

**FY 2019-20: JUDICIARY**  
**Summary: House Subcommittee Chair's Recommendation**  
**House Bill 4238 (H-1)**



**Analyst: Robin R. Risko**

	FY 2018-19 YTD as of 3/5/19	FY 2019-20 Executive	FY 2019-20 House	FY 2019-20 Senate	FY 2019-20 Enacted	Difference: House From FY 2018-19 YTD	
						Amount	%
<b>IDG/IDT</b>	\$1,551,300	\$1,551,700	\$1,551,700			\$400	0.0
<b>Federal</b>	5,987,400	6,028,400	5,748,400			(239,000)	(4.0)
<b>Local</b>	6,499,800	6,579,500	6,505,300			5,500	0.1
<b>Private</b>	981,600	994,300	994,300			12,700	1.3
<b>Restricted</b>	92,979,500	93,044,900	94,785,900			1,806,400	1.9
<b>GF/GP</b>	196,079,500	201,142,200	198,594,700			2,515,200	1.3
<b>Gross</b>	<b>\$304,079,100</b>	<b>\$309,341,000</b>	<b>\$308,180,300</b>			<b>\$4,101,200</b>	<b>1.3</b>
<b>FTEs</b>	502.0	503.0	503.0			1.0	0.2

Notes: (1) FY 2018-19 year-to-date figures include mid-year budget adjustments through March 5, 2019. (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 number of judgeships.

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>	<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 House Change</b>
<b>1. Cybersecurity for Supreme Court Website</b>		
<u>Executive</u> includes \$1.9 million GF/GP (\$1.5 million one-time, \$454,100 ongoing) for redesigning and updating the Supreme Court website and extranet. Funding would be used to support staff, purchase web content management software, replace and secure customer relationship management software, and provide for cloud-hosting and software licenses. <u>House</u> includes \$1.4 million GF/GP (\$1.1 million one-time, \$340,500 ongoing) and authorization for 2.0 FTE positions for redesigning and updating the website.	FTE NA Gross NA GF/GP NA	2.0 \$1,446,800 \$1,446,800
<b>2. Compliance with U.S. Supreme Court Decision Regarding Juvenile Lifers</b>		
<u>Executive</u> includes \$841,900 in ongoing GF/GP and authorization for 7.0 FTE positions for the State Appellate Defender Office (SADO) to ensure compliance with the U.S. Supreme Court ruling on the <i>Montgomery v Louisiana</i> case. SADO provides post-conviction representation of juvenile lifers. There are 96 clients awaiting new sentencing hearings. <u>House</u> does not include the ongoing GF/GP funding.	FTE 0.0 Gross \$0 GF/GP \$0	0.0 \$0 \$0
<b>3. SADO Caseload Increase</b>		
<u>Executive</u> includes \$457,200 GF/GP and authorization for 4.0 FTE positions for SADO's public defense division to provide representation for an increased number of clients appealing convictions they received after trial. <u>House</u> does not include additional funding or FTE positions.	FTE 51.0 Gross \$8,143,400 Federal 343,500 Private 85,900 Restricted 92,300 GF/GP \$7,621,700	0.0 \$0 0 0 0 \$0

