

FIRST CONFERENCE REPORT

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

Senate Bill No. 957, entitled

A bill to make appropriations for the judiciary for the fiscal year ending September 30, 2013; 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, 2013; and to provide for the expenditure of the appropriations.

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. 957**

A bill to make appropriations for the judiciary for the fiscal year ending September 30, 2013; 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
FOR FISCAL YEAR 2012-2013

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, 2013, from the funds indicated in this part. The following is a summary of the appropriations in this part:

1 **JUDICIARY**

2 APPROPRIATION SUMMARY

3 Full-time equated exempted positions..... 472.0

4 GROSS APPROPRIATION..... \$ 273,760,100

5 Interdepartmental grant revenues:

6 Total interdepartmental grants and intradepartmental

7 transfers 2,638,200

8 ADJUSTED GROSS APPROPRIATION..... \$ 271,121,900

9 Federal revenues:

10 Total federal revenues..... 6,017,100

11 Special revenue funds:

12 Total local revenues..... 7,049,300

13 Total private revenues..... 921,800

14 Total other state restricted revenues..... 86,382,200

15 State general fund/general purpose..... \$ 170,751,500

16 State general fund/general purpose schedule:

17 Ongoing state general fund/general

18 purpose \$170,114,600

19 One-time state general fund/general

20 purpose \$636,900

21 **Sec. 102. SUPREME COURT**

22 Full-time equated exempted positions..... 237.0

23 Supreme court administration--92.0 FTE positions..... \$ 12,701,800

24 Judicial institute--13.0 FTE positions..... 2,151,300

25 State court administrative office--61.0 FTE positions 13,645,900

26 Judicial information systems--22.0 FTE positions..... 3,498,100

27 Direct trial court automation support--36.0 FTE

1	positions	6,970,700
2	Foster care review board--10.0 FTE positions	1,493,700
3	Community dispute resolution--3.0 FTE positions	2,350,900
4	Other federal grants.....	275,100
5	Drug treatment courts.....	13,383,000
6	Community court pilot project.....	<u>20,000</u>
7	GROSS APPROPRIATION.....	\$ 56,490,500
8	Appropriated from:	
9	Interdepartmental grant revenues:	
10	IDG from department of state police.....	1,800,000
11	IDG from department of corrections.....	50,000
12	IDG from state police - Michigan justice training fund	326,200
13	Federal revenues:	
14	DOJ, victims assistance programs.....	54,300
15	DOJ, drug court training and evaluation.....	300,000
16	DOT, national highway traffic safety administration..	1,380,900
17	HHS, access and visitation grant.....	593,800
18	HHS, children's justice grant.....	222,600
19	HHS, court improvement project.....	1,251,900
20	HHS, title IV-D child support program.....	979,700
21	HHS, title IV-E foster care program.....	625,900
22	Other federal grant revenues.....	275,100
23	Special revenue funds:	
24	Local - user fees.....	6,970,700
25	Private.....	182,500
26	Private - interest on lawyers trust accounts	251,100
27	Private - state justice institute.....	401,000

1	Community dispute resolution fund.....		2,350,900
2	Court of appeals filing/motion fees.....		1,641,800
3	Law exam fees.....		608,900
4	Drug court fund.....		1,920,500
5	Miscellaneous revenue.....		335,900
6	Justice system fund.....		755,400
7	State court fund.....		365,900
8	State general fund/general purpose.....	\$	32,845,500
9	Sec. 103. COURT OF APPEALS		
10	Full-time equated exempted positions.....	175.0	
11	Court of appeals operations--175.0 FTE positions.....	\$	<u>21,551,100</u>
12	GROSS APPROPRIATION.....	\$	21,551,100
13	Appropriated from:		
14	State general fund/general purpose.....	\$	21,551,100
15	Sec. 104. BRANCHWIDE APPROPRIATIONS		
16	Full-time equated exempted positions.....	4.0	
17	Branchwide appropriations--4.0 FTE positions.....	\$	<u>8,365,400</u>
18	GROSS APPROPRIATION.....	\$	8,365,400
19	Appropriated from:		
20	State general fund/general purpose.....	\$	8,365,400
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--28.0 judges.....		4,240,300
25	District court judges' state base salaries--250.0		
26	judges		23,183,300
27	District court judicial salary standardization.....		11,453,900

