

FIRST CONFERENCE REPORT

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

Senate Bill No. 180, entitled

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2012; to provide for the expenditure of these appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain state and local departments, officials, and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

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 judicial branch for the fiscal year ending September 30, 2012; to provide for the expenditure of these appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain state and local departments, officials, and employees; to require certain

reports; and to provide for the disposition of fees and other income received by the judicial branch.

John Proos

Kevin Cotter

Roger Kahn

Anthony G. Forlini

Bert Johnson

Rashida Tlaib

Conferees for the Senate

Conferees for the House

**SUBSTITUTE FOR
SENATE BILL NO. 180**

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2012; to provide for the expenditure of these appropriations; to provide anticipated appropriations for the fiscal year ending September 30, 2013; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain state and local departments, 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:

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PART 1

LINE-ITEM APPROPRIATIONS
FOR FISCAL YEAR 2011-2012

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the judicial

branch for the fiscal year ending September 30, 2012, from the funds indicated in this part. The following is a summary of the appropriations in this part:

JUDICIARY

APPROPRIATION SUMMARY

Full-time equated exempted positions..... 491.0

GROSS APPROPRIATION..... \$ 256,973,200

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 3,573,500

ADJUSTED GROSS APPROPRIATION..... \$ 253,399,700

Federal revenues:

Total federal revenues..... 5,539,500

Special revenue funds:

Total local revenues..... 6,342,700

Total private revenues..... 842,500

Total other state restricted revenues..... 88,140,700

State general fund/general purpose..... \$ 152,534,300

Sec. 102. SUPREME COURT

Full-time equated exempted positions..... 243.0

Supreme court administration--97.0 FTE positions..... \$ 11,184,900

Judicial institute--13.0 FTE positions..... 1,979,000

State court administrative office--60.0 FTE positions 10,548,900

Judicial information systems--22.0 FTE positions..... 3,174,700

Direct trial court automation support--36.0 FTE

positions 6,342,700

Foster care review board--12.0 FTE positions..... 1,289,800

1	Community dispute resolution--3.0 FTE positions	2,335,500
2	Other federal grants	275,100
3	Drug treatment courts	7,133,000
4	Community court pilot project	<u>20,000</u>
5	GROSS APPROPRIATION	\$ 44,283,600
6	Appropriated from:	
7	Interdepartmental grant revenues:	
8	IDG from department of state police	1,800,000
9	IDG from department of corrections	1,050,000
10	IDG from state police - Michigan justice training fund	300,000
11	Federal revenues:	
12	DOJ, victims assistance programs	50,000
13	DOJ, drug court training and evaluation	300,000
14	DOT, national highway traffic safety administration ..	1,300,000
15	HHS, access and visitation grant	550,000
16	HHS, children's justice grant	206,300
17	HHS, court improvement project	1,160,000
18	HHS, title IV-D child support program	907,700
19	HHS, title IV-E foster care program	540,400
20	Other federal grant revenues	275,100
21	Special revenue funds:	
22	Local - user fees	6,342,700
23	Private	169,000
24	Private - interest on lawyers trust accounts	232,700
25	Private - state justice institute	370,800
26	Community dispute resolution fund	2,335,500
27	Law exam fees	536,200

