

**Summary: Executive Budget Recommendation
for Fiscal Year 2016-17
JUDICIARY**



Analyst: Robin R. Risko

	FY 2015-16 Year-to-Date as of 2/10/16	FY 2016-17 Executive	Difference: FY 2016-17 Vs. FY 2015-16	
			Amount	%
IDG/IDT	\$2,362,900	\$1,550,000	(\$812,900)	(34.4)
Federal	6,428,600	6,433,500	4,900	0.1
Local	7,229,000	7,349,300	120,300	1.7
Private	942,900	957,800	14,900	1.6
Restricted	84,245,800	92,786,000	8,540,200	10.1
GF/GP	183,642,200	189,184,800	5,542,600	3.0
Gross	\$284,851,400	\$298,261,400	\$13,410,000	4.7
FTEs	489.0	510.0	21.0	4.3

Notes: (1) FY 2015-16 year-to-date figures include mid-year budget adjustments through February 10, 2016. (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 2015-16 Year-to-Date (YTD) Appropriations

1. Statewide Electronic Filing System

Includes authorization for the judiciary to receive state restricted electronic filing fee revenue. Public Acts 230 through 235 of 2015 established the electronic filing fund to support implementation, operation, and maintenance of a statewide electronic filing system, effective March 1, 2016. Fees paid by parties filing civil actions will support the system, which will be used for such things as initiating original actions and appeals; filing motions, briefs, and other materials in existing cases; electronically serving all filings on opposing parties; and making fee payments and requesting fee waivers.

	FY 2015-16 YTD (as of 2/10/16)	Executive Change from YTD
Gross	\$100	\$8,499,900
Restricted	100	8,499,900

2. Michigan Indigent Defense Commission

Includes additional FTE positions and the associated funding to bring the Michigan criminal defense system into compliance with the right to counsel requirements of the United States and Michigan constitutions. Staff will implement minimum standards, rules, and procedures to guarantee the right of indigent defendants to the assistance of proficient counsel, collect data from defense systems and attorneys providing indigent defense, and monitor and audit county compliance plans.

FTE	6.0	10.0
Gross	\$996,700	\$1,300,000
GF/GP	\$996,700	\$1,300,000

3. One-Time Funding for Compliance with U.S. Supreme Court Decision Regarding Juvenile Lifers

Includes additional FTE positions and the associated one-time funding for the State Appellate Defender Office (SADO) to ensure compliance with the U.S. Supreme Court ruling on the *Montgomery v. Louisiana* case. SADO will provide post-conviction representation of juvenile lifers in resentencings. There are 360 juvenile lifers entitled to resentencing in the circuit court. SADO represents roughly 110 of the 360.

