

**Summary: Executive Budget Recommendation
for Fiscal Year 2024-25
JUDICIARY**



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	FY 2023-24	FY 2024-25	Difference: FY 2024-25	
	Enacted as of 2/7/24	Executive	Amount	%
IDG/IDT	\$1,902,300	\$1,902,300	\$0	0.0
Federal	6,751,300	7,132,600	381,300	5.6
Local	0	0	0	--
Private	1,903,900	1,905,300	1,400	0.1
Restricted	95,152,600	95,887,300	734,700	0.8
GF/GP	250,218,100	264,988,900	14,770,800	5.9
Gross	\$355,928,200	\$371,816,400	\$15,888,200	4.5
FTEs	598.0	654.5	56.5	9.4

Note: Appropriation figures for FY 2024-25 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, the State Appellate Defender Office, and other 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 number of judgeships.

Major Budget Changes from FY 2023-24 Enacted Appropriations	FY 2023-24 Enacted (as of 2/7/24)	Executive Change from Enacted
1. Statewide Case Management System		
Includes \$4.6 million GF/GP and authorization for 19.0 new FTE positions for continued support of the statewide judicial case management system as additional trial courts transition to the system from locally managed systems. Of the total, \$3.6 million would be used to support staff, operating, and maintenance costs and \$1.0 million would be used to purchase hardware and software for the additional FTE positions and to fund increasing cloud hosting capacity, maintenance and security services, and various licenses.	FTE Gross GF/GP	NA NA NA 19.0 \$4,600,000 \$4,600,000
2. Appellate Indigent Defense Workload Standards		
Includes \$3.3 million GF/GP to support costs of 23.0 new attorney and support staff positions for the State Appellate Defender's Office (SADO) for a three-year, phased implementation of workload standards, based on a workload assessment from the National Center for State Courts. Standards are developed in parallel with separate workload standards for trial-level public defenders through the Michigan Indigent Defense Commission.	FTE Gross GF/GP	0.0 \$0 \$0 23.0 \$3,259,000 \$3,259,000
3. SADO Collective Bargaining Agreement		
Includes \$856,100 GF/GP to cover costs of negotiated pay increases for UAW-represented employees of SADO under the first-ever collective bargaining agreement between SADO and the union. Represented positions include assistant defenders, reentry specialists, mitigation specialists, investigators, administrative positions (finance and IT), and program positions (Criminal Defense Resource Center and MAACS).	Gross GF/GP	\$0 \$0 \$856,100 \$856,100

<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>		<u>FY 2023-24 Enacted (as of 2/7/24)</u>	<u>Executive Change from Enacted</u>
4. SADO Non-Exclusively Represented Employees	Gross	\$0	\$205,600
Includes \$205,600 to cover costs of a 5% base increase for non-represented employees to bring them in line with similar civil service positions and to keep pace with adjustments provided to union-represented employees.	GF/GP	\$0	\$205,600
5. MAACS Youth Defense Manager	FTE	0.0	1.0
Includes \$157,000 GF/GP and authorization for 1.0 FTE position to shift the SADO-MAACS youth defense roster manager position from a federally funded position to a state funded position. Currently, the position is funded with a one-time three-year federal grant through the DOJ, Office of Juvenile Justice and Delinquency Prevention, but the grant expires at the end of FY 2024.	Gross	\$0	\$157,000
	GF/GP	\$0	\$157,000
6. Conversion of Contracted Positions to State Positions	FTE	NA	9.5
Includes \$934,700 GF/GP to cover costs of converting 9.5 positions from contracted positions to state employees, as recommended by the IRS in a recent payroll audit on the use of independent contractors. Following is detail for affected budget areas:	Gross	NA	\$934,700
<ul style="list-style-type: none"> SADO - \$390,000 and 3.5 FTE positions Supreme Court - \$296,600 and 3.0 FTE positions Court of Appeals - \$142,900 and 2.0 FTE positions Michigan Judicial Institute - \$105,200 and 1.0 FTE position. 	GF/GP	NA	\$934,700
7. Judgeship Changes	Gross	NA	\$305,500
Includes \$305,500 Gross (\$171,700 GF/GP) to cover partial year costs of two new judgeships – one probate court judgeship in Macomb County and one district court judgeship in Kent County.	Restricted	NA	133,800
	GF/GP	NA	\$171,700
8. SOCC Recommendations for Supreme Court Justices	Gross	\$0	\$166,600
Includes \$166,600 GF/GP to support recommendations made by SOCC in May 2023 to provide 7% salary increases for Supreme Court justices in 2025 and 2026, and \$10,000 expense allowances for each Supreme Court Justice. In order for SOCC recommendations to take effect for 2025, recommendations need legislative approval via a concurrent resolution prior to the November 2024 general election.	GF/GP	\$0	\$166,600
9. Commission Staffing	FTE	0.0	1.0
Includes \$170,000 GF/GP and authorization for 1.0 FTE position to support the Justice for All Commission and the newly created Commission on Well-Being in the Law. The Justice for All Commission was established to simplify the court system, court rules, processes, and forms to increase court and community engagement and access to justice. The Commission on Well-Being in the Law was created by the Supreme Court and the State Bar to address the high rates of depression, anxiety, and substance use disorder among professionals in the legal community.	Gross	\$0	\$170,000
	GF/GP	\$0	\$170,000
10. Behavioral Health Administrator	FTE	0.0	1.0
Includes \$170,000 GF/GP to establish 1.0 behavioral health administrator position within SCAO. The administrator would help analyze, develop, and implement improved court responses and services and best practices for addressing mental health issues and substance use disorder. The position was recommended by the Michigan Judicial Council and the National Justice Task Force to Examine State Courts' Response to Mental Illness.	Gross	\$0	\$170,000
	GF/GP	\$0	\$170,000

