Legislative Analysis

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INCREASE COMPENSATION FOR JURORS

House Bill 4209 & 4210 (reported without amendment)
Sponsor: Rep. Peter J. Lucido
Committee: Law and Justice
Complete to 4-27-17

BRIEF SUMMARY: House Bill 4209 would increase juror compensation, but only if sufficient funds are available in the Juror Compensation Reimbursement Fund. House Bill 4210 would make technical amendments regarding how money in the Juror Compensation Reimbursement Fund is distributed to court funding units to reimburse their trial courts.

FISCAL IMPACT: House Bill 4209 would have an indeterminate fiscal impact on the state. The fiscal impact would depend on the number of first and subsequent full and half days served by jurors. Had the bill been in effect in FY 2015-16, the additional cost to the state would have been $833,747, as explained below in ***Fiscal Information***.

THE APPARENT PROBLEM:

Serving on a jury is a civic duty and one that many citizens take seriously. However, compensation rates for jurors have not been increased since October 1, 2003. In some jurisdictions, the current rates do not even cover the cost to park a car for the day, let alone cover lost wages, child care, and lunch while at the courthouse. Some feel that the sacrifice made by citizens who report to jury duty should be compensated fairly. Though never intended to reimburse a juror for all out-of-pocket expenses incurred, compensation should at least be enough to cover parking and lunch costs.

THE CONTENT OF THE BILL:

House Bill 4209 would amend the Revised Judicature Act (MCL 600.1344). Since October 1, 2003, the minimum compensation for jurors has been $25 per day and $12.50 per half day for the first day of actual attendance at the court. For each subsequent day or half day of actual attendance at the court, the minimum compensation has been $40 per day and $20 per half day.

Under the bill, beginning April 1, 2018, and every subsequent fiscal year, compensation for jurors will increase to $30 for the first day of actual attendance at the court and $15 for the first half day. For each subsequent day of actual attendance, the compensation would be $45, and for each subsequent half day, $22.50. This increase only occurs **if**, as of the end of the two most recent fiscal years, the Juror Compensation Reimbursement Fund is determined to have sufficient funds available. The determination whether sufficient funds are available would be made by the state court administrator, at the direction of the state supreme court and upon confirmation by the state treasurer. "Sufficient funds" means an amount exceeding $2 million in the Juror Compensation Fund.

(Presumably, if the increase were not triggered, compensation levels would remain at or would fall back to the current compensation levels of $25 per day/$12.50 for a half day and $40 per day/$20 per half day for each subsequent day of attendance.)

Jurors are also reimbursed for traveling expenses, determined by the county board of commissioners, at not less than 10 cents per mile for round-trip travel between the juror's home and the court. The bill does not amend this provision.

House Bill 4210 makes technical amendments to a provision in the Revised Judicature Act (MCL 600.151e) regarding the distribution of money in the Juror Compensation Reimbursement Fund to court funding units to reimburse their trial courts. These amendments would eliminate several obsolete provisions and add a specific reference to Section 1344 of the act (which contains the statutory minimum compensation for jurors) to a provision that provides for each court funding unit to receive reimbursement from the fund for the expense amount reported semiannually to the state court administrator, excluding any juror compensation in excess of the statutory minimum. The bill is tie-barred to House Bill 4209.

Each bill would take effect 90 days after enactment.

BACKGROUND INFORMATION:

The Juror Compensation Reimbursement Fund (JCRF) was created in 2003 to provide reimbursement compensation to local trial courts for an increase in juror compensation rates which took effect October 1, 2003 (MCL 600.1344, Public Act 739 of 2002). Under the law, trial court funding units were to be reimbursed an amount equal to the legislated increase that resulted from the law. It should be noted that many courts provide compensation above the statutory minimum despite the fact that they do not receive reimbursement from the state for the discretionary amount.

The JCRF receives funding from driver license clearance fees and jury demand fees. The driver license clearance fee is $45, of which $15 is directed to the JCRF (MCL 257.321a). The jury demand fee for circuit court is $85, of which $25 is deposited in the JCRF (MCL 600.2529). For district and municipal courts, the jury demand fee is $50, of which $10 is deposited in the JCRF (MCL 600.8371). For FY 2016, the JCRF received $4.6 million in fee revenue. According to MCL 600.151d, the unencumbered balance shall remain in the fund at the end of the fiscal year and not revert to the General Fund. At the end of FY 2016, the JCRF had a balance of $10.5 million.

FISCAL INFORMATION:

For the purposes of discussion, the chart on the next page contains a comparison of total costs to the state in FY 2016 for current juror compensation rates and for increased compensation rates, had House Bill 4209 been enacted into law and made effective beginning with FY 2015-16.

In FY 2016, the total number of first full days served was 65,781 and the total number of first half days was 90,087. The total number of subsequent full days served was 40,420 and the total number of subsequent half days was 31,010.

		1st Full Day	1st Half Day	Sub Full Day	Sub Half Day	Total
Current Rates	1st Day $25.00/$12.50 Subsequent Days $40.00/$20.00	$1,644,525	$1,126,088	$1,616,800	$620,200	$5,007,613
HB 4209 Rates	1st Day $30.00/$15.00 Subsequent Days $45.00/$22.50	$1,973,430	$1,351,305	$1,818,900	$697,725	$5,841,360
Difference in Costs:		$328,905	$225,217	$202,100	$77,525	**$833,747**

ARGUMENTS:

For:

It has been noted that for the past several years the Juror Compensation Reimbursement Fund has had a surplus at the end of the fiscal year. Statute requires this surplus to remain in the Fund and not revert to the General Fund for other state needs. Under the bills, as long as there are sufficient funds available to support an increase in juror compensation as specified in the legislation, jurors in the following fiscal year would be compensated at the new higher level. The increase is modest—just a $5 increase for a full day of jury duty and $2.50 for a half day—but is a step in the right direction of acknowledging the sacrifice in time and expense made by those who report to the courthouse. According to testimony offered at committee by representatives of the State Court Administrative Office, even with the increase in compensation, there should still be a balance going forward.

Against:

No testimony was offered in opposition to the bills.

POSITIONS:

- A representative of the State Court Administrative Office and a representative of the 3rd Judicial Circuit Court testified in support of the bill on 3-28-17.
- The Prosecuting Attorneys Association of Michigan indicated support for the bill. (3-28-17)
- A representative of the State Bar of Michigan indicated support for the bill. (4-25-17)

Legislative Analyst: Susan Stutzky
Emily S. Smith
Fiscal Analyst: Robin Risko

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