

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 191, entitled

A bill to make appropriations for the judiciary for the fiscal year ending September 30, 2014; and to provide for the expenditure of the appropriations.

Recommends:

First: That the House recede from the Substitute of the House as passed by the House.

Second: That the Senate and House agree to the Substitute of the Senate as passed by the Senate, amended to read as follows:

(attached)

Third: That the Senate and House agree to the title of the bill to read as follows:

A bill to make appropriations for the judiciary for the fiscal year ending September 30, 2014; and to provide for the expenditure of the appropriations.

John Proos

John Walsh

Roger Kahn

Rob VerHeulen

Bert Johnson

Pam Faris

Conferees for the Senate

Conferees for the House

A bill to make appropriations for the judiciary for the fiscal year ending September 30, 2014; and to provide for the expenditure of the appropriations.

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LINE-ITEM APPROPRIATIONS

JUDICIARY

APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	283,414,100
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Interdepartmental grant revenues:

1	Total interdepartmental grants and intradepartmental	
2	transfers	2,350,500
3	ADJUSTED GROSS APPROPRIATION.....	\$ 281,063,600
4	Federal revenues:	
5	Total federal revenues.....	5,343,900
6	Special revenue funds:	
7	Total local revenues.....	7,133,100
8	Total private revenues.....	931,500
9	Total other state restricted revenues.....	84,213,800
10	State general fund/general purpose.....	\$ 183,441,300
11	State general fund/general purpose schedule:	
12	Ongoing state general fund/general	
13	purpose	178,950,600
14	One-time state general fund/general	
15	purpose	4,490,700
16	Sec. 102. SUPREME COURT	
17	Full-time equated exempted positions.....	245.0
18	Supreme court administration--92.0 FTE positions	\$ 13,101,300
19	Judicial institute--13.0 FTE positions	2,132,900
20	State court administrative office--61.0 FTE positions	11,590,900
21	Judicial information systems--22.0 FTE positions	3,012,000
22	Direct trial court automation support--44.0 FTE	
23	positions	7,133,100
24	Foster care review board--10.0 FTE positions	1,271,000
25	Community dispute resolution--3.0 FTE positions	2,360,600
26	Other federal grants.....	275,100
27	Drug treatment courts.....	9,583,000

1	Mental health courts.....	4,100,000
2	Veterans courts.....	500,000
3	Community court pilot project.....	20,000
4	Swift and sure sanctions program.....	<u>6,000,000</u>
5	GROSS APPROPRIATION.....	\$ 61,079,900
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from department of state police.....	1,500,000
9	IDG from department of corrections.....	50,000
10	IDG from state police - Michigan justice training fund	334,500
11	Federal revenues:	
12	DOJ, victims assistance programs.....	55,700
13	DOJ, drug court training and evaluation.....	300,000
14	DOT, national highway traffic safety administration..	818,700
15	HHS, access and visitation grant.....	604,900
16	HHS, children's justice grant.....	226,800
17	HHS, court improvement project.....	1,275,200
18	HHS, title IV-D child support program.....	997,900
19	HHS, title IV-E foster care program.....	381,300
20	Other federal grant revenues.....	275,100
21	Special revenue funds:	
22	Local - user fees.....	7,133,100
23	Private.....	185,900
24	Private - interest on lawyers trust accounts.....	255,700
25	Private - state justice institute.....	408,600
26	Community dispute resolution fund.....	2,360,600
27	Court of appeals filing/motion fees.....	1,641,800

1	Law exam fees.....	628,100
2	Drug court fund.....	1,920,500
3	Miscellaneous revenue.....	268,600
4	Justice system fund.....	560,300
5	State court fund.....	372,700
6	State general fund/general purpose.....	\$ 38,523,900
7	Sec. 103. COURT OF APPEALS	
8	Full-time equated exempted positions.....	175.0
9	Court of appeals operations--175.0 FTE positions.....	\$ <u>22,248,500</u>
10	GROSS APPROPRIATION.....	\$ 22,248,500
11	Appropriated from:	
12	State general fund/general purpose.....	\$ 22,248,500
13	Sec. 104. BRANCHWIDE APPROPRIATIONS	
14	Full-time equated exempted positions.....	4.0
15	Branchwide appropriations--4.0 FTE positions.....	\$ <u>8,621,000</u>
16	GROSS APPROPRIATION.....	\$ 8,621,000
17	Appropriated from:	
18	State general fund/general purpose.....	\$ 8,621,000
19	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION	
20	Full-time judges positions	605.0
21	Supreme court justices' salaries--7.0 justices.....	\$ 1,152,300
22	Court of appeals judges' salaries--28.0 judges.....	4,240,300
23	District court judges' state base salaries--249.0	
24	judges	23,044,500
25	District court judicial salary standardization.....	11,385,300
26	Probate court judges' state base salaries--103.0	
27	judges	9,627,900

