



Background Briefing

JUDICIARY

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December 2012

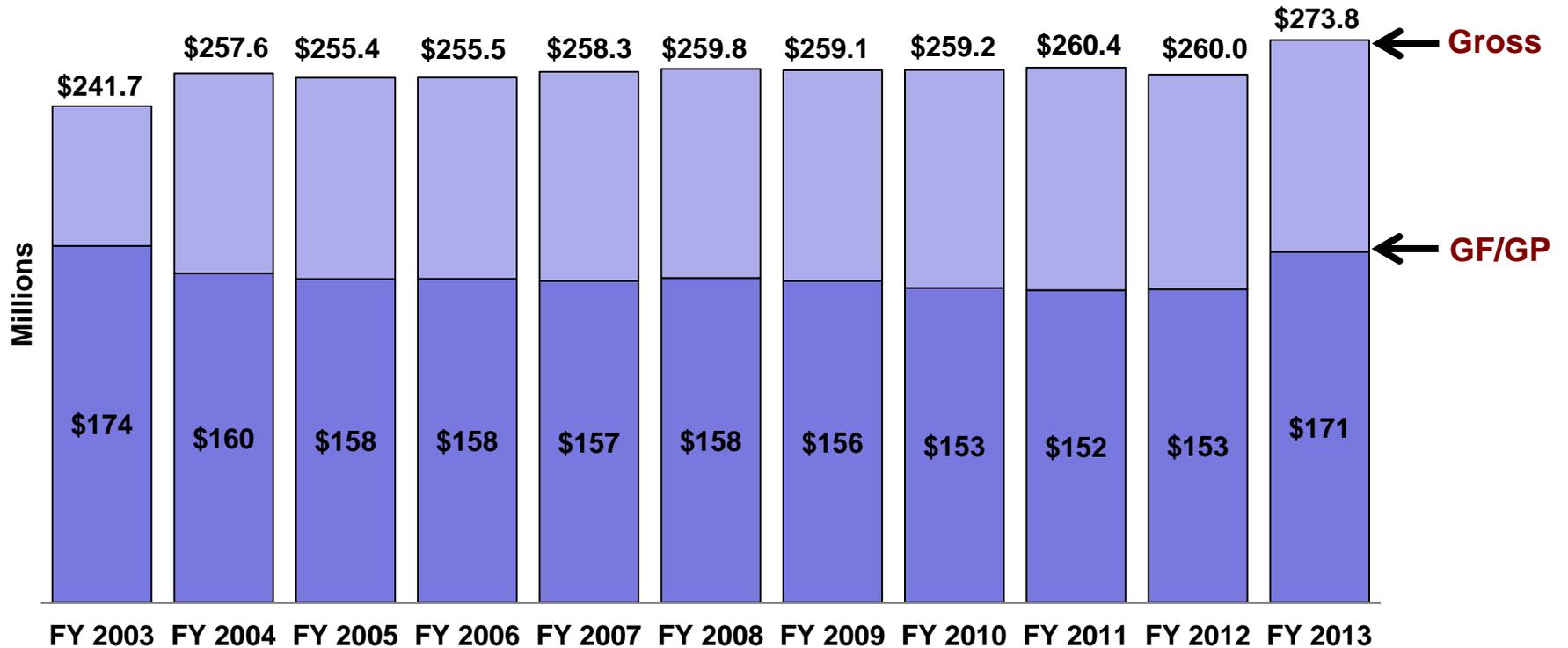
The fiscal information in this background briefing is based on data through December 31, 2012.

Judiciary Budget

- **Funds operations of the Supreme Court and the Court of Appeals, as well as the salaries of circuit, district, and probate judges**
- **Funds a variety of judicial agencies and programs, including State Court Administrative Office, Michigan Judicial Institute, appellate defender programs, drug treatment courts, community dispute resolution, and foster care review board programs**

