



To: Members of the Public Policy Committee  
Board of Commissioners

From: Janet Welch, Executive Director  
Peter Cunningham, Director of Governmental Relations  
Kathryn L. Hennessey, Public Policy Counsel

Date: May 8, 2019

Re: FY 2019-2020 Judiciary Budget as contained in SB 142 (S-1) and the Executive Budget Recommendation.

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### **Background**

The Judiciary Budget for FY 2019-2020 provides a total of \$309 million to fund the Michigan Supreme Court, Court of Appeals, Judicial compensation, the Judicial Tenure Commission, the State Appellate Defender Office (SADO), and various other programs and initiatives such as specialty courts, e-filing, and indigent civil legal assistance. \$108 million of the budget comes from restricted funds (mainly from court generated revenue) and the balance is from the state's general fund.

Highlights from the Executive Judiciary Budget Recommendation include:

- \$1.9 million for Website Redesign (general fund) to enhance the security of the Michigan Supreme Court website, enhance protection of confidential information, and improve user friendliness.
- \$841,900 for *Montgomery v Louisiana* Compliance (general fund) to continue addressing the United States Supreme Court decision requiring resentencing of juveniles serving mandatory sentences of life without parole.
- \$457,200 for Public Defender Caseload Enhancement (general fund) to enable the SADO to serve more indigent clients appealing trial conviction.
- \$325,700 for a Pretrial Risk Assessment Tool (general fund) that will improve public safety, protect defendants' rights, and reduce incarceration of low-risk defendants through informed bond decisions.
- \$18.2 million for Michigan's problem-solving courts to provide mental health and substance abuse services leading to a reduction in incarceration and more rapid treatment and rehabilitation.
- \$3.3 million for Online Community Dispute Resolution Services. An investment of \$450,000 general fund is included in fiscal year 2020 to expand availability statewide from the current 17 counties and to increase the case types for which online dispute resolution services are provided.

***Keller* Considerations**

SB 142 and the Executive Judiciary Budget Recommendation meet the requirements of *Keller*. Adequate funding of the courts is essential to their functioning. Many of the programs funded by the Judiciary Budget, such as increasing caseloads for the State Appellate Defender Office, would improve the quality and increase the availability of legal services to society.

***Keller* Quick Guide**

<b>THE TWO PERMISSIBLE SUBJECT-AREAS UNDER <i>KELLER</i>:</b>	
<b>Regulation of Legal Profession</b>	<b>Improvement in Quality of Legal Services</b>
<b>As interpreted by AO 2004-1</b> <ul style="list-style-type: none"><li>• Regulation and discipline of attorneys</li><li>• Ethics</li><li>• Lawyer competency</li><li>• Integrity of the Legal Profession</li><li>• Regulation of attorney trust accounts</li></ul>	<ul style="list-style-type: none"><li>✓ Improvement in functioning of the courts</li><li>✓ Availability of legal services to society</li></ul>

**Staff Recommendation**

The bill satisfies the requirements of *Keller* and may be considered on its merits.

## Senate Bill 0142 (2019) rss?

Friendly Link: <http://legislature.mi.gov/doc.aspx?2019-SB-0142>

### Sponsor

Tom Barrett (district 24)  
(click name to see bills sponsored by that person)

### Categories

Appropriations: zero budget; Appropriations: judiciary;

Appropriations; zero budget; judiciary; provide for fiscal year 2019-2020. Creates appropriation act.

### Bill Documents

Bill Document Formatting Information

[x]

The following bill formatting applies to the 2019-2020 session:

- New language in an amendatory bill will be shown in **BOLD AND UPPERCASE**.
- Language to be removed will be ~~stricken~~.
- Amendments made by the House will be blue with square brackets, such as: [House amended text].
- Amendments made by the Senate will be red with double greater/lesser than symbols, such as: <<Senate amended text>>.

(gray icons indicate that the action did not occur or that the document is not available)

### Documents



#### Senate Introduced Bill

Introduced bills appear as they were introduced and reflect no subsequent amendments or changes.



#### As Passed by the Senate

As Passed by the Senate is the bill, as introduced, that includes any adopted Senate amendments.



#### As Passed by the House

As Passed by the House is the bill, as received from the Senate, that includes any adopted House amendments.



#### Senate Enrolled Bill

Enrolled bill is the version passed in identical form by both houses of the Legislature.

### Bill Analysis

#### Senate Fiscal Analysis



#### SENATE SUBCOMMITTEE REC. (Date Completed: 4-25-19)

This document analyzes: SB0142



#### SENATE APPROPRIATIONS REC. (Date Completed: 5-1-19)

This document analyzes: SB0142

### History

(House actions in lowercase, Senate actions in UPPERCASE)

Date ▲	Journal	Action
2/28/2019	SJ 21 Pg. 186	INTRODUCED BY SENATOR TOM BARRETT

2/28/2019 SJ 21 Pg. 186 REFERRED TO COMMITTEE ON APPROPRIATIONS  
5/7/2019 SJ 43 Pg. 447 REPORTED FAVORABLY WITH SUBSTITUTE S-1  
5/7/2019 SJ 43 Pg. 447 COMMITTEE RECOMMENDED IMMEDIATE EFFECT  
5/7/2019 SJ 43 Pg. 447 REFERRED TO COMMITTEE OF THE WHOLE WITH SUBSTITUTE S-1

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# Judiciary

## Governor's Recommended Budget for Fiscal Years 2020 and 2021

Michigan's Constitution grants full judicial power to a court system composed of the Supreme Court, the Court of Appeals, the Circuit Court, the Probate Court, and courts of limited jurisdiction such as the District Court and municipal courts. The Supreme Court administers the state's judiciary through the State Court Administrative Office.

The Governor's recommended budget for fiscal year 2020 includes total ongoing funding of \$307.8 million, of which \$199.6 million comes from the state's general fund. The Governor also recommends \$1.6 million general fund in one-time funding in fiscal year 2020.

