

FY 2017-18: JUDICIARY
Summary: Conference Report
Article XII, House Bill 4323 (H-1) CR-1



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IDG/IDT	FY 2016-17 YTD as of 2/8/17	FY 2017-18 Executive	FY 2017-18 House	FY 2017-18 Senate	FY 2017-18 Conference	Difference: Conference From FY 2016-17 YTD	
						Amount	%
	\$1,550,000	\$1,550,600	\$1,550,600	\$1,550,600	\$1,550,600	\$600	0.0
Federal	6,433,500	6,464,100	6,464,100	6,464,100	6,464,100	30,600	0.5
Local	7,349,300	5,955,300	5,955,300	5,955,300	5,955,300	(1,394,000)	(19.0)
Private	957,800	969,600	969,600	969,600	969,600	11,800	1.2
Restricted	92,786,000	92,529,000	92,529,000	92,529,000	92,529,000	(257,000)	(0.3)
GF/GP	189,157,400	191,968,700	191,905,100	191,968,700	192,574,400	3,417,000	1.8
Gross	\$298,234,000	\$299,437,300	\$299,373,700	\$299,437,300	\$300,043,000	\$1,809,000	0.6
FTEs	510.0	501.0	501.0	499.0	501.0	(9.0)	(1.8)

Notes: (1) FY 2016-17 year-to-date figures include mid-year budget adjustments through February 8, 2017. (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. The Judiciary budget provides operational funding for the Michigan Supreme Court, the Court of Appeals, and related judicial agencies. The budget 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. Funding assistance for local trial court operations is provided through a variety of grant programs. The largest of these, the Court Equity Fund Reimbursement 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 2016-17 YTD Appropriations

		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Conference Change
1. Transfer MIDC to LARA	FTE	16.0	(16.0)
<u>Executive</u> eliminates \$2.3 million and 16.0 FTE positions associated with the Michigan Indigent Defense Commission to reflect the transfer of the Commission to LARA, pursuant to Public Act 442 of 2016. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$2,345,600	(\$2,345,600)
	GF/GP	\$2,345,600	(\$2,345,600)
2. Trial Court Videoconferencing	Gross	NA	\$815,000
<u>Executive</u> includes \$687,300 to support continued maintenance, upgrades, and replacement of trial court videoconferencing equipment in courtrooms across the state, and \$127,700 for a contract to provide help desk services and troubleshooting assistance to trial courts. <u>House</u> concurs. <u>Senate</u> does not include the additional funding. <u>Conference</u> includes the funding.	GF/GP	NA	\$815,000
3. Medication-Assisted Treatment Program	Gross	NA	\$750,000
<u>Executive</u> includes \$750,000 in ongoing funding to continue the medication-assisted treatment program, which targets new court admissions having heroin or other opiate drug disorders. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	\$750,000
4. One-Time Funding for Compliance with U.S. Supreme Court Decision Regarding Juvenile Lifers	FTE	NA	11.0
<u>Executive</u> includes \$750,000 in one-time funding and authorization for 11.0 FTE positions for the State Appellate Defender Office (SADO) to ensure compliance with the U.S. Supreme Court ruling on the <i>Montgomery v. Louisiana</i> case. <u>House</u> concurs. <u>Senate</u> includes the FTE positions and \$700,000. <u>Conference</u> includes the FTE positions and \$700,000.	Gross	NA	\$700,000
	GF/GP	NA	\$700,000

