fujioka is the Chief Executive
  Officer of Defendant County of Los Angeles. As Chief Executive
  Officer, Defendant Fujioka is responsible for implementing the
  lawful policy decisions of the Los Angeles County Board of
  Supervisors, including the decision to pay the "supplemental
  judicial benefits" challenged by Plaintiff in this action. On
  information and belief, Defendant Fujioka has the authority to
  terminate payment of these unlawful benefits. Defendant Fujioka is
  being sued in his official capacity.
- 13. Defendant John Naimo is the Auditor-Controller of
  Defendant County of Los Angeles. As Auditor-Controller, Defendant
  Naimo is responsible for administering Defendant County of Los
  Angeles' payment of the "supplemental judicial benefits" challenged
  by Plaintiff in this action. On information and belief, Defendant
  Naimo has the authority to terminate payment of these unlawful
  benefits. Defendant Naimo is being sued in his official capacity.
- Payroll Division of the Auditor-Controller Department of Defendant
  County of Los Angeles. As Chief of the Countywide Payroll
  Division, Defendant Iverson is directly responsible for Defendant
  County of Los Angeles' payment of the "supplemental judicial
  benefits" challenged by Plaintiff in this action. On information

and belief, Defendant Iverson has the authority to terminate payment of these unlawful benefits. Defendant Iverson is being sued in her official capacity.

#### STATEMENT OF FACTS

- 15. The California Constitution vests the judicial power of the State of California in the judges of the superior courts in each of the 58 counties, the Courts of Appeal, and the Supreme Court. All judges are state officers even though, as in the case of most superior court judges, they preside over cases in a single county and are subject to election in only one county.
- 16. All California judges receive compensation from the state in the form of salary and a full complement of both retirement and non-retirement benefits.
- 17. In addition, some superior court judges receive "supplemental judicial benefits" from the counties in which they serve. Others receive "supplemental judicial benefits" from the courts in which they serve.
- 18. According to a 2009 study by the Judicial Council of California ("Judicial Council"), "significant discrepancies and inconsistencies exist throughout the state" with regard to the payment of "supplemental judicial benefits." These discrepancies and inconsistences are "the result of the individual history of each court and county and [are] not based on any rational consistent statewide plan or formula."

19. The Judicial Council study also found that superior court judges in 23 of California's 58 counties receive no "supplemental judicial benefits" at all. Nor do appellate court judges.

20. The Judicial Council study also found that, in 2008, "[j]udges in some courts receive[d] benefits that cost as little as \$102 per year per judge, while judges in the Superior Court of Los Angeles County receive[d] benefits of approximately \$50,000." The result is what the study called a "hodgepodge" or "patchwork quilt" of varying benefits and compensation that disrupts the judicial compensation scheme created by the Legislature:

The variation in supplemental benefits and their non-existence at many courts, including appellate courts, results in other significant compensation differences. By way of example, the Legislature has specified a uniform salary for all superior court judges statewide and a salary for justices of the Courts of Appeals that is higher for judges of the superior courts. Yet if the full value of the supplemental benefits is included in the overall compensation paid to judges, there are counties in which superior court judges receive more valuable compensation packages than a justice of the Court of Appeals who serves the same county.

- 21. In 2006, Plaintiff brought suit against Defendants, alleging that Defendant County of Los Angeles' payment of "supplemental judicial benefits" to the judges of the Superior Court violated the California Constitution and was otherwise unlawful.
- 22. On October 10, 2008, the Court of Appeal, Fourth

  Appellate District, found that Defendants' payment of "supplemental"

judicial benefits" to the judges of the Superior Court violated Article VI, Section 19 of the California Constitution. Sturgeon v. County of Los Angeles, 167 Cal. App. 4th 630 (2008) ("Sturgeon I"). More specifically, the Court of Appeals found in Sturgeon I that the benefits paid by Defendants to the judges of the Superior Court were compensation within the meaning of the constitution, but had not been "prescribed" by the Legislature, as required by Article VI, Section 19. The California Supreme Court denied review on December 23, 2008.