1	Probate court judges' state base salaries--104.0	
2	judges	9,722,100
3	Probate court judicial salary standardization	4,715,300
4	Circuit court judges' state base salaries--218.0	
5	judges	20,558,100
6	Circuit court judicial salary standardization	9,979,300
7	Judges' retirement system defined contributions	3,998,400
8	OASI, social security	<u>5,559,800</u>
9	GROSS APPROPRIATION	\$ 94,562,800
10	Appropriated from:	
11	Special revenue funds:	
12	Court fee fund	4,890,200
13	State general fund/general purpose	\$ 89,672,600
14	Sec. 106. JUDICIAL AGENCIES	
15	Full-time equated exempted positions	7.0
16	Judicial tenure commission--7.0 FTE positions	\$ <u>1,084,600</u>
17	GROSS APPROPRIATION	\$ 1,084,600
18	Appropriated from:	
19	State general fund/general purpose	\$ 1,084,600
20	Sec. 107. INDIGENT DEFENSE - CRIMINAL	
21	Full-time equated exempted positions	49.0
22	Appellate public defender program--42.0 FTE positions	\$ 6,109,300
23	Appellate assigned counsel administration--7.0 FTE	
24	positions	<u>1,032,100</u>
25	GROSS APPROPRIATION	\$ 7,141,400
26	Appropriated from:	
27	Interdepartmental grant revenues:	

1	IDG from state police - Michigan justice training fund	452,900
2	Federal revenues:	
3	Other federal grant revenues.....	281,700
4	Special revenue funds:	
5	Private - interest on lawyers trust accounts.....	79,000
6	Miscellaneous revenue.....	127,500
7	State general fund/general purpose.....	\$ 6,200,300
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	6,600,000
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	Sec. 111. ONE-TIME BASIS ONLY APPROPRIATIONS	
10	State employee lump-sum payments	\$ 827,200
11	GROSS APPROPRIATION	\$ 827,200
12	Appropriated from:	
13	One-time interdepartmental grant	9,100
14	One-time federal revenue	51,200
15	One-time local revenue	78,600
16	One-time private revenue	8,200
17	One-time state restricted revenue	43,200
18	State general fund/general purpose	\$ 636,900

19 PART 2

20 PROVISIONS CONCERNING APPROPRIATIONS

21 FOR FISCAL YEAR 2012-2013

22 **GENERAL SECTIONS**

23 Sec. 201. Pursuant to section 30 of article IX of the state
 24 constitution of 1963, total state spending from state resources
 25 under part 1 for fiscal year 2012-2013 is \$257,133,700.00 and state

1 spending from state resources to be paid to local units of
 2 government for fiscal year 2012-2013 is \$127,604,200.00. The
 3 itemized statement below identifies appropriations from which
 4 spending to local units of government will occur:

5 JUDICIARY

6 SUPREME COURT

7	State court administrative office.....	\$	1,611,900
8	Drug treatment courts.....		13,383,000

9 TRIAL COURT OPERATIONS

10	Court equity fund reimbursements.....	\$	60,835,100
11	Judicial technology improvement fund.....		4,815,000

12 JUSTICES' AND JUDGES' COMPENSATION

13	District court judicial salary standardization.....	\$	11,453,900
14	Probate court judges' state base salaries.....		9,722,100
15	Probate court judicial salary standardization.....		4,715,300
16	Circuit court judicial salary standardization.....		9,979,300
17	Grant to OASI contribution fund, employers share,		
18	social security		938,600

19 GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT

20	Drunk driving case-flow program.....	\$	3,300,000
21	Drug case-flow program.....		250,000
22	Juror compensation reimbursement.....		<u>6,600,000</u>

23	TOTAL.....	\$	127,604,200
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24 Sec. 202. (1) The appropriations authorized under this act are
 25 subject to the management and budget act, 1984 PA 431, MCL 18.1101
 26 to 18.1594.

27 (2) Funds appropriated in part 1 to an entity within the

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

9 Sec. 203. As used in this act:

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

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

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

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

16 (e) "IDG" means interdepartmental grant.

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

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

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

1 or Intranet site.

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

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

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

27 (a) The dates of each travel occurrence.