Judiciary: Gross Appropriations

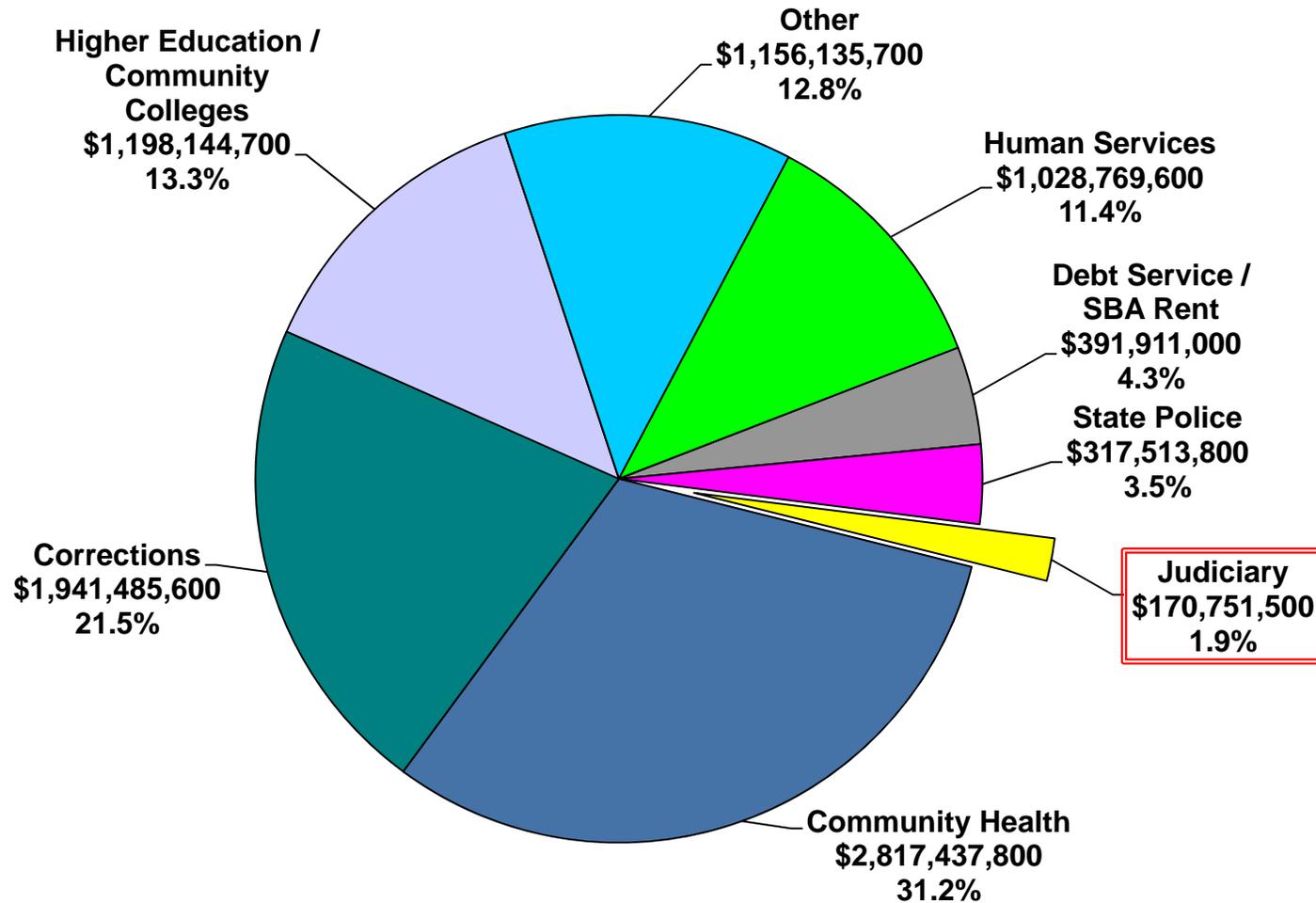
In FY 2012-13, total Judiciary funding increased by \$14.0 million gross (\$16.0 million GF/GP).



