

March 28, 2017

Submitted by
Tom Clement
State Court Administrative
Office

**Juror Pay and Juror Compensation Fund Reimbursement
HB 4209/4210 Sponsor Rep. Peter Lucido**

The Juror Compensation Reimbursement Fund receives an estimated **\$4.5 million** in revenue annually from restricted revenue sources (court fees). Reimbursement claims against the fund by court funding units have been decreasing annually since the fund's inception in 2004 to the point where revenues exceed reimbursement claims annually by **\$2 million**. HB 4209/4210 propose new compensation rates for jurors (1st increase in 13 years) that will help shore up the revenue gap and use the fund more for the intended purpose.

With the intent for the reimbursement formula to continue to pay the difference between original pre 2004 juror compensation rates (\$7.5/\$15, half day/full day) and newly proposed rates (\$15/\$30, first half/first full, \$22.50/\$45, subsequent half, subsequent full), the annual fund payout under the proposed bills is estimated at **\$3.4 million**. This closes the revenue gap some, but funds are available to go further with compensation. Part of compensation includes juror mileage, currently set in statute at a minimum of \$.10 mile. The fund can afford to add mileage compensation to the formula. Statewide data submitted by the trial courts estimates 5 million miles travelled annually by jurors, which if reimbursed by the fund at \$.20 per mile would add **\$1 million** to total claims, coming much closer to total available revenue for claims reimbursement.

An alternative proposal could include elimination of the two tiered juror compensation rate system. The two rates were enacted in 2004 when the fund reimbursement for juror compensation was created to compensate longer serving jurors more, those serving more than one day, and lessen the claims on the fund with a lower first day rate. If juror pay was equalized at \$20 and \$40, half and full days, for all juror days, the annual estimated fund payout would be **\$4.2 million**.

The gap in revenue vs claims over time has created a current carryover balance in the Juror Compensation Reimbursement Fund of **\$10.5 million**, which is estimated to grow to **\$12.5 million** at the close of FY17. The proposals above could be adjusted to increase compensation or mileage to levels that would reduce the carryover balance over time. An alternate proposal to address the fund balance would be to create a grant program within the fund for SCAO and local trial courts to apply for funds for the purpose of innovations in jury management and to further juror utilization improvements in Michigan. Grants limited to \$2 million in total annually would be sustainable within the fund for at least six years or more.

Juror Compensation Reimbursement Fund

Actual FY 2003 to FY 2016

Projected FY2017 - FY2030 - Increasing the first day rate to the same as the subsequent

FY	Revenues Collected*	Expenditures **	Difference	Year End Balance	Transfers to GF or CEF starting FY18 Grants	Remaining Balance
2003	4,115,170.88	0.00	4,115,170.88	4,115,170.88		4,115,170.88
2004	5,437,707.75	4,854,127.55	583,580.20	4,698,751.08		4,698,751.08
2005	5,182,171.95	4,069,834.20	1,112,337.75	5,811,088.83	4,000,000.00	1,811,088.83
2006	4,982,770.41	4,013,445.00	969,325.41	2,780,414.24		2,780,414.24
2007	4,826,789.34	3,690,697.50	1,136,091.84	3,916,506.08		3,916,506.08
2008	4,670,335.99	3,542,989.50	1,127,346.49	5,043,852.57	2,250,000.00	2,793,852.57
2009	4,391,291.11	3,142,640.00	1,248,651.11	4,042,503.68		4,042,503.68
2010	4,241,504.92	3,065,510.00	1,175,994.92	5,218,498.60	1,352,100.00	3,866,398.60
2011	4,084,149.26	3,079,475.50	1,004,673.76	4,871,072.36	2,607,500.00	2,263,572.36
2012	4,138,151.48	2,879,476.85	1,258,674.63	3,522,246.99		3,522,246.99
2013	4,270,406.13	2,810,553.49	1,459,852.64	4,982,099.63		4,982,099.63
2014	4,613,924.81	3,124,522.79	1,489,402.02	6,471,501.65		6,471,501.65
2015	4,529,696.73	2,587,801.00	1,941,895.73	8,413,397.38		8,413,397.38
2016	4,579,796.40	2,464,580.00	2,115,216.40	10,528,613.78		10,528,613.78
Projected						
2017	4,500,000.00	2,400,000.00	2,100,000.00	12,628,613.78		12,628,613.78
2018	4,500,000.00	4,200,000.00	300,000.00	12,928,613.78	2,000,000.00	10,928,613.78
2019	4,500,000.00	4,100,000.00	400,000.00	11,328,613.78	2,000,000.00	9,328,613.78
2020	4,500,000.00	4,000,000.00	500,000.00	9,828,613.78	2,000,000.00	7,828,613.78
2021	4,500,000.00	3,900,000.00	600,000.00	8,428,613.78	2,000,000.00	6,428,613.78
2022	4,500,000.00	3,900,000.00	600,000.00	7,028,613.78	2,000,000.00	5,028,613.78
2023	4,500,000.00	3,900,000.00	600,000.00	5,628,613.78	2,000,000.00	3,628,613.78
2024	4,500,000.00	3,800,000.00	700,000.00	4,328,613.78	2,000,000.00	2,328,613.78
2025	4,500,000.00	3,800,000.00	700,000.00	3,028,613.78	2,000,000.00	1,028,613.78
2026	4,500,000.00	3,800,000.00	700,000.00	1,728,613.78	1,200,000.00	528,613.78
2027	4,500,000.00	3,800,000.00	700,000.00	1,228,613.78	728,613.78	500,000.00
2028	4,500,000.00	3,800,000.00	700,000.00	1,200,000.00	700,000.00	500,000.00
2029	4,500,000.00	3,800,000.00	700,000.00	1,200,000.00	700,000.00	500,000.00
2030	4,500,000.00	3,800,000.00	700,000.00	1,200,000.00	700,000.00	500,000.00