		FY 2023-24 Enacted (as of 2/7/24)	Executive Change from Enacted
<u>Major Budget Changes from FY 2023-24 Enacted Appropriations</u>			
11. Judicial Security	FTE	0.0	1.0
Includes \$475,000 GF/GP and authorization for 1.0 FTE position for judicial security. Funding would be used by SCAO to enter into a contract with a vendor that would assist all interested judges with removing their personal information from the internet (e.g., home addresses, phone numbers, children's school addresses, etc.).	Gross	\$0	\$475,000
	GF/GP	\$0	\$475,000
12. Increased Costs for Facility Security	Gross	NA	\$50,400
Includes \$50,400 GF/GP to cover increased costs of security staff provided through a contract with DK Security. Hourly minimum wage for security staff was increased.	GF/GP	NA	\$50,400
13. Legal Assistant Position for the Supreme Court	FTE	0.0	1.0
Includes \$110,000 GF/GP to support 1.0 legal assistant position that would be shared by the Office of General Counsel and the Office of Administrative Counsel within the Supreme Court. The position is requested due to an increased administrative workload that is currently being managed by the legal staff.	Gross	\$0	\$110,000
	GF/GP	\$0	\$110,000
14. Federal Funds Adjustment for Drug Treatment Courts	Gross	NA	\$305,000
Includes authorization to receive an additional \$305,000 in federal grant funding from the Office of Highway Safety Planning. Funding would be used to support drug treatment courts.	Federal	NA	305,000
	GF/GP	NA	\$0
15. Removal of FY 2023-24 One-Time Appropriations	Gross	\$5,500,000	(\$5,500,000)
Removes \$5.5 million of one-time GF/GP funding that was included in the FY 2023-24 budget to support the following:	GF/GP	\$5,500,000	(\$5,500,000)
<ul style="list-style-type: none"> • Statewide Court Data Transparency Project (\$4.5 million GF/GP) • Expungement Initiative (\$700,000 GF/GP) • Judicial Institute (\$300,000 GF/GP). 			
16. Economic Adjustments	Gross	NA	\$9,623,300
Reflects a net increase in costs of \$9.6 million Gross (\$8.9 million GF/GP) for negotiated salary and wage increases (5.0% on October 1, 2024), insurances, actuarially required retirement contributions, worker's compensation, building occupancy charges, and rent.	Federal	NA	76,300
	Private	NA	1,400
	Restricted	NA	600,900
	GF/GP	NA	\$8,944,700

Major Boilerplate Changes from FY 2023-24

Sec. 209. Transparency Website – DELETED

Requires the judicial branch to maintain a searchable website that is accessible by the public at no cost and includes all expenditures made by the judicial branch within the fiscal year and purposes for which the expenditures were made.

Sec. 210. Report on State Restricted Funds – DELETED

Requires the judicial branch to work with the state budget office to report annually on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures.

Sec. 210. Appropriation of Additional Revenue – NEW

Appropriates an additional \$2.5 million in federal revenue, \$2.5 million in state restricted revenue, and \$500,000 in private revenue should the revenue become available.

Sec. 211. Website for Information – DELETED

Requires judiciary to maintain, on a publicly accessible website, information that identifies, tracks, and regularly updates key metrics used to monitor and improve judiciary's performance.