Major Budget Changes From FY 2016-17 YTD Appropriations		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Conference Change
5. One-Time and Ongoing Funding for Pretrial Risk Assessment	FTE	NA	2.0
<u>Executive</u> includes \$300,000 GF/GP (one-time) and \$305,700 GF/GP (ongoing) to support the development of a pretrial risk assessment tool in an effort to increase the number of offenders who are released on personal recognizance while awaiting trial, instead of being remanded to jail until their hearings are scheduled. <u>House</u> concurs. <u>Senate</u> does not include the additional funding. <u>Conference</u> includes the additional funding.	Gross	NA	\$605,700
	GF/GP	NA	\$605,700
6. Pre-Funding Judges' Retiree Healthcare	Gross	NA	\$0
<u>Executive</u> replaces Court Fee Fund revenue with GF/GP due to the pre-funding of judges' retiree healthcare. Court Fee Fund revenue supports judges' retiree healthcare costs pursuant to statute, MCL 38.2217(3). With the start of pre-funding retiree healthcare, the amount of Court Fee Fund revenue available for judicial salaries will be reduced, so GF/GP is increased to offset the reduction. Pre-funding will be done over 21 years. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Restricted	NA	(286,000)
	GF/GP	NA	\$286,000
7. Judgeship Changes	Gross	NA	(\$483,300)
<u>Executive</u> reflects a net savings of \$483,300 from the following changes in judgeships: replacement of 1.0 Court of Appeals judge; elimination of 1.0 district court judge (2014 PA 60); retirement of 3.0 district and 1.0 circuit court judges (2012 PAs 16, 20, 22, and 35); restoration of 1.0 circuit court judge (2009 PA 228); and election of 2.0 circuit court judges (2014 PAs 56 and 58). The amount of savings is a result of the effective dates of the replacement, elimination, retirements, restoration, and elections. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	(\$483,300)
8. Security Costs for Hall of Justice	Gross	NA	\$363,000
<u>Executive</u> includes \$363,000 to cover costs for contracting with a private provider for security services at the Hall of Justice. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	GF/GP	NA	\$363,000
9. Annualize Funding for Legal Help Program	Gross	\$300,000	\$100,000
<u>Executive</u> includes \$100,000, which is three months of funding, for the Michigan Legal Help program. The program provides free around-the-clock legal information and assistance to individuals who represent themselves in civil legal matters. Ongoing funding for nine months, which replaced expired work project funding, was included in the FY 2016-17 budget. <u>House</u> concurs. <u>Senate</u> does not include the additional \$100,000 and eliminates the \$300,000 that is appropriated in the current year budget for the program. <u>Conference</u> includes the additional \$100,000 and retains the current year funding.	GF/GP	\$300,000	\$100,000
10. Funding Adjustments	Gross	\$7,349,300	(\$1,455,900)
<u>Executive</u> reduces funding authorization for the Direct Trial Court Automation Support line item and the associated local user fees fund source by \$1.5 million in order to accurately reflect available revenue, which is based on usage. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Local	7,349,300	(1,455,900)
	GF/GP	\$0	\$0
11. FTE Authorization for Statewide E-File System	FTE	0.0	5.0
<u>Executive</u> includes authorization for 5.0 FTE positions for administration of the statewide electronic filing system. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$8,500,000	\$0
	Restricted	8,500,000	0
	GF/GP	\$0	\$0
12. Removal of One-Time Funding	FTE	11.0	(11.0)
<u>Executive</u> eliminates \$1.7 million in one-time funding and 11.0 FTE positions that were included in the FY 2016-17 budget. One-time funding was appropriated for SADO for compliance with the U.S. Supreme Court ruling on the <i>Montgomery v. Louisiana</i> case (\$700,000 and 11.0 FTEs), expansion of problem solving courts (\$250,000), and a medication-assisted treatment pilot program (\$750,000). <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	Gross	\$1,700,000	(\$1,700,000)
	GF/GP	\$1,700,000	(\$1,700,000)

