

Act No. 375
Public Acts of 1996
Approved by the Governor
July 17, 1996
Filed with the Secretary of State
July 17, 1996

STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1996

Introduced by Reps. Geiger, Walberg, Dolan, Bobier, Gilmer, McNutt, Johnson and Jellema
Rep. McBryde named co-sponsor

ENROLLED HOUSE BILL No. 5588

AN ACT to make appropriations for the judicial branch for the fiscal year ending September 30, 1997; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

The People of the State of Michigan enact:

Sec. 101. There is appropriated for the judicial branch, subject to the conditions set forth in this act, for the fiscal year ending September 30, 1997, the following amounts from the funds identified as follows:

JUDICIARY

APPROPRIATION SUMMARY:

Full-time equated exempted positions.....	563.0		
GROSS APPROPRIATION.....		\$	196,987,800
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			1,119,600
ADJUSTED GROSS APPROPRIATION.....		\$	195,868,200
Federal revenues:			
Total federal revenues.....			558,000
Special revenue funds:			
Total local revenues			2,497,600
Total private revenues.....			1,075,800
Total other state restricted revenues.....			38,951,800
State general fund/general purpose		\$	152,785,000

SUPREME COURT

Full-time equated exempted positions.....	263.0		
Supreme court administration—128.0 FTE positions.....		\$	14,344,300
State court administrative office-administration—71.0 FTE positions			6,895,300
Office of systems management—43.0 FTE positions.....			4,847,800
State court fund administration—8.0 FTE positions.....			229,000
Foster care review board—9.0 FTE positions.....			589,300
Community dispute resolution program—4.0 FTE positions.....			1,657,100
GROSS APPROPRIATION.....		\$	28,562,800
Appropriated from:			
Interdepartmental grant revenues:			

For Fiscal Year
Ending Sept. 30,
1997

IDG from state police-Michigan justice training fund	227,600
IDG from state police-criminal justice improvement.....	306,000
IDG from family independence agency-title IV-D child support program.....	239,000
IDG from family independence agency-title IV-E foster care review program.....	217,000
IDG from family independence agency-children's docket pilot project.....	20,000
Federal revenues:	
HHS-court improvement project.....	131,000
USDA-agriculture mediation grant.....	357,000
Federal highway safety planning revenue.....	70,000
Special revenue funds:	
Local-user fees	2,497,600
Private	341,800
Private-interest on lawyers trust accounts	612,000
Private-State justice institute.....	122,000
State court fund	229,000
Community dispute resolution fees.....	1,620,200
Miscellaneous restricted	201,000
Law exam fees	387,300
State general fund/general purpose	\$ 20,984,300

COURT OF APPEALS

Full-time equated exempted positions.....	236.0	
Operations—213.0 FTE positions.....		\$ 16,840,800
Backlog reduction—23.0 FTE positions		2,000,000
GROSS APPROPRIATION.....		\$ 18,840,800
Appropriated from:		
Federal revenues:		
Special revenue funds:		
Court filing/motion fees	1,089,700	
State court fund	2,000,000	
Miscellaneous revenues	75,000	
State general fund/general purpose		\$ 15,676,100

TRIAL COURT OPERATIONS

COURT EQUITY OPERATIONS		
Court equity fund reimbursements.....	\$	50,004,000
Hold harmless fund reimbursements		20,000,000
GROSS APPROPRIATION.....	\$	<u>70,004,000</u>
Appropriated from:		
Special revenue funds:		
Court equity fund		28,207,600
State general fund/general purpose	\$	41,796,400

