

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

SB 54 (Umberg)
Version: January 7, 2025
Hearing Date: April 8, 2025
Fiscal: Yes
Urgency: No
ME

SUBJECT

Court fee waivers: veterans

DIGEST

This bill expands access to court fee waivers for disabled veterans.

EXECUTIVE SUMMARY

Under current law, a litigant may seek and obtain a waiver of court fees if they do not have the financial means to pay those fees. Government Code section 68632 sets forth a number of criteria entitling individuals to an initial fee waiver, including the receipt of a wide range of public benefits, an income at 200 percent or less of the Department of Health and Human Services' (HHS) poverty guidelines, or an inability to pay for court fees without using funds used to pay for basic living expenses.

This bill expands access to fee waivers for disabled veterans by excluding veterans' disability service-connected compensation from the calculation to determine whether the litigant has an income that is at 200 percent or less of the HHS poverty guidelines. The author brings this measure to honor veterans who were disabled in their service to our country and ensure they are able to access justice. In 2021 the author brought SB 498 (Umberg, Ch. 688, Stats. 2021) which excluded veteran disability compensation from the calculation to qualify for state funded free legal assistance.

The bill is sponsored by Veterans Legal Institute and supported by the California Association of Licensed Investigators. The Committee has not received timely opposition to this measure. Should this bill pass out of this Committee, it will next be heard in the Senate Committee on Military and Veterans Affairs.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Recognizes that “our legal system cannot provide ‘equal justice under law’ unless all persons have access to the courts without regard to their economic means.” (Gov. Code § 68630.)
- 2) Requires courts to grant an initial fee waiver to a person who, at any point in a proceeding, establishes eligibility for such a waiver. An initial fee waiver “excuses the applicant from paying fees for the first pleading or other paper, and other court fees and costs.” (Gov. Code §§ 68630, 68631, 68634, 68634.5)
- 3) Mandates that initial fee waivers be granted to an applicant who satisfies one or more of the following bases for eligibility:
 - a) Receives Supplemental Security Income and/or State Supplementary Payment benefits;
 - b) Receives California Work Opportunity, Responsibility to Kids Act, and/or federal Tribal Temporary Assistance for Needy Families grants;
 - c) Receives Supplemental Nutrition Assistance Program and/or California Food Assistance Program benefits;
 - d) Receives County Relief, General Relief, and/or General Assistance benefits;
 - e) Receives Cash Assistance Program for Aged, Blind, and Disabled Legal Immigrants benefits;
 - f) Receives In-Home Supportive Services benefits;
 - g) Receives Medi-Cal benefits;
 - h) Receives Special Supplemental Nutrition Program for Women, Infants, and Children benefits;
 - i) Receives unemployment compensation;
 - j) Has a monthly income of 200 percent or less of the current poverty guidelines set forth in the Federal Register by the United States Department of Health and Human Services (HHS).
 - k) Is determined by the court, on an individual basis, to be unable to pay for court fees without using monies that would normally pay for the common necessities of life for the applicant and the applicant’s family. The court may also grant a partial fee waiver or order that the applicant pay fees over time if the court finds an arrangement to be equitable under the applicant’s individual circumstances.
 - l) Is filing a petition for appointment of a fiduciary in a guardianship or conservatorship, or files pleadings as the appointed fiduciary of a conservatee or ward, when the financial condition of the conservatee or ward meets one of the criteria set forth in items a)-k) above. (Gov. Code § 68632.)

- 4) Requires the Judicial Council to create an application form with which a fee waiver applicant can present the necessary personal and financial information, under penalty of perjury, and request a fee waiver. (Gov. Code § 68633.)
- 5) Permits the court to reconsider or retroactively deny the fee waiver if the recipient's financial circumstances change or the court learns other information suggesting the recipient is not entitled to a fee waiver (Gov. Code §§ 68630, 68636), or to recover previously waived fees if the applicant is the prevailing party entitled to fees under Civil Code section 1032 or recovered over \$10,000 in certain types of cases (Gov. Code, § 68637).

This bill expands access to fee waivers for disabled veterans by excluding veterans' disability service-connected compensation from the calculation to determine whether the litigant has an income that is at 200 percent or less of the HHS poverty guidelines and thus qualifies for a fee waiver.

COMMENTS

1. Author statement

According to the author:

SB 54 aims to support disabled veterans who are utilizing California superior courts. Specifically, it prevents veterans' disability compensation from counting as monthly income for purposes of determining eligibility for court fee waivers. Currently, any individual who earns less than 200% of the federal poverty guidelines is eligible for exemption of court filing fees. In addition, an individual who receives public benefits through a variety of programs is automatically exempt from these court filing fees. This bill would provide critical support to low income disabled veterans seeking justice through California superior courts, enabling them to use the court system without paying filing fees. These individuals suffered serious physical and mental injuries serving our country, and many now find it difficult to earn income to support themselves and their families. Disability benefits for veterans are a necessary remedy to thank veterans for their courage and sacrifice, but they should not serve as a deterrent to accessing court services. SB 54 seeks to address this issue and ensures that disability benefits solely function to support veterans.

