

FY 2013-14: JUDICIARY
Summary: Conference Report
Senate Bill 191 (S-1) CR-1



Analyst: Robin R. Risko

	FY 2012-13 YTD as of 2/7/13	FY 2013-14 Revised Executive	FY 2013-14 House	FY 2013-14 Senate	FY 2013-14 Conference	Difference: Conference From FY 2012-13 YTD	
						Amount	%
IDG/IDT	\$2,638,200	\$2,350,500	\$2,350,500	\$2,350,500	\$2,350,500	(\$287,700)	(10.9)
Federal	6,017,100	5,343,900	5,343,900	5,343,900	5,343,900	(673,200)	(11.2)
Local	7,049,300	7,133,100	7,133,100	7,133,100	7,133,100	83,800	1.2
Private	921,800	931,500	931,500	931,500	931,500	9,700	1.1
Restricted	86,382,200	86,115,900	86,115,900	86,115,900	84,213,800	(2,168,400)	(2.5)
GF/GP	170,751,500	183,441,300	171,834,100	171,834,100	183,441,300	12,689,800	7.4
Gross	\$273,760,100	\$285,316,200	\$273,709,000	\$273,709,000	\$283,414,100	\$9,654,000	3.5
FTEs	472.0	482.0	480.0	480.0	483.0	11.0	2.3

Notes: (1) FY 2012-13 year-to-date (YTD) figures include mid-year budget adjustments through February 7, 2013.
(2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as one-time.

Overview

Article VI of the State Constitution of 1963 forms the basis for Michigan’s judicial branch of government, which receives funds appropriated through the budget act for the Judiciary. The Judiciary budget provides operational funding for the Michigan Supreme Court, Court of Appeals, and related judicial agencies. The budget also funds the salaries of justices of the Supreme Court and judges of the appeals, circuit, probate, and district courts according to constitutional and statutory requirements. Assistance for local court operations is provided through a variety of grant programs. The largest of these, the Court Equity grant program, reimburses counties for trial court operations based on a statutory formula that recognizes circuit and probate caseloads and the numbers of judgeships.

Major Budget Changes From FY 2012-13 YTD Appropriations

1. Regionalization and Expansion of Specialty Courts

Executive includes an additional \$3.0 million Gross (\$3.0 million GF/GP) for the regionalization and/or expansion of drug courts, driving while intoxicated/sobriety courts, and veterans courts. The goal is to make these courts available to more citizens in the state by regionalizing courts to serve multiple jurisdictions and expanding the number of specialty courts available. House does not include the additional funding. Senate does not include the additional funding. Conference includes \$2.5 million of the additional funding in the Drug Treatment Courts line item and includes a new line item for Veterans Courts with the remaining \$500,000. (See #11 below)

	FY 2012-13 Year-to-Date (as of 2/7/13)	FY 2013-14 Conference Change
Gross	\$13,383,000	\$2,500,000
IDG	1,800,000	0
Federal	800,000	0
Restricted	3,649,900	0
GF/GP	\$7,133,100	\$2,500,000

2. Expansion of Mental Health Courts

Executive includes an additional \$2.0 million Gross (\$2.0 million GF/GP) for grants to be awarded to trial courts that are interested in operating mental health courts. Currently, there are nine pilot courts operating mental health courts. The funding will allow for five to ten additional mental health courts. House does not include the additional funding. Senate does not include the additional funding. Conference includes the additional funding.

Gross	\$2,100,000	\$2,000,000
GF/GP	\$2,100,000	\$2,000,000

3. State Appellate Defender Office (SADO) Staff Increase

Executive includes 1.0 FTE position and \$107,200 Gross (\$107,200 GF/GP) to assist the office with meeting the statutory requirement to manage 25% of the state's criminal defense appellate cases for indigents. The office met 18% in FY 2011-12 and is expected to meet 22% in FY 2012-13. House does not include the additional FTE position or funding. Senate does not include the additional FTE position or funding. Conference includes two additional FTE positions and \$214,400 in additional funding.