FTE	NA	11.0
Gross	NA	\$1,100,000
GF/GP	NA	\$1,100,000

<u>Major Budget Changes From FY 2015-16 Year-to-Date (YTD) Appropriations</u>	<u>FY 2015-16 YTD (as of 2/10/16)</u>		<u>Executive Change from YTD</u>
4. One-Time Funding for Expansion of Problem Solving Courts – Statewide Opioid Task Force Initiative	Gross	NA	\$1,000,000
Includes one-time funding for expanding the number of veterans courts from 22 to 26 and for increasing the number of drug treatment court participants by 50 to 75 participants. This is part of a statewide effort to decrease recidivism rates related to opioid drug abuse.	GF/GP	NA	\$1,000,000
5. One-Time Funding for Medication-Assisted Treatment Pilot Program – Statewide Opioid Task Force Initiative	Gross	NA	\$500,000
Includes one-time funding to establish a medication-assisted treatment pilot program, within existing drug treatment courts, to target new court admissions having heroin or other opiate drug disorders. The courts will partner with the Departments of Corrections and Health and Human Services, and with local law enforcement, probation officers, and medical professionals, to provide medication-assisted treatment to people coming through the court system as a result of drug dependency issues.	GF/GP	NA	\$500,000
6. Michigan Legal Self-Help Website and Centers	Gross	NA	\$300,000
Includes additional funding for the Michigan Legal Help program which provides free around-the-clock legal information and assistance to individuals who represent themselves in civil legal matters including complaints, personal protection orders, divorce, custody, parenting time, child support, annulment, paternity, domestic violence, and housing matters. This funding replaces work project funding that has been utilized to fund the program since 2013. The \$300,000 will cover expenses for nine months after work project funding expires in December 2016.	GF/GP	NA	\$300,000
7. Savings for Eliminated Judgeships	Gross	NA	(\$259,700)
Reflects a savings from a combination of 1.0 Court of Appeals judgeship elimination by attrition (2012 PA 240), 3.0 district court and 1.0 circuit court judgeship retirements (2012 PAs 27, 33, 35, and 38), restoration of 1.0 circuit court judgeship (2009 PA 228), and election of 1.0 new district court and 2.0 new circuit court judges (2014 PAs 56, 58, and 60). The amount of savings is a result of the effective dates of the elimination, retirements, restoration, and elections.	GF/GP	NA	(\$259,700)
8. Funding Adjustment for SADO	Gross	\$473,700	(\$306,700)
Decreases total spending authorization and eliminates IDG funding to reflect discontinued Michigan Justice Training grant funding that was previously received from the Department of State Police. Includes GF/GP funding for SADO to continue indigent defense trainings.	IDG	473,700	(473,700)
	GF/GP	\$0	\$167,000
9. Funding Adjustments for Michigan Judicial Institute	Gross	\$2,159,100	(\$395,700)
Removes \$56,500 in federal Department of Justice grant funding that was budgeted for the Michigan Justice Institute but not received. Also, decreases spending authorization by \$339,200 to reflect discontinued Michigan Justice Training grant funding that was previously received from the Department of State Police.	IDG	339,200	(339,200)
	Federal	169,200	(56,500)
	Private	59,300	0
	GF/GP	\$1,591,400	\$0
10. Early Out Payouts	Gross	\$58,800	(\$58,800)
Recognizes the end of employee accumulated leave-time payouts from the 2010 early retirement incentive, which were spread out over five years.	Federal	500	(500)
	Local	6,800	(6,800)
	GF/GP	\$51,500	(\$51,500)
11. Economic Adjustments	Gross	NA	\$1,731,000
Reflects a net increase in costs for negotiated salary and wage amounts (1.0% ongoing, 1.5% lump sum), insurance rate increases, actuarially required retirement contributions, private rent costs, building occupancy charges, and worker's compensation costs.	Federal	NA	61,900
	Local	NA	127,100
	Private	NA	14,900
	Restricted	NA	40,300
	GF/GP	NA	\$1,486,800

Major Boilerplate Changes From FY 2015-16

Sec. 204. Disciplinary Action Against State Employees – DELETED

Prohibits the judicial branch from taking disciplinary action against employees for communicating with legislators or their staff.

Major Boilerplate Changes From FY 2015-16

Sec. 205. *Input on Foster Care Cases* – DELETED

Expresses legislative intent that judges presiding over hearings on foster care cases publicly acknowledge and request input from foster parent(s) during hearings.

Sec. 207. *Changes to Foster Care Family Service Plans* – DELETED

Expresses legislative intent that judges presiding over foster care cases provide explanations in court records for any changes made to foster care family service plans.

Sec. 209. *Juvenile Justice Vision 20/20* – DELETED

Expresses legislative intent that the State Court Administrative Office (SCAO) implement a database, if funding becomes available, that tracks statistical and demographic data on adjudicated juveniles for use by the circuit and probate courts, private juvenile justice agencies, and SCAO; establishes the project as a work project account; requires SCAO to report on the status of the implementation of the project.