JUSTICES' AND JUDGES' COMPENSATION

Full-time judges' positions.....	611.0	
Supreme court justices' salaries—7.0 judges		\$ 831,300
Court of appeals judges' salaries—28.0 judges		3,192,200
District court judges' state base salaries—259.0 judges.....		15,224,800
District court judicial salary standardization		11,581,900
Probate court judges' state base salaries—107.0 judges.....		5,491,200
Probate court judicial salary standardization.....		4,289,500
Recorder's court judges' state base salaries—29.0 judges		1,894,100
Recorder's court judicial salary standardization		1,274,300
Circuit court judges' state base salaries—181.0 judges		11,821,800
Circuit court judicial salary standardization		7,793,300
Judges' retirement system contribution.....		1,311,800
Grant to the OASI contribution fund, employer's share, social security		3,281,300
GROSS APPROPRIATION.....		\$ 67,987,500
Appropriated from:		
State general fund/general purpose		\$ 67,987,500

JUDICIAL AGENCIES

Full-time equated exempted positions.....	10.0	
Judicial tenure commission—10.0 FTE positions		\$ 874,200
Grant to the legislative council for trial court assessment commission		279,900
GROSS APPROPRIATION.....		\$ 1,154,100
Appropriated from:		
State general fund/general purpose		\$ 1,154,100

INDIGENT DEFENSE - CRIMINAL

Full-time equated exempted positions.....	54.0	
Appellate Public Defender Program—49.5 FTE positions.....		\$ 4,734,500
Appellate Assigned Counsel Administration—4.5 FTE positions.....		637,100
GROSS APPROPRIATION.....		\$ 5,371,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG from state police-Michigan justice training fund		110,000
Federal revenues:		
Special revenue funds:		
Miscellaneous revenue		75,000
State general fund/general purpose		\$ 5,186,600

INDIGENT DEFENSE - CIVIL

Indigent civil defense.....		\$ 3,267,000
GROSS APPROPRIATION.....		\$ 3,267,000
Appropriated from:		
Special revenue funds:		
State court fund		3,267,000
State general fund/general purpose		\$ 0

GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT

Drunk driving caseflow program.....		\$ 1,800,000
GROSS APPROPRIATION.....		\$ 1,800,000
Appropriated from:		
Special revenue funds:		
Drunk driving fund.....		1,800,000
State general fund/general purpose		\$ 0

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 1996-97 is estimated at \$191,736,800.00 in this bill and state spending from state sources paid to local units of government for fiscal year 1996-97 is estimated at \$102,840,200.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

SUPREME COURT

State court administrative office-administration		\$ 511,900
--	--	------------

TRIAL COURT OPERATIONS

Court equity fund reimbursements.....		\$ 50,004,000
Hold harmless fund reimbursements		20,000,000

JUSTICES' AND JUDGES' COMPENSATION

District court judicial salary standardization		\$ 11,581,900
Probate court judges' state base salaries.....		5,491,200
Probate court judicial salary standardization.....		4,289,500
Recorder's court judges' state base salaries		1,894,100
Recorder's court judicial salary standardization		1,274,300
Circuit court judicial salary standardization		7,793,300
TOTAL		\$ 102,840,200

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the department of management and budget.

Sec. 202. (1) The expenditures and funding sources authorized under this bill are subject to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

(2) Funds appropriated in section 101 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the department of management and budget of its approval of an expenditure or transfer, the department of management and budget shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

Sec. 203. The supreme court shall not exceed a revenue line item authorization under section 101.

Sec. 204. In addition to the funds appropriated in section 101, there is appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this act pursuant to section 393(2) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1393 of the Michigan Compiled Laws.

Sec. 205. As used in this act:

- (a) "DAG" means the United States department of agriculture.
- (b) "HHS" means the United States department of health and human services.
- (c) "IDG" means interdepartmental grant.

Sec. 206. Funds appropriated in this act shall not be used for the purchase of foreign goods or services when competitively priced American goods and services are available.

Sec. 207. (1) If the director of the department of management and budget determines that the federal government has failed to enact comprehensive reforms in the federal cash welfare and medicaid programs by October 1, 1996, and notifies the senate and house appropriations committees of that determination, the line-item appropriations contained in section 101 of this appropriation act are adjusted by the amounts listed in subsection (5) as provided in that subsection. A contingency fund account is created in an amount equal to these adjustments.