1	Drug court fund.....	1,920,500
2	Miscellaneous revenue.....	227,900
3	Justice system fund.....	700,000
4	State court fund.....	339,000
5	State general fund/general purpose.....	\$ 22,669,800
6	Sec. 103. COURT OF APPEALS	
7	Full-time equated exempted positions.....	190.0
8	Court of appeals operations--190.0 FTE positions.....	\$ <u>19,143,800</u>
9	GROSS APPROPRIATION.....	\$ 19,143,800
10	Appropriated from:	
11	Special revenue funds:	
12	Court filing/motion fees.....	1,458,500
13	Miscellaneous revenue.....	77,800
14	State general fund/general purpose.....	\$ 17,607,500
15	Sec. 104. BRANCHWIDE APPROPRIATIONS	
16	Full-time equated exempted positions.....	4.0
17	Branchwide appropriations--4.0 FTE positions.....	\$ <u>8,338,700</u>
18	GROSS APPROPRIATION.....	\$ 8,338,700
19	Appropriated from:	
20	State general fund/general purpose.....	\$ 8,338,700
21	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION	
22	Full-time judges positions	607.0
23	Supreme court justices' salaries--7.0 justices.....	\$ 1,152,300
24	Court of appeals judges' salaries--26.0 judges.....	3,937,400
25	District court judges' state base salaries--252.0	
26	judges	23,321,900
27	District court judicial salary standardization.....	11,522,500

1	Probate court judges' state base salaries--103.0	
2	judges	9,627,900
3	Probate court judicial salary standardization	4,669,700
4	Circuit court judges' state base salaries--219.0	
5	judges	20,628,800
6	Circuit court judicial salary standardization	10,013,600
7	Judges' retirement system defined contributions	3,894,300
8	OASI, social security	<u>5,511,000</u>
9	GROSS APPROPRIATION	\$ 94,279,400
10	Appropriated from:	
11	Special revenue funds:	
12	Court fee fund	7,090,200
13	State general fund/general purpose	\$ 87,189,200
14	Sec. 106. JUDICIAL AGENCIES	
15	Full-time equated exempted positions	7.0
16	Judicial tenure commission--7.0 FTE positions	\$ <u>961,500</u>
17	GROSS APPROPRIATION	\$ 961,500
18	Appropriated from:	
19	State general fund/general purpose	\$ 961,500
20	Sec. 107. INDIGENT DEFENSE - CRIMINAL	
21	Full-time equated exempted positions	47.0
22	Appellate public defender program--39.0 FTE positions	\$ 5,322,800
23	Appellate assigned counsel administration--8.0 FTE	
24	positions	<u>906,300</u>
25	GROSS APPROPRIATION	\$ 6,229,100
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG from state police - Michigan justice training fund	423,500
2	Federal revenues:	
3	Other federal grant revenues.....	250,000
4	Special revenue funds:	
5	Private - interest on lawyers trust accounts.....	70,000
6	Miscellaneous revenue.....	113,100
7	State general fund/general purpose.....	\$ 5,372,500
8	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE	
9	Indigent civil legal assistance.....	\$ <u>7,937,000</u>
10	GROSS APPROPRIATION.....	\$ 7,937,000
11	Appropriated from:	
12	Special revenue funds:	
13	State court fund.....	7,937,000
14	State general fund/general purpose.....	\$ 0
15	Sec. 109. TRIAL COURT OPERATIONS	
16	Court equity fund reimbursements.....	\$ 60,835,100
17	Judicial technology improvement fund.....	<u>4,815,000</u>
18	GROSS APPROPRIATION.....	\$ 65,650,100
19	Appropriated from:	
20	Special revenue funds:	
21	Court equity fund.....	50,440,000
22	Judicial technology improvement fund.....	4,815,000
23	State general fund/general purpose.....	\$ 10,395,100
24	Sec. 110. GRANTS AND REIMBURSEMENTS TO LOCAL	
25	GOVERNMENT	
26	Drug case-flow program.....	\$ 250,000
27	Drunk driving case-flow program.....	3,300,000

1	Juror compensation reimbursement	<u>6,600,000</u>
2	GROSS APPROPRIATION	\$ 10,150,000
3	Appropriated from:	
4	Special revenue funds:	
5	Drug fund	250,000
6	Drunk driving fund	3,300,000
7	Juror compensation fund	6,600,000
8	State general fund/general purpose	\$ 0