- 23. On February 14, 2009, the Legislature enacted Senate Bill No. 11 (2009-2010 2d Ex. Sess.) ("Senate Bill X2 11") in response to the Court of Appeal's ruling in *Sturgeon I*. No public hearings were held on the bill. It was inserted into the Budget Act of 2008 at the last minute and passed the same day. It was signed by Governor Arnold Schwarzenegger on February 20, 2009.
- 24. Enacted as an interim measure, Senate Bill X2 11 purported to authorize counties' payment of "supplemental judicial benefits" for purposes of Article VI, Section 19 until such time as the Legislature could adopt a comprehensive response to Sturgeon I.
  - 25. Section 1 of Senate Bill X2 11 states:
  - (a) It is the intent of the Legislature to address the decision of the Court of Appeal in Sturgeon v. County of Los Angeles (2008) 167 Cal.App.4th 630 [84 Cal. Rptr. 3d 242], regarding county-provided benefits for judges.

- (b) These county-provided benefits were considered by the Legislature in enacting the Lockyer-Isenberg Trial Court Funding Act of 1997, in which counties could receive a reduction in the county's maintenance of effort obligations if counties elected to provide benefits pursuant to paragraph (1) of subdivision (c) of Section 77201 of the Government Code for trial court judges of that county.
- (c) Numerous counties and courts established local or court supplemental benefits to retain qualified applicants for judicial office, and trial court judges relied upon the existence of these longstanding supplemental benefits provided by the counties or the court.
- 26. Section 2 of Senate Bill X2 11 added section 68220 to the Government Code. Section 68220 provides:
  - (a) Judges of a court whose judges received supplemental judicial benefits provided by the county or court, or both, as of July 1, 2008, shall continue to receive supplemental benefits from the county or court then paying the benefits on the same terms and conditions as were in effect on that date.
  - (b) A county may terminate its obligation to provide benefits under this section upon providing the Administrative Director of the Courts and the impacted judges with 180 days' written notice. The termination shall not be effective as to any judge during his or her current term while that judge continues to serve as a judge in that court or, at the election of the county, when that judge leaves office. The county is also authorized to elect to provide benefits for all judges in the county.
- 27. Section 5 of Senate Bill X2 11 purported to immunize all state judges who had received unauthorized "supplemental judicial benefits," a provision that the Commission on Judicial Performance subsequently determined was "invalid and unconstitutional" on separation of powers grounds because, under Article VI, Section 18

of the Constitution, "the [C]ommission and the California Supreme Court have exclusive authority over judicial discipline."

- 28. Section 6 of Senate Bill X2 11 required that the Judicial Council analyze and report to the Legislature on statewide benefits inconsistencies on or before December 31, 2009. The study referenced in paragraphs 18-20 herein was prepared by the Judicial Council pursuant to Section 6 of Senate Bill X2 11.
- 29. Plaintiff subsequently challenged whether Senate Bill X2
  11 sufficiently "prescribed" Defendant County of Los Angeles'
  payment of "supplemental judicial benefits" to the judges of the
  superior court for purposes of Article VI, Section 19. Sturgeon v.
  County of Los Angeles, 191 Cal. App. 4th 344 (2010) ("Sturgeon
  II"). A ruling by the Court of Appeals upheld Senate Bill X2 11,
  but only as a temporary measure that preserved the status quo until
  a permanent, comprehensive judicial compensation scheme could be
  enacted:

As the parties have recognized, Senate Bill X2 11 both preserved the status quo ante Sturgeon I and commenced a process by which the Legislature looks to adoption of a comprehensive judicial compensation scheme. As we have explained, this response to Sturgeon I meets the requirements of the Constitution and is wholly sensible under the circumstances. . . .

However, on its face Senate Bill X2 11 is not a permanent response to either the constitutional issues we identified in Sturgeon I or the difficult problems of adopting a compensation scheme that deals with varying economic circumstances in an equitable and efficient manner. Thus, we would be remiss in discharging our duties if we did not state that the Legislature's interim

response to Sturgeon I defeats the particular challenges asserted by Sturgeon in this litigation, that interim remedy, if not supplanted by the more comprehensive response Senate Bill X2 11 plainly contemplates, most likely will give rise to further challenges by taxpayers or members of the bench themselves. As we noted at the outset, the issue of judicial compensation is a state, not a county, responsibility. We are confident that the Legislature within a reasonable period of time will act to adopt a uniform statewide system of judicial compensation.

Sturgeon II, 191 Cal. App. 4th at 355-56.

