

Fiscal Analysis

JUDICIARY REVENUE PACKAGE (SENATE PACKAGE)



Bill/Sponsor	SENATE BILL 433 as passed by Senate, Sen. Michael Switalski SENATE BILL 434 as passed by Senate, Sen. Michael Switalski SENATE BILL 435 as passed by Senate, Sen. Hansen Clarke SENATE BILL 436 as passed by Senate, Sen. Michael Switalski SENATE BILL 437 as passed by Senate, Sen. Michael Switalski SENATE BILL 438 as passed by Senate, Sen. Michael Switalski SENATE BILL 439 as passed by Senate, Sen. Alan Cropsey SENATE BILL 440 as passed by Senate, Sen. Alan Cropsey SENATE BILL 441 as passed by Senate, Sen. Alan Cropsey SENATE BILL 442 as passed by Senate, Sen. Valde Garcia SENATE BILL 443 as passed by Senate, Sen. Alan Cropsey SENATE BILL 444 as passed by Senate, Sen. Cameron S. Brown SENATE BILL 445 as passed by Senate, Sen. Cameron S. Brown SENATE BILL 446 as passed by Senate, Sen. Cameron S. Brown SENATE BILL 447 as passed by Senate, Sen. Cameron S. Brown SENATE BILL 448 as passed by Senate, Sen. Valde Garcia SENATE BILL 449 as passed by Senate, Sen. Alan Cropsey SENATE BILL 450 as passed by Senate, Sen. Valde Garcia SENATE BILL 451 as passed by Senate, Sen. Valde Garcia
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House Committee	Judiciary
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Analysis	Summary Generally, Senate Bills 433 to 451 would increase revenue for various judiciary- and criminal justice-related entities by increasing civil filing fees and consolidating the assessments and state-level costs imposed on civil infractions and criminal offenses, with a net increase in the revenue generated by such assessments/costs. The processes for distributing revenue generated by both filing fees and assessments/costs would be revised to move the earmarking of revenue from the local level to the state level. The bills would all become effective October 1, 2003.
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As introduced, Senate Bills 433 to 451 were identical to the introduced versions of House Bills 4732 to 4751 (although the bills are ordered differently). For a summary and analysis of the House package, please see the revised analysis dated of those bills (also dated June 9, 2003). The remainder of this analysis notes only the changes made to the Senate package between introduction and Senate passage, and the resulting fiscal impacts.

Senate Bill 433 [House Bill 4736]: Consolidated assessment for traffic-related civil infractions increased from \$35.00 to \$40.00.

Senate Bill 434 [House Bill 4737]: No major changes.

Senate Bill 435 [House Bill 4738]: State minimum costs for nonserious/nonspecified misdemeanors increased from \$35.00 to \$40.00.

Senate Bill 436 [House Bill 4732]: State minimum costs for nonserious/nonspecified misdemeanors increased from \$35.00 to \$40.00. Provision added to prohibit waiver of fine unless court costs are waived.

Senate Bill 437 [House Bill 4733]: State minimum costs for juveniles found responsible for nonserious/nonspecified misdemeanors increased from \$35.00 to \$40.00.

Senate Bill 438 [House Bill 4748]: Filing fee and county earmark increases sunset after two years—effective only for fiscal years (FYs) 2003-04 and 2004-05. Distribution of funds from new Civil Filing Fee Fund for FY 2003-04 extended to FY 2004-05. (Introduced version had specified distribution only for FY 2003-04). Alternate distribution specified for FY 2005-06 and beyond.

Recipient	Percent of Fund Balance	
	FYs 2003-04 and 2004-05	FY 2005-06 and Beyond
State Court Fund	48.5	64.2
Court Equity Fund	8.2	0.0
Judicial Technology Improvement Fund	11.1	0.0
Community Dispute Resolution Fund	5.2	4.4
Judges Retirement System	24.0	27.5
Legislative Retirement System	1.5	1.9
State General Fund	1.5	2.0

Senate Bill 439 [House Bill 4734]: Secondary Road Patrol and Training Fund removed from percentage-based formula for new Justice System Fund; fund would receive \$10.00 multiplied by the number of assessments paid for traffic-related civil infractions. Percentages for remaining recipients (applied to remainder of funds in Justice System Fund) adjusted as follows:

Recipient	Percent of Fund Balance	
	FY 2003-04	FY 2004-05 and Beyond
Highway Safety Fund	24.7	24.8
Jail Reimbursement Program Fund	13.0	12.4
Michigan Justice Training Fund	13.0	12.4
Legislative Retirement System	1.2	1.15
Drug Treatment Court Fund	2.35	2.85
Forensic Lab Fund	3.9	5.6
State Court Fund	14.3	13.3
Court Equity Fund	25.55	25.5
State Treasurer (administration)	1.0	1.0
State Court Administrative Office (administration)	1.0	1.0

Senate Bill 440 [House Bill 4735]: No major changes.

Senate Bill 441 [House Bill 4749]: No major changes.

Senate Bill 442 [House Bill 4739]: No major changes.

Senate Bill 443 [House Bill 4741]: No major changes.

Senate Bill 444 [House Bill 4744]: Portion of funds available in Forensic Lab Fund removed from existing statutory formula (which distributes funds to Department of State Police and local units of government operating forensic labs using caseload-based formula) and earmarked for costs of Department of State Police in maintaining forensic DNA database. Percentage earmarked for DNA database costs would be 19.0% in FY 2003-04 and 45.0% in FY 2004-05 and beyond.

Senate Bill 445 [House Bill 4745]: No major changes.

Senate Bill 446 [House Bill 4746]: No major changes.

Senate Bill 447 [House Bill 4747]: No major changes.