* Sources of revenue to the Juror Compensation Reimbursement Fund are portions of jury demand fees paid in Circuit and District Court to preserve the right for a jury trial when filing a case and Drivers Licence Clearance Fees paid at court to remove licence holds for non payment or non appearance in court.

** Projected juror expenditures are expected to continue to decrease with statewide plans for efficiencies in juror utilization

Juror Compensation Reimbursement Fund

Actual FY 2003 to FY 2016

Projected FY2017 - FY2030 Using HB4209/4210 and adding Mileage Reimbursement of \$.20/mile

FY	Revenues Collected*	Expenditures**	Difference	Year End Balance	Transfers to GF or CEF starting FY18 Grants	Remaining Balance
2003	4,115,170.88	0.00	4,115,170.88	4,115,170.88		4,115,170.88
2004	5,437,707.75	4,854,127.55	583,580.20	4,698,751.08		4,698,751.08
2005	5,182,171.95	4,069,834.20	1,112,337.75	5,811,088.83	4,000,000.00	1,811,088.83
2006	4,982,770.41	4,013,445.00	969,325.41	2,780,414.24		2,780,414.24
2007	4,826,789.34	3,690,697.50	1,136,091.84	3,916,506.08		3,916,506.08
2008	4,670,335.99	3,542,989.50	1,127,346.49	5,043,852.57	2,250,000.00	2,793,852.57
2009	4,391,291.11	3,142,640.00	1,248,651.11	4,042,503.68		4,042,503.68
2010	4,241,504.92	3,065,510.00	1,175,994.92	5,218,498.60	1,352,100.00	3,866,398.60
2011	4,084,149.26	3,079,475.50	1,004,673.76	4,871,072.36	2,607,500.00	2,263,572.36
2012	4,138,151.48	2,879,476.85	1,258,674.63	3,522,246.99		3,522,246.99
2013	4,270,406.13	2,810,553.49	1,459,852.64	4,982,099.63		4,982,099.63
2014	4,613,924.81	3,124,522.79	1,489,402.02	6,471,501.65		6,471,501.65
2015	4,529,696.73	2,587,801.00	1,941,895.73	8,413,397.38		8,413,397.38
2016	4,579,796.40	2,464,580.00	2,115,216.40	10,528,613.78		10,528,613.78
Projected						
2017	4,500,000.00	2,400,000.00	2,100,000.00	12,628,613.78		12,628,613.78
2018	4,500,000.00	4,400,000.00	100,000.00	12,728,613.78	2,000,000.00	10,728,613.78
2019	4,500,000.00	4,200,000.00	300,000.00	11,028,613.78	2,000,000.00	9,028,613.78
2020	4,500,000.00	4,100,000.00	400,000.00	9,428,613.78	2,000,000.00	7,428,613.78
2021	4,500,000.00	4,000,000.00	500,000.00	7,928,613.78	2,000,000.00	5,928,613.78
2022	4,500,000.00	3,900,000.00	600,000.00	6,528,613.78	2,000,000.00	4,528,613.78
2023	4,500,000.00	3,900,000.00	600,000.00	5,128,613.78	2,000,000.00	3,128,613.78
2024	4,500,000.00	3,800,000.00	700,000.00	3,828,613.78	2,000,000.00	1,828,613.78
2025	4,500,000.00	3,800,000.00	700,000.00	2,528,613.78	2,000,000.00	528,613.78
2026	4,500,000.00	3,800,000.00	700,000.00	1,228,613.78	1,200,000.00	28,613.78
2027	4,500,000.00	3,800,000.00	700,000.00	728,613.78	728,613.78	0.00
2028	4,500,000.00	3,800,000.00	700,000.00	700,000.00	700,000.00	0.00
2029	4,500,000.00	3,800,000.00	700,000.00	700,000.00	700,000.00	0.00
2030	4,500,000.00	3,800,000.00	700,000.00	700,000.00	700,000.00	0.00

* Sources of revenue to the Juror Compensation Reimbursement Fund are portions of jury demand fees paid in Circuit and District Court to preserve the right for a jury trial when filing a case and Drivers Licence Clearance Fees paid at court to remove licence holds for non payment or non appearance in court.

** Projected juror expenditures are expected to continue to decrease with statewide plans for efficiencies in juror utilization