9

PART 2

10

PROVISIONS CONCERNING APPROPRIATIONS

11

FOR FISCAL YEAR 2011-2012

12

GENERAL SECTIONS

13

Sec. 201. Pursuant to section 30 of article IX of the state

14

constitution of 1963, total state spending from state resources

15

under part 1 for fiscal year 2011-2012 is \$240,675,000.00 and state

16

spending from state resources to be paid to local units of

17

government for fiscal year 2011-2012 is \$119,875,600.00. The

18

itemized statement below identifies appropriations from which

19

spending to local units of government will occur:

20

JUDICIARY

21

SUPREME COURT

22

State court administrative office \$ 511,900

23

Drug treatment courts 6,833,000

24

TRIAL COURT OPERATIONS

25

Court equity fund reimbursements \$ 60,835,100

1	Judicial technology improvement fund.....	4,815,000
2	JUSTICES' AND JUDGES' COMPENSATION	
3	District court judicial salary standardization.....	\$ 11,522,500
4	Probate court judges' state base salaries.....	9,627,900
5	Probate court judicial salary standardization.....	4,669,700
6	Circuit court judicial salary standardization.....	10,013,600
7	Grant to OASI contribution fund, employers share,	
8	social security	896,900
9	GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT	
10	Drunk driving case-flow program.....	\$ 3,300,000
11	Drug case-flow program.....	250,000
12	Juror compensation reimbursement.....	<u>6,600,000</u>
13	TOTAL.....	\$ 119,875,600

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

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

26 Sec. 203. As used in this act:

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

1 (b) "DOT" means the United States department of
2 transportation.

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

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

6 (e) "IDG" means interdepartmental grant.

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

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

11 Sec. 208. The reporting requirements of this act shall be
12 completed with the approval of, and at the direction of, the
13 supreme court, except as otherwise provided in this act. The
14 judicial branch shall use the Internet to fulfill the reporting
15 requirements of this act. This may include transmission of reports
16 via electronic mail to the recipients identified for each reporting
17 requirement, or it may include placement of reports on an Internet
18 or Intranet site.

19 Sec. 212. The department and agencies receiving appropriations
20 in part 1 shall receive and retain copies of all reports funded
21 from appropriations in part 1. Federal and state guidelines for
22 short-term and long-term retention of records shall be followed.
23 The department may electronically retain copies of reports unless
24 otherwise required by federal and state guidelines.

25 Sec. 214. Funds appropriated in part 1 shall not be used for
26 the purchase of foreign goods or services, or both, if
27 competitively priced and of comparable quality American goods or

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

8 Sec. 215. (1) Due to the current budgetary problems in this
9 state, out-of-state travel for the fiscal year ending September 30,
10 2012 shall be limited to situations in which 1 or more of the
11 following conditions apply:

12 (a) The travel is required by legal mandate or court order or
13 for law enforcement purposes.

14 (b) The travel is necessary to protect the health or safety of
15 Michigan citizens or visitors or to assist other states in similar
16 circumstances.

17 (c) The travel is necessary to produce budgetary savings or to
18 increase state revenues, including protecting existing federal
19 funds or securing additional federal funds.

20 (d) The travel is necessary to comply with federal
21 requirements.

22 (e) The travel is necessary to secure specialized training for
23 staff that is not available within this state.

24 (f) The travel is financed entirely by federal or nonstate
25 funds.

26 (2) If out-of-state travel is necessary but does not meet 1 or
27 more of the conditions in subsection (1), the chief justice or his

1 or her designee may grant an exception to allow the travel. Any
2 exceptions granted by the chief justice or his or her designee
3 shall be reported on a monthly basis to the senate and house of
4 representatives standing committees on appropriations.

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

14 (a) The name of each person receiving reimbursement for travel
15 outside this state or whose travel costs were paid by this state.

16 (b) The destination of each travel occurrence.

17 (c) The dates of each travel occurrence.

18 (d) A brief statement of the reason for each travel
19 occurrence.