- 30. Although more than 5 years have passed since Senate Bill X2 11 was enacted in February 2009, the Legislature has failed to establish the permanent, comprehensive judicial compensation scheme contemplated by Senate Bill X2 11.
- 31. Despite the Legislature's failure to enact the permanent, comprehensive judicial compensation scheme contemplated by Senate Bill X2 11, Defendant County of Los Angeles has continued to pay "supplemental judicial benefits" to the judges of the Superior Court since 2009, and both the dollar value of these benefits and the cost of the benefits to County of Los Angeles taxpayers have increased.
- 32. In 2013, Defendants paid approximately \$57,487 in "supplemental judicial benefits" to each of the approximately 429 judges of the Superior Court. This included approximately \$33,970 in "cafeteria plan" benefits, approximately \$15,600 in retirement benefits, and a \$7,917 "professional development allowance." These "supplemental judicial benefits" were in addition to the \$181,292

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salary and the full complement of benefits paid to each superior court judge by the state. In 2013 alone, the cost of these benefits to County of Los Angeles taxpayers was at least approximately \$24,661,923.

## FIRST CAUSE OF ACTION FOR DECLARATORY RELIEF

- 33. Plaintiff incorporates paragraphs 1 to 32 by reference as if fully set forth herein and further alleges as follows:
- 34. An actual and justiciable controversy has arisen and now exists between Plaintiff, on the one hand, and Defendants, on the other hand, as to whether Defendant County of Los Angeles' continued payment of "supplemental judicial benefits" to the judges of the Superior Court is lawful in the absence of the adoption, by the Legislature, of a permanent, statewide, comprehensive judicial compensation scheme as contemplated by Senate Bill X2 11. Plaintiff contends that the continued payment of these benefits violates Article VI, Section 19 of the California Constitution and is otherwise unlawful. On information and belief, Defendants contend that the continued payment of the benefits does not violate Article VI, Section 19 of the California Constitution and is not otherwise unlawful.
- 35. Pursuant to California Code of Civil Procedure § 1060,
  Plaintiff seeks a judicial determination as to whether the
  continued payment of "supplemental judicial benefits" to the judges

of the Superior Court violates Article VI, Section 19 of the California Constitution or is otherwise unlawful.

- 36. Such a judicial determination is necessary and appropriate so that the parties may ascertain their respective legal rights and duties as Defendants have continued to expend substantial taxpayer funds and taxpayer-financed resources paying "supplemental judicial benefits" to the judges of the Superior Court, and will continue to expend substantial taxpayer funds and taxpayer-financed resources on the payment of these benefits.
- 37. There are no effective administrative remedies available to Plaintiff to compel the relief sought herein.

## SECOND CAUSE OF ACTION FOR INJUNCTIVE RELIEF

- 38. Plaintiff incorporates paragraphs 1 to 37 by reference as if fully set forth herein and further alleges as follows:
- 39. Defendant County of Los Angeles' continued payment of "supplemental judicial benefits" to the judges of the Superior Court in the absence of the adoption, by the Legislature, of a permanent, statewide, comprehensive judicial compensation scheme as contemplated by Senate Bill X2 11 violates Article VI, Section 19 of the California Constitution and is otherwise unlawful.
- 40. Plaintiff is being irreparably harmed by Defendants' continued expenditure of substantial taxpayer funds and taxpayer-financed resources on the unlawful payment of "supplemental judicial benefits" to the judges of the Superior Court.

- 41. Unless and until enjoined by this Court, Defendants will continue to expend substantial taxpayer funds and taxpayer-financed resources on the unlawful payment of "supplemental judicial benefits" to the judges of the Superior Court.
  - 42. Plaintiff has no adequate remedy at law.

# PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays as follows:

#### FIRST CAUSE OF ACTION FOR DECLARATORY RELIEF

- 1. A declaration that Defendant County of Los Angeles' continued payment of "supplemental judicial benefits" to the judges of the Superior Court violates Article VI, Section 19 of the California Constitution and is otherwise unlawful;
  - 2. Costs of suit herein:
- 3. Reasonable attorney's fees under the Private Attorney
  General Statute, Code of Civil Procedure § 1021.5, the Common Fund
  Doctrine, and the Substantial Benefit Doctrine; and
  - 4. Such other relief as the Court deems just and proper.

## SECOND CAUSE OF ACTION FOR INJUNCTIVE RELIEF

- 1. The Court issue permanent injunctive relief prohibiting
  Defendants from expending additional taxpayer funds or taxpayerfinanced resources on the payment of "supplemental judicial
  benefits" to the judges of the Superior Court or authorizing,
  approving, implementing, or administering any such expenditures;
  - Costs of suit herein;