Judiciary Share of State GF/GP

Judiciary makes up 1.9% of the total state GF/GP budget

FY 2012-13 GF/GP Total = \$9,022,149,700

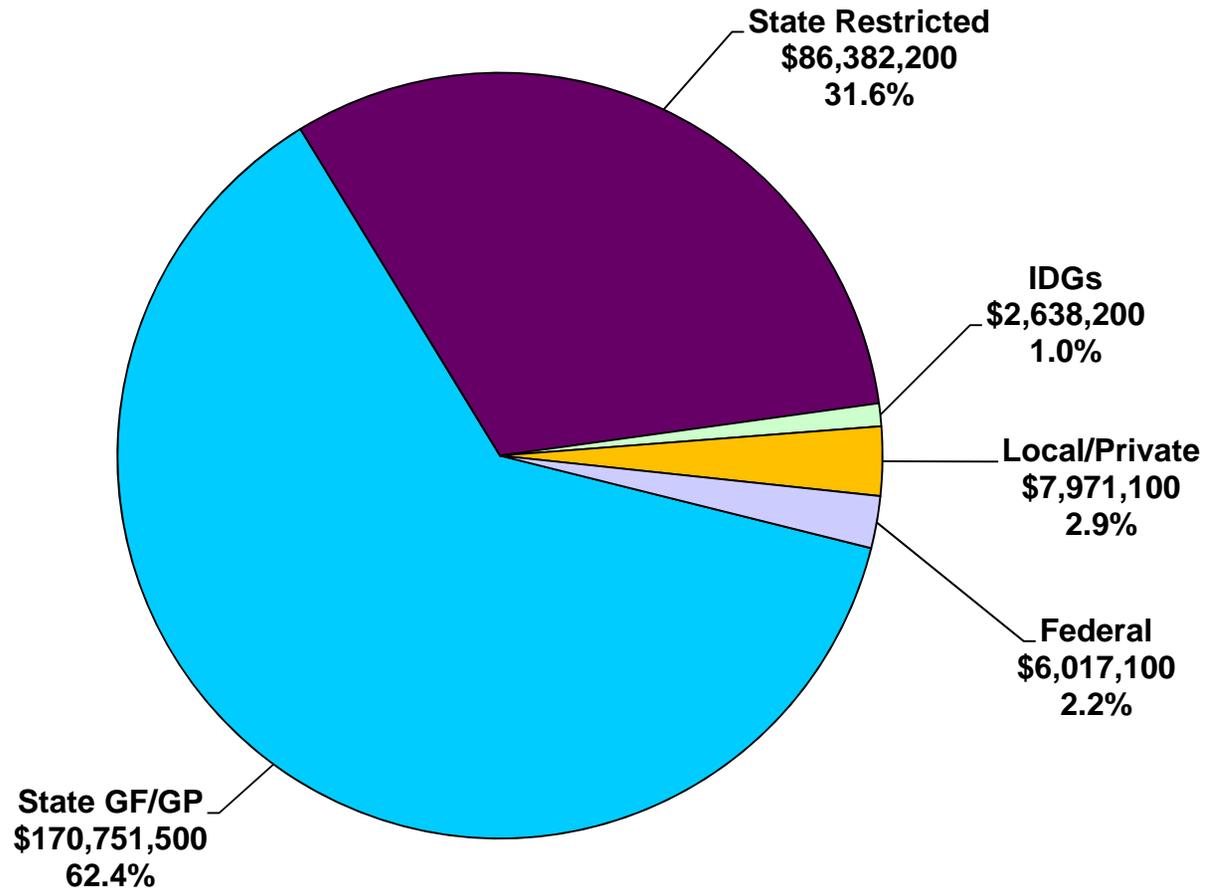


SOURCES OF FUNDING

Judiciary Funding Sources

State restricted funds and state GF/GP are the largest revenue sources in the budget.