1	Probate court judicial salary standardization.....	4,669,600
2	Circuit court judges' state base salaries--218.0	
3	judges	20,534,600
4	Circuit court judicial salary standardization.....	9,967,900
5	Judges' retirement system defined contributions.....	4,185,300
6	OASI, social security.....	<u>5,639,300</u>
7	GROSS APPROPRIATION.....	\$ 94,447,000
8	Appropriated from:	
9	Special revenue funds:	
10	Court fee fund.....	2,988,100
11	State general fund/general purpose.....	\$ 91,458,900
12	Sec. 106. JUDICIAL AGENCIES	
13	Full-time equated exempted positions..... 7.0	
14	Judicial tenure commission--7.0 FTE positions.....	\$ <u>1,101,700</u>
15	GROSS APPROPRIATION.....	\$ 1,101,700
16	Appropriated from:	
17	State general fund/general purpose.....	\$ 1,101,700
18	Sec. 107. INDIGENT DEFENSE - CRIMINAL	
19	Full-time equated exempted positions..... 51.0	
20	Appellate public defender program--44.0 FTE positions	\$ 6,646,900
21	Appellate assigned counsel administration--7.0 FTE	
22	positions	<u>1,041,300</u>
23	GROSS APPROPRIATION.....	\$ 7,688,200
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	IDG from state police - Michigan justice training fund	466,000
27	Federal revenues:	

1	Other federal grant revenues	408,300
2	Special revenue funds:	
3	Private - interest on lawyers trust accounts	81,300
4	Miscellaneous revenue	131,100
5	State general fund/general purpose	\$ 6,601,500
6	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE	
7	Indigent civil legal assistance	\$ <u>7,937,000</u>
8	GROSS APPROPRIATION	\$ 7,937,000
9	Appropriated from:	
10	Special revenue funds:	
11	State court fund	7,937,000
12	State general fund/general purpose	\$ 0
13	Sec. 109. TRIAL COURT OPERATIONS	
14	Court equity fund reimbursements	\$ 60,835,100
15	Judicial technology improvement fund	<u>4,815,000</u>
16	GROSS APPROPRIATION	\$ 65,650,100
17	Appropriated from:	
18	Special revenue funds:	
19	Court equity fund	50,440,000
20	Judicial technology improvement fund	4,815,000
21	State general fund/general purpose	\$ 10,395,100
22	Sec. 110. GRANTS AND REIMBURSEMENTS TO LOCAL	
23	GOVERNMENT	
24	Drug case-flow program	\$ 250,000
25	Drunk driving case-flow program	3,300,000
26	Juror compensation reimbursement	<u>6,600,000</u>
27	GROSS APPROPRIATION	\$ 10,150,000

1 Appropriated from:

2 Special revenue funds:

3	Drug fund.....	250,000
4	Drunk driving fund.....	3,300,000
5	Juror compensation fund.....	6,600,000
6	State general fund/general purpose.....	\$ 0

7 **Sec. 111. ONE-TIME BASIS ONLY APPROPRIATIONS**

8 Full-time equated exempted positions..... 1.0

9 Trial court performance innovation fund--1.0 FTE

10	positions	\$ 1,000,000
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11	MiCS case management system.....	<u>3,490,700</u>
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12	GROSS APPROPRIATION.....	\$ 4,490,700
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13 Appropriated from:

14	State general fund/general purpose.....	\$ 4,490,700
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15 PART 2

16 PROVISIONS CONCERNING APPROPRIATIONS

17 FOR FISCAL YEAR 2013-2014

18 **GENERAL SECTIONS**

19 Sec. 201. Pursuant to section 30 of article IX of the state
 20 constitution of 1963, total state spending from state resources
 21 under part 1 for fiscal year 2013-2014 is \$267,655,100.00 and state
 22 spending from state resources to be paid to local units of
 23 government for fiscal year 2013-2014 is \$136,975,300.00. The
 24 itemized statement below identifies appropriations from which
 25 spending to local units of government will occur:

1	JUDICIARY		
2	SUPREME COURT		
3	State court administrative office.....	\$	511,900
4	Drug treatment courts.....		9,283,000
5	Mental health courts.....		3,997,600
6	Veterans courts.....		485,000
7	Swift and sure sanctions.....		5,900,000
8	TRIAL COURT OPERATIONS		
9	Court equity fund reimbursements.....	\$	60,835,100
10	Judicial technology improvement fund.....		4,815,000
11	Trial court innovations fund.....		900,000
12	Michigan court system.....		3,490,700
13	JUSTICES' AND JUDGES' COMPENSATION		
14	District court judicial salary standardization.....	\$	11,385,300
15	Probate court judges' state base salaries.....		9,627,900
16	Probate court judicial salary standardization.....		4,669,600
17	Circuit court judicial salary standardization.....		9,967,900
18	Grant to OASI contribution fund, employers share,		
19	social security		956,300
20	GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT		
21	Drunk driving case-flow program.....	\$	3,300,000
22	Drug case-flow program.....		250,000
23	Juror compensation reimbursement.....		<u>6,600,000</u>
24	TOTAL.....	\$	136,975,300
25	Sec. 202. (1) The appropriations authorized under this act are		
26	subject to the management and budget act, 1984 PA 431, MCL 18.1101		
27	to 18.1594.		

1 (2) Funds appropriated in part 1 to an entity within the
2 judicial branch shall not be expended or transferred to another
3 account without written approval of the authorized agent of the
4 judicial entity. If the authorized agent of the judicial entity
5 notifies the state budget director of its approval of an
6 expenditure or transfer, the state budget director shall
7 immediately make the expenditure or transfer. The authorized
8 judicial entity agent shall be designated by the chief justice of
9 the supreme court.

10 Sec. 203. As used in this act:

11 (a) "DOJ" means the United States department of justice.

12 (b) "DOT" means the United States department of
13 transportation.

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

15 (d) "HHS" means the United States department of health and
16 human services.

17 (e) "IDG" means interdepartmental grant.

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

19 Sec. 204. The judicial branch shall not take disciplinary
20 action against an employee for communicating with a member of the
21 legislature or his or her staff.

22 Sec. 208. The reporting requirements of this act shall be
23 completed with the approval of, and at the direction of, the
24 supreme court, except as otherwise provided in this act. The
25 judicial branch shall use the Internet to fulfill the reporting
26 requirements of this act. This may include transmission of reports
27 via electronic mail to the recipients identified for each reporting

1 requirement, or it may include placement of reports on an Internet
2 or Intranet site.

3 Sec. 212. The judicial branch shall receive and retain copies
4 of all reports funded from appropriations in part 1. Federal and
5 state guidelines for short-term and long-term retention of records
6 shall be followed. The judicial branch may electronically retain
7 copies of reports unless otherwise required by federal and state
8 guidelines.

9 Sec. 214. Funds appropriated in part 1 shall not be used for
10 the purchase of foreign goods or services, or both, if
11 competitively priced and of comparable quality American goods or
12 services, or both, are available. Preference shall be given to
13 goods or services, or both, manufactured or provided by Michigan
14 businesses, if they are competitively priced and of comparable
15 quality. In addition, preference shall be given to goods or
16 services, or both, that are manufactured or provided by Michigan
17 businesses owned and operated by veterans, if they are
18 competitively priced and of comparable quality.

19 Sec. 215. Not later than January 1 of each year, the state
20 court administrative office shall prepare a travel report listing
21 all travel by judicial branch employees outside this state in the
22 immediately preceding fiscal year that was funded in whole or in
23 part with funds appropriated in the budget for the judicial branch.
24 The report shall be submitted to the senate and house of
25 representatives standing committees on appropriations, the senate
26 and house fiscal agencies, and the state budget director. The
27 report shall include the following information:

1 (a) The dates of each travel occurrence.