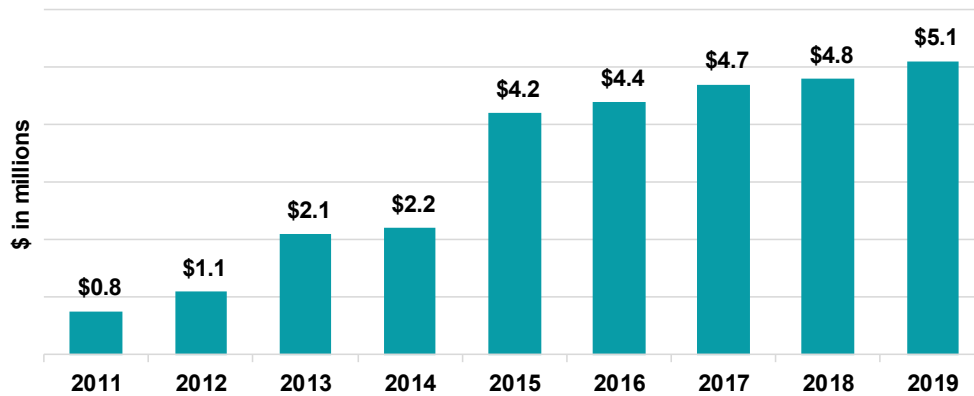
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### Highlights

The Governor's recommended budget includes five key investments:

- ♦ **\$1.9 million for Website Redesign** (general fund) to enhance the security of the Michigan Supreme Court website, enhance protection of confidential information, and improve user-friendliness. The majority of these costs are one-time.
  - ♦ **\$841,900 for *Montgomery v Louisiana* Compliance** (general fund) to continue addressing the U. S. Supreme Court decision requiring resentencing of juveniles serving mandatory sentences of life without parole.
  - ♦ **\$457,200 for Public Defender Caseload Enhancement** (general fund) to enable the State Appellate Defender Office to serve more indigent clients appealing trial conviction.
  - ♦ **\$325,700 for a Pretrial Risk Assessment Tool** (general fund) that will improve public safety, protect defendants' rights, and reduce incarceration of low-risk defendants through informed bond decisions.
  - ♦ **\$200,000 for Judicial Tenure Commission** to promote the integrity of the judicial process and preserve public confidence in the courts.
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## Savings from Judicial Reductions Have Grown Since 2011



### Continuing Funding

Beyond the investments highlighted above, the Governor’s recommended budget includes funding for the following programs:

- ♦ **\$18.2 million for Michigan’s problem-solving courts** to provide mental health and substance abuse services leading to a reduction in incarceration and more rapid treatment and rehabilitation.
- ♦ **\$3.3 million for Online Community Dispute Resolution Services.** An investment of \$450,000 general fund is included in fiscal year 2020 to expand availability statewide from the current 17 counties, and to increase the case types for which online dispute resolution services are provided.

**Judiciary**  
**Governor's Recommended Budget for Fiscal Years 2020 and 2021**  
 \$ in Thousands

**FY 2020 Adjustments**

	<u>GF/GP</u>	<u>GROSS</u>
<b>FY 2019 Current Law</b>	<b>\$196,079.5</b>	<b>\$304,079.1</b>
Removal of FY 2019 One-Time Funding	(\$1,830.7)	(\$1,830.7)
<b>FY 2020 Ongoing Investments</b>		
Compliance with <i>Montgomery v Louisiana</i> - Fund costs associated with resentencing of juveniles serving mandatory sentences of life without parole in compliance with U.S. Supreme Court decision	\$841.9	\$841.9
Public Defender Caseload Capacity - Funding will enable State Appellate Defenders Office to represent additional indigent clients appealing criminal convictions	\$457.2	\$457.2
Cybersecurity Upgrade - \$1.9 million (combined ongoing plus one-time) to enhance the security of the Michigan Supreme Court website and improve user-friendliness	\$454.1	\$454.1
Online Dispute Resolution Services - Expand participation in online dispute resolution services to all 83 counties (currently only in 17 counties) and expand case types available to serve more Michigan residents	\$450.0	\$450.0
Pretrial Risk Assessment Tool - Improve public safety, protect defendants' rights, and reduce incarceration of low-risk defendants through informed bond decisions	\$325.7	\$325.7
Judicial Tenure Commission - Contractual attorney to reduce caseload backlogs and pursue ongoing investigations	\$100.0	\$100.0
<b>FY 2020 Reductions</b>		
None Recommended	\$0.0	\$0.0
<b>FY 2020 Baseline Adjustments</b>		
Judgeship Adjustments	(\$451.9)	(\$436.3)
Employee Payroll Related Adjustments	\$3,141.4	\$3,325.0
<b>FY 2020 Total Executive Recommendation - Ongoing Funding</b>	<b>\$199,567.2</b>	<b>\$307,766.0</b>
<b>FY 2020 One-Time Investments</b>		
Cybersecurity Upgrade - \$1.9 million (combined ongoing plus one-time) to enhance the security of the Michigan Supreme Court website and improve user-friendliness	\$1,475.0	\$1,475.0
Judicial Tenure Commission - Additional resources for salary adjustments	\$100.0	\$100.0
<b>FY 2020 Total Executive Recommendation - One-Time Funding</b>	<b>\$1,575.0</b>	<b>\$1,575.0</b>
<b>FY 2020 Total Executive Recommendation - Ongoing and One-Time</b>	<b>\$201,142.2</b>	<b>\$309,341.0</b>
\$ Change from FY 2019 - Total Funding	\$5,062.7	\$5,261.9
% Change from FY 2019 - Total Funding	2.6%	1.7%

**FY 2021 Adjustments**

	<u>GF/GP</u>	<u>GROSS</u>
<b>FY 2020 Total Executive Recommendation</b>	<b>\$201,142.2</b>	<b>\$309,341.0</b>
Removal of FY 2020 One-Time Funding	(\$1,575.0)	(\$1,575.0)
FY 2021 Baseline Adjustments - Remove FY 2020 one-time employee salary increase	(\$587.0)	(\$712.1)
<b>FY 2021 Total Executive Recommendation</b>	<b>\$198,980.2</b>	<b>\$307,053.9</b>
\$ Change from FY 2020 - Total Funding	(\$2,162.0)	(\$2,287.1)
% Change from FY 2020 - Total Funding	(1.1%)	(0.7%)