FTE	61.0	2.0
Gross	\$13,645,900	\$214,400
Federal	3,048,500	0
Private	777,500	0
Restricted	1,263,400	0
GF/GP	\$8,556,500	\$214,400

Major Budget Changes From FY 2012-13 YTD Appropriations		FY 2012-13 Year-to-Date (as of 2/7/13)	FY 2013-14 Conference Change
4. Savings for Eliminated Judgeships	Gross	N/A	(\$391,500)
<u>Executive</u> reflects a savings from elimination of five judgeships under Public Act 300 of 2011. The amount of savings represents full-year savings for two of the five judgeships and partial year savings for the other three. Savings amounts are a result of the effective dates of the retirements of the judges. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	N/A	(\$391,500)
5. Adjustments to Reflect Actual Revenues	Gross	N/A	(\$1,284,500)
<u>Executive</u> adjusts funding for the following programs in order to reflect the actual amount of revenue available:	IDG	N/A	(300,000)
<ul style="list-style-type: none"> Decreases IDG Byrne Justice Assistance grant funding received from the Department of State Police for drug treatment courts by \$300,000 Decreases federal DOT National Highway Traffic Safety Administration funding for Judicial Information Systems by \$572,400 Decreases federal HHS Title IV-E funding for the Foster Care Review Board by \$254,000 Increases federal DOJ funding for the Appellate Public Defender program by \$118,300 Decreases Justice System Fund revenues for SCAO by \$205,400 Eliminates \$71,000 in restricted Miscellaneous Revenues for the Judicial Institute 	Federal	N/A	(708,100)
<u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Restricted	N/A	(276,400)
6. New Line Items	Gross	N/A	\$0
<u>Executive</u> separates funding for the Swift-and-Sure Sanctions program from the Drug Treatment Courts line item and funding for Mental Health Courts from the State Court Administrative Office (SCAO) line item and establishes two new line items for these programs. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	N/A	\$0
7. Economic Adjustments	Gross	N/A	\$2,452,100
<u>Executive</u> includes additional funding for justices' and judges' retirement, salary and wages, insurances, employee retirement, rent, building occupancy, and worker's compensation. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	IDG	N/A	21,400
	Federal	N/A	86,100
	Local	N/A	162,400
	Private	N/A	17,900
	Restricted	N/A	53,300
	GF/GP	N/A	\$2,111,000
8. Eliminate One-Time FY 2012-13 Funding	Gross	\$827,200	(\$827,200)
<u>Executive</u> eliminates one-time funding that was included in the FY 2012-13 budget for employee lump sum payments. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	IDG	9,100	(9,100)
	Federal	51,200	(51,200)
	Local	78,600	(78,600)
	Private	8,200	(8,200)
	Restricted	43,200	(43,200)
	GF/GP	\$636,900	(\$636,900)
9. One-Time Trial Court Innovations Fund	FTE	N/A	1.0
<u>Executive</u> includes 1.0 FTE position and one-time funding of \$4.0 million Gross (\$4.0 million GF/GP) to be used to create incentives which encourage positive change, adoption of best practices, and high performance in the state's trial courts. Funding will be divided into a \$3.0 million incentive program, incentivizing trial courts to become early adopters of specified performance measures and benchmarks, and a \$1.0 million grant program, providing financial assistance to courts for innovative projects which will improve efficiency and effectiveness of operations. <u>House</u> does not include the additional FTE position or funding. <u>Senate</u> does not include the additional FTE position or funding. <u>Conference</u> includes the additional FTE position and \$1.0 million in additional funding.	Gross	N/A	\$1,000,000
	GF/GP	N/A	\$1,000,000