2 (b) The total transportation and related costs of each travel
3 occurrence, including the proportion funded with state general
4 fund/general purpose revenues, the proportion funded with state
5 restricted revenues, the proportion funded with federal revenues,
6 and the proportion funded with other revenues.

7 Sec. 219. Not later than November 30, the state budget office
8 shall prepare and transmit a report that provides for estimates of
9 the total general fund/general purpose appropriation lapses at the
10 close of the prior fiscal year. This report shall summarize the
11 projected year-end general fund/general purpose appropriation
12 lapses by major program or program areas. The report shall be
13 transmitted to the chairpersons of the senate and house
14 appropriations committees and the senate and house fiscal agencies.

15 Sec. 221. From the funds appropriated in part 1, the judicial
16 branch shall develop, post, and maintain, on a user-friendly and
17 publicly accessible Internet site, all expenditures made by the
18 judicial branch within a fiscal year. The posting shall include the
19 purpose for which each expenditure is made. The judicial branch
20 shall not provide financial information on its website under this
21 section if doing so would violate a federal or state law, rule,
22 regulation, or guideline that establishes privacy or security
23 standards applicable to that financial information.

24 Sec. 222. Within 14 days after the release of the executive
25 budget recommendation, the judicial branch shall cooperate with the
26 state budget office to provide the senate and house appropriations
27 chairs, the senate and house appropriations subcommittee chairs,

1 and the senate and house fiscal agencies with an annual report on
2 estimated state restricted fund balances, state restricted fund
3 projected revenues, and state restricted fund expenditures for the
4 fiscal years ending September 30, 2013 and September 30, 2014.

5 Sec. 223. The judiciary shall maintain, on a publicly
6 accessible website, a scorecard that identifies, tracks, and
7 regularly updates key metrics that are used to monitor and improve
8 the judiciary's performance.

9 JUDICIAL BRANCH

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

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

20 Sec. 303. Of the amount appropriated in part 1 for the
21 judicial branch, \$325,000.00 is allocated for circuit court
22 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and
23 \$186,900.00 is allocated for court of claims reimbursement under
24 section 6413 of the revised judicature act of 1961, 1961 PA 236,
25 MCL 600.6413.

26 Sec. 306. The supreme court and the state court administrative

1 office shall continue to maintain, as a priority, the assisting of
2 local trial courts in improving the collection of judgments.

3 Sec. 308. If sufficient funds are not available from the court
4 fee fund to pay judges' compensation, the difference between the
5 appropriated amount from that fund for judges' compensation and the
6 actual amount available after the amount appropriated for trial
7 court reimbursement is made shall be appropriated from the state
8 general fund for judges' compensation.

9 Sec. 309. By April 1, the state court administrative office
10 shall provide an update on the status of the mental health courts
11 to the state budget director, the senate and house appropriations
12 subcommittees on the judiciary, and the senate and house fiscal
13 agencies.

14 Sec. 310. From the funds appropriated in part 1 for drug
15 treatment court programs, with the approval of and at the
16 discretion of the supreme court, the state court administrative
17 office shall evaluate and collect data on the performance of drug
18 treatment court programs. The state court administrative office
19 shall provide an annual review of the performance of drug courts as
20 prescribed in section 1078(6) of the revised judicature act of
21 1961, 1961 PA 236, MCL 600.1078. Both of the following apply to
22 that annual review:

23 (a) It shall include measures of the impact of drug court
24 programs in changing offender criminal involvement (recidivism) and
25 substance abuse and in reducing prison admissions.

26 (b) It shall be completed no later than April 1 of each year
27 and shall also be provided to the senate and house appropriations

1 subcommittees on the judiciary, the senate and house fiscal
2 agencies, and the state budget director.