**SUBSTITUTE FOR  
SENATE BILL NO. 142**

A bill to make appropriations for the judiciary for the fiscal year ending September 30, 2020; and to provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2020, from the following funds:

**JUDICIARY**

APPROPRIATION SUMMARY

Full-time equated exempted positions..... 505.0

GROSS APPROPRIATION..... \$ 311,092,100

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental



1	transfers .....		1,551,700
2	ADJUSTED GROSS APPROPRIATION.....	\$	309,540,400
3	Federal revenues:		
4	Total federal revenues.....		6,028,400
5	Special revenue funds:		
6	Total local revenues.....		6,579,500
7	Total private revenues.....		994,300
8	Total other state restricted revenues.....		94,796,000
9	State general fund/general purpose.....	\$	201,142,200
10	<b>Sec. 102. SUPREME COURT</b>		
11	Full-time equated exempted positions.....	249.0	
12	Community dispute resolution--3.0 FTE positions.....		\$ 3,276,700
13	Direct trial court automation support--44.0 FTE		
14	positions .....		6,579,500
15	Drug treatment courts.....		11,833,000
16	Foster care review board--10.0 FTE positions.....		1,342,500
17	Judicial information systems--22.0 FTE positions.....		4,931,600
18	Judicial institute--13.0 FTE positions.....		1,876,500
19	Mental health courts and diversion service--1.0 FTE		
20	position .....		5,468,500
21	Next generation Michigan court system.....		4,116,000
22	Other federal grants.....		275,100
23	State court administrative office--64.0 FTE positions		11,248,800
24	Supreme court administration--92.0 FTE positions.....		14,379,200
25	Swift and sure sanctions program.....		4,000,000
26	Veterans courts.....		<u>936,400</u>
27	GROSS APPROPRIATION.....	\$	70,263,800

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of corrections.....	51,700
4	IDG from department of state police.....	1,500,000
5	Federal revenues:	
6	DOJ, drug court training and evaluation.....	300,000
7	DOT, National Highway Traffic Safety Administration..	2,222,800
8	HHS, access and visitation grant.....	488,300
9	HHS, children's justice grant.....	241,700
10	HHS, court improvement project.....	927,100
11	HHS, title IV-D child support program.....	822,400
12	HHS, title IV-E foster care program.....	403,500
13	Other federal grant revenues.....	275,100
14	Special revenue funds:	
15	Local - user fees.....	6,579,500
16	Private.....	198,100
17	Private - interest on lawyers' trust accounts.....	273,100
18	Private - state justice institute.....	436,100
19	Community dispute resolution fund.....	2,400,000
20	Court of appeals filing/motion fees.....	1,450,000
21	Drug court fund.....	1,920,500
22	Justice system fund.....	595,700
23	Law exam fees.....	742,000
24	Miscellaneous revenue.....	245,900
25	State court fund.....	397,600
26	State general fund/general purpose.....	\$ 47,792,700
27	<b>Sec. 103. COURT OF APPEALS</b>	

1	Full-time equated exempted positions.....	175.0	
2	Court of appeals operations--175.0 FTE positions .....		\$ <u>25,130,300</u>
3	GROSS APPROPRIATION.....		\$ 25,130,300
4	Appropriated from:		
5	State general fund/general purpose.....		\$ 25,130,300
6	<b>Sec. 104. BRANCHWIDE APPROPRIATIONS</b>		
7	Full-time equated exempted positions.....	4.0	
8	Branchwide appropriations--4.0 FTE positions .....		\$ <u>8,959,100</u>
9	GROSS APPROPRIATION.....		\$ 8,959,100
10	Appropriated from:		
11	State general fund/general purpose.....		\$ 8,959,100
12	<b>Sec. 105. JUSTICES' AND JUDGES' COMPENSATION</b>		
13	Full-time judges positions .....	587.0	
14	Supreme court justices' salaries--7.0 justices .....		\$ 1,152,300
15	Circuit court judges' state base salaries--217.0		
16	judges .....		22,939,900
17	Circuit court judicial salary standardization.....		9,922,100
18	Court of appeals judges' salaries--25.0 judges .....		4,097,700
19	District court judges' state base salaries--235.0		
20	judges .....		24,424,000
21	District court judicial salary standardization.....		10,745,200
22	Probate court judges' state base salaries--103.0		
23	judges .....		10,802,900
24	Probate court judicial salary standardization.....		4,669,600
25	Judges' retirement system defined contributions .....		4,974,800
26	OASI, Social Security.....		<u>6,280,000</u>
27	GROSS APPROPRIATION.....		\$ 100,008,500

1	Appropriated from:		
2	Special revenue funds:		
3	Court fee fund.....		3,329,400
4	State general fund/general purpose.....	\$	96,679,100
5	<b>Sec. 106. JUDICIAL AGENCIES</b>		
6	Full-time equated exempted positions.....		7.0
7	Judicial tenure commission--7.0 FTE positions.....	\$	<u>1,276,000</u>
8	GROSS APPROPRIATION.....	\$	1,276,000
9	Appropriated from:		
10	State general fund/general purpose.....	\$	1,276,000
11	<b>Sec. 107. INDIGENT DEFENSE - CRIMINAL</b>		
12	Full-time equated exempted positions.....		53.0
13	Appellate public defender program--53.0 FTE positions	\$	<u>8,789,500</u>
14	GROSS APPROPRIATION.....	\$	8,789,500
15	Appropriated from:		
16	Federal revenues:		
17	Other federal grant revenues.....		347,500
18	Special revenue funds:		
19	Private - interest on lawyers' trust accounts.....		87,000
20	Miscellaneous revenue.....		168,300
21	State general fund/general purpose.....	\$	8,186,700
22	<b>Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE</b>		
23	Indigent civil legal assistance.....	\$	<u>7,937,000</u>
24	GROSS APPROPRIATION.....	\$	7,937,000
25	Appropriated from:		
26	Special revenue funds:		
27	State court fund.....		7,937,000

