

# HOUSE BILL No. 5112

October 20, 2011, Introduced by Reps. Heise and Walsh and referred to the Committee on Appropriations.

A bill to amend 1961 PA 236, entitled  
"Revised judicature act of 1961,"  
by amending section 151b (MCL 600.151b), as amended by 1996 PA 524.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 151b. (1) The court equity fund is created in the state  
2       treasury. For each state fiscal year, ~~beginning on or after October~~  
3       ~~1, 1996,~~ each county shall receive funds pursuant to **UNDER** this  
4       section from the court equity fund, which consists of the  
5       following:

6       (a) ~~The portion of the state court fund set aside for the~~  
7       ~~operational expenses of trial courts under section 151a(6)(a) and~~  
8       ~~(b) and (7)(a) and (b).~~ **PROCEEDS FROM THE COLLECTION OF REVENUE FROM**  
9       **COURT ASSESSMENTS, FEES, AND COSTS AS PROVIDED IN THIS ACT.**

10       (b) ~~The proceeds of the \$4.25 portion of costs assessed by the~~  
11       ~~district court as provided in section 8381.~~ **STATE GENERAL FUNDS AS**

1 APPROPRIATED IN THE ANNUAL FISCAL YEAR JUDICIAL BRANCH  
2 APPROPRIATION.

3 (c) Excess court fees transmitted by the state treasurer  
4 ~~pursuant to~~ UNDER section 217 of the judges retirement act of 1992,  
5 ~~Act No. 234 of the Public Acts of 1992, being section 38.2217 of~~  
6 ~~the Michigan Compiled Laws.1992 PA 234, MCL 38.2217.~~

7 ~~—— (d) State general funds in an amount as follows:~~

8 ~~—— (i) For the state fiscal year beginning October 1, 1996,~~  
9 ~~\$18,436,700.00.~~

10 ~~—— (ii) For the state fiscal year beginning October 1, 1997,~~  
11 ~~\$25,796,400.00.~~

12 ~~—— (iii) For the state fiscal year beginning October 1, 1998,~~  
13 ~~\$29,796,400.00.~~

14 ~~—— (iv) For the state fiscal year beginning October 1, 1999,~~  
15 ~~\$33,796,400.00.~~

16 ~~—— (v) For the state fiscal year beginning October 1, 2000,~~  
17 ~~\$37,796,400.00.~~

18 ~~—— (vi) For the state fiscal year beginning October 1, 2001 and~~  
19 ~~each subsequent state fiscal year, \$41,796,400.00.~~

20 (D) ALL INCOME EARNED AS A RESULT OF AN INVESTMENT OF MONEY IN  
21 THE FUND.

22 (2) THE STATE TREASURER MAY INVEST MONEY IN THE FUND IN ANY  
23 MANNER AUTHORIZED BY LAW FOR THE INVESTMENT OF STATE MONEY. AN  
24 INVESTMENT SHALL NOT INTERFERE WITH AN APPORTIONMENT, ALLOCATION,  
25 OR PAYMENT OF MONEY AS REQUIRED BY THIS SECTION.

26 (3) THE UNENCUMBERED BALANCE REMAINING IN THE FUND AT THE END  
27 OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT REVERT TO

**THE GENERAL FUND.**

(4) ~~(2)~~—For each state fiscal year, the state court administrative office shall do all of the following:

(a) Determine the relative caseload of each county and multiply that percentage by the total amount available for distribution from the court equity fund described in subsection (1) for that fiscal year.

(b) Determine the number of circuit, ~~recorder's court,~~ probate, and district judges for each county and the ratio of that sum to the total number of the circuit, ~~recorder's court,~~ probate, and district court judges statewide. If a judge serves more than 1 county, the county shall be credited for that judge only for the fraction of the judicial salary standardization payment the state reimburses that county.

(c) Multiply the amount determined under subdivision (a) for each county by the sum of 1 and the ratio of judges for that county determined under subdivision (b).

(d) Total the results for all counties determined under subdivision (c).

(e) Divide the amount determined under subdivision (c) for each county by the total determined under subdivision (d) and multiply the amount by the total amount available for distribution for the court equity fund described in subsection (1) for that fiscal year. This represents the funds a county shall receive from the court equity fund.

**(F) DETERMINE WHETHER THE COUNTY IS IN COMPLIANCE WITH SUBSECTION (5).**

~~—— (3) A hold harmless fund is created in the state treasury through September 30, 2001 and shall consist of state general funds as follows:~~

~~—— (a) For the state fiscal year beginning October 1, 1996, \$20,000,000.00.~~

~~—— (b) For the state fiscal year beginning October 1, 1997, \$16,000,000.00.~~

~~—— (c) For the state fiscal year beginning October 1, 1998, \$12,000,000.00.~~

~~—— (d) For the state fiscal year beginning October 1, 1999, \$8,000,000.00.~~

~~—— (e) For the state fiscal year beginning October 1, 2000, \$4,000,000.00.~~

~~—— (4) The following shall receive funds from the hold harmless fund in a state fiscal year beginning on or after October 1, 1996 as provided in this subsection and subsection (5):~~

~~—— (a) If a county receives a smaller amount under the formula in subsection (2) in a fiscal year than the amount that it received from the state court fund for the state fiscal year beginning October 1, 1995 plus the amount it received for reimbursement of compensation paid to jurors under Act No. 149 of the Public Acts of 1995, the county shall receive the difference.~~

~~—— (b) If a city received an amount from the state court fund under section 9947 for the state fiscal year beginning October 1, 1995, the city shall receive that amount.~~

~~—— (c) The county of Wayne shall receive the difference of the amount determined under subparagraph (i) minus the amount determined~~

~~under subparagraph (ii):~~

~~—— (i) The total of the following:~~

~~—— (A) The amount of general fund/general purpose funds paid for the third judicial circuit, recorder's court, and Wayne county clerk services by the supreme court under Act No. 149 of the Public Acts of 1995 for the state fiscal year beginning October 1, 1995.~~

~~—— (B) The amount of the state court fund paid for the third judicial circuit, recorder's court, and Wayne county clerk services by the supreme court under Act No. 149 of the Public Acts of 1995 for the state fiscal year beginning October 1, 1995.~~

~~—— (C) The amount distributed under sections 217 and 304 of the judges retirement act of 1992, Act No. 234 of the Public Acts of 1992, being sections 38.2217 and 38.2304 of the Michigan Compiled Laws, for the third judicial circuit for the state fiscal year beginning October 1, 1995.~~

~~—— (D) \$1,438,900.00 received by the county of Wayne for reimbursement of compensation paid to jurors under Act No. 149 of the Public Acts of 1995.~~

~~—— (E) Two percent of the expenditures for salaries, wages, and social security and medicare taxes for employees of the state judicial council assigned to serve in the circuit court in the third judicial circuit and the recorder's court of the city of Detroit for the state fiscal year beginning October 1, 1995.~~

~~—— (ii) The sum of the amount the county of Wayne receives under the formula in subsection (2) in that state fiscal year and the amount the county of Wayne receives under section 18a of the social welfare act, Act No. 280 of the Public Acts of 1939, being section~~

~~400.18a of the Michigan Compiled Laws, in that state fiscal year.~~

~~—— (d) The city of Detroit shall receive the difference of the amount determined under subparagraph (i) minus the amount determined under subparagraph (ii)÷~~

~~—— (i) The total of the following÷~~

~~—— (A) The expenses for the district court in the thirty sixth district for which the state was responsible and that the state paid out of appropriations under Act No. 149 of the Public Acts of 1995 for the state fiscal year beginning October 1, 1995.~~

~~—— (B) \$387,000.00 for full year funding for 12 promotions and 8 new hires after August 1, 1996.~~

~~—— (C) Two percent of the expenditures for salaries, wages, and social security and medicare taxes for employees of the state judicial council assigned to serve in the district court in the thirty sixth district for the state fiscal year beginning October 1, 1995 and 2% of the amount described in sub-subparagraph (B).~~

~~—— (ii) The total of the following÷~~

~~—— (A) Federal drug funds allocated by the supreme court for the state fiscal year beginning October 1, 1995 to offset operational expenses of the district court in the thirty sixth district.~~

~~—— (B) \$7,150,000.00 payable by the city of Detroit to the state under section 9945.~~

~~—— (C) The revenue due to the state from the Detroit parking violation bureau under section 9945(8) for the state fiscal year beginning October 1, 1995, as determined by the audit of the auditor general.~~

~~—— (D) All court revenues received by the district court in the~~

~~thirty sixth district for the state fiscal year beginning October 1, 1995 and payable to the state under section 9945.~~

~~—— (E) Any funds from private sources.~~

~~—— (5) If the total amount payable under subsection (4) for a state fiscal year exceeds the amount available in the hold harmless fund, the amount paid to each recipient shall be reduced to a pro rata share of the funds available.~~

~~—— (6) If the total amount available in the hold harmless fund exceeds the amount payable under subsection (4) for a state fiscal year, the balance shall be retained in a work project account at the end of the state fiscal year to be added to the amount otherwise available in the hold harmless fund in the next state fiscal year.~~

**(5) FOR A COUNTY TO RECEIVE DISTRIBUTIONS OF FUNDS UNDER THIS SECTION FROM THE COURT EQUITY FUND, THE COUNTY-FUNDED COURTS WITHIN THAT COUNTY SHALL FULFILL REQUIREMENTS ESTABLISHED BY THE STATE COURT ADMINISTRATIVE OFFICE TO EVALUATE, FORMULATE, AND IMPLEMENT BEST PRACTICES IN THE COUNTY-FUNDED COURTS.**

**(6) ~~(7)~~—**The formula in subsection ~~(2)~~ **(4)** does not include, for purposes of applying the formula, the caseload of the district court in any district or any municipal court.

**(7) ~~(8)~~—**Distributions of funds under this section from the court equity fund and the hold harmless fund shall be made ~~every 3 months~~ **BEFORE THE LAST BUSINESS DAY OF JANUARY, APRIL, JULY, AND NOVEMBER OF EACH YEAR.**

**(8) ANY UNEXPENDED FUNDS WITHHELD DUE TO A COUNTY'S NONCOMPLIANCE WITH SUBSECTION (5) SHALL NOT LAPSE AT THE END OF THE**

1 FISCAL YEAR BUT SHALL CONTINUE TO BE AVAILABLE FOR EXPENDITURE TO  
2 ENSURE BEST PRACTICES ARE BEING EVALUATED, FORMULATED, AND  
3 IMPLEMENTED BY THE NONCOMPLIANT COUNTY OR ANY OTHER COUNTY.

4 (9) As used in this section:

5 (A) "BEST PRACTICES" MEANS A SET OF METHODS AND PROCESSES USED  
6 BY COURTS TO IMPROVE PERFORMANCE AND EFFICIENCY, AS DETERMINED BY  
7 THE STATE COURT ADMINISTRATIVE OFFICE, INCLUDING, BUT NOT LIMITED  
8 TO, THE FOLLOWING CATEGORIES:

9 (i) CATEGORY 1, ACCOUNTABILITY AND TRANSPARENCY, REQUIRES EACH  
10 ELIGIBLE COURT TO CERTIFY THAT IT HAS PRODUCED, AND MADE READILY  
11 AVAILABLE TO THE PUBLIC OVER THE INTERNET, A PERFORMANCE DASHBOARD  
12 APPROVED BY THE STATE COURT ADMINISTRATIVE OFFICE.

13 (ii) CATEGORY 2, CONSOLIDATION OF SERVICES, REQUIRES EACH  
14 ELIGIBLE COURT TO CERTIFY THAT IT HAS ENTERED INTO, AND MADE  
15 READILY AVAILABLE TO THE PUBLIC OVER THE INTERNET, A CONCURRENT  
16 JURISDICTION PLAN AND A CONSOLIDATION PLAN TO INCREASE ITS EXISTING  
17 LEVEL OF COOPERATION, COLLABORATION, AND COOPERATION WITH OTHER  
18 COURTS.

19 (iii) CATEGORY 3, COURT IMPROVEMENT AND TECHNOLOGY, REQUIRES  
20 EACH ELIGIBLE COURT TO CERTIFY THAT IT HAS PRODUCED, AND MADE  
21 READILY AVAILABLE TO THE PUBLIC OVER THE INTERNET, A PLAN FOR THE  
22 EFFECTIVE USE OF TECHNOLOGY AND COURT IMPROVEMENT, AS DETERMINED BY  
23 THE STATE COURT ADMINISTRATIVE OFFICE, INCLUDING, BUT NOT LIMITED  
24 TO, PERFORMANCE MEASURES.

25 (B) ~~(a) "Qualifying period" means the following:~~

26 ~~—— (i) For the state fiscal year beginning October 1, 1996,~~  
27 ~~calendar year 1995.~~



1 ~~—— (ii) For the state fiscal year beginning October 1, 1997, the~~  
2 ~~last 2 calendar years for which reasonably complete trial court~~  
3 ~~caseload statistics are available.~~

4 ~~—— (iii) For the state fiscal year beginning October 1, 1998 and~~  
5 ~~each subsequent state fiscal year, the last 3 calendar years for~~  
6 ~~which reasonably complete trial court caseload statistics are~~  
7 ~~available.~~

8 (C) ~~(b)~~ "Relative caseload" means, for each county, the  
9 percentage derived by dividing the sum of the amounts determined  
10 under ~~the following~~ subparagraphs (i) and (ii) by the sum of the  
11 caseloads of all judicial circuits statewide ~~, the caseload of the~~  
12 ~~recorder's court of the city of Detroit,~~ and the caseloads of the  
13 probate court statewide for the qualifying period:

14 (i) The portion of the caseload of a judicial circuit  
15 attributable to that county for the qualifying period. ~~For the~~  
16 ~~county of Wayne, that portion shall also include the caseload of~~  
17 ~~the recorder's court of the city of Detroit for the qualifying~~  
18 ~~period.~~

19 (ii) One of the following:

20 (A) The caseload of the probate court in that county for the  
21 qualifying period if only that county funds the probate court.

22 (B) The portion of the caseload of the probate district  
23 attributable to that county for the qualifying period if the county  
24 is in a probate district.