



Budget Briefing: Judiciary

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Briefing Topics

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- Major Budget Topics

Judicial Branch: Constitutional Mandate

“The judicial power of the state is vested exclusively in one court of justice which shall be divided into the supreme court, one court of appeals, one trial court of general jurisdiction known as the circuit court, one probate court, and courts of limited jurisdiction that the legislature may establish by two-thirds vote of the members elected to and serving in each house.”

Article VI, Section 1

Constitution of the State of Michigan of 1963

Key Budget Terms

Fiscal Year: The state's fiscal year (FY) runs from October to September. FY 2016-17 is October 1, 2016 through September 30, 2017.

Appropriation: Authority to expend funds. An appropriation is not a mandate to spend. Constitutionally, state funds cannot be expended without an appropriation by the Legislature.

Line Item: Specific appropriation amount in a budget bill which establishes spending authorization for a particular program or function.

Boilerplate: Specific language sections in a budget bill which direct, limit, or restrict line item expenditures, express legislative intent, and/or require reports.

Lapse: Appropriated amounts that are unspent or unobligated at the end of a fiscal year. Appropriations are automatically terminated at the end of a fiscal year unless designated as a multi-year work project under a statutory process. Lapsed funds are available for expenditure in the subsequent fiscal year.

Note: Unless otherwise indicated, historical budget figures in this presentation have not been adjusted for inflation.

