

FY 2023-24: JUDICIARY

Summary: As Reported by House Appropriations Committee House Bill 4245 (H-2)



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IDG/IDT	FY 2022-23 YTD as of 2/8/23	FY 2023-24 Executive	FY 2023-24 House	FY 2023-24 Senate	FY 2023-24 Conference	Difference: House From FY 2022-23 YTD	
						Amount	%
	\$1,902,300	\$1,902,300	\$1,902,300	\$	\$	\$0	0.0
Federal	6,340,300	6,751,300	6,751,300			411,000	6.5
Local	7,782,600	0	0			(7,782,600)	(100.0)
Private	1,524,200	1,523,900	1,703,900			179,700	11.8
Restricted	95,181,400	95,152,600	95,152,600			(28,800)	0.0
GF/GP	370,774,900	249,404,700	245,718,100			(125,056,800)	(33.7)
Gross	\$483,505,700	\$354,734,800	\$351,228,200	\$	\$	(\$132,277,500)	(27.4)
FTEs	537.0	588.0	594.0			57.0	10.6

Notes: (1) FY 2022-23 year-to-date figures include mid-year budget adjustments through February 8, 2023. (2) Appropriation figures for all years include all proposed appropriation amounts, including amounts designated as "one-time."

Overview

Article VI of the State Constitution of 1963 forms the basis for Michigan's judicial branch of government. The Judiciary budget provides operational funding for the Michigan Supreme Court, the Court of Appeals, and related judicial agencies. The budget funds the salaries of justices of the Supreme Court and judges of the appeals, circuit, probate, and district courts according to constitutional and statutory requirements. Funding assistance for local trial court operations is provided through a variety of grant programs. The largest of these, the Court Equity Fund Reimbursement program, reimburses counties for trial court operations based on a statutory formula that recognizes circuit and probate caseloads and the number of judgeships.

Budget Changes from FY 2022-23 YTD Appropriations

1. Statewide Judicial Case Management System

Executive includes a total of \$12.5 million GF/GP and authorization for 16.0 new FTE positions for continued support of the statewide judicial case management system. Of the total, \$6.0 million would be used to support staff and other operating costs as trial courts transition to the system, and \$6.5 million would be used to offset local user fee revenue that was previously paid by trial courts that have already transitioned to the system. (A total of 60.0 FTE positions are reflected; that figure includes the 44.0 FTE positions transferred from the Direct Trial Court Automation Support line item. See #2 below.) House includes additional FTE positions and a \$100 placeholder for this item.

	FY 2022-23 Year-to-Date (as of 2/8/23)	FY 2023-24 House Change
FTE	NA	60.0
Gross	NA	\$100
GF/GP	NA	\$100

2. Consolidate Direct Trial Court Automation Support

Executive consolidates the Direct Trial Court Automation Support line item with the Judicial Information Systems line item as a part of implementing the statewide judicial case management system. Consolidating reflects elimination of the cost to trial courts for providing online court services and resource sharing. House concurs with executive.

FTE	44.0	(44.0)
Gross	\$7,752,900	(\$7,752,900)
Local	7,752,900	(7,752,900)
GF/GP	\$0	\$0

3. Statewide Court Data Transparency Project

Executive includes \$4.5 million in one-time GF/GP to support costs of improving data collection, reporting and analysis, and publication of court data through a public portal. House includes a \$100 placeholder for this project.

