

**Summary: Executive Budget Recommendation
for Fiscal Years 2014-15 and 2015-16
JUDICIARY**



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	FY 2013-14 Year-to-Date as of 2/5/14	FY 2014-15 Executive	Difference: FY 2014-15 Vs. FY 2013-14		FY 2015-16 Executive	Difference: FY 2015-16 Vs. FY 2014-15	
			Amount	%		Amount	%
IDG/IDT	\$2,350,500	\$2,364,400	\$13,900	0.6	\$2,364,400	\$0	0.0
Federal	5,343,900	6,437,400	1,093,500	20.5	6,437,400	0	0.0
Local	7,133,100	7,241,100	108,000	1.5	7,241,100	0	0.0
Private	931,500	944,800	13,300	1.4	944,800	0	0.0
Restricted	84,213,800	84,252,500	38,700	0.0	84,252,500	0	0.0
GF/GP	183,441,300	188,242,900	4,801,600	2.6	187,242,900	(1,000,000)	(0.5)
Gross	\$283,414,100	\$289,483,100	\$6,069,000	2.1	\$288,483,100	(\$1,000,000)	(0.3)
FTEs	483.0	485.0	2.0	0.4	484.0	(1.0)	(0.2)

Notes: (1) FY 2013-14 year-to-date figures include mid-year budget adjustments through February 5, 2014. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time." (3) FY 2015-16 figures are projected budget amounts only and would not be legally binding appropriations. (4) Budget changes described below are based on the "Schedule of Program" sections included in the Executive Budget; amounts listed in those schedules are informational in nature and could be potentially adjusted administratively, without legislative approval, within the larger line items into which programs have been rolled up.

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.

	FY 2013-14 YTD (as of 2/5/14)	Executive Changes	
		FY 2013-14 to FY 2014-15	FY 2014-15 to FY 2015-16
Major Budget Changes From FY 2013-14 YTD Appropriations			
1. Mental Health Diversion Program	Gross	NA	\$1,730,000
Includes funding for judiciary's role in a multi-agency statewide mental health diversion program. Assisted Outpatient Treatment is a court-ordered program of community-based mental health services designed to improve outcomes for people with serious mental illness who have a history of repeated incarcerations. Funding will be used for reinforcement of existing mental health courts through court coordination, mental health services, substance abuse treatment, housing, and transportation services (\$1.0 million) and for court evaluations, attorney services, and training (\$730,000).	GF/GP	NA	\$1,730,000
2. Regionalization and Expansion of Specialty Courts	Gross	\$9,583,000	\$1,375,000
Includes additional federal funding made available for drug treatment courts, for regionalization and expansion of driving while intoxicated/sobriety courts, and for evaluation of the ignition interlock program. The goal is to make the courts available to more citizens in the state by regionalizing courts to serve multiple jurisdictions and expanding the number of courts available.	IDG	1,500,000	0
	Federal	800,000	1,375,000
	Restricted	1,920,500	0
	GF/GP	\$5,362,500	\$0