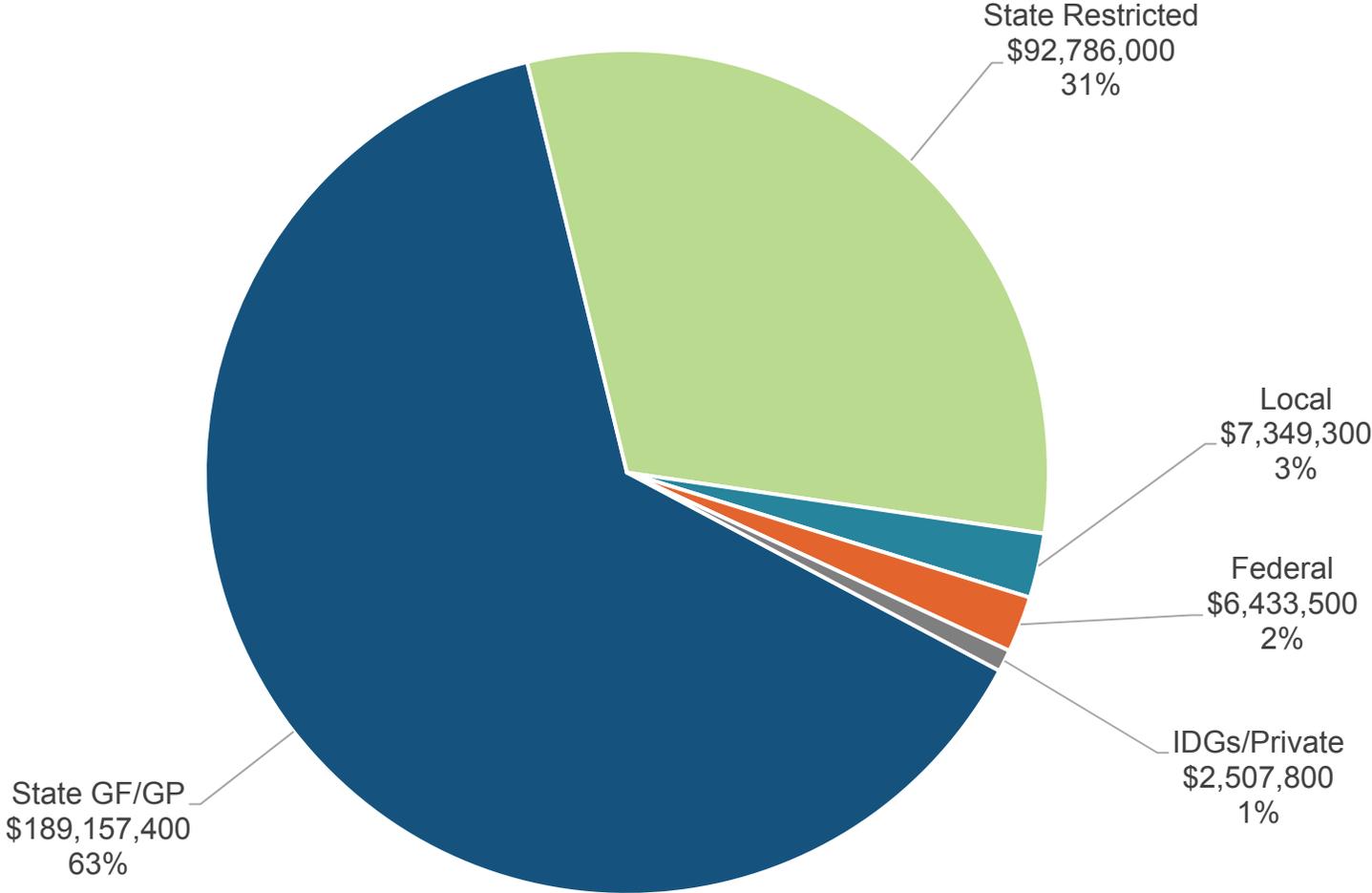
Funding Sources

FY 2016-17 Judiciary Budget

| Fund Source | Funding | Description |
|--|---------------|--|
| Gross Appropriations | \$298,234,000 | Total spending authority from all revenue sources |
| Interdepartmental Grants (IDG) Revenue | 1,550,000 | Funds received by one state department from another state department, usually for services provided |
| Adjusted Gross Appropriations | \$296,684,000 | Gross appropriations excluding IDGs; avoids double counting when adding appropriation amounts across budget areas |
| Federal Revenue | 6,433,500 | Federal grant or matching revenue; generally dedicated to specific programs or purposes |
| Local Revenue | 7,349,300 | Revenue received from local units of government for state services |
| Private Revenue | 957,800 | Revenue from individuals and private entities, including payments for services, grants, and other contributions |
| State Restricted Revenue | 92,786,000 | State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue |
| State General Fund/General Purpose (GF/GP) Revenue | \$189,157,400 | Unrestricted revenue from taxes and other sources available to fund basic state programs and other purposes determined by the Legislature |