<u>Major Budget Changes From FY 2012-13 YTD Appropriations</u>		<u>FY 2012-13 Year-to-Date (as of 2/7/13)</u>	<u>FY 2013-14 Conference Change</u>
10. One-Time Implementation of the Michigan Court System	FTE	N/A	8.0
<u>Executive</u> includes 8.0 FTE positions and one-time funding of \$2.5 million Gross (\$2.5 million GF/GP) to assist with implementation of a unified case management information system, called the Michigan Court System (MiCS), in 264 trial court locations. The new system will combine the four current legacy case management systems that are built on technology that is more than 25 years old. Funding will also be used to train the more than 4,000 users of the system. <u>House</u> includes authorization for the FTE positions, but does not include the additional funding. <u>Senate</u> includes authorization for the FTE positions, but does not include the additional funding. <u>Conference</u> includes the additional FTE positions and \$3.5 million in additional funding.	Gross	N/A	\$3,490,700
	GF/GP	N/A	\$3,490,700
11. Veterans Courts	Gross	N/A	\$500,000
<u>Conference</u> creates a new line item for Veterans Courts and includes additional funding.	GF/GP	N/A	\$500,000
12. Court Fee Fund Adjustment	Gross	N/A	\$0
<u>Conference</u> reduces state restricted Court Fee Fund revenue to reflect an anticipated shortfall in collections and offsets the reduction with increased GF/GP. This funding supports probate and circuit court judges' salaries.	Restricted	N/A	(1,902,100)
	GF/GP	N/A	\$1,902,100

Major Boilerplate Changes From FY 2012-13

Sec. 223. Website for Performance Scorecard – NEW

Executive adds a new section which requires the judiciary to maintain, on a publicly accessible website, a scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the judiciary's performance. House concurs. Senate concurs. Conference concurs.

Sec. 320. Swift-and-Sure Sanctions Pilot Program – REVISED

Current year language authorizes \$6.0 million in grant funding to be awarded by SCAO to qualifying courts to operate a Swift and Sure Sanctions program; requires courts to operate a drug court or be part of a unified trial court system in order to qualify for grant funding; specifies priorities for SCAO to follow when distributing grant funding; and requires reports from courts that receive grant funding. Executive revises language by referencing the Swift and Sure Sanctions program act, deleting the requirement that funding be distributed only to courts which operate a drug court or have a unified trial court, deleting the list of priorities to be used in awarding grant funding, and deleting the requirement for submission of reports by courts that receive funding. House concurs with the Executive on referencing the Swift and Sure Sanctions program act, deleting the requirement that funding be distributed only to courts which operate a drug court or have a unified trial court, and deleting the list of priorities to be used in awarding grant funding, but retains the reporting requirement. Senate concurs with House revisions. Conference concurs with House revisions.

Sec. 321. Self-Help Website – REVISED

Current year language expresses intent of the legislature that the judicial branch support a statewide legal self-help website and local nonprofit self-help centers that provide assistance to persons who represent themselves in civil legal proceedings. Executive deletes. House adds a new sentence which requires SCAO to evaluate the effectiveness of the website, summarize the costs of maintaining the website, estimate the savings the website generates for the state court system, and report this information to the legislature. Senate concurs with House. Conference concurs with House.

Sec. 322. Funding for State Appellate Defender Office – REVISED

Current year language authorizes SADO to receive and expend up to \$250,000 in federal Byrne grant funding. Executive adds a new sentence which authorizes SADO to receive and expend up to an additional \$300,000 from the Department of Justice if funding is made available. House concurs. Senate concurs. Conference concurs.

Sec. 323. Report on Juvenile Out-of-State Placements – NEW

House adds a new section which requires SCAO to provide courts with quarterly listings of out-of-state placements of juveniles made by the courts, along with an annual listing of per diem costs of the public and private residential care providers located in the state or doing business in the state, and the recidivism data for each facility. Senate includes new House language with technical revisions. Conference includes Senate language.

Sec. 1201. Anticipated FY 2014-15 Appropriations – REVISED

House includes language which states legislative intent to provide appropriations for FY 2014-15, adjusting FY 2013-14 amounts based on economic and other factors. Senate concurs. Conference concurs.

Major Boilerplate Changes From FY 2012-13

Sec. 1202. Retirement Costs – NEW

Conference adds new section which expresses intent of the legislature that the department identify the amounts for normal retirement costs and legacy retirement costs, for line item appropriations, in fiscal year 2015.