		FY 2018-19 Year-to-Date (as of 3/5/19)	FY 2019-20 House Change
<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>			
<b>4. Online Dispute Resolution Services</b>	<b>Gross</b>	<b>\$2,815,800</b>	<b>\$450,000</b>
<u>Executive</u> includes \$450,000 GF/GP for expanding availability of online dispute resolution for small claims and landlord/tenant cases. Also, funding would be used to pilot the use of online dispute resolution services to resolve certain domestic relations and youth-related issues and to prevent rental eviction. <u>House</u> concurs.	Restricted	2,390,800	0
	GF/GP	\$425,000	\$450,000
<b>5. Pretrial Risk Assessment</b>	FTE	0.0	1.0
<u>Executive</u> includes \$325,700 GF/GP and authorization for 1.0 FTE position for continued improvement and development of the pretrial risk assessment tool. Funding would be used to collect, analyze, and interpret pretrial court data, provide technical assistance, conduct trainings on pretrial best practices, establish pretrial metrics and performance measures, and improve technological resources and data integration reports. <u>House</u> concurs.	<b>Gross</b>	<b>\$0</b>	<b>\$325,700</b>
	GF/GP	\$0	\$325,700
<b>6. Judicial Tenure Commission (JTC)</b>	<b>Gross</b>	<b>\$1,162,900</b>	<b>\$200,000</b>
<u>Executive</u> includes \$200,000 GF/GP (\$100,000 one-time, \$100,000 ongoing) for additional staff resources to handle a backlog of cases, which is due to an increase in the number of formal complaints and increasingly complex cases. <u>House</u> concurs.	GF/GP	\$1,162,900	\$200,000
<b>7. Judgeship Changes</b>	<b>Gross</b>	<b>NA</b>	<b>(\$436,300)</b>
<u>Executive</u> reflects a net savings of \$451,900 GF/GP from the following changes in judgeships: elimination of 2.0 Court of Appeals judges (2012 PA 40); elimination of 2.0 district court judges (2018 PA 6); and establishment of 3.0 circuit court judges (2014 PA 56, 2014 PA 57, and 2018 PA 6). The net savings amount is a result of the effective dates of the judgeship changes. <u>House</u> concurs.	Restricted	NA	15,600
	GF/GP	NA	(\$451,900)
<b>8. Removal of Current Year One-Time Funding</b>	FTE	11.0	(4.0)
<u>Executive</u> reduces the budget by \$1.8 million GF/GP and 11.0 FTE positions to reflect removal of one-time funding and FTE positions included in the FY 2018-19 budget. Items removed include: \$700,000 and 11.0 FTE positions for SADO to ensure compliance with the U.S. Supreme Court ruling on the <i>Montgomery v Louisiana</i> case, \$750,000 for expansion of problem solving courts, \$305,700 for pretrial risk assessment, and \$75,000 for the Youthful Sex Offender Treatment pilot program. <u>House</u> reduces the budget by \$1.1 million GF/GP and 4.0 FTE positions, removing all but the \$700,000 GF/GP and 7.0 FTE positions for SADO, which is retained.	<b>Gross</b>	<b>\$1,830,700</b>	<b>(\$1,130,700)</b>
	GF/GP	\$1,830,700	(\$1,130,700)
<b>9. Economic Adjustments</b>	<b>Gross</b>	<b>NA</b>	<b>\$3,325,000</b>
<u>Executive</u> reflects increased costs of \$3.3 million Gross (\$3.1 million GF/GP) for negotiated salary and wage increases (2.0% ongoing, 2.0% lump sum), insurance rate increases, actuarially required retirement contributions, worker's compensation premium costs, building occupancy charges, and rent. <u>House</u> concurs.	IDG	NA	400
	Federal	NA	41,000
	Local	NA	79,700
	Private	NA	12,700
	Restricted	NA	49,800
	GF/GP	NA	\$3,141,400
<b>10. Partial Replacement of Reduced Federal Revenue</b>	<b>Gross</b>	<b>\$11,833,000</b>	<b>\$0</b>
<u>House</u> includes \$280,000 in additional general fund revenue to partially offset the reduction in federal funding granted by the U.S. Department of Transportation, National Highway Traffic Safety Administration, for drug treatment court programs. The reduction in federal funding will be effective October 1, 2019.	IDG	1,500,000	0
	Federal	2,175,000	(280,000)
	Restricted	1,920,500	0
	GF/GP	\$6,237,500	\$280,000
<b>11. Reduce Funding for Swift and Sure</b>	<b>Gross</b>	<b>\$4,000,000</b>	<b>(\$500,000)</b>
<u>House</u> reduces funding for the Swift and Sure Sanctions Probation Program by \$500,000 GF/GP based on historical year-end lapses.	Restricted	1,537,600	0
	GF/GP	\$2,262,400	(\$500,000)

<b>Major Budget Changes From FY 2018-19 YTD Appropriations</b>		<b>FY 2018-19 Year-to-Date (as of 3/5/19)</b>	<b>FY 2019-20 House Change</b>
<b>12. Funding Adjustment for SADO</b>	<b>Gross</b>	<b>\$8,143,400</b>	<b>\$75,000</b>
<u>House</u> includes authorization for SADO to receive an additional \$75,000 in state restricted revenue from the Michigan Indigent Defense Commission for subscriptions to Criminal Defense Resource Center services for court appointed attorneys.	Federal	343,500	0
	Private	85,900	0
	Restricted	92,300	75,000
	GF/GP	\$7,621,700	\$0
	FTE	51.0	2.0
<b>13. FTE Adjustment for SADO</b>	<b>Gross</b>	<b>\$8,143,400</b>	<b>\$0</b>
<u>House</u> includes authorization for an additional 2.0 FTE positions that will be funded by a federal grant SADO anticipates receiving from the U.S. Department of Justice.	Federal	343,500	0
	Private	85,900	0
	Restricted	92,300	0
	GF/GP	\$7,621,700	\$0
	FTE	51.0	2.0
<b>14. Funding Adjustment for Statewide E-Filing System</b>	<b>Gross</b>	<b>\$8,511,700</b>	<b>\$1,676,100</b>
<u>House</u> increases state restricted fund source authorization by \$1.7 million to allow receipt of additional Electronic Filing Fee Fund revenue.	Restricted	8,511,700	1,676,100
	GF/GP	\$0	\$0
<b>15. Administrative Efficiencies</b>	<b>Gross</b>	<b>NA</b>	<b>(\$848,100)</b>
<u>House</u> reduces operational funding throughout the budget, by a total of \$848,100 Gross (\$763,800 GF/GP), reflecting a 3% reduction to be achieved through administrative efficiencies.	Local	NA	(74,200)
	Restricted	NA	(10,100)
	GF/GP	NA	(\$763,800)
<b>16. Information Technology Reduction</b>	<b>Gross</b>	<b>\$4,431,800</b>	<b>(\$482,300)</b>
<u>House</u> reduces funding available for information technology services and projects by \$482,300 GF/GP.	IDG	51,300	0
	Federal	225,900	0
	GF/GP	\$4,154,600	(\$482,300)