FY 2012-13 Judiciary Budget = \$273,760,100



JUDICIARY APPROPRIATIONS

Judiciary Appropriations

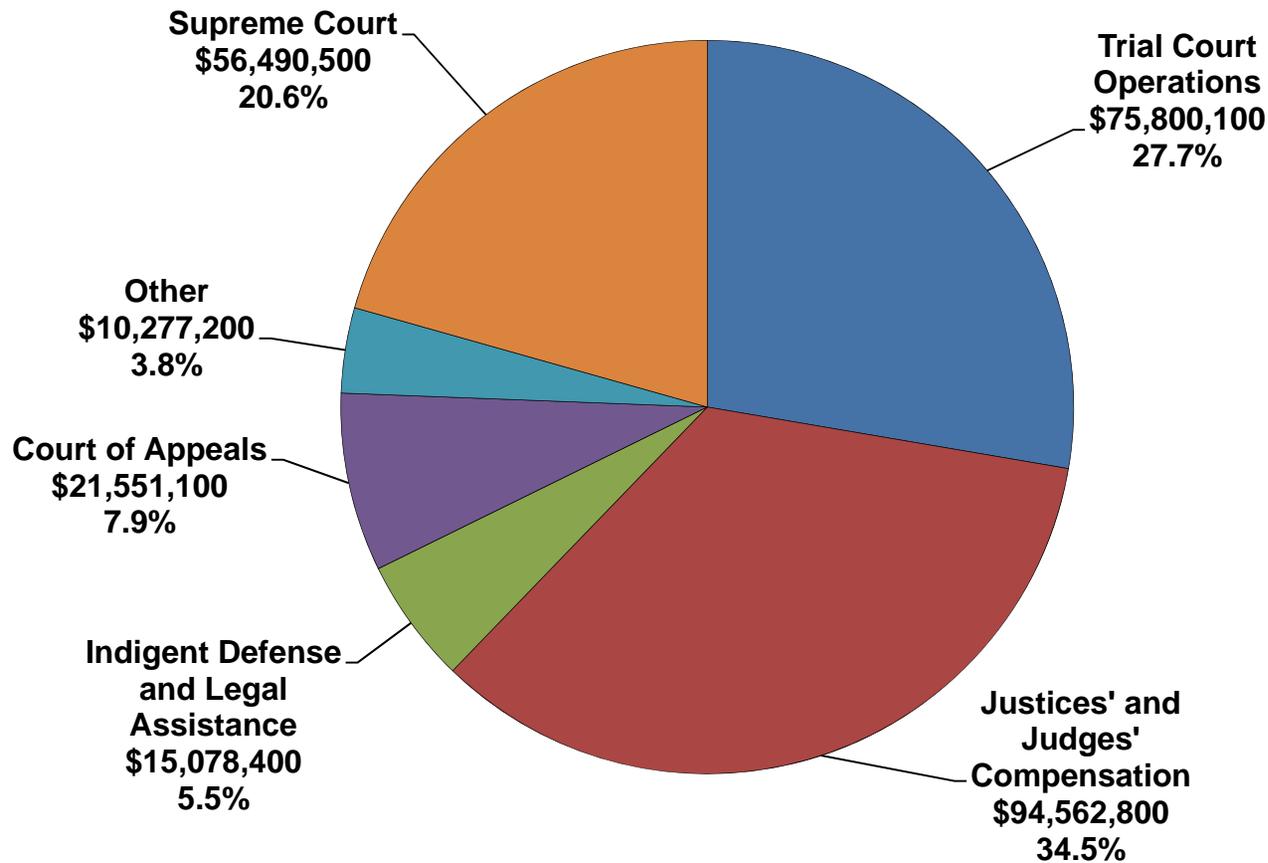
The Judiciary budget is allocated into the following major spending areas:

- Supreme Court
- Court of Appeals
- Trial Court Operations
- Justices' and Judges' Compensation
- Indigent Defense and Legal Assistance
- Other (Judicial Agencies, Branchwide Appropriations, and Grants and Reimbursements to Local Governments)

Judiciary Appropriations

Justices' and Judges' Compensation is the largest spending component, followed by Trial Court Operations, and Supreme Court.

FY 2012-13 Judiciary Budget = \$273,760,100



MAJOR BUDGET ISSUES

Justices' and Judges' Compensation

- **Supreme Court Justices' salaries are set by the State Officers Compensation Commission, as required by the Michigan Constitution**
- **Other judicial salaries are set by the Revised Judicature Act as percentages of supreme court salaries**
- **Circuit/district judges' salaries are paid by the state in two stages:**
 - **Direct payment by the state to the judge**
 - **Payment of remaining portion by the court funding unit, with reimbursement by state**
- **Probate judges' salaries are paid by local funding units, which are then reimbursed by the state**

Judicial Salaries

Calendar Years 2002 through 2013

<u>Court</u>	<u>% of Supreme Court Salary</u>	<u>Salary</u>
Supreme Court	100	\$164,610
Court of Appeals	92	\$151,441
Circuit and Probate Courts*	85	\$139,919
District Court	84	\$138,272

**State reimbursements for part-time probate judges are limited to \$25,750 each.*

Judicial Resources and Judgeship Eliminations

- **The State Court Administrative Office's (SCAO) 2011 Judicial Resources Recommendations (JRR) proposed the elimination of 45 judgeships by attrition.**
 - **Judgeships would be eliminated as sitting judges step down or become ineligible for reelection.**
 - **Dates for judgeship elimination range from immediate (current vacancies) to an outside date of 2039.**

- **Legislation passed in FY 2011-12 eliminated a total of 36 judgeships, as well as four Court of Appeals judges (2 were previously vacant.)**
 - **Thus far, two judgeships have been eliminated.**
 - **Court of Appeals judgeships were filled before effective date, thus savings will not be realized for several years.**

- **Annual savings if all proposed judgeships are eliminated total approximately \$6.3 million per year.**
 - **Savings would not be immediate; would depend on when current judgeships are vacated.**