1	State general fund/general purpose.....	\$	0
2	<b>Sec. 109. TRIAL COURT OPERATIONS</b>		
3	Full-time equated exempted positions.....	6.0	
4	Court equity fund reimbursements.....	\$	60,815,700
5	Drug case-flow program.....		250,000
6	Drunk driving case-flow program.....		3,300,000
7	Judicial technology improvement fund.....		4,815,000
8	Juror compensation reimbursement--1.0 FTE position...		6,604,600
9	Statewide e-file system--5.0 FTE positions.....		<u>10,200,000</u>
10	GROSS APPROPRIATION.....	\$	85,985,300
11	Appropriated from:		
12	Special revenue funds:		
13	Court equity fund.....		50,440,000
14	Drug fund.....		250,000
15	Drunk driving fund.....		3,300,000
16	Electronic filing fee fund.....		10,200,000
17	Judicial technology improvement fund.....		4,815,000
18	Juror compensation fund.....		6,604,600
19	State general fund/general purpose.....	\$	10,375,700
20	<b>Sec. 110. ONE-TIME APPROPRIATIONS</b>		
21	Full-time equated exempted positions.....	11.0	
22	Compliance with <i>Montgomery v Louisiana</i> --11.0 FTE		
23	positions .....	\$	841,900
24	Michigan Supreme Court public website upgrade.....		1,475,000
25	Pretrial risk assessment.....		325,700
26	Judicial tenure commission.....		<u>100,000</u>
27	GROSS APPROPRIATION.....	\$	2,742,600

1 Appropriated from:  
 2 State general fund/general purpose ..... \$ 2,742,600

3 PART 2  
 4 PROVISIONS CONCERNING APPROPRIATIONS  
 5 FOR FISCAL YEAR 2019-2020

6 **GENERAL SECTIONS**

7 Sec. 201. Pursuant to section 30 of article IX of the state  
 8 constitution of 1963, total state spending from state sources under  
 9 part 1 for fiscal year 2019-2020 is \$295,938,200.00 and state  
 10 spending from state sources to be paid to local units of government  
 11 for fiscal year 2019-2020 is \$146,101,300.00. The itemized  
 12 statement below identifies appropriations from which spending to  
 13 local units of government will occur:

14 **JUDICIARY**

15 SUPREME COURT

16 Drug treatment courts ..... \$ 8,158,000  
 17 Mental health courts and diversion services ..... 5,468,500  
 18 Next generation Michigan court system ..... 4,116,000  
 19 Court of appeals operations ..... 200,000  
 20 Swift and sure sanctions program ..... 4,000,000  
 21 Veterans courts ..... 936,400

22 JUSTICES' AND JUDGES' COMPENSATION

23 Circuit court judicial salary standardization ..... \$ 9,922,100  
 24 District court judicial salary standardization ..... 10,745,200  
 25 Probate court judges' state base salaries ..... 10,802,900

1	Probate court judicial salary standardization.....		4,669,600
2	Grant to OASI contribution fund, employer's share,		
3	Social Security .....		1,097,300
4	TRIAL COURT OPERATIONS		
5	Court equity fund reimbursements.....	\$	60,815,700
6	Drug case-flow program.....		250,000
7	Drunk driving case-flow program.....		3,300,000
8	Judicial technology improvement fund.....		4,815,000
9	Juror compensation reimbursement.....		6,604,600
10	Statewide e-file system.....		<u>10,200,000</u>
11	TOTAL.....	\$	146,101,300

12       Sec. 202. (1) The appropriations authorized under this part  
13 and part 1 are subject to the management and budget act, 1984 PA  
14 431, MCL 18.1101 to 18.1594.

15       (2) Funds appropriated in part 1 to an entity within the  
16 judicial branch shall not be expended or transferred to another  
17 account without written approval of the authorized agent of the  
18 judicial entity. If the authorized agent of the judicial entity  
19 notifies the state budget director of its approval of an  
20 expenditure or transfer, the state budget director shall  
21 immediately make the expenditure or transfer. The authorized  
22 judicial entity agent shall be designated by the chief justice of  
23 the supreme court.

24       Sec. 203. As used in this part and part 1:

25       (a) "DOJ" means the United States Department of Justice.

26       (b) "DOT" means the United States Department of  
27 Transportation.

1 (c) "FTE" means full-time equated.

2 (d) "HHS" means the United States Department of Health and  
3 Human Services.

4 (e) "IDG" means interdepartmental grant.

5 (f) "OASI" means old age survivor's insurance.

6 (g) "SADO" means the state appellate defender office created  
7 under the appellate defender act, 1978 PA 620, MCL 780.711 to  
8 780.719.

9 (h) "Title IV-D" means the part of the federal social security  
10 act, 42 USC 301 to 1397mm, pertaining to the child support  
11 enforcement program.

12 (i) "Title IV-E" means the part of the federal social security  
13 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

14 Sec. 204. The reporting requirements of this part shall be  
15 completed with the approval of, and at the direction of, the  
16 supreme court, except as otherwise provided in this part. The  
17 judicial branch shall use the internet to fulfill the reporting  
18 requirements of this part. This may include transmission of reports  
19 via electronic mail to the recipients identified for each reporting  
20 requirement, or it may include placement of reports on an internet  
21 or intranet site.

22 Sec. 205. Funds appropriated in part 1 shall not be used for  
23 the purchase of foreign goods or services, or both, if  
24 competitively priced and of comparable quality American goods or  
25 services, or both, are available. Preference shall be given to  
26 goods or services, or both, manufactured or provided by Michigan  
27 businesses, if they are competitively priced and of comparable



1 quality. In addition, preference shall be given to goods or  
2 services, or both, that are manufactured or provided by Michigan  
3 businesses owned and operated by veterans, if they are  
4 competitively priced and of comparable quality.