### **Major Boilerplate Changes From FY 2018-19**

#### **Sec. 206. Businesses in Deprived and Depressed Communities – NOT INCLUDED**

Requires the judicial branch to take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both; requires the judicial branch to encourage firms the judicial branch contracts with to subcontract with certified businesses in deprived and depressed communities. Executive includes new language. House does not include new language.

#### **Sec. 215. Disciplinary Action Against State Employees – RETAINED**

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

#### **Sec. 216. Input on Foster Care Cases – RETAINED**

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

#### **Sec. 217. Changes to Foster Care Family Service Plans – RETAINED**

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. Executive deletes. House retains.

#### **Sec. 218. Linking Swift and Sure Sanctions Program to DHHS and DTED Programs – RETAINED**

Requires SCAO to identify programs within the Departments of Health and Human Services, Talent and Economic Development, 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, DTED, and MDOC programming. Executive deletes. House retains.

#### **Sec. 219. Receipt and Retention of Required Reports – RETAINED**

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. Executive deletes. House retains.

## **Major Boilerplate Changes From FY 2018-19**

### ***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. Executive deletes. House deletes.

### ***Sec. 312. Parental Rights Restoration Act – RETAINED***

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 the total number of petitions granted. Executive deletes. House retains.

### ***Sec. 316. Pretrial Risk Assessment – REVISED***

Requires SCAO to pilot a pretrial risk assessment tool in an effort to provide relevant information to judges so they can make evidence-based bond decisions; requires SCAO to report on the progress made toward implementing the tool and associated costs. Executive retains. House revises to require SCAO to continue to pilot the pretrial risk assessment tool and expand the number of courts using the assessment tool; revises reporting requirements to include an evaluation of the effectiveness of the pretrial risk assessment tool pilot program, plans to expand use of the assessment tool, and details on expenditures.

### ***Sec. 320. Swift and Sure Sanctions Program – REVISED***

Requires SCAO to administer the Swift and Sure Sanctions Probation program; authorizes SCAO to expend \$100,000 of the appropriation to pay for employee costs associated with administration of the program; reserves \$500,000 for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year; requires SCAO to work with the Department of Corrections to report on courts receiving funding, number of offenders participating, criminal history of offenders, recidivism rates, and parameters of the program. Executive retains. House revises reporting requirements to include a list of courts participating in the program, and an accounting of expenditures.

### ***Sec. 325. Domestic Violence Prosecution and Intervention Pilot Project – NEW***

Requires SCAO to conduct a feasibility study on implementing a specialized domestic violence prosecution and intervention pilot project; states that the purpose of the project would be to provide intervention and treatment services, supplemented by trauma treatment and addiction services, to domestic violence offenders, with a focus on second-time or subsequent offenders; specifies information that is required to be included in the study; requires SCAO to report on the results of the study. Executive does not include. House includes new language.

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

Requires SADO to ensure compliance with the U.S. Supreme Court ruling on *Montgomery v Louisiana* case and to ensure competent, resourced, and supervised counsel in cases involving resentencing of juvenile lifers; requires SADO to submit a report on the number of juvenile lifer cases investigated and prepared, to include a calculation of hours spent, and a focus on incremental costs associated with investigating and conducting each case. Executive deletes. House retains.

### ***Sec. 403. Youthful Sex Offender Treatment Pilot Program – DELETED***

Requires funding allocated to Kent County to be used for assessing sex offenders, between the ages of 17 and 24, for risk, and for providing treatment to eligible offenders; specifies that the duration of treatment will be determined by and will depend on the assessment-based level of identified risk; requires victim approval of offenders' enrollment in the program. Executive deletes. House deletes.

### ***Sec. 1201. Anticipated FY 2018-19 Appropriations – DELETED***

Expresses legislative intent that FY 2018-19 appropriations are to be funded at the same level as FY 2017-18 appropriations, but adjusted for changes in caseloads, federal fund match rates, economic factors, and available revenues. Executive deletes. House deletes.