Supreme Court Operations Appropriations

- **Supreme Court Administration: \$12.7 million gross**
Staff support, Finance, Clerk, Board of Law Examiners, Reporter's Office, et al.
- **State Court Administrative Office: \$13.6 million gross**
Analytical and administrative functions and services, especially pertaining to local courts
- **Michigan Judicial Institute: \$2.2 million gross**
Continuing education and training for state judges and court personnel
- **Judicial Information Systems: \$3.5 million gross**
Automated information systems and related functions for state judicial agencies
- **Trial Court Automation Support: \$7.0 million gross**
Advises and assists trial courts in various efforts, including automated case flow management

Other Operations Appropriations

- **Statewide court operations appropriations:**
 - ***Court of Appeals:*** \$21.5 million gross
Clerk, research, staff support for the 28-member Court of Appeals
 - ***Branchwide Appropriations:*** \$8.4 million gross
Building occupancy charges, rent, and security costs

- **Judicial agency operations:**
 - ***Foster Care Review Boards:*** \$1.5 million
Efforts to assure prompt and permanent child placement
 - ***Judicial Tenure Commission:*** \$1.1 million
Investigation and disciplinary action regarding judicial misconduct
 - ***State Appellate Defender's Office:*** \$6.1 million
Appellate counsel for indigent individuals
 - ***Michigan Appellate Assigned Counsel System:*** \$1.0 million
Continuing education and maintenance of statewide roster of attorneys able to serve as criminal appellate defense counsel for indigents