5       Sec. 207. Not later than January 1 of each year, the state  
6 court administrative office shall prepare a report on out-of-state  
7 travel listing all travel by judicial branch employees outside this  
8 state in the immediately preceding fiscal year that was funded in  
9 whole or in part with funds appropriated in the budget for the  
10 judicial branch. The report shall be submitted to the senate and  
11 house appropriations committees, the senate and house fiscal  
12 agencies, and the state budget office. The report shall include the  
13 following information:

14       (a) The dates of each travel occurrence.

15       (b) The transportation and related costs of each travel  
16 occurrence, including the proportion funded with state general  
17 fund/general purpose revenues, the proportion funded with state  
18 restricted revenues, the proportion funded with federal revenues,  
19 and the proportion funded with other revenues.

20       Sec. 209. Not later than November 30, the state budget office  
21 shall prepare and transmit a report that provides for estimates of  
22 the total general fund/general purpose appropriation lapses at the  
23 close of the prior fiscal year. This report shall summarize the  
24 projected year-end general fund/general purpose appropriation  
25 lapses by major program or program areas. The report shall be  
26 transmitted to the chairpersons of the senate and house  
27 appropriations committees and the senate and house fiscal agencies.

1           Sec. 211. From the funds appropriated in part 1, the judicial  
2 branch shall maintain a searchable website accessible by the public  
3 at no cost that includes all expenditures made by the judicial  
4 branch within a fiscal year. The posting shall include the purpose  
5 for which each expenditure is made. The judicial branch shall not  
6 provide financial information on its website under this section if  
7 doing so would violate a federal or state law, rule, regulation, or  
8 guideline that establishes privacy or security standards applicable  
9 to that financial information.

10           Sec. 212. Within 14 days after the release of the executive  
11 budget recommendation, the judicial branch shall cooperate with the  
12 state budget office to provide the senate and house appropriations  
13 committee chairs, the senate and house appropriations subcommittee  
14 chairs, and the senate and house fiscal agencies with an annual  
15 report on estimated state restricted fund balances, state  
16 restricted fund projected revenues, and state restricted fund  
17 expenditures for fiscal years ending September 30, 2019 and  
18 September 30, 2020.

19           Sec. 213. The judiciary shall maintain, on a publicly  
20 accessible website, a scorecard that identifies, tracks, and  
21 regularly updates key metrics that are used to monitor and improve  
22 the judiciary's performance.

23           Sec. 214. Total authorized appropriations from all sources  
24 under part 1 for legacy costs for the fiscal year ending September  
25 30, 2020 are estimated at \$13,102,700.00. From this amount, total  
26 judiciary appropriations for pension-related legacy costs are  
27 estimated at \$6,369,500.00. Total judiciary appropriations for

1 retiree health care legacy costs are estimated at \$6,733,200.00.

2       Sec. 215. The judicial branch shall not take disciplinary  
3 action against an employee for communicating with a member of the  
4 legislature or his or her staff.

5       Sec. 216. It is the intent of the legislature that judges who  
6 are presiding over a hearing on a foster care case shall publicly  
7 acknowledge and request the input of the foster parent or foster  
8 parents during the hearing.

9       Sec. 217. If the judicial branch makes any changes to a foster  
10 care family service plan before its finalization, it is the intent  
11 of the legislature that the presiding judge provide an explanation  
12 for any changes to that plan in the court record.

13       Sec. 218. From the funds appropriated in part 1, the state  
14 court administrative office shall identify programs, within the  
15 department of health and human services, the department of talent  
16 and economic development, and the department of corrections, that  
17 have programmatic connections with the participants in the swift  
18 and sure sanctions program. The purpose of this relationship is to  
19 leverage collaborations and to determine avenues of success for  
20 offenders who are eligible for state-provided programs. The state  
21 court administrative office shall provide guidance to courts  
22 participating in the swift and sure sanctions program, under the  
23 probation swift and sure sanctions act, chapter XIA of the code of  
24 criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, of the  
25 available department of health and human services, department of  
26 talent and economic development, and department of corrections  
27 programming.

1           Sec. 219. The judicial branch shall receive and retain copies  
2 of all reports funded from appropriations in part 1. Federal and  
3 state guidelines for short-term and long-term retention of records  
4 shall be followed. The judicial branch may electronically retain  
5 copies of reports unless otherwise required by federal and state  
6 guidelines.

7           **JUDICIAL BRANCH**

8           Sec. 301. From the funds appropriated in part 1, the direct  
9 trial court automation support program of the state court  
10 administrative office shall recover direct and overhead costs from  
11 trial courts by charging for services rendered. The fee shall cover  
12 the actual costs incurred to the direct trial court automation  
13 support program in providing the service, including development of  
14 future versions of case management systems.

15           Sec. 302. Funds appropriated within the judicial branch shall  
16 not be expended by any component within the judicial branch without  
17 the approval of the supreme court.

18           Sec. 303. Of the amount appropriated in part 1 for the  
19 judicial branch, \$711,900.00 is allocated for circuit court  
20 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for  
21 costs associated with the court of claims.

22           Sec. 304. A member of the legislature may request a report or  
23 data from the data collected in the judicial data warehouse. The  
24 report shall be made available to the public upon request, unless  
25 disclosure is prohibited by court order or state or federal law.  
26 Any data provided under this section shall be public and

1 nonidentifying information.

2       Sec. 305. From the funds appropriated in part 1 for community  
3 dispute resolution, community dispute resolution centers shall  
4 provide dispute resolution services specified in the community  
5 dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, and  
6 shall help to reduce suspensions and truancy, and improve school  
7 climate. Funding appropriated in part 1 for community dispute  
8 resolution may be used to develop or expand juvenile diversion  
9 services in cooperation with local prosecutors. Participation in  
10 the dispute resolution processes is voluntary for all parties.

11       Sec. 306. By February 1, the state court administrative office  
12 shall produce a statistical report, categorized by county,  
13 regarding both the collected and uncollected amounts of restitution  
14 payments, court fees, and any other applicable judgments placed  
15 upon persons within the county, reported for the fiscal year 2017-  
16 2018.