(2) Effective October 1, 1996, the director of the department of management and budget may adjust the annual allotments and payment schedules of the line-item appropriations in section 101 in accordance with subsection (5).

(3) Contingency fund transfers are authorized in an amount necessary to reverse these adjustments. These transfers shall conform with the provisions of section 393(2) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1393 of the Michigan Compiled Laws. Transfers may restore all or part of the adjustments listed in subsection (5).

(4) If any of the appropriation adjustments under subsection (5) have not been reversed through contingency fund transfers by April 1, 1997, the directors of the department of management and budget, the house fiscal agency, and the senate fiscal agency shall jointly determine the extent of the remaining fiscal imbalance that results from failure to achieve federal medicaid and cash welfare reform. All remaining appropriation adjustments, not previously reversed by contingency fund transfers, shall be made on the same proportionate basis.

(5) The line-item appropriations contained in section 101 of this act are adjusted by \$10,000,000.00. The chief justice of the supreme court shall designate the line-item appropriations to be adjusted and the amounts of the adjustments. Adjustments shall not be made to appropriations for the court equity fund reimbursements or the hold harmless fund reimbursements for trial court operations or for the compensation of justices or judges.

JUDICIAL BRANCH

Sec. 301. Amounts expended from the appropriation in section 101 for contributions to the Michigan judges retirement system shall equal 3.5% of aggregate annual compensation as defined in section 103 of the judges retirement act of 1992, Act No. 234 of the Public Acts of 1992, being section 38.2103 of the Michigan Compiled Laws. This amount, in addition to revenues generated pursuant to the operation of sections 880, 2529, 5756, 8371, 8381, and 8420 of the revised judiciary act of 1961, Act No. 236 of the Public Acts of 1961, being sections 600.880, 600.2529, 600.5756, 600.8371, 600.8381, and 600.8420 of the Michigan Compiled Laws, constitutes publicly financed contributions to the Michigan judges retirement system.

Sec. 302. (1) The office of systems management of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the

office of systems management in providing the service. A report of amounts collected in excess of funds identified as user service charges in section 101 shall be submitted to the house and senate appropriations subcommittees on judiciary and general government, respectively, 30 days before expenditure by the office of systems management.

(2) From funds appropriated in section 101, the office of systems management of the state court administrative office shall provide to the senate and house appropriations committees and the senate and house fiscal agencies before January 1 of each year, a detailed list of user service charges collected during the immediately preceding state fiscal year.

Sec. 303. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 304. Of the amount appropriated in section 101 for the judicial branch, branchwide appropriations, \$183,400.00 is allocated for circuit court reimbursement under Act No. 16 of the Public Acts of 1978, being sections 800.451 to 800.455 of the Michigan Compiled Laws, and \$328,500.00 is allocated for court of claims reimbursement under section 6413 of the revised judicature act of 1961, Act No. 236 of the Public Acts of 1961, being section 600.6413 of the Michigan Compiled Laws.

Sec. 305. The judicial branch shall be reimbursed up to \$400,000.00 per fiscal year for food stamp fraud cases heard by the recorder's court of the city of Detroit that were initiated by the department of attorney general pursuant to the existing contract between the family independence agency, the prosecuting attorneys coordinating council, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to United States department of agriculture regulations and that once earned by this state the funds become state funds.

Sec. 306. The judicial branch shall cooperate with the auditor general regarding audits of the judicial branch conducted pursuant to section 53 of article IV of the state constitution of 1963.

Sec. 307. To avoid the overexpenditure of funds appropriated under this act, the supreme court beginning June 1, 1997 shall report quarterly to the judiciary subcommittees of the senate and house appropriations committees regarding the current status of the accounts set forth in section 101 on forms prescribed by the senate and house fiscal agencies and the judicial branch.