Gross	NA	\$100
GF/GP	NA	\$100

<u>Budget Changes from FY 2022-23 YTD Appropriations</u>		<u>FY 2022-23 Year-to-Date (as of 2/8/23)</u>	<u>FY 2023-24 House Change</u>
4. SADO MAACS Roster Attorney Compensation Grants	FTE	NA	1.0
<u>Executive</u> includes \$3.2 million GF/GP and authorization for 1.0 FTE position to create a cost-share grant program to support counties that increase pay rates for appellate counsel for indigent offenders that are assigned through the Michigan Appellate Assigned Counsel System (MAACS). New rates would be consistent with rates adopted under Michigan Indigent Defense Commission standards. <u>House</u> concurs with executive.	Gross	NA	\$3,160,700
	GF/GP	NA	\$3,160,700
5. Juvenile Justice Task Force Recommendation #2	FTE	NA	13.0
<u>Executive</u> includes \$2.0 million GF/GP and authorization for 13.0 FTE positions to support recommendation #2 made by the Task Force on Juvenile Justice Reform. The recommendation was to create and support a Juvenile Justice Services Division within the State Court Administrative Office. <u>House</u> includes additional FTE positions and \$1.9 million GF/GP for this purpose.	Gross	NA	\$1,924,000
	GF/GP	NA	\$1,924,000
6. Juvenile Justice Task Force Recommendation #3	FTE	NA	3.0
<u>Executive</u> includes \$556,900 GF/GP and authorization for 3.0 FTE positions to support recommendation #3 made by the Task Force on Juvenile Justice Reform. The recommendation was to expand the role of the State Appellate Defender's Office to include appellate defense for juvenile justice cases. <u>House</u> concurs with executive.	Gross	NA	\$556,900
	GF/GP	NA	\$556,900
7. Resentencing of Youth Serving Life Sentences	FTE	NA	18.0
<u>Executive</u> includes a total of \$2.5 million GF/GP and authorization for 18.0 FTE positions for the State Appellate Defender Office to ensure continued compliance with the U.S. Supreme Court ruling on the <i>Montgomery v. Louisiana</i> case (\$958,100 GF/GP and 7.0 FTE positions) and the Michigan Supreme Court rulings on the <i>People v. Parks</i> , <i>People v. Poole</i> , and <i>People v. Stovall</i> cases (\$1.6 million GF/GP and 11.0 FTE positions). Because mandatory life sentences without the possibility of parole for most juveniles, including 18-year-olds, convicted of certain offenses were ruled to be unconstitutional and life sentences for juveniles convicted of second-degree murder were ruled to be unconstitutional, resentencing of offenders is required. Resentencing hearings are required to take place before a judge, not a jury, and the appellate court is required to review trial court decisions in these cases for potential abuse of discretion. There are over 30 inmates still waiting for resentencing hearings under the U.S. Supreme Court ruling and roughly 350 inmates eligible for resentencing hearings under the Michigan Supreme Court rulings. <u>House</u> concurs with executive.	Gross	NA	\$2,529,600
	GF/GP	NA	\$2,529,600
8. District Court Judges' Salary Adjustments	Gross	\$38,690,200	\$504,900
<u>Executive</u> includes \$504,900 GF/GP to cover costs of increased salaries for district court judges as required by 2022 PA 177. Public Act 177 requires an increase in compensation for district court judges to equal the compensation of probate court judges, effective October 1, 2022. Funding would also cover associated retirement and social security costs. <u>House</u> concurs with executive.	GF/GP	\$38,690,200	\$504,900
9. Judicial Institute Curriculum and Bench Book Development	FTE	NA	1.0
<u>Executive</u> includes \$482,000 GF/GP (\$182,000 ongoing; \$300,000 one-time) and authorization for 1.0 FTE position for curriculum and bench book development. Ongoing funding would be used for curriculum development, including expanded online training modules, virtual training, and implementation of an attendance/participation tracking system for the mandatory continuing judicial education requirement. One-time funding would support costs of developing a court administration bench book. <u>House</u> concurs with executive.	Gross	NA	\$482,000
	GF/GP	NA	\$482,000