Major Budget Changes From FY 2016-17 YTD Appropriations		FY 2016-17 Year-to-Date (as of 2/8/17)	FY 2017-18 Conference Change
13. Economic Adjustments	Gross	NA	\$4,321,700
<u>Executive</u> reflects a net increase of \$4.3 million Gross (\$4.1 million GF/GP) for negotiated salary and wage increases (3.0%), actuarially required retirement contributions, worker's compensation, building occupancy charges, and private rent. <u>House</u> concurs. <u>Senate</u> concurs. <u>Conference</u> concurs.	IDG	NA	600
	Federal	NA	55,400
	Local	NA	106,600
	Private	NA	13,200
	Restricted	NA	39,000
	GF/GP	NA	\$4,106,900
14. Swift and Sure Sanctions Program	Gross	\$4,000,000	\$0
<u>Executive</u> retains current year funding levels for the Swift and Sure Sanctions program. <u>House</u> reduces funding by \$500,000 based on historical lapse amounts at fiscal year-end. <u>Senate</u> includes an additional \$300,000. <u>Conference</u> retains current year funding levels.	Restricted	1,729,400	0
	GF/GP	\$2,270,600	\$0
15. Increased Funding for Veterans Courts	Gross	\$517,300	(\$80,900)
Revised <u>Executive</u> eliminates \$517,300 in one-time funding included in the current year budget for the negotiated 1.5% one-time lump sum payment for employees. <u>House</u> eliminates \$80,900 of the \$517,300 and transfers \$436,400 from the various employee-related line items to the Veterans Courts line item. <u>Senate</u> eliminates all of the funding. <u>Conference</u> eliminates the \$80,900 and includes the \$436,400 for veterans courts.	Federal	24,800	(24,800)
	Local	44,700	(44,700)
	Private	1,400	(1,400)
	Restricted	10,000	(10,000)
	GF/GP	\$436,400	\$0
16. One-Time Funding for Expansion of Problem Solving Courts	Gross	NA	\$219,300
<u>Executive</u> makes no recommendation. <u>House</u> makes no recommendation. <u>Senate</u> includes a one-time appropriation of \$1.6 million for the expansion of problem solving courts. <u>Conference</u> includes \$219,300 for this purpose.	GF/GP	NA	\$219,300

Major Boilerplate Changes From FY 2016-17

Sec. 304. Judicial Technology Improvement Fund – NEW

Allocates \$815,000 of the Judicial Technology Improvement Fund to updating and maintaining trial court videoconferencing equipment; allocates \$400,000 of the Judicial Technology Improvement Fund to the Michigan Legal Self-Help program; requires SCAO to ensure that all judicial data warehouse data is submitted to the Legislative Council; authorizes members of the legislature to request reports from data collected; subjects reports created to FOIA requirements. Executive does not include new language. House does not include new language. Senate includes new language. Conference includes new language, but revises it to authorize members of the legislature to request reports or data from the data collected in the judicial data warehouse; require data to be made available to the public, unless disclosure is prohibited; require the data provided to be public and non-identifying information.

Sec. 316. Pretrial Risk Assessment – NEW

Requires SCAO to pilot a pretrial risk assessment tool in an effort to provide relevant information to judges so they can make evidence-based bond decisions; requires SCAO to report on plans for piloting the tool; requires SCAO to report on costs associated with piloting the tool. Executive does not include new language. House includes new language. Senate does not include new language. Conference includes new language.

Sec. 322a. Michigan Indigent Defense Commission Receipt of Federal Funding – DELETED

Authorizes the MIDC to receive and expend up to \$250,000 in federal Byrne grant funding and up to \$300,000 in other federal grant funding, if the funding is made available from the U.S. Department of Justice. Executive deletes. House deletes. Senate deletes. Conference deletes.

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

Requires SCAO to provide courts with a quarterly listing of out-of-state placements of juveniles made by each court, an annual listing of per diem costs of public and private residential care facilities located or doing business in the state, and recidivism data for each facility, if available from DHHS. Executive deletes. House deletes. Senate retains current law. Conference deletes.

Sec. 324. Additional Funding for Michigan Indigent Defense Commission – DELETED

Requires additional funding appropriated for the MIDC to be used for bringing the criminal defense system into compliance with right to counsel requirements of the U.S. and Michigan constitutions; requires specific outcomes and performance measures to be identified. Executive deletes. House deletes. Senate deletes. Conference deletes.

Sec. 325. Michigan Indigent Defense Commission Report on Incremental Costs – DELETED

Requires the MIDC to submit an annual report on incremental costs associated with the standard development process, compliance plan process, and collection of data from all indigent defense systems and attorneys providing indigent defense. Executive deletes. House deletes. Senate deletes. Conference deletes.

Major Boilerplate Changes From FY 2016-17

Sec. 401. Expansion of Problem Solving Courts – NEW

Requires judiciary to use one-time funding to establish new problem-solving courts; requires \$68,000 to be used to establish a new veterans court in Kalamazoo. Executive does not include new language. House does not include new language. Senate includes new language. Conference includes new language, but revises it to require allocation of \$68,000 to the existing veterans court in Kalamazoo.