17       Sec. 307. From the funds appropriated in part 1 for mental  
18 health courts and diversion services, \$1,730,000.00 is intended to  
19 address the recommendations of the mental health diversion council.

20       Sec. 308. If sufficient funds are not available from the court  
21 fee fund to pay judges' compensation, the difference between the  
22 appropriated amount from that fund for judges' compensation and the  
23 actual amount available after the amount appropriated for trial  
24 court reimbursement is made shall be appropriated from the state  
25 general fund for judges' compensation. If an appropriation is made  
26 under this section, the state court administrative office shall  
27 notify, within 14 days of the appropriation, the senate and house

1 standing committees on appropriations, the senate and house  
2 appropriations subcommittees on judiciary, the senate and house  
3 fiscal agencies, and the state budget office.

4       Sec. 309. By April 1, the state court administrative office  
5 shall provide a report on drug treatment, mental health, and  
6 veterans court programs in this state. The report shall include  
7 information on the number of each type of program that has been  
8 established, the number of program participants in each  
9 jurisdiction, and the impact of the programs on offender criminal  
10 involvement and recidivism. The report shall be submitted to the  
11 senate and house appropriations subcommittees on judiciary, the  
12 senate and house fiscal agencies, and the state budget office.

13       Sec. 311. (1) The funds appropriated in part 1 for drug  
14 treatment courts as that term is defined in section 1060 of the  
15 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be  
16 administered by the state court administrative office to operate  
17 drug treatment court programs. A drug treatment court shall be  
18 responsible for handling cases involving substance abusing  
19 nonviolent offenders through comprehensive supervision, testing,  
20 treatment services, and immediate sanctions and incentives. A drug  
21 treatment court shall use all available county and state personnel  
22 involved in the disposition of cases including, but not limited to,  
23 parole and probation agents, prosecuting attorneys, defense  
24 attorneys, and community corrections providers. The funds may be  
25 used in connection with other federal, state, and local funding  
26 sources.

27       (2) From the funds appropriated in part 1, the chief justice

1 shall allocate sufficient funds for the Michigan judicial institute  
2 to provide in-state training for those identified in subsection  
3 (1), including training for new drug treatment court judges.

4 (3) For drug treatment court grants, consideration for  
5 priority may be given to those courts where higher instances of  
6 substance abuse cases are filed.

7 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula  
8 grant funding as an interdepartmental grant from the department of  
9 state police to be used for expansion of drug treatment courts, to  
10 assist in avoiding prison bed space growth for nonviolent offenders  
11 in collaboration with the department of corrections.

12 Sec. 312. From the funds appropriated in part 1, the state  
13 court administrator shall produce a statistical report regarding  
14 the implementation of the parental rights restoration act, 1990 PA  
15 211, MCL 722.901 to 722.908, as it pertains to minors seeking  
16 court-issued waivers of parental consent. The state court  
17 administrative office shall report the total number of petitions  
18 filed and the total number of petitions granted under that act.

19 Sec. 316. (1) From the funds appropriated in part 1 for  
20 pretrial risk assessment, the state court administrative office  
21 shall pilot a pretrial risk assessment tool in an effort to provide  
22 relevant information to judges so they can make evidence-based bond  
23 decisions that will increase public safety and reduce costs  
24 associated with unnecessary pretrial detention.

25 (2) The state court administrative office shall submit a  
26 status report by February 1 to the senate and house appropriations  
27 subcommittees on judiciary, the senate and house fiscal agencies,

1 and the state budget office on progress made toward implementing  
2 the pretrial risk assessment tool and associated costs.

3       Sec. 317. Funds appropriated in part 1 shall not be used for  
4 the permanent assignment of state-owned vehicles to justices or  
5 judges or any other judicial branch employee. This section does not  
6 preclude the use of state-owned motor pool vehicles for state  
7 business in accordance with approved guidelines.

8       Sec. 320. (1) From the funds appropriated in part 1 for the  
9 swift and sure sanctions program, created under section 3 of  
10 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL  
11 771A.3, the state court administrative office shall administer a  
12 program to distribute grants to qualifying courts in accordance  
13 with the objectives and requirements of the probation swift and  
14 sure sanctions act, chapter XIA of the code of criminal procedure,  
15 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the  
16 program, not more than \$100,000.00 shall be available to the state  
17 court administrative office to pay for employee costs associated  
18 with the administration of the program funds. Of the funds  
19 designated for the program, \$500,000.00 is reserved for programs in  
20 counties that had more than 325 individuals sentenced to prison in  
21 the previous calendar year. Courts interested in participating in  
22 the swift and sure sanctions program may apply to the state court  
23 administrative office for a portion of the funds appropriated in  
24 part 1 under this section.

25       (2) By April 1, the state court administrative office, in  
26 cooperation with the department of corrections, shall provide a  
27 report on the courts that receive funding under the swift and sure



1 sanctions program described in subsection (1) to the senate and  
2 house appropriations subcommittees on judiciary, the senate and  
3 house fiscal agencies, and the state budget office. The report  
4 shall include all of the following:

5 (a) The number of offenders who participate in the program.

6 (b) The criminal history of offenders who participate in the  
7 program.

8 (c) The recidivism rate of offenders who participate in the  
9 program, including the rate of return to jail, prison, or both.

10 (d) A detailed description of the establishment and parameters  
11 of the program.

12 (3) As used in this section, "program" means a swift and sure  
13 sanctions program described in subsection (1).

14 Sec. 321. From the funds appropriated in part 1, the judicial  
15 branch shall support a statewide legal self-help internet website  
16 and local nonprofit self-help centers that use the statewide  
17 website to provide assistance to individuals representing  
18 themselves in civil legal proceedings. The state court  
19 administrative office shall summarize the costs of maintaining the  
20 website, provide statistics on the number of people visiting the  
21 website, and provide information on content usage, form completion,  
22 and user feedback. By March 1, the state court administrative  
23 office shall report this information for the preceding fiscal year  
24 to the senate and house appropriations subcommittees on judiciary,  
25 the senate and house fiscal agencies, and the state budget office.