Major Budget Changes From FY 2013-14 YTD Appropriations		FY 2013-14 YTD (as of 2/5/14)	Executive Changes	
			FY 2013-14 to FY 2014-15	FY 2014-15 to FY 2015-16
3. Michigan Indigent Defense Commission	Gross	NA	\$1,000,000	\$0
Includes funding for implementation of the Michigan Indigent Defense Commission (MIDC), which was established under Public Act 93 of 2013. The MIDC was created as an autonomous entity in the judicial branch to develop and oversee the implementation, enforcement, and modification of minimum standards, rules, and procedures to ensure that indigent criminal defense services are consistently delivered to all indigent adults throughout the state. The MIDC is charged with hiring an executive director and the appropriate number of staff needed to accomplish the purpose of the MIDC. The appropriation will support the administrative staff for the commission and staff-related costs.	GF/GP	NA	\$1,000,000	\$0
4. Next Gen/MiCS	Gross	\$3,490,700	\$634,300	\$0
Includes additional funding to assist with implementation of a unified case management information system, called the Next Generation Michigan Court System (Next Gen/MiCS). A one-time appropriation of \$3.5 million GF/GP is included in the FY 2013-14 budget. That funding, along with the additional \$634,300, will be considered an on-going appropriation in the FY 2014-15 budget. The new system will combine the four current legacy case management systems in at least 264 trial court locations that are built on technology that is almost 30 years old. Funding will also be used to train the more than 4,000 users of the system.	GF/GP	\$3,490,700	\$634,300	\$0
5. Savings for Eliminated Judgeships	Gross	NA	(\$563,000)	\$0
Reflects a savings from elimination of 5.0 judgeships under Public Act 300 of 2011. One Court of Appeals judgeship and four District Court judgeships, from Midland, Lansing, Alpena/Montmorency, and Gogebic/Ontonagon Counties, will be eliminated. One Circuit Court judgeship will be eliminated from Newaygo/Oceana County, and one Circuit Court judgeship restored in Oakland County. The amount of savings is a result of the effective dates of the retirements of the judges	GF/GP	NA	(\$563,000)	\$0
6. State Appellate Defender Office (SADO) Staff Support	Gross	\$6,646,900	\$0	\$0
Includes funding to pay for staff who are currently funded with federal grant funding which is set to expire on October 1, 2014. These staff assist the office with meeting the statutory requirement of managing 25% of the state's criminal defense appellate cases for indigents, and supporting the criminal defense bar. The office met 16% in FY 2011-12, 19% in FY 2012-13, and is expected to meet 26% in FY 2013-14.	IDG	342,900	0	0
	Federal	408,300	(350,000)	0
	Private	81,300	0	0
	Restricted	117,600	0	0
	GF/GP	\$5,696,800	\$350,000	\$0
7. Court Interpreters	FTE	NA	2.0	0.0
Includes funding to support 2.0 court interpreter positions and the associated costs. These positions are necessary to ensure the state's compliance with federal directives that interpreters be provided to individuals with limited English proficiency.	Gross	NA	\$245,000	\$0
	GF/GP	NA	\$245,000	\$0
8. Economic Adjustments	Gross	NA	\$1,647,700	\$0
Includes funding for justices' and judges' retirement, negotiated salary and wage amounts (2.0% ongoing increase plus 0.5% lump sum payments), actuarially-required retirement rate increases, rent, building occupancy, and worker's compensation. Insurance costs are held flat due to recent revisions to the state employee health plan.	IDG	NA	13,900	0
	Federal	NA	64,800	0
	Local	NA	111,700	0
	Private	NA	13,300	0
	Restricted	NA	38,700	0
	GF/GP	NA	\$1,405,300	\$0

<u>Major Budget Changes From FY 2013-14 YTD Appropriations</u>	FY 2013-14 YTD (as of 2/5/14)	Executive Changes	
		FY 2013-14 to FY 2014-15	FY 2014-15 to FY 2015-16
9. Maintain One-Time Trial Court Innovations Funding	FTE	1.0	(1.0)
Maintains 1.0 FTE position and funding to be used to create incentives which encourage positive change, adoption of best practices, and high performance in the state's trial courts. The funding is included in the FY 2013-14 budget as a one-time appropriation, is maintained in the FY 2014-15 budget as a one-time appropriation, and is removed in the FY 2015-16 budget.	Gross	\$1,000,000	(\$1,000,000)
	GF/GP	\$0	(\$1,000,000)

Major Boilerplate Changes From FY 2013-14

Sec. 224. Legacy Costs – NEW

States that the total amount of funding estimated to be expended on legacy costs in FY 2014-15 is \$14.3 million. Of that, \$8.0 million is estimated to be expended on pension-related legacy costs, and \$6.3 million is estimated to be expended on health care-related legacy costs.

Sec. 307. Mental Health Diversion Council – NEW

Expresses intent that the appropriation for Mental Health and Diversion Services be used to address the recommendations of the Mental Health Diversion Council.

Sec. 309. Mental Health Courts – DELETED

Requires SCAO to provide an annual update on the status of the mental health courts.

Sec. 310. Drug Treatment Court Evaluation – DELETED

Requires SCAO to evaluate and collect data on the performance of drug treatment court programs and to provide an annual review.

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. 321. Legal Self-Help Website – DELETED

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 representing themselves in civil legal proceedings; requires SCAO to evaluate the effectiveness of the website, and to summarize costs and estimate savings.

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

Requires SCAO to provide courts with a listing of out-of-state placements of juveniles made by each court, a 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.

<u>Supplemental Recommendations for FY 2013-14 Appropriations</u>	<u>FY 2013-14 Recommendation</u>	
1. Regionalization and Expansion of Specialty Courts	Gross	\$650,000
Includes authorization to receive additional federal revenue being made available for drug treatment courts, regionalization and expansion of driving while intoxicated/sobriety courts, and for evaluation of the ignition interlock program.	Federal	650,000