20 (e) The transportation and related costs of each travel
21 occurrence, including the proportion funded with state general
22 fund/general purpose revenues, the proportion funded with state
23 restricted revenues, the proportion funded with federal revenues,
24 and the proportion funded with other revenues.

25 (f) A total of all out-of-state travel funded for the
26 immediately preceding fiscal year.

27 Sec. 219. Not later than November 15, 2012, the judiciary

1 shall prepare and transmit a report that provides for estimates of
2 the total general fund/general purpose appropriation lapses at the
3 close of the fiscal year. This report shall summarize the projected
4 year-end general fund/general purpose appropriation lapses by major
5 program or program areas. The report shall be transmitted to the
6 office of the state budget, the chairpersons of the senate and
7 house appropriations committees, and the senate and house fiscal
8 agencies.

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

18 Sec. 222. Within 14 days after the release of the executive
19 budget recommendation, the department shall provide the state
20 budget director, the senate and house appropriations chairs, the
21 senate and house appropriations subcommittees on the judiciary,
22 respectively, and the senate and house fiscal agencies with an
23 annual report on estimated state restricted fund balances, state
24 restricted fund projected revenues, and state restricted fund
25 expenditures for the fiscal years ending September 30, 2011 and
26 September 30, 2012.

1 **JUDICIAL BRANCH**

2 Sec. 301. Pursuant to the appropriations in part 1, the direct
3 trial court automation support program of the state court
4 administrative office shall recover direct and overhead costs from
5 trial courts by charging for services rendered. The fee shall cover
6 the actual costs incurred to the direct trial court automation
7 support program in providing the service, including development of
8 future versions of case management systems.

9 Sec. 302. Funds appropriated within the judicial branch shall
10 not be expended by any component within the judicial branch without
11 the approval of the supreme court.

12 Sec. 303. Of the amount appropriated in part 1 for the
13 judicial branch, \$325,000.00 is allocated for circuit court
14 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and
15 \$186,900.00 is allocated for court of claims reimbursement under
16 section 6413 of the revised judicature act of 1961, 1961 PA 236,
17 MCL 600.6413.

18 Sec. 306. The supreme court and the state court administrative
19 office shall continue to maintain, as a priority, the assisting of
20 local trial courts in improving the collection of judgments.

21 Sec. 308. If sufficient funds are not available from the court
22 fee fund to pay judges' compensation, the difference between the
23 appropriated amount from that fund for judges' compensation and the
24 actual amount available after the amount appropriated for trial
25 court reimbursement is made shall be appropriated from the state
26 general fund for judges' compensation.

27 Sec. 309. By April 1, 2012, the state court administrative

1 office shall provide an update on the status of the pilot mental
2 health courts to the state budget director, the senate and house
3 appropriations subcommittees on the judiciary, and the senate and
4 house fiscal agencies.

5 Sec. 310. From the funds appropriated in part 1 for drug
6 treatment court programs, with the approval of and at the
7 discretion of the supreme court, the state court administrative
8 office shall evaluate and collect data on the performance of drug
9 treatment court programs. The state court administrative office
10 shall provide an annual review of the performance of drug courts as
11 prescribed in section 1078(6) of the revised judicature act of
12 1961, 1961 PA 236, MCL 600.1078. All of the following apply to that
13 annual review:

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

17 (b) It shall be completed no later than April 1 of each year
18 and shall also be provided to the senate and house appropriations
19 subcommittees on the judiciary, the senate and house fiscal
20 agencies, and the state budget director.

21 (c) The evaluation of a program funded with federal Byrne
22 funds shall be consistent with the requirements contained in the
23 federal Byrne grant for that program.

24 Sec. 311. (1) The funds appropriated in part 1 for drug
25 treatment courts shall be administered by the state court
26 administrative office to operate drug treatment court programs. A
27 drug treatment court shall be responsible for handling cases

1 involving substance abusing nonviolent offenders through
2 comprehensive supervision, testing, treatment services, and
3 immediate sanctions and incentives. A drug treatment court shall
4 use all available county and state personnel involved in the
5 disposition of cases including, but not limited to, parole and
6 probation agents, prosecuting attorneys, defense attorneys, and
7 community corrections providers. The funds may be used in
8 connection with other federal, state, and local funding sources.

