

Act No. 260
Public Acts of 1988
Approved by the Governor
July 14, 1988
Filed with the Secretary of State
July 15, 1988

**STATE OF MICHIGAN
84TH LEGISLATURE
REGULAR SESSION OF 1988**

Introduced by Reps. Bandstra, Perry Bullard, Gubow, Stabenow, Bender, Fitzgerald, DeBeaussiaert, Miller, Trim, Law, Willis Bullard, Honigman, VanRegenmorter, Kosteva, DeLange, Sikkema, Krause, Randall, Giese, Hoekman, Martin, Emmons, Munsell, Bankes, Middaugh and Stacey

ENROLLED HOUSE BILL No. 4823

AN ACT to create the community dispute resolution center program; to create the community dispute resolution fund; to establish criteria for funding and participation in the program; to provide for the administration of the program; and to require the reporting of certain statistical data.

The People of the State of Michigan enact:

Sec. 1. This act shall be known and may be cited as the "community dispute resolution act".

Sec. 2. As used in this act:

- (a) "Administrative expenses" means expenses incurred by the state court administrator in implementing this act.
- (b) "Available grant funds" means that portion of the community dispute resolution fund available for awards to grant recipients, after administrative expenses have been met.
- (c) "Center" means a community dispute resolution center.
- (d) "Fund" means the community dispute resolution fund.
- (e) "Grant recipient" means a nonprofit or governmental organization that receives funds to operate a center pursuant to this act.
- (f) "Mediator" means an impartial, neutral person responsible for reaching a resolution in each case.
- (g) "Program" means the community dispute resolution program created by this act.

Sec. 3. The community dispute resolution center program is created to provide conciliation, mediation, or other forms and techniques of voluntary dispute resolution to persons as an alternative to the judicial process.

Sec. 4. The program shall be funded by the community dispute resolution fund which is created in the state treasury and shall be administered by the state court administrator.

Sec. 5. (1) The department of treasury shall credit to the fund the revenues received pursuant to sections 2528, 2529, 5756, 8371, and 8420 of the revised judicature act of 1961, Act No. 236 of the Public Acts of 1961, being sections 600.2528, 600.2529, 600.5756, 600.8371, and 600.8420 of the Michigan Compiled Laws.

(2) The department of treasury shall credit to the fund any funds appropriated by the legislature and any federal or private funds received by the state for the purpose of implementing the provisions of this act.

Sec. 6. Participation in the dispute resolution process shall be voluntary and the form or technique utilized shall be by mutual agreement of the parties.

Sec. 7. The work product and case files of a mediator or center are confidential and not subject to disclosure in a judicial or administrative proceeding. Communications relating to the subject matter of the resolution made during the resolution process by a party, mediator, or other person shall be a confidential communication.

Sec. 8. This program shall be administered through community dispute resolution centers operated by grant recipients pursuant to a grant contract awarded by the state court administrator.

Sec. 9. To be eligible for funding, a grant recipient shall do all of the following:

(a) Comply with the provisions of this act, and any requirements or guidelines established by the state court administrator to effectuate the purposes of this act.

(b) Provide neutral mediators who have received not less than 25 hours of training in conflict resolution techniques in a course of study approved by the state court administrator or a program of internship as may be required by the state court administrator.

(c) Provide dispute resolution services without cost to indigents.

(d) Reject any dispute which involves alleged acts which are or could be the subject of a violent felony or drug-related felony criminal prosecution.

(e) When appropriate, refer participants to other agencies or organizations for assistance.

Sec. 10. (1) Grant recipients shall be selected from applications submitted to the state court administrator. The grant applications submitted for funding shall include all of the following:

(a) The budget for the proposed center including the proposed compensation and qualifications of the employees.

(b) A description of the proposed geographical area of service and an estimate of the number of participants to be served.

(c) A description of current dispute resolution services, if any, available within the proposed geographical area.

(d) A narrative of the applicant's proposed program which includes the support of civic groups, social services agencies, local courts, and criminal justice agencies to accept and make referrals; the present availability of resources; and the applicant's administrative capacity.

(e) A description of the fee structure, if any, that will be applied to participants seeking dispute resolution.

(f) Such additional information as is determined to be needed by the state court administrator.

(2) If an applicant meets the eligibility requirements of section 9 and guidelines established under section 9 and there are no other eligible applicants from the same county, the state court administrator shall award the applicant a grant at least equal to the pro rata share of available grant funds generated by court filing fees imposed in that county in the year preceding the year for which the application is made. If there is more than 1 eligible applicant from a county, the state court administrator shall award a grant or grants totaling an amount at least equal to the pro rata share of available grants funds generated by court filing fees imposed in that county in the year preceding the year for which the applications are made. Nothing in this subsection shall require a grant award that exceeds the proposed center's approved budget.

(3) The amount awarded to a grant recipient shall not exceed 50% of the proposed center's approved budget or the amount required by subsection (2), whichever is higher.

Sec. 11. The state court administrator or other authorized state official shall have the power to inspect, examine, and audit the fiscal affairs of any grant recipient.

Sec. 12. Each grant recipient shall annually provide to the state court administrator statistical data on its operating budget, the number of referrals, categories or types of cases referred, number of parties serviced, number of disputes resolved, nature of resolution, amount and type of awards, rate of compliance, returnees to the center, duration and estimated costs of hearing, and such other information the state court administrator may require. The state court administrator shall report annually to the governor and legislature regarding the operation and success of the centers funded pursuant to this act.

Sec. 13. This act shall take effect upon the expiration of 120 days after the date of its enactment.

Sec. 14. This act shall not take effect unless Senate Bill No. 816 of the 84th Legislature is enacted into law.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved.....

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Governor.