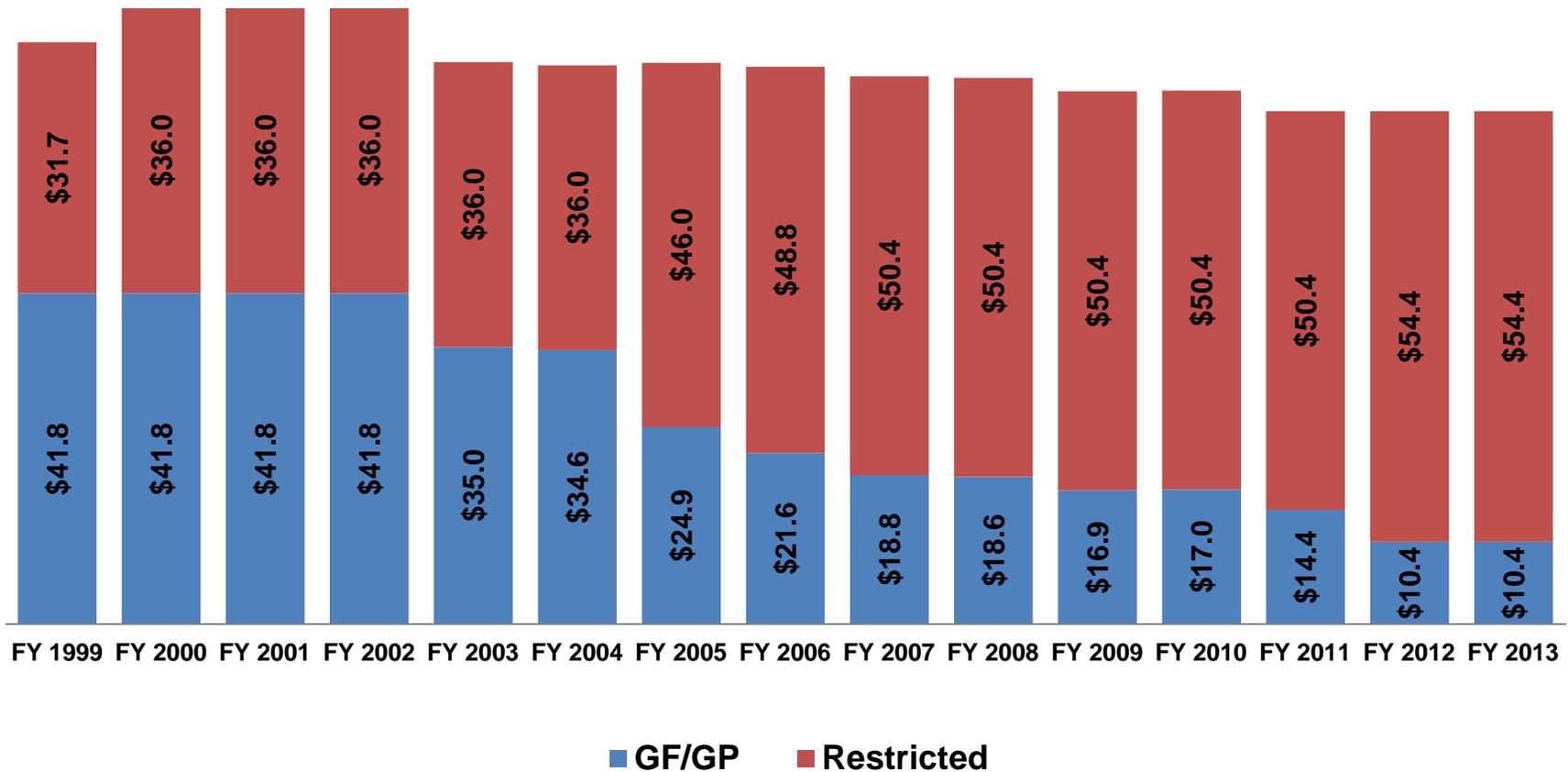
Grants

- **\$97.1 million—approximately 35% of the Judiciary budget—is appropriated for various grant programs**
- **Primary among these is the Court Equity Fund program, which supports reimbursements to local trial courts**
- **The Court Equity Fund assists counties with trial court operational expenses**
- **Funding from the Court Equity Fund is combined with GF/GP funds and distributed to counties quarterly under a statutory formula that recognizes circuit and probate caseloads and numbers of judgeships**

Court Equity Grant Program Appropriations

Restricted revenue has accounted for an increasing proportion of court equity funding.

Court Equity Fund Appropriations (Millions of Dollars)



Restricted Revenue Sources

- **Many parts of the Judiciary budget rely on restricted revenue sources – typically collected from fees from court cases, criminal penalties, and civil infractions (including traffic citation).**
- **However, declining caseloads have resulted in reductions in the amount of revenue collected.**
- **This lower revenue affects a variety of line items, including the Court Equity Fund, Drug Treatment Court Grants, the Community Dispute Resolution Fund, and other grant programs.**
- **Prior to FY 2012-13, Court of Appeals filing and motion revenue was used to fund court of appeals operations, but was replaced with GF/GP in FY 2012-13, with the revenue collected being moved to Swift and Sure Sanctions grants.**

Revenue for Court Equity Fund

- **Justice System Fund: \$11.4 million for FY 2010-11**
 - Statutory allocation of 24.33% of amount remaining after required disbursements to Secondary Road Patrol and Training Fund
- **Civil Filing Fee Fund: \$3.1 million for FY 2010-11**
 - Statutory allocation of 8.2% of fund to Court Equity Fund
- **Court Fee Fund: \$2.2 million for FY 2010-11**
 - Receives court fee revenue in excess of that required to meet actuarial needs of the judges retirement system
 - Contribution to Court Equity Fund statutorily capped at \$2.2 million
- **State Court Fund: \$24.2 million for FY 2010-11**
 - Receives revenue from the Justice System and Civil Filing Fee Funds
 - By statute, \$1.6 million plus 76% of the balance of the proceeds of the State Court Fund go to the Court Equity Fund
- **Juror Compensation Reimbursement Fund: \$2.6 million for FY 2010-11**
 - Receives court fee revenue with the primary objective of reimbursing a portion of juror compensations paid by local courts
 - A one-time transfer authorized usage of surplus funds to offset GF/GP reductions in FY 2010-11