Sec. 211. *Linking Swift and Sure Sanctions Program to DHHS and DTED Programs* – DELETED

Requires SCAO to evaluate programs within the Departments of Health and Human Services and Talent and Economic Development to establish programmatic connections with Swift and Sure Sanctions program participants for the purpose of leveraging collaborations and determining avenues of success for offenders who are eligible for state-provided programs; requires SCAO to deliver guidance to courts participating in the Swift and Sure Sanctions program.

Sec. 212. *Receipt and Retention of Required Reports* – DELETED

Requires the judicial branch to receive and retain copies of all reports required; requires federal and state guidelines to be followed for short- and long-term retention of records; authorizes the judicial branch to electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 225. *Program Metrics* – DELETED

Requires the judiciary to report a list of program-specific metrics intended to measure performance based on a return on taxpayer investment for each new program or program enhancement for which funds in excess of \$500,000 are appropriated; requires a report on the progress made in tracking program-specific metrics and on the status of program success.

Sec. 306. *Collected and Uncollected Payments and Fees* – DELETED

Requires SCAO to provide a statistical report, categorized by county, on collected and uncollected amounts of restitution payments, court fees, and other judgements placed on people within the counties for fiscal years 2009 through 2014.

Sec. 312. *Parental Rights Restoration Act* – DELETED

Requires SCAO to report on the total number of petitions filed by minors seeking court-issued waivers of parental consent under the Parental Rights Restoration Act and to report on the total number of petitions granted.

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 the public and private residential care facilities located or doing business in the state, and recidivism data for each facility.

Sec. 1201. *Anticipated FY 2016-17 Appropriations* – DELETED

Expresses legislative intent that FY 2016-17 appropriations will be funded at the same level as FY 2015-16 appropriations, adjusting for changes in caseloads, federal fund match rates, economic factors, and available revenues.

Sec. 324. *Michigan Indigent Defense Commission* – NEW

Requires additional funding appropriated for the Michigan Indigent Defense Commission to be used for bringing the Michigan criminal defense system into compliance with the right to counsel requirements of the United States and Michigan constitutions; requires specific outcomes and performance measures to be identified.

Sec. 401. *Expansion of Problem Solving Courts* – NEW

Requires additional funding appropriated for drug treatment courts to be used for increasing the number of participants and decreasing recidivism rates.

Sec. 402. *Compliance with U.S. Supreme Court Decision Regarding Juvenile Lifers* – NEW

Requires SADO to ensure compliance with the U.S. Supreme Court ruling on the *Montgomery v. Louisiana* case and to ensure competent, resourced, and supervised counsel in cases involving the resentencing of juvenile lifers.

Supplemental Recommendations for FY 2015-16 Appropriations

**FY 2015-16
Recommendation**

1. Statewide Electronic Filing System

Includes authorization for the judiciary to receive state restricted electronic filing fee revenue. Public Acts 230 through 235 of 2015 established the electronic filing fund to support implementation, operation, and maintenance of a statewide electronic filing system, effective March 1, 2016. Fees paid by parties filing civil actions will support the system, which will be used for such things as initiating original actions and appeals; filing motions, briefs, and other materials in existing cases; electronically serving all filings on opposing parties; and making fee payments and requesting fee waivers.

Gross \$5,000,000
Restricted 5,000,000

2. Funding for Compliance with U.S. Supreme Court Decision Regarding Juvenile Lifers

Includes additional FTE positions and the associated funding for the State Appellate Defender Office (SADO) to ensure compliance with the U.S. Supreme Court ruling on the *Montgomery v. Louisiana* case. SADO will provide post-conviction representation of juvenile lifers in resentencings. There are 360 juvenile lifers entitled to resentencing in the circuit court. SADO represents roughly 110 of the 360.

FTE 6.0
Gross \$300,000
GF/GP \$300,000

3. Funding Adjustment for SADO

Includes additional GF/GP and reduces IDG funding by a like amount to reflect discontinued Michigan Justice Training grant funding that was previously received from the Department of State Police. Funding is used by SADO for indigent defense trainings.

Gross \$0
IDG (167,000)
GF/GP \$167,000