3 Sec. 311. (1) The funds appropriated in part 1 for drug
4 treatment courts shall be administered by the state court
5 administrative office to operate drug treatment court programs. A
6 drug treatment court shall be responsible for handling cases
7 involving substance abusing nonviolent offenders through
8 comprehensive supervision, testing, treatment services, and
9 immediate sanctions and incentives. A drug treatment court shall
10 use all available county and state personnel involved in the
11 disposition of cases including, but not limited to, parole and
12 probation agents, prosecuting attorneys, defense attorneys, and
13 community corrections providers. The funds may be used in
14 connection with other federal, state, and local funding sources.

15 (2) From the funds appropriated in part 1, the chief justice
16 shall allocate sufficient funds for the judicial institute to
17 provide in-state training for those identified in subsection (1),
18 including training for new drug treatment court judges.

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

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

27 Sec. 312. From the funds appropriated in part 1, the state

1 court administrator shall produce a statistical report regarding
2 the implementation of the parental rights restoration act, 1990 PA
3 211, MCL 722.901 to 722.908, as it pertains to minors seeking a
4 court-issued waiver of parental consent. The state court
5 administrative office shall report the total number of petitions
6 filed and the total number of petitions granted in accordance with
7 section 208.

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

13 Sec. 318. The funds appropriated in part 1 for the community
14 court pilot project shall be used for the purposes of administering
15 a pilot program of neighborhood-focused community courts. The state
16 court administrative office shall work collaboratively with the
17 designated courts when establishing the community courts.

18 Sec. 320. (1) From the funds appropriated in part 1 for the
19 swift and sure sanctions program, the state court administrative
20 office shall administer a program to distribute grants to
21 qualifying courts in accordance with the objectives and
22 requirements of the probation swift and sure sanctions act. Of the
23 \$6,000,000.00 designated for the program, not more than \$100,000.00
24 shall be available to the state court administrative office to pay
25 for employee costs associated with the administration of the
26 program funds. Courts interested in participating in the swift-and-
27 sure sanctions program may apply to the state court administrative

1 office for a portion of the funds appropriated in part 1 under this
2 section.

3 (2) By April 1, a court that receives funding under this
4 section shall provide a report on the program to the state budget
5 director, the senate and house appropriations subcommittees on the
6 judiciary, and the senate and house fiscal agencies. The report
7 shall include all of the following:

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

9 (b) The criminal history of offenders who participate in the
10 program.

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

13 (d) A detailed description of the establishment and parameters
14 of the program.

15 (3) As used in this section, "program" means a swift-and-sure
16 sanctions program.

17 Sec. 321. It is the intent of the legislature that the
18 judicial branch support a statewide legal self-help Internet
19 website and local nonprofit self-help centers that use the
20 statewide website to provide assistance to individuals representing
21 themselves in civil legal proceedings. The state court
22 administrative office shall evaluate the effectiveness of the
23 website, summarize the costs of maintaining the website, estimate
24 the savings the website generates for the state court system, and
25 report this information to the legislature.

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
2 exceeding \$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 department of
6 justice in excess of the amount appropriated in part 1, the office
7 of appellate defender may receive and expend grant funds in an
8 amount not exceeding \$300,000.00 as other federal grants.

9 Sec. 323. The state court administrative office shall provide
10 courts with a quarterly listing of out-of-state placements of
11 juveniles by each court. The state court administrative office
12 shall also provide each judge who hears juvenile matters with the
13 annual listing of per diem costs of the public and private
14 residential care facilities located or doing business in this
15 state, and the recidivism data for each facility, if available, as
16 provided by the department of human services. The courts shall
17 acknowledge receipt of this information.

18 PART 2A

19 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

20 FOR FISCAL YEAR 2014-2015

21 GENERAL SECTIONS

22 Sec. 1201. It is the intent of the legislature to provide
23 appropriations for the fiscal year ending on September 30, 2015 for
24 the line items listed in part 1. The fiscal year 2014-2015
25 appropriations are anticipated to be the same as those for fiscal

1 year 2013-2014, except that the line items will be adjusted for
2 changes in caseload and related costs, federal fund match rates,
3 economic factors, and available revenue. These adjustments will be
4 determined after the January 2014 consensus revenue estimating
5 conference.

6 Sec. 1202. It is the intent of the legislature that the
7 judicial branch identify the amounts for normal retirement costs
8 and legacy retirement costs for the fiscal year ending on September
9 30, 2015 for the line items listed in part 1.