2. The Legislature supports veterans' ability to access the courts

The Legislature supports veterans' ability to access justice in court. In 2021 the Legislature passed SB 498 (Umberg, Ch. 688, Stats. 2021), which excluded veteran disability compensation from the calculation to qualify veterans for state funded free legal assistance. The author wrote the following in his statement in support of SB 498:

George Washington, our nation's first Commander in Chief stated the following: "The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional to how they perceive the veterans of earlier wars were treated and appreciated by their nation."

The Legislature has recognized the need to provide legal aid to our military service members and veterans and has recently created programs in the State Bar to provide targeted assistance. The Legislature recently required the State Bar to administer a program to coordinate pro bono civil legal assistance to active duty service members, veterans, and their families who otherwise cannot afford legal services. (AB 360 (Muratsuchi, Ch. 401, Stats. 2017); AB 558 (Petrie-Norris, Ch. 303, Stats. 2019).)

The bill currently before this Committee further supports veterans and their efforts to access justice by expanding access to fee waivers for disabled veterans. SB 54 does this by excluding veterans' disability service-connected compensation from the calculation to determine whether the litigant has an income that is at 200 percent or less of the HHS poverty guidelines and thus qualifies the veteran for a fee waiver.

As explained by the Veterans Legal Institute, the sponsor of SB 54:

Currently, California law defines financial thresholds for fee waiver eligibility based on an individual's monthly income. Unfortunately, this calculation includes veterans' disability compensation, an essential benefit intended to address medical and other accommodations related to conditions incurred during military service. By counting this compensation toward total monthly income, many disabled veterans find themselves disqualified from crucial fee waivers that would otherwise ease their financial burden in seeking justice through our court system.

The sponsor provides the following illustration:

Consider this example: a veteran defending themselves from an eviction is required to pay a filing fee to answer the allegations against them of **\$225** (for up to \$10,000 in claimed damages), **\$370** (for \$10,000 - \$25,000 in claimed damages) or **\$435** (for over \$25,000 in damages). As the law stands now, a disabled veteran could be disqualified from a fee waiver because of their service-connected compensation. If someone can't afford to pay their rent and faces eviction, they certainly can't afford to pay the answer fee to defend themselves in court. Consequently, veteran tenants may be prevented from making valid and substantive defenses in their case, resulting in more veterans displaced from their homes.

The sponsor further explains that “SB 54 would make an impactful and necessary change by rightfully excluding veteran disability compensation from income calculations for the purpose of court fee waivers. It recognizes the unique nature of these benefits and the heightened financial challenges faced by disabled veterans, ultimately protecting them from undue financial barriers in legal proceedings.”

SUPPORT

Veterans Legal Institute (sponsor)
California Association of Licensed Investigators

OPPOSITION

None known

RELATED LEGISLATION

Pending Legislation: None known.

Prior Legislation:

SB 498 (Umberg, Ch. 688, Stats. 2021) changed the definition of an “indigent person” eligible to be a client of an organization funded by the State Bar to provide free legal services by increasing the maximum eligible income from 125 percent to 200 percent of the federal poverty line. The bill also disregarded disability compensation to veterans with service related disabilities from the calculation of income to qualify as an indigent person for purposes of receiving free legal services.

AB 199 (Budget and Fiscal Review Committee, Ch. 57, Stats. 2022) expanded eligibility for automatic waivers of filing fees by raising the income threshold from 125 percent to 200 percent of the federal poverty guidelines, and included automatic eligibility of filing fee waivers for recipients of unemployment compensation, and recipients of the California Special Supplemental Nutrition Program for Women, Infants, and Children.

SB 355 (Becker, 2021) would have expanded the categories of persons initially eligible for a waiver of fees and costs charged by California courts to recipients of unemployment compensation and the California Special Supplemental Nutrition Programs for Women, Infants, and Children. Would have expanded eligibility for automatic waivers of filing fees by raising the income threshold from 125 percent to 200 percent of a specified guideline. The bill died on the Assembly Floor, however similar provisions were included in budget trailer bill, AB 199 (Assembly Budget and Fiscal Review Committee, Ch. 57, Stats. 2022).

AB 558 (Petrie-Norris, Ch. 303, Stats. 2019) extended the provisions of AB 360 (Muratsuchi, Ch. 401, Stats. 2017) to apply to active duty service members and their families.

AB 360 (Muratsuchi, Ch. 401, Stats. 2017) required the State Bar to administer a program to coordinate pro bono civil legal assistance to veterans and their families who otherwise cannot afford legal services.