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

6 Sec. 219. Not later than November 15, 2013, the judiciary
7 shall prepare and transmit a report that provides for estimates of
8 the total general fund/general purpose appropriation lapses at the
9 close of the fiscal year. This report shall summarize the projected
10 year-end general fund/general purpose appropriation lapses by major
11 program or program areas. The report shall be transmitted to the
12 office of the state budget, the chairpersons of the senate and
13 house appropriations committees, and the senate and house fiscal
14 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 provide the state
26 budget director, the senate and house appropriations chairs, the
27 senate and house appropriations subcommittees on the judiciary,

1 respectively, and the senate and house fiscal agencies with an
2 annual report on estimated state restricted fund balances, state
3 restricted fund projected revenues, and state restricted fund
4 expenditures for the fiscal years ending September 30, 2012 and
5 September 30, 2013.

6 **JUDICIAL BRANCH**

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

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

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

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

26 Sec. 308. If sufficient funds are not available from the court

1 fee fund to pay judges' compensation, the difference between the
2 appropriated amount from that fund for judges' compensation and the
3 actual amount available after the amount appropriated for trial
4 court reimbursement is made shall be appropriated from the state
5 general fund for judges' compensation.

6 Sec. 309. By April 1, 2013, the state court administrative
7 office shall provide an update on the status of the pilot mental
8 health courts to the state budget director, the senate and house
9 appropriations subcommittees on the judiciary, and the senate and
10 house fiscal agencies.

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

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

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

27 (c) The evaluation of a program funded with federal Byrne

1 funds shall be consistent with the requirements contained in the
2 federal Byrne grant for that program.

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 \$1,800,000.00 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 drug
19 treatment courts, \$6,000,000.00, including \$1,641,800.00 from court
20 of appeals filing fees and motion fees and \$87,600.00 of
21 miscellaneous revenue transferred from court of appeals funding,
22 shall be administered by the state court administrative office to
23 distribute as grants to qualifying courts to support a swift-and-
24 sure sanctions grant program. Of the \$6,000,000.00 designated for
25 the program, not more than \$100,000.00 shall be available to the
26 state court administrative office to pay for employee costs
27 associated with the administration of the program funds. Courts

1 interested in participating in the swift-and-sure sanctions program
2 may apply to the state court administrative office for a portion of
3 the funds appropriated in part 1 under this section.

4 (2) The state court administrative office may award the swift-
5 and-sure sanctions grant funds to any court that applies under
6 subsection (1), that intends to operate, or is already operating, a
7 swift-and-sure sanctions program, and that meets 1 or both of the
8 following qualifications:

9 (a) The court operates a drug treatment court.

10 (b) The court is part of a unified trial court system.

11 (3) The state court administrative office shall give the
12 following priority in awarding swift-and-sure sanctions grant
13 funds:

14 (a) Courts that have already had a swift-and-sure sanctions
15 program in operation in prior years and are making satisfactory
16 progress in establishing and improving their programs.

17 (b) Courts located in counties that have high numbers of
18 residents or former residents under the supervision of the
19 department of corrections.

20 (4) By April 1, 2013, a court that receives funding under this
21 section shall provide a report on the program to the state budget
22 director, the senate and house appropriations subcommittees on the
23 judiciary, and the senate and house fiscal agencies. The report
24 shall include all of the following:

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

26 (b) The criminal history of offenders who participate in the
27 program.

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

3 (d) A detailed description of the establishment and parameters
4 of the program.

5 (5) As used in this section:

6 (a) "Program" means a swift-and-sure sanctions program.

7 (b) "Unified trial court system" means a trial court in which
8 all of the circuit, district, and probate court judges may be
9 assigned to any division of that trial court to meet the demands of
10 the trial court's caseload.

11 Sec. 321. It is the intent of the legislature that the
12 judicial branch support a statewide legal self-help Internet
13 website and local nonprofit self-help centers that use the
14 statewide website to provide assistance to individuals representing
15 themselves in civil legal proceedings.

16 Sec. 322. If Byrne formula grant funding is awarded to the
17 state appellate defender, the state appellate defender office may
18 receive and expend Byrne formula grant funds in an amount not
19 exceeding \$250,000.00 as an interdepartmental grant from the
20 department of state police.

21 PART 2A

22 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

23 FOR FISCAL YEAR 2013-2014

24 **GENERAL SECTIONS**

25 Sec. 1201. It is the intent of the legislature to provide

1 appropriations for the fiscal year ending on September 30, 2014 for
2 the line items listed in part 1. The fiscal year 2013-2014
3 appropriations are anticipated to be the same as those for fiscal
4 year 2012-2013, except that the line items will be adjusted for
5 changes in caseload and related costs, federal fund match rates,
6 economic factors, and available revenue. These adjustments will be
7 determined after the January 2013 consensus revenue estimating
8 conference.