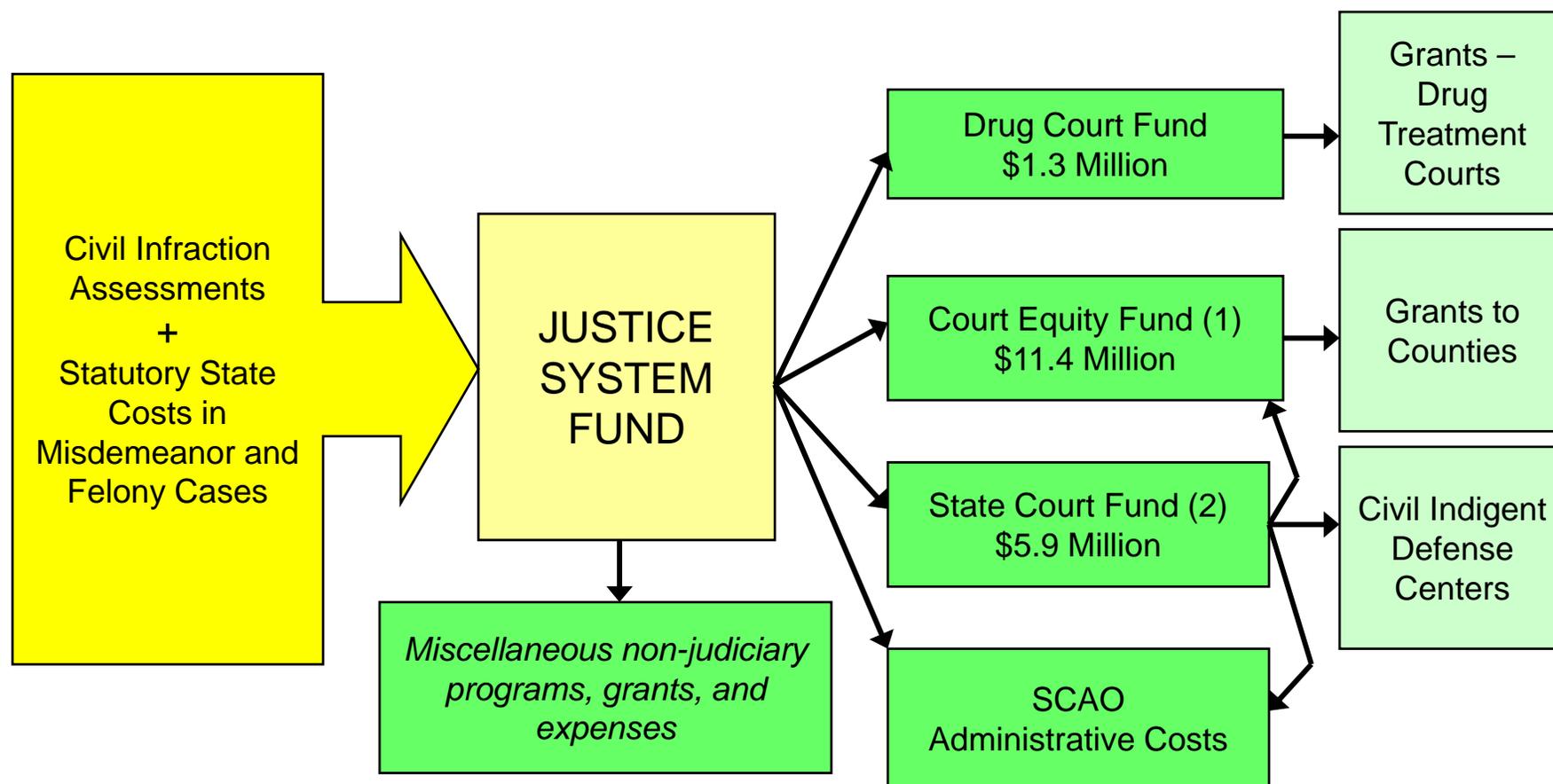
Other Grant Programs

- ***Community Dispute Resolution Program (CDRP):*** \$2.3 million restricted funds for grants to local centers and CDRP administration
- ***Drug Treatment Courts:*** \$13.4 million (\$7.4 million when excluding Swift and Sure) for program evaluation and drug court planning/implementation grants; federal, restricted, and GF/GP support
- ***Indigent Civil Legal Assistance:*** \$7.9 million for legal aid programs throughout state; funded by state court fund
- ***Drunk Driving and Drug Case-Flow Programs:*** \$3.6 million total restricted funds for distribution to trial courts
- ***Judicial Technology Improvement:*** \$4.8 million to develop an integrated statewide judicial information system and other technology innovations; funded by judicial technology improvement fund
- ***Juror Compensation:*** \$6.6 million to reimburse locals for juror compensation costs; funded by juror compensation fund