26 Sec. 322. If Byrne formula grant funding is awarded to the  
27 state appellate defender, the state appellate defender office may

1 receive and expend Byrne formula grant funds in an amount not to  
2 exceed \$250,000.00 as an interdepartmental grant from the  
3 department of state police. If the appellate defender appointed  
4 under section 3 of the appellate defender act, 1978 PA 620, MCL  
5 780.713, receives federal grant funding from the United States  
6 Department of Justice in excess of the amount appropriated in part  
7 1, the office of appellate defender may receive and expend grant  
8 funds in an amount not to exceed \$300,000.00 as other federal  
9 grants.

10 Sec. 324. From the funds appropriated in part 1 for the  
11 medication-assisted treatment program, the judiciary shall maintain  
12 a medication-assisted treatment program to provide treatment for  
13 opioid-addicted and alcohol-addicted individuals who are referred  
14 to and voluntarily participate in the medication-assisted treatment  
15 program.

16 Sec. 325. From the funds appropriated in part 1 for veterans  
17 courts, the state court administrative office shall create a pilot  
18 program in a veteran court within a county with a population  
19 between 100,000 and 125,000 according to the most recent federal  
20 decennial census. The pilot program will investigate the  
21 effectiveness of saliva testing to determine compliance with  
22 required mental health medicine prescriptions or requirements.

### 23 ONE-TIME APPROPRIATIONS

24 Sec. 402. (1) From the funds appropriated in part 1, the state  
25 appellate defender office attorneys and support staff shall ensure  
26 Michigan compliance with *Montgomery v Louisiana*, 577 US \_\_\_\_\_

1 (2016). The purpose of the program expansion is to ensure  
2 competent, resourced, and supervised counsel in cases involving the  
3 resentencing of juvenile lifers. The representation by SADO counsel  
4 will create opportunities for release, saving prison costs for the  
5 state.

6 (2) The state appellate defender office shall submit a report  
7 by September 30 to the senate and house appropriations  
8 subcommittees on judiciary, the senate and house fiscal agencies,  
9 and the state budget office on the number of juvenile lifer cases  
10 investigated and prepared by the state appellate defender office.  
11 The report shall include a calculation of hours spent and focus on  
12 incremental costs associated with investigating and conducting a  
13 robust examination of each case, with particular emphasis on those  
14 costs that may be avoided after the cases have been disposed.

15 PART 2A

16 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

17 FOR FISCAL YEAR 2020-2021

18 **GENERAL SECTIONS**

19 Sec. 1201. It is the intent of the legislature to provide  
20 appropriations for the fiscal year ending on September 30, 2021 for  
21 the line items listed in part 1. Fiscal year 2020-2021  
22 appropriations are anticipated to be the same as those for fiscal  
23 year 2019-2020, except that the line items will be adjusted for  
24 changes in caseload and related costs, federal fund match rates,  
25 economic factors, and available revenue. These adjustments will be

1 determined after the January 2020 consensus revenue estimating  
2 conference.



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Senate Bill 142 (S-1 as reported)  
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2018-19 YEAR-TO-DATE*	FY 2019-20 SEN. FULL COMM.	CHANGES FROM FY 2018-19 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	502.0	505.0	3.0	0.6
<b>GROSS .....</b>	<b>304,079,100</b>	<b>311,092,100</b>	<b>7,013,000</b>	<b>2.3</b>
Less:				
Interdepartmental Grants Received .....	1,551,300	1,551,700	400	0.0
<b>ADJUSTED GROSS .....</b>	<b>302,527,800</b>	<b>309,540,400</b>	<b>7,012,600</b>	<b>2.3</b>
Less:				
Federal Funds .....	5,987,400	6,028,400	41,000	0.7
Local and Private .....	7,481,400	7,573,800	92,400	1.2
<b>TOTAL STATE SPENDING .....</b>	<b>289,059,000</b>	<b>295,938,200</b>	<b>6,879,200</b>	<b>2.4</b>
Less:				
Other State Restricted Funds .....	92,979,500	94,796,000	1,816,500	2.0
<b>GENERAL FUND/GENERAL PURPOSE .....</b>	<b>196,079,500</b>	<b>201,142,200</b>	<b>5,062,700</b>	<b>2.6</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>148,614,500</b>	<b>146,101,300</b>	<b>(2,513,200)</b>	<b>(1.7)</b>

\*As of March 5, 2019.

	Gross	GF/GP
<b>FY 2018-19 Year-to-Date Appropriation .....</b>	<b>\$304,079,100</b>	<b>\$196,079,500</b>

**Changes from FY 2018-19 Year-to-Date:**

- |   |           |           |
|---|-----------|-----------|
| <p><b>1. Cybersecurity for Michigan Supreme Court Website.</b> The Governor included additional funding for cybersecurity for the supreme court website, as well as new customer relationship management software. The bulk of the additional funding was included as one-time, \$1,475,000, with the remaining amount, \$454,100, added to the Judicial Information Systems line item. The Senate concurred.</p> | 1,929,100 | 1,929,100 |
| <p><b>2. Increased Spending Authority from the E-Filing Fund.</b> The Senate authorized increased restricted fund spending authority to accommodate greater expense projections at the request of the State Court Administrative Office.</p>  | 1,676,100 | 0         |
| <p><b>3. State Appellate Defender Office Public Defender Caseload Enhancement.</b> The Governor included a 5% increase the Appellate Public Defender program. The Senate concurred.</p>   | 457,200   | 457,200   |
| <p><b>4. Expansion of Online Dispute Resolution.</b> The Governor included a 16% increase in Community Dispute Resolution funding for the expansion of online dispute resolution from 17 counties to 83 counties. The Senate concurred.</p>   | 450,000   | 450,000   |
| <p><b>5. Judicial Tenure Commission.</b> The Governor included a 17% increase in funding for the Commission to address backlog reduction, ongoing investigations, and salary adjustments. Half of the increase is one-time funding. The Senate concurred.</p>   | 200,000   | 200,000   |