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

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

16 (4) The judiciary shall receive \$1,800,000.00 in Byrne formula
17 grant funding as an interdepartmental grant from the department of
18 state police to be used for expansion of drug treatment courts, to
19 assist in avoiding prison bed space growth for nonviolent offenders
20 in collaboration with the department of corrections.

21 (5) If United States department of transportation, national
22 highway traffic safety administration federal funding is awarded to
23 the judiciary for the support of drug treatment courts in an amount
24 that exceeds the amount appropriated in part 1, the judiciary may
25 receive and expend the funds in an amount not exceeding \$450,000.00
26 above the amount appropriated in part 1 for the support of drug
27 treatment courts.

1 Sec. 312. From the funds appropriated in part 1, the state
2 court administrator shall produce a statistical report regarding
3 the implementation of the parental rights restoration act, 1990 PA
4 211, MCL 722.901 to 722.908, as it pertains to minors seeking a
5 court-issued waiver of parental consent. The state court
6 administrative office shall report the total number of petitions
7 filed and the total number of petitions granted in accordance with
8 section 208.

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

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

19 Sec. 320. (1) From the funds appropriated in part 1 for drug
20 treatment courts, \$1,000,000.00 shall be administered by the state
21 court administrative office to distribute to qualifying counties to
22 support a swift-and-sure sanctions pilot program. A qualifying
23 county shall apply to the state court administrative office for a
24 portion of the funds appropriated in part 1.

25 (2) A qualifying county that receives funding under this
26 section shall provide a report on the pilot program to the state
27 budget director, the senate and house appropriations subcommittees

1 on the judiciary, and the senate and house fiscal agencies. The
2 report shall include all of the following:

3 (a) The number of offenders who participate in the pilot
4 program.

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

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

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

12 (3) As used in this section:

13 (a) "Pilot program" means a swift-and-sure sanctions pilot
14 program.

15 (b) "Qualifying county" means a county that has both of the
16 following:

17 (i) A drug treatment court.

18 (ii) A unified trial court system.

19 Sec. 321. It is the intent of the legislature that the
20 judicial branch support a statewide legal self-help Internet
21 website and local nonprofit self-help centers that use the
22 statewide website to provide assistance to individuals representing
23 themselves in civil legal proceedings.

24 Sec. 322. (1) If Byrne formula grant funding is awarded to the
25 state appellate defender office for criminal defense review and
26 training on evidence-based sentencing in problem-solving courts,
27 the state appellate defender office may receive and expend Byrne

1 formula grant funds in an amount not exceeding \$525,000.00 as an
2 interdepartmental grant from the department of state police.

3 (2) If Byrne formula grant funding is awarded to the state
4 appellate defender office for criminal defense review and
5 representation of defendants in cases that involve potentially
6 unreliable evidence processed by the now-closed Detroit police
7 crime laboratory, the state appellate defender office may receive
8 and expend Byrne formula grant funds in an amount not exceeding
9 \$225,000.00 as an interdepartmental grant from the department of
10 state police.

11 PART 2A

12 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

13 FOR FISCAL YEAR 2012-2013

14 **GENERAL SECTIONS**

15 Sec. 1201. It is the intent of the legislature to provide
16 appropriations for the fiscal year ending on September 30, 2013 for
17 the line items listed in part 1. The fiscal year 2012-2013
18 appropriations are anticipated to be the same as those for fiscal
19 year 2011-2012, except that the line items will be adjusted for
20 changes in caseload and related costs, federal fund match rates,
21 economic factors, and available revenue. These adjustments will be
22 determined after the January 2012 consensus revenue estimating
23 conference.