Senate Bill 448 [House Bill 4742]: No major changes.

Senate Bill 449 [House Bill 4740]: No major changes.

Senate Bill 450 [House Bill 4743]: No major changes.

Senate Bill 451 [House Bill 4750]: No major changes.

The tables below provide a summary of the overall assessment/costs consolidation proposal contained within the Senate-passed package:

CIVIL INFRACTIONS: TRAFFIC

Current		Senate Bills 433-451	
Category	Amount	Category	Amount
Assessments		Justice System Assessment	\$40
Michigan Justice Training Fund	\$5		
Highway Safety Fund	\$5		
Secondary Road Patrol and Training Fund	\$10		
Jail Reimbursement Program Fund	\$5		
State Minimum Costs	<u>\$9</u>		
TOTAL	\$34		

CIVIL INFRACTIONS: NON-TRAFFIC

Current		Senate Bills 433-451	
Category	Amount	Category	Amount
State Minimum Costs	\$9	Justice System Assessment	\$10

CRIMINAL OFFENSES

Current		Senate Bills 433-451	
Category	Amount	Category	Amount
Forensic Laboratory Fund (Cases involving a criminal sexual conduct offense or forensic casework)	\$150	State Minimum Costs Non-Crime Victim Rights Misdemeanor	\$40
DNA Assessment (Felonies/Specified Misdemeanors)	\$60	Crime Victims Rights Misdemeanor	\$45
State Minimum Costs: Misdemeanors	\$9	Felony	\$60
MINIMUM TOTAL (Misdemeanor with no assessments)	\$9		
MAXIMUM TOTAL (Felony with both assessments)	\$210		

Fiscal Impact

The fiscal impact of Senate Bill 438 would be the same as that for House Bill 4748 (see revised analysis of House package) for FY 2003-04. Senate Bill 438 clarifies that the same impact would occur in FY 2004-05. For FY 2005-06 and beyond (after the fee increases have sunset), the percentage distributions from the Civil Filing Fee fund have been designed to be revenue neutral compared to the current system.

The major fiscal impacts of the changes made by the Senate to the Justice System Fund portion of the introduced package are as follows:

- (1) Increase the amount of revenue distributed to the Highway Safety Fund by \$6.4 million in FY 2003-04, \$7.5 million in FY 2004-05, and \$8.3 million in FY 2005-06. (As background, the Senate-passed version of Senate Bill 277, the FY 2003-04 State Police budget, incorporated \$6.3 million in increased Highway Safety Fund revenue to offset a GF/GP reduction of the same amount.)
- (2) Eliminate potential growth in revenue for the Secondary Road Patrol and Training Fund by approximately \$100,000 in FY 2004-05 and \$900,000 in FY 2005-06. This revenue would essentially be distributed to the various other recipients of Justice System Fund revenue.
- (3) Marginally increase the amount of revenue received by the Department of State Police for its Forensic Science Division and earmark a portion of that revenue for DNA database costs, rather than general forensic science costs. Since the department receives the bulk of the revenue distributed from the Forensic Lab Fund (85.8% in FY 2001-02), the marginal increase in revenue for the department resulting from this change would only be about \$57,000 in FY 2003-04, \$213,000 in FY 2004-05, and \$230,000 in FY 2005-06.

The table on the next page provides a complete breakdown of revenue impacts under the Justice System Fund portion of the Senate-passed package.

Recipient	Baseline Revenue	Revenue Under Senate Bills 433-451				Increase	Increase
		FY 2003-04	FY 2004-05	FY 2005-06	FY 2005-06		
Highway Safety Fund	\$7,000,000	\$13,402,834	\$6,402,834	\$14,757,956	\$7,757,956	\$15,907,960	\$8,907,960
Michigan Justice Training Fund	7,000,000	7,054,123	54,123	7,378,978	378,978	7,953,980	953,980
Secondary Road Patrol & Training Fund	14,000,000	14,000,000	0	14,000,000	0	14,000,000	0
Jail Reimbursement Program Fund	7,000,000	7,054,123	54,123	7,378,978	378,978	7,953,980	953,980
State Forensic Lab Fund	1,500,000	1,714,152	214,152	1,832,843	332,843	1,975,666	475,666
Dept. of State Police: DNA Database Costs	200,000	402,085	202,085	1,499,599	1,299,599	1,616,454	1,416,454
Courts/Police Agencies (DNA Costs)	100,000	40,000	(60,000)	20,000	(80,000)	0	(100,000)
Courts/Police Agencies/Prosecuting Attorneys (Forensic Lab Fund Admin.)	265,000	132,500	(132,500)	66,250	(198,750)	0	(265,000)
Legislative Retirement System	570,000	651,150	81,150	684,341	114,341	737,668	167,668
Judges Retirement System*	855,000	0	(855,000)	0	(855,000)	0	(855,000)
Drug Treatment Court Fund	0	1,275,168	1,275,168	1,695,975	1,695,975	1,828,133	1,828,133
State Court Fund	7,600,000	7,759,536	159,536	7,914,549	314,549	8,531,285	931,285
Court Equity Fund	8,075,000	13,864,066	5,789,066	15,174,512	7,099,512	16,356,975	8,281,975
Department of Treasury	0	542,625	542,625	595,079	595,079	641,450	641,450
State Court Administrative Office	0	542,625	542,625	595,079	595,079	641,450	641,450
TOTAL	\$54,165,000	\$68,434,987	\$14,269,987	\$73,594,139	\$19,429,139	\$78,145,001	\$23,980,001

*Revenue loss would be offset by increase under court filing fee portion of package.

Note: Figures do not reflect possible revenue increase to court funding units (see final paragraph of revised analysis of House package).

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