6. <b>SADO Funding for Montgomery v. Louisiana Compliance.</b> The Governor included a slight increase in funding for the resentencing of Michigan's juvenile lifers, as required by the Supreme Court. The line for this funding was also moved from the one-time section to the Indigent Defense - Criminal section of the budget. The Senate concurred in the amount of the increase, but moved the funding back to one-time.	141,900	141,900
7. <b>Increased Restricted Fund Revenue for Criminal Defense.</b> The Senate added an additional \$75,000 of restricted funds for Appellate Public Defender program due to a projected increase in Criminal Defense Resource Center services subscriptions.	75,000	0
8. <b>Pretrial Risk Assessment Tool.</b> The Governor included a slight increase in funding for development of the pretrial risk assessment tool. The funding was moved from one-time for the current fiscal year to the State Court Administrative Office line-item of the ongoing budget. The Senate concurred in the amount of the increase, but moved the funding back to one-time.	20,000	20,000
9. <b>Additional FTEs in Anticipation of Federal Grant Funding.</b> The Senate authorized an additional 2 FTEs for the Appellate Public Defender Program line item in anticipation of federal grant funding.	0	0
10. <b>Removal of One-time Funding for Problem Solving Courts.</b> The Governor removed current year one-time for drug treatment, mental health, and veterans problem solving courts. Despite the reduction, those programs are still funded in the ongoing section of the budget at \$18.2 million. The Senate concurred.	(750,000)	(750,000)
11. <b>Judicial Position Adjustments.</b> The Governor included the elimination of two Court of Appeals Judge positions in District 3 and District 4, the elimination of two District Court Judge positions in Livingston and Wayne Counties, and the addition of two part-time Circuit Court Judge positions in Oakland and Macomb Counties and one full-time Circuit Court Judge position in Livingston County. The Senate concurred.	(436,300)	(451,900)
12. <b>Program Elimination.</b> The Governor did not include funding for the current year's pilot program: Youthful Sex Offender Treatment. The Senate concurred.	(75,000)	(75,000)
13. <b>Economic Adjustments.</b> Includes \$3,325,000 Gross and \$3,141,400 GF/GP for total economic adjustments, of which an estimated negative \$189,800 Gross and \$115,300 GF/GP is for legacy retirement costs (pension and retiree health). The Senate concurred.	3,325,000	3,141,400
14. <b>Comparison to Governor's Recommendation.</b> The Senate is \$1,751,100 Gross and \$0 GF/GP over the Governor.		
<b>Total Changes .....</b>	<b>\$7,013,000</b>	<b>\$5,062,700</b>
<b>FY 2019-20 Senate Appropriations Committee Gross Appropriation .....</b>	<b>\$311,092,100</b>	<b>\$201,142,200</b>

**Boilerplate Changes from FY 2018-19 Year-to-Date:**

- Definitions.** The Governor removed boilerplate definitions for the following terms: "DOJ", "DOT", "HHS", "SADO", "Title IV D", "Title IV E". The Senate retained. (Sec. 203)
- Depressed Communities - New.** The Governor added a section directing the Judicial branch to take reasonable steps to contract or subcontract with businesses in deprived and depressed communities. The Senate removed. (Sec. 206)
- Disciplinary Action - Removed.** The Governor removed a section prohibiting the Judicial branch from taking disciplinary action against an employee for communicating with the Legislature. The Senate retained. (Sec. 215)

4. **Foster Parent Input - *Removed*.** The Governor removed a section requiring judges to publicly request the input of foster parents during foster care hearings. The Senate retained. (Sec. 216)
5. **Explanation of Foster Care Service Plan Changes - *Removed*.** The Governor removed a section requiring judges to provide an explanation of changes to a foster care family service plan. The Senate retained. (Sec. 217)
6. **Interagency Collaboration for Swift & Sure - *Removed*.** The Governor removed a requirement that the State Court Administrative Office (SCAO) identify programs available for Swift & Sure participants. The Senate retained. (Sec. 218)
7. **Report Retention - *Removed*.** The Governor removed a requirement that the Judicial branch retain copies of all reports funded from appropriations. The Senate retained. (Sec. 219)
8. **Reporting on Restitution Payments - *Removed*.** The Governor removed an SCAO reporting requirement regarding collected and uncollected restitution payments, court fees and applicable judgments. The Senate retained. (Sec. 306)
9. **Reporting on the Parental Rights Restoration Act - *Removed*.** The Governor removed a report requiring the State court administrator to report on the number of petitions filed and granted of minors seeking a waiver of parental consent. The Senate retained. (Sec. 312)
10. **Veterans Courts Pilot Program.** The Senate added a section requiring the State Court Administrative Office to conduct a pilot program within a single Veteran court to evaluate the effectiveness of saliva testing as a measure of compliance regarding medical prescriptions or requirements.
11. **Juvenile Lifers Compliance and Reporting - *Removed*.** The Governor removed one-time funding and reporting language associated with the State's required compliance with the Supreme Court's *Montgomery v. Louisiana* decision. Funding for compliance in part 1 of the recommendation was moved to ongoing. The Senate retained. (Sec. 402)
12. **Youthful Sex Offender Treatment Pilot Program - *Removed*.** The Governor removed language regarding the one-time funding for the pilot program. The program was not funded in part 1 of the budget recommendation. The Senate concurred. (Sec. 403)
13. **Second Year Appropriations - *Removed*.** The Governor removed language expressing legislative intent to provide appropriations for the upcoming two fiscal years. The Senate retained. (Sec. 1201)

Date Completed: 5-1-19

Fiscal Analyst: Michael Siracuse

**Public Policy Position**  
**State Budget for the State Appellate Defender Office**

**Support**

**Explanation**

The committee voted unanimously to support the Governor's budget recommendation for the State Appellate Defender Office as presented in SB 142 (S-1).

**Position Vote:**

Voted For position: 14

Voted against position: 0

Abstained from vote: 0

Did not vote (absent): 3

**Keller Explanation:**

The committee agreed that this legislation is *Keller* permissible because this funding to the State Appellate Defender Office affects the availability of legal services to society and improves the functioning of the Courts.

**Contact Persons:**

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