Sec. 308. From funds appropriated under section 101, forms required to be developed by the state court administrative office pursuant to section 2950b of the revised judicature act of 1961, Act No. 236 of the Public Acts of 1961, being section 600.2950b of the Michigan Compiled Laws, shall be provided in the quantity requested by each county clerk.

Sec. 309. The supreme court and the state court administrative office shall implement policy standards prohibiting a judge from hiring or employing a member of his or her immediate family as a court employee or a process servicer or in any other judicial support-related capacity.

Sec. 310. The state supreme court and the state court administrative office shall provide the house and senate appropriations subcommittees on judiciary and the senate and house fiscal agencies by October 15, 1996, a report detailing expenditures resulting from travel and vehicle usage by judges for the fiscal year ending September 30, 1996. At a minimum, data included shall be the date, purpose, and mileage for which compensation is sought.

Sec. 311. Funds appropriated in section 101 shall not be used to pay directly or by reimbursement the annual dues for membership in the state bar of Michigan of a judge, justice, or other employee of the judicial branch.

Sec. 312. (1) The state court administrative office shall develop a plan to submit to senate and house of representatives appropriations subcommittees on judiciary and general government and the house and senate fiscal agencies by October 31, 1996 to require the courts to provide to the state treasurer and state court administrative office by January 1, 1998 audited accounts of all money due and owing the court as of September 30, 1997.

(2) A court shall submit its plan to collect its accounts receivable under existing provisions of law to the state treasurer by January 1, 1998.

(3) A court that fails to comply with the plan or subsection (2) shall be ineligible for full state funding allocations, excluding judicial compensation, under appropriations for 1997-1998.

(4) The state treasurer shall report to the legislature a compilation of the audited receivables of all courts and cumulative totals by March 1, 1998. This report is a public record.

Sec. 313. (1) A joint legislative work group on program performance assessment for components of the branch receiving appropriations from this act is established. This work group shall consist of representatives of the house and senate standing committees on judiciary and the house and senate appropriations subcommittees on judiciary and general government. Members of this work group shall be appointed on a bipartisan basis by the speaker of the house and the majority leader of the senate. Assistance and staff support to the work group may be provided by the house and senate fiscal agencies. The work group shall issue a report on February 1, 1997 to members of the house of representatives and the senate addressing basic program assessment requirements. These recommendations should include suggested measures of need and demand, workload, and outcomes for each program.

(2) Each component of the branch receiving appropriations in section 101 shall prepare annual performance objectives. Program performance objectives shall be provided to the work group on program performance assessment by November 1, 1996. The work group shall review these program performance objectives and any associated outcomes and make recommendations in the report issued on February 1, 1997 to the members of the house of representatives and the senate.

Sec. 314. (1) The supreme court and the state court administrative office shall complete and submit to the legislature on or before December 31, 1996, a report concerning the total funds collected and services funded pursuant to the circuit court family counseling services act, Act No. 155 of the Public Acts of 1964, being sections 551.331 to 551.344 of the Michigan Compiled Laws.

(2) The report shall include but is not limited to:

(a) An accounting of marriage license and family counseling fees collected, the source of the fees, funds expended to provide family counseling services and funds held in escrow, if any.

(b) A list of judicial circuits providing family counseling services funded by this act, and whether the services are provided directly by the court or by contract.

(c) The number of persons receiving services, number of persons refusing services, and referrals made to other agencies.

(d) The extent to which the family counseling service engages in research, educational efforts or public information.

(e) The number of cases involving domestic violence, the number of cases involving child abuse and the number of cases involving problems regarding custody or parenting time.

(f) The results of any program evaluations which may have been conducted.

(g) Recommendations regarding proposed legislative or administrative changes.

MISCELLANEOUS

Sec. 401. This act shall not take effect unless House Bill No. 5158 of the 88th Legislature is enacted into law.

This act is ordered to take immediate effect.

Clerk of the House of Representatives.

Secretary of the Senate.

Approved -----

Governor.