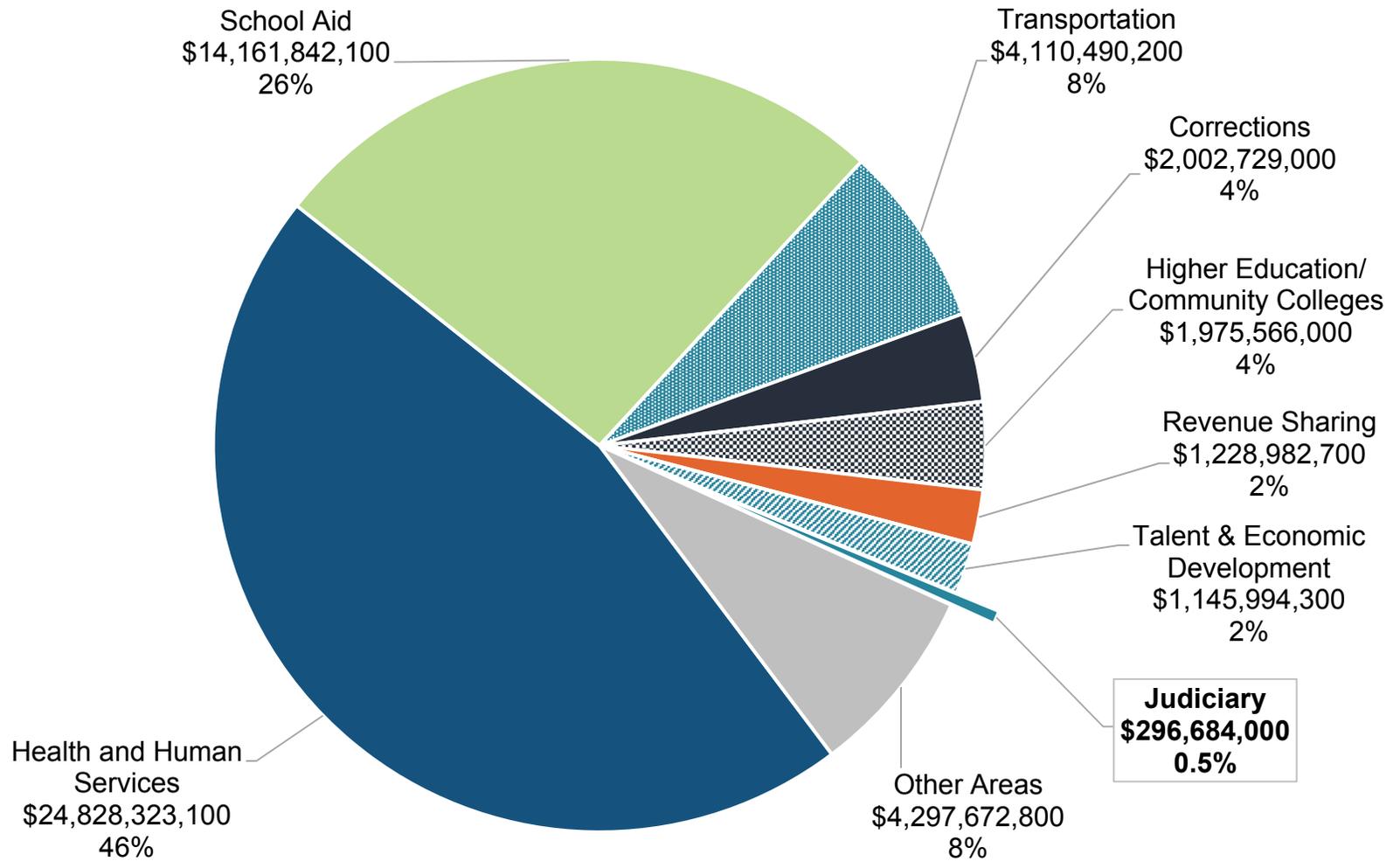
FY 2016-17 Fund Sources

The Judiciary budget is funded **94%** with state general fund and state restricted funding.