Swift and Sure Sanctions Grants

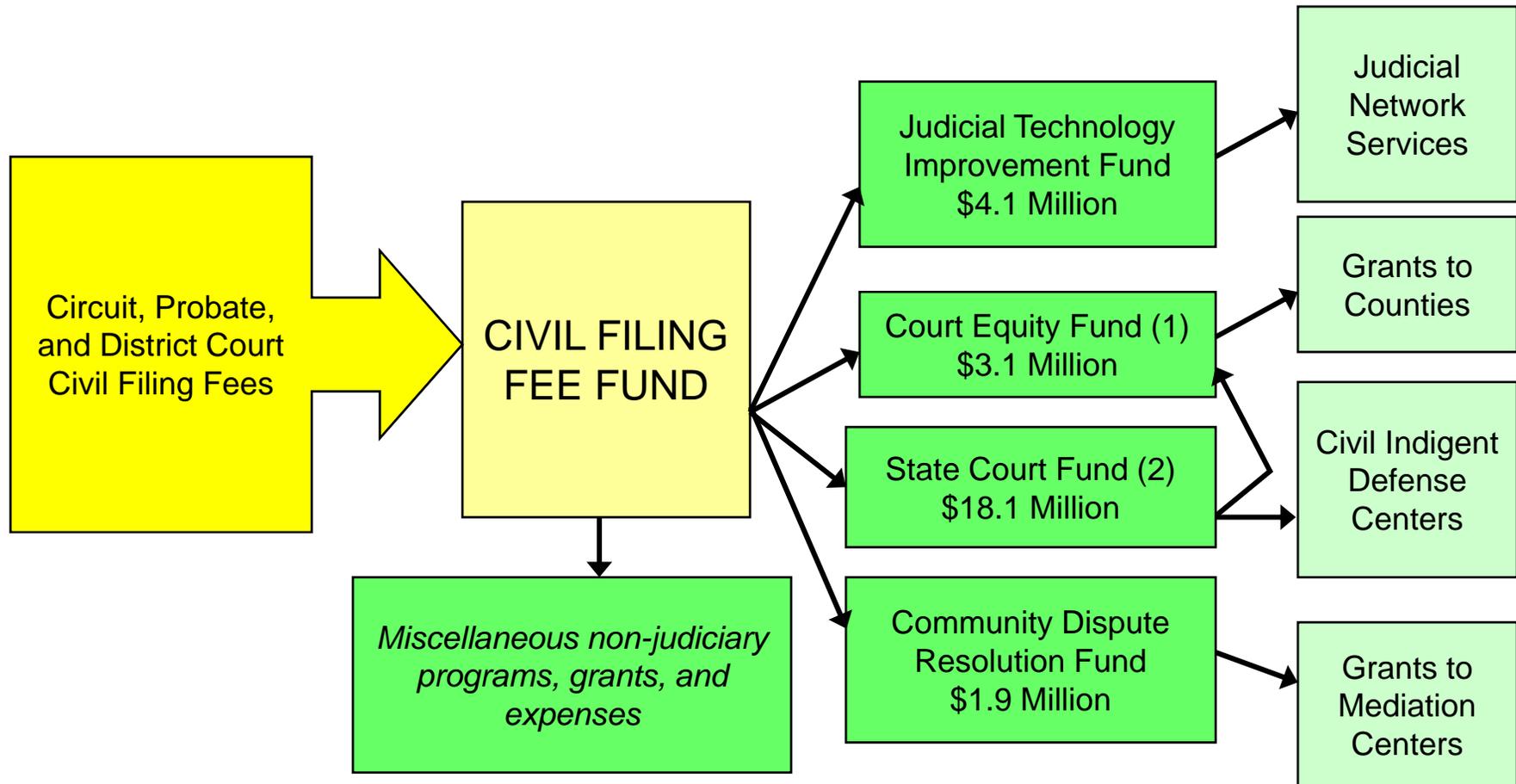
- **Grants started in FY 2011-12 as a \$1.0 million IDG from Department of Corrections for a pilot program.**
- **Funding expanded to \$6.0 million Gross (\$4.3 million GF/GP) in FY 2012-13.**
- **Program provides an alternative probation program which includes increased monitoring and drug testing with small but swiftly imposed penalties for offenders.**
- **Grants have been awarded to four counties with the intent to expand the program in the current fiscal year.**
- **Program is currently lumped in the Drug Treatment Courts line item, though Swift and Sure Sanctions programs are independent of a county's drug treatment courts.**

Justice System Fund FY 2010-11 Judiciary Budget



- (1) Justice System Fund allocation of \$11.4 million is combined with revenue from Civil Filing Fee, Court Fee, State Court Funds, and General Fund resulting in total FY 2010-11 Court Equity Fund appropriation of \$57.3 million.
- (2) Justice System Fund allocation of \$5.9 million is combined with revenue from the Civil Filing Fee Fund and other sources and reduced by the amount going to the Court Equity Fund, resulting in total FY 2010-11 State Court Fund appropriation of \$32.6 million.

Civil Filing Fee Fund FY 2010-11 Judiciary Budget



- (1) Civil Filing Fee allocation of \$3.1 million is combined with revenue from Justice System, Court Fee, and State Court Funds, resulting in total FY 2010-11 Court Equity Fund appropriation of \$57.3 million.
- (2) Civil Filing Fee allocation \$18.1 million is combined with revenue from the Justice System Fund and other sources and reduced by the amount going to the Court Equity Fund, resulting in total FY 2010-11 State Court Fund appropriation of \$32.6 million.

**For more information about the
Judiciary budget, contact:**

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