Sec. 212. Disciplinary Action Against State Employees – DELETED

Prohibits the judicial branch from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law and the judicial branch is exercising its authority. *(Governor deemed this section unenforceable in FY 2023-24.)*

Major Boilerplate Changes from FY 2023-24

Sec. 213. Receipt and Retention of Required Reports – DELETED

Requires the judicial branch to receive and retain copies of all required reports; 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. 215. Linking Swift and Sure Sanctions Program to DHHS, LEO, and MDOC Programming – DELETED

Authorizes SCAO to identify programs within the Departments of Health and Human Services, Labor and Economic Opportunity, and Corrections that have 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 provide guidance to courts participating in the Swift and Sure Sanctions program of available DHHS, LEO, and MDOC programming.

Sec. 306. Report on Problem-Solving Courts – REVISED

Requires SCAO to provide a statistical report on drug treatment, mental health, and veterans court programs, including information on the number and types of programs established, the number of program participants in each jurisdiction, program impacts on offender criminal involvement and recidivism, and an accounting of prior year expenditures, including grant amounts requested by courts, grant amounts awarded to courts, and grant amounts expended by courts. Executive consolidates this section with Sec. 307 to reflect consolidation of problem-solving court appropriations and associated boilerplate.

Sec. 307. Drug Treatment Courts – REVISED

Requires SCAO to administer appropriation for operating drug treatment court programs; requires drug treatment courts to handle cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives; requires allocation of sufficient funding for Michigan Judicial Institute to provide in-state training for drug treatment court staff and judges; authorizes consideration of priority to be given to courts where higher instances of substance abuse cases are filed; specifies that \$1.5 million in federal Byrne grant revenue is to be used for expanding drug treatment courts to assist in avoiding prison bed space growth for nonviolent offenders. Executive consolidates this section with revised Sec. 306 to reflect consolidation of problem-solving court appropriations and associated boilerplate.

Sec. 309. Prescription Compliance through Oral Fluid Testing Program – DELETED

Requires SCAO to continue the Prescription Compliance through Oral Fluid Testing program; requires SCAO to report on the number of programs established, the number of program participants in each jurisdiction, program testing and results, program treatment, and program outcomes including rearrest rate of participants while participating in the program.

Sec. 312. Allocation of Funding for Statewide Judicial Case Management System – DELETED

Requires not more than \$6.5 million to be used to offset loss of local user fee revenue previously paid by trial courts that have already transitioned to the new system and \$5.4 million to support staff and other operating costs as trial courts continue to transition to the new system.

Sec. 312. Prohibit Charging Fees for Use of Statewide Case Management – NEW

Prohibits SCAO from imposing or collecting local user fees from trial courts that use the statewide judicial case management system.

Sec. 314. Medication-Assisted Treatment Program – DELETED

Requires judiciary to maintain a medication-assisted treatment program to provide treatment for opioid- and alcohol-addicted individuals who are referred to and who voluntarily participate in the program; requires judiciary to report on the program, including itemized spending by court, number of participants, and statistics that indicate average program participation duration and success rates; specifies that the goal of the program is for participants to be free of narcotic addiction prior to ending participation in the program.

Sec. 401. Expungement Initiative – DELETED

Requires allocation of \$650,000 to Legal Aid Defender Association, Inc. in Detroit for providing expungement services and \$50,000 to Allegan County for providing legal aid services.

Sec. 402. Court Administration Bench Book – DELETED

Designates unexpended funding as a work project appropriation; states purpose of the project is to develop and maintain a court administration bench book.

Sec. 403. Statewide Court Data Transparency Project – DELETED

Designates unexpended funding as a work project appropriation; states purpose of the project is to collect and analyze court data, publish court data in a data portal, and develop data-driven criminal justice policies and goals.

Supplemental Recommendations for FY 2023-24 Appropriations

**FY 2023-24
Recommendation**

1. Employee Lump Sum Payments

Includes \$1.1 million GF/GP to cover costs of one-time lump sum payments for eligible employees.

Gross \$1,068,900
GF/GP \$1,068,900

2. Judicial Security

Includes \$237,500 GF/GP and authorization for 0.5 FTE position for judicial security. Funding would be used by SCAO to enter into a contract with a vendor that would assist all interested judges with removing their personal information from the internet (e.g., home addresses, phone numbers, children's school addresses, etc.).

FTE 0.5
Gross \$237,500
GF/GP \$237,500