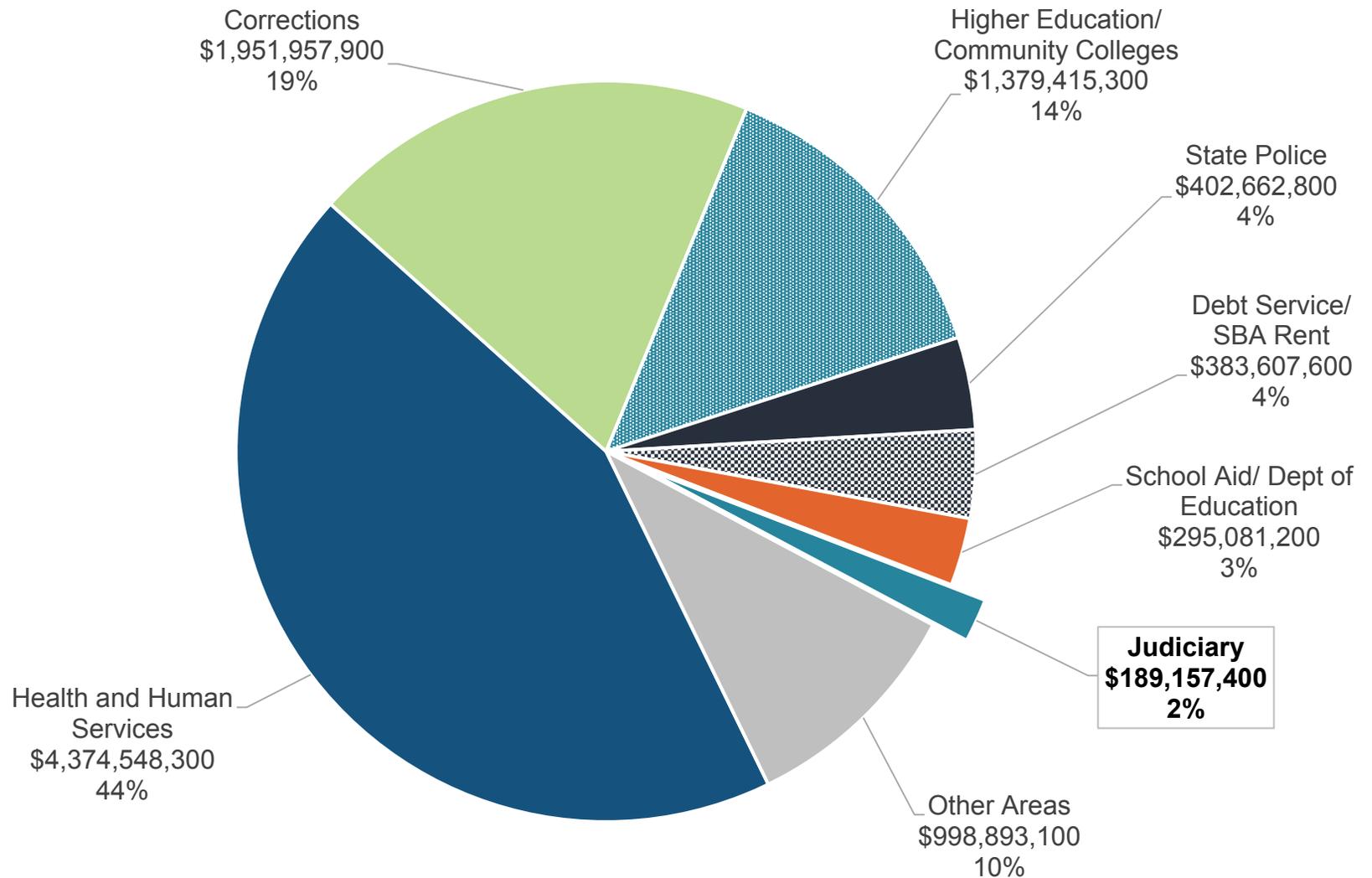
Judiciary Share of Total State Budget

The Judiciary budget represents a very small portion of the **\$54.0 billion** state budget (adjusted gross) for FY 2016-17.



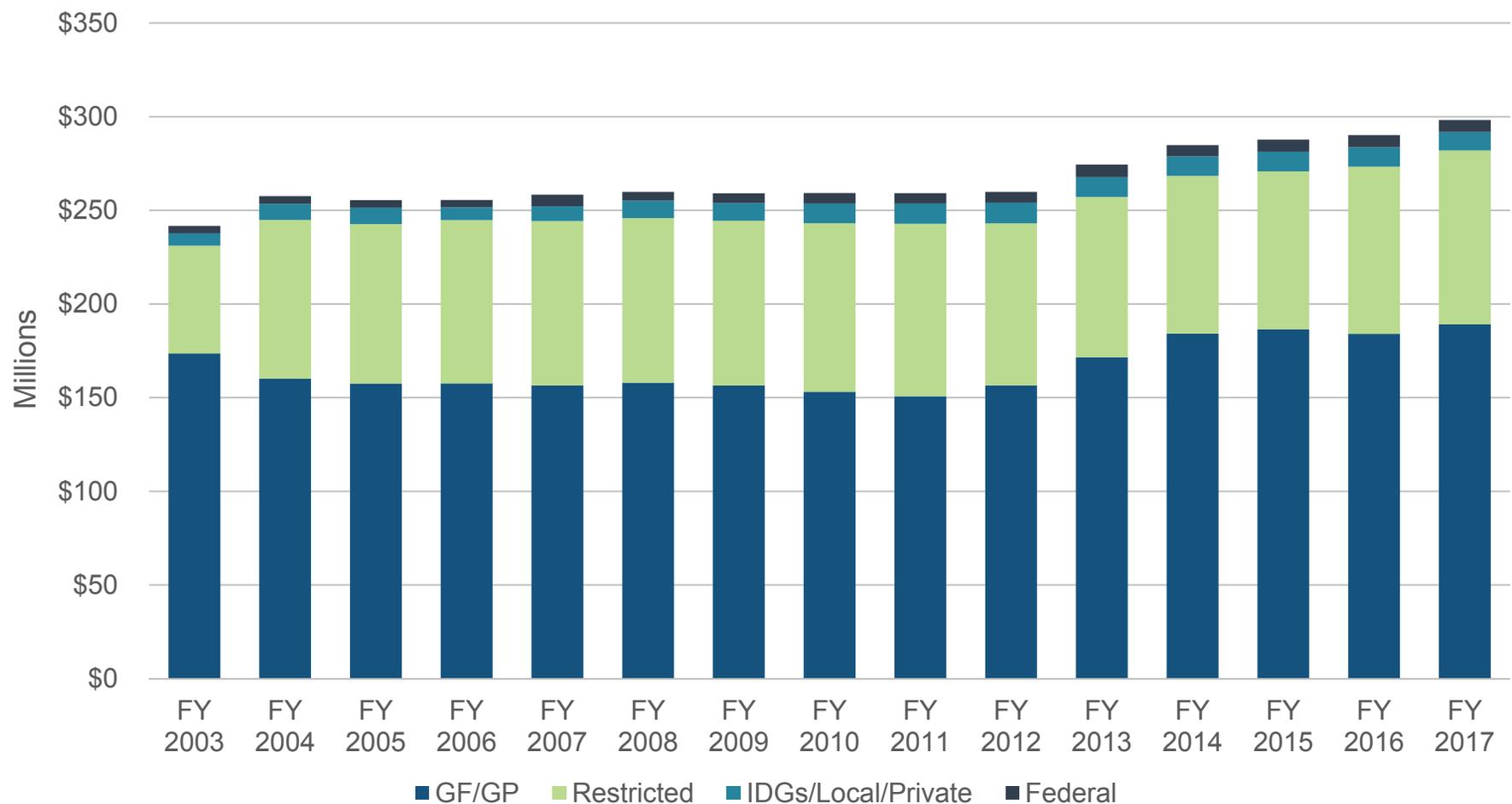
Judiciary Share of Total GF/GP Budget

The Judiciary budget represents **2%** of the state's **\$10.0 billion** GF/GP budget for FY 2016-17.



Judiciary Funding History

Funding for Judiciary has grown by **23%** since FY 2002-03, primarily due to the introduction and expansion of specialty courts (e.g., drug treatment, mental health, and veterans courts) and other programs that offer alternatives to prison.



Appropriation Areas

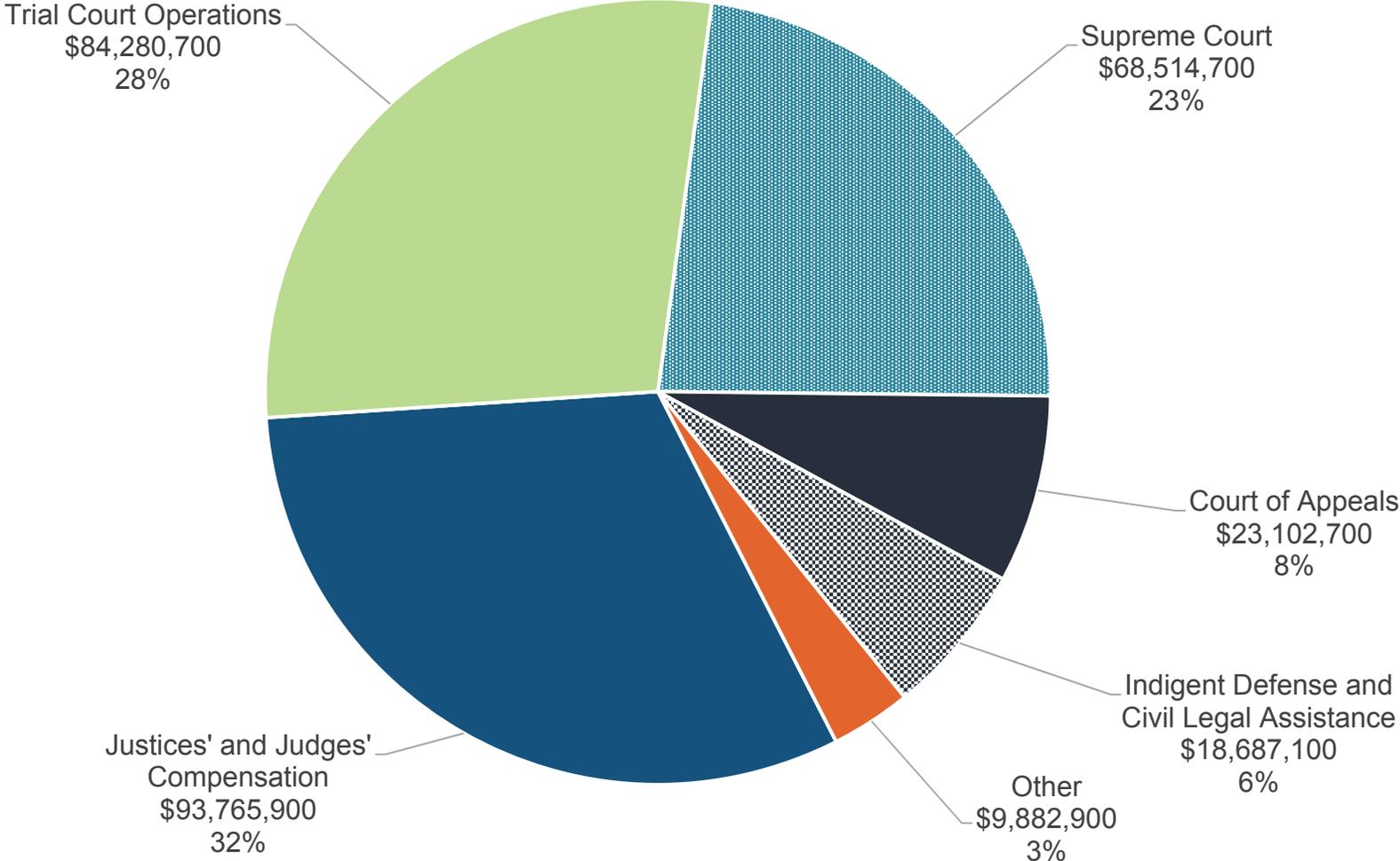
Judiciary Appropriation Areas

The Judiciary budget is allocated into the following major spending areas:

- Supreme Court
- Court of Appeals
- Trial Court Operations
- Justices' and Judges' Compensation
- Indigent Defense and Civil Legal Assistance
- Other (Judicial Agencies and Branchwide Appropriations)

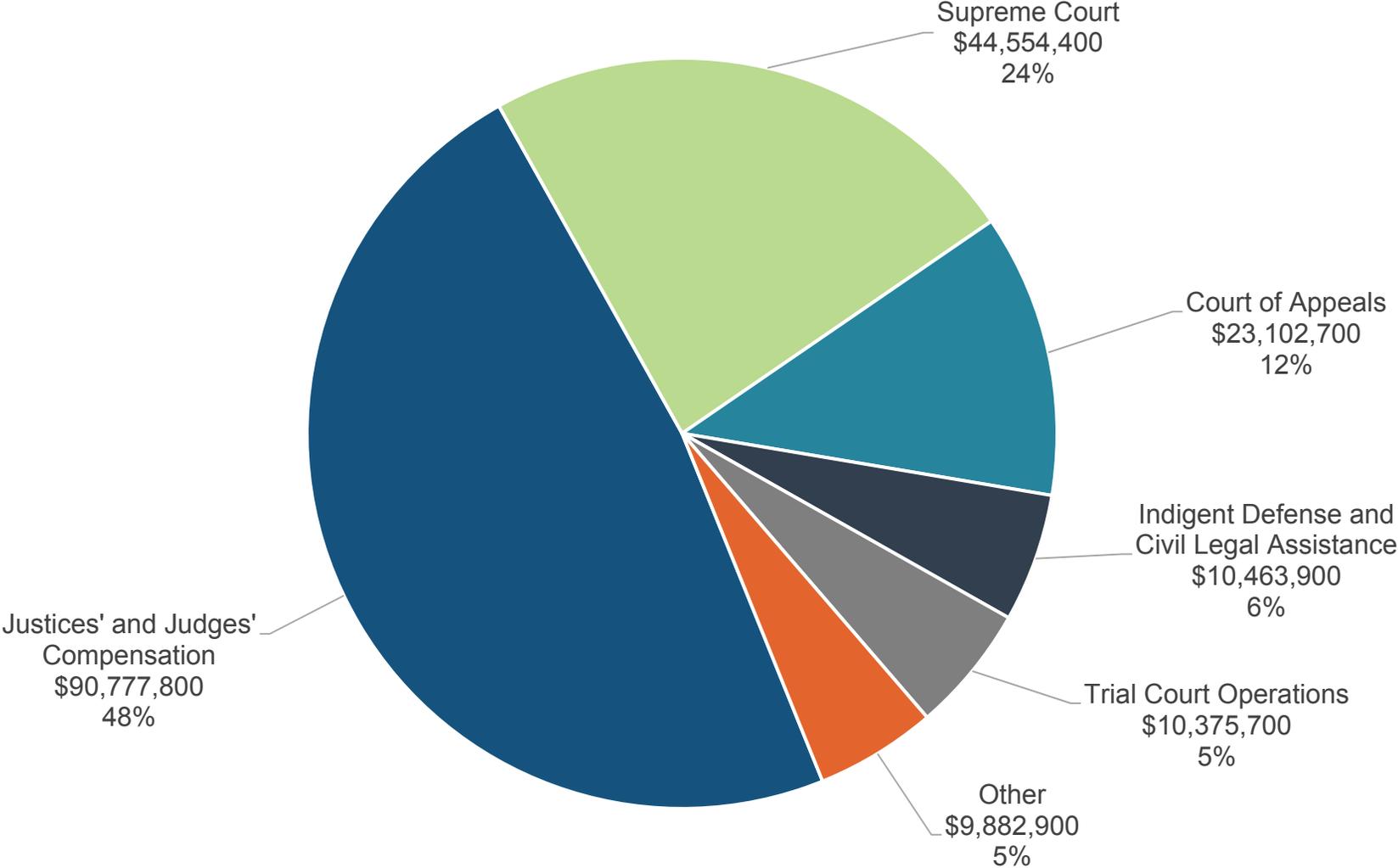
FY 2016-17 Gross Appropriations

A little over **80%** of the **\$298.2** million Judiciary budget supports justices' and judges' compensation, trial court operations, and the Supreme Court.



FY 2016-17 GF/GP Appropriations

Almost **50%** of GF/GP funds, which total **\$189.2** million in the Judiciary budget, support justices' and judges' compensation.



Major Budget Topics

Judicial Salaries – Fiscal Year 2016-17

Supreme Court Justices' salaries are determined by the State Officers Compensation Commission, as required by the State Constitution. Other judicial salaries are set according to the Revised Judicature Act.

| Court | # of Justices/ Judges | Annual Salary | Total Cost of Salaries Only |
|------------------|--------------------------|------------------|--------------------------------|
| Supreme Court | 7.0 | \$164,610 | \$1,152,270 |
| Court of Appeals | 26.0 | \$152,955 | \$3,976,830 |
| Circuit Court | 215.0 | \$141,318 | \$30,383,370 |
| Probate Court | 103.0 | \$141,318 | \$14,555,754 |
| District Court | 241.0 | \$139,655 | \$33,656,855 |

Grant Programs to Assist Local Trial Courts

- **\$116.6** million, or **39%**, of the Judiciary budget is appropriated for various grant programs and reimbursements to local units
- Primary among these is the **Court Equity Fund Reimbursements** program, **\$60.8** million Gross, used to assist local trial courts with operational expenses
- Funding from the Court Equity Fund (**\$50.4 million**) is combined with GF/GP funding (**\$10.4 million**) and is distributed to counties quarterly under a statutory formula that recognizes circuit and probate court caseload activity and the number of judgeships allocated to each county

Grant Programs to Assist Local Trial Courts

Other major grant programs include:

- ***Drug Treatment Courts: \$11.1 million Gross***

- Operate to reduce criminal activity and to rehabilitate offenders diagnosed with substance abuse disorders through a combination of therapeutic services and judicial supervision
- Programs offer an alternative to imprisonment for non-violent criminal offenders
- Currently, there are 44 adult drug treatment courts (including 4 urban drug courts), 41 DWI courts (including 7 regional DWI courts), 15 juvenile drug treatment courts, 13 family dependency treatment courts, and 5 tribal drug treatment courts operating in the state

- ***Mental Health Courts: \$5.5 million Gross***

- Target offenders who have been diagnosed with serious mental illnesses, serious emotional disturbances, or developmental disabilities and offer them opportunities to participate in court-based treatment programs to address their mental illnesses instead of sentencing them to lengthy jail or prison terms
- Includes intense judicial oversight, treatment through local community mental health service providers, drug testing when appropriate, referrals to community services, enrollment in educational classes and certificate programs, transportation assistance, and assistance in obtaining employment
- Currently, there are 22 adult and 3 juvenile mental health courts operating in the state

Grant Programs to Assist Local Trial Courts

○ ***Veterans Courts: \$500,000 Gross***

- First established in 2012 to help address the particular needs of military veterans who become involved with the court system
- Use a hybrid integration of drug treatment court and mental health court principles
- Promote sobriety, recovery, and stability through a coordinated response that involves collaboration with the United States Department of Veterans Affairs
- Provide an alternative to incarceration
- Currently, there are 24 veterans treatment courts operating in the state

○ ***Swift and Sure Sanctions Program: \$4.0 million Gross***

- Grants were first implemented in FY 2012; \$1.0 million was received from the Department of Corrections for a pilot program
- Funding was increased to \$6.0 million in FY 2013; funding was decreased to \$4.0 million in FY 2017
- Funding is used to provide a high-intensity supervision program, which provides close monitoring and swift sanctions in the event of probation violations; program focuses on high-risk, felony offenders
- In FY 2016, eighteen circuit courts received grant funding under the program

For more information about the Judiciary budget:

HFA Resources

<http://www.house.mi.gov/hfa/Judiciary.asp>

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