<u>Budget Changes from FY 2022-23 YTD Appropriations</u>	<u>FY 2022-23 Year-to-Date (as of 2/8/23)</u>	<u>FY 2023-24 House Change</u>	
10. Justice for All Initiative	Gross	NA	\$475,000
<u>Executive</u> includes \$475,000 GF/GP for continuing the Justice for All initiative implemented in the FY 2021-22 budget. The Justice for All initiative aims to simplify the court system, court rules, processes, and forms in order to increase court and community engagement and access to justice. Funding would be used for process improvements, pilot programs, training court personnel, and community outreach. <u>House</u> concurs with executive.	GF/GP	NA	\$475,000
11. Federal Grant for Friend of the Court Bureau	Gross	NA	\$420,000
<u>Executive</u> includes authorization for SCAO to receive \$420,000 in federal Safe Access for Victims Economic Security (SAVES) grant funding made available by the U.S. Department of Human Services, Office of Child Support Enforcement. Funding would be used to increase safe access to child support services for domestic violence victims/survivors who currently are not receiving the services. <u>House</u> concurs with executive.	Federal GF/GP	NA NA	420,000 \$0
12. Supreme Court Security	FTE	NA	2.0
<u>Executive</u> includes \$415,000 GF/GP and authorization for 2.0 FTE positions to support costs of providing additional security for supreme court justices, including home security systems and protection while traveling. <u>House</u> concurs with executive.	Gross GF/GP	NA NA	\$415,000 \$415,000
13. Board of Law Examiners Funding Adjustment	Gross	NA	\$162,000
<u>Executive</u> includes \$162,000 GF/GP to offset a shortfall of state restricted Law Exam Fee revenue that supports the Board of Law Examiners within the Supreme Court. Fees are collected from applicants for admission to the bar. There has been a decrease in the amount of fee revenue collected. <u>House</u> concurs with executive.	GF/GP	NA	\$162,000
14. Increased Costs for Facility Security	Gross	NA	\$105,400
<u>Executive</u> includes \$105,400 GF/GP to cover increased costs of security staff provided through a contract with DK Security. Hourly minimum wage for security staff was increased. <u>House</u> concurs with executive.	GF/GP	NA	\$105,400
15. Judgeship Changes	Gross	NA	(\$134,600)
<u>Executive</u> reflects a net savings of \$134,600 GF/GP from the following statutory changes: eliminating one district court judgeship in Alger/Schoolcraft County under 2012 PA 34; eliminating one district court judgeship in Huron County under 2012 PA 36; and annualizing costs for circuit court judgeships added in Marquette County under 2021 PA 74, Wayne, Muskegon, and Ottawa Counties under 2022 PA 8, and a probate court judgeship in Kent County under 2022 PA 8. <u>House</u> concurs with executive.	GF/GP	NA	(\$134,600)
16. Additional FTE Position Authorization	FTE	NA	4.0
<u>Executive</u> includes authorization for an additional 4.0 FTE positions. Of the 4.0 positions, 2.0 would be allocated for implementing the Judicial Institute mandatory continuing judicial education program and 2.0 would be allocated for the Drug Treatment Courts program. Funding for these positions has already been appropriated. <u>House</u> concurs with executive.	Gross GF/GP	NA NA	\$0 \$0
17. Eliminate Current-Year One-Time Funding	FTE	7.0	(7.0)
<u>Executive</u> reduces the budget by \$151.4 million GF/GP and 7.0 FTE positions to reflect elimination of one-time funding included in the FY 2022-23 budget. Eliminated funding includes: \$150.0 million for the Statewide Judicial Case Management System, \$962,900 (7.0 FTE positions) for SADO, \$249,300 for the Judicial Tenure Commission, and \$225,000 for judicial workload assessment. <u>House</u> concurs with executive.	Gross GF/GP	\$151,437,200 \$151,437,200	(\$151,437,200) (\$151,437,200)

		FY 2022-23 Year-to-Date (as of 2/8/23)	FY 2023-24 House Change
<u>Budget Changes from FY 2022-23 YTD Appropriations</u>			
18. Economic Adjustments	Gross	NA	\$2,716,800
<u>Executive</u> reflects increased costs of \$2.7 million Gross (\$2.8 million GF/GP) for negotiated salary and wage increases (2.0% on October 1, 2023), actuarially required retirement contributions, worker's compensation, building occupancy charges, rent, and other economic adjustments. <u>House</u> concurs with executive.	Federal	NA	(9,000)
	Local	NA	(29,700)
	Private	NA	(300)
	Restricted	NA	(28,800)
	GF/GP	NA	\$2,784,600
19. Court Improvement Project	Gross	NA	\$10,699,900
<u>House</u> includes \$10.7 million to support costs of security and other improvement projects at the district court in Washtenaw County.	GF/GP	NA	\$10,699,900
20. Judicial Tenure Commission	FTE	NA	4.0
<u>House</u> includes \$422,600 GF/GP and authorization for 4.0 FTE positions to support additional staff that would assist with eliminating case backlog and investigating misconduct claims in a timelier manner.	Gross	NA	\$422,600
	GF/GP	NA	\$422,600
21. Michigan Court of Appeals Law Clerks	FTE	NA	2.0
<u>House</u> includes \$292,200 GF/GP and authorization for 2.0 FTE positions to support 2 full-time law clerks to assist Court of Claims judges. Currently, 4 judges share 1 law clerk.	Gross	NA	\$292,200
	GF/GP	NA	\$292,200
22. Expansion of Mental Health Courts	Gross	NA	\$1,000,000
<u>House</u> includes \$1.0 million GF/GP for expansion of mental health treatment courts.	GF/GP	NA	\$1,000,000
23. Expansion of Problem-Solving Courts	Gross	NA	\$1,000,000
<u>House</u> includes \$1.0 million GF/GP for expansion of problem-solving courts.	GF/GP	NA	\$1,000,000
24. Michigan Justice Fund for SADO	Gross	NA	\$180,000
<u>House</u> includes authorization for SADO's Project Reentry to receive \$180,000 in private grant funding from the Michigan Justice Fund, a new philanthropic initiative aimed at criminal justice reform initiatives. Funding would be used to increase opportunities for formerly incarcerated individuals to achieve increased economic mobility.	Private	NA	180,000
	GF/GP	NA	\$0

Major Boilerplate Changes from FY 2022-23

Sec. 202. Appropriations Subject to the Management and Budget Act and Transfer Authority – RETAINED

Subjects appropriations to the Management and Budget Act, 1984 PA 431; describes the appropriations transfer process for entities in the judicial branch. Executive revises to delete transfer process language. House retains current law.

Sec. 209. Transparency Website – RETAINED

Requires judicial branch to maintain a searchable website accessible by the public at no cost that includes all expenditures made by the judicial branch within the fiscal year, including purposes for which the expenditures were made. Executive deletes. House retains current law.

Sec. 210. Report on State Restricted Funds – RETAINED

Requires judicial branch to work with SBO to report annually on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures. Executive deletes. House retains current law.

Sec. 211. Website for Performance Scorecard – RETAINED

Requires judiciary to maintain, on a publicly accessible website, a scorecard that identifies, tracks, and regularly updates key metrics used to monitor and improve judiciary's performance. Executive deletes. House retains current law.

Sec. 212. Legacy Costs – DELETED

States that the total amount of funding estimated to be expended on legacy costs in FY 2022-23 is \$13.8 million (\$8.4 million on pension-related legacy costs; \$5.4 million on health care-related legacy costs). Executive deletes. House deletes.

Major Boilerplate Changes from FY 2022-23

Sec. 212. Appropriation of Additional Federal and Private Revenues – NEW

Appropriates additional \$1.0 million in federal revenue and \$500,000 in private revenue should revenue become available; requires report within 14 days of revenue being appropriated. Executive does not include. House includes new language.

Sec. 213. Disciplinary Action Against State Employees – RETAINED

Prohibits judicial branch from taking disciplinary action against employees for communicating with legislators or their staff unless the communication is prohibited by law and the judicial branch is exercising its authority. (*Governor deemed this section unenforceable in FY 2022-23.*) Executive deletes. House retains current law.

Sec. 214. Linking Swift and Sure Sanctions Program to DHHS, LEO, and MDOC Programming – DELETED

Requires SCAO to identify programs within the Departments of Health and Human Services, Labor and Economic Opportunity, and Corrections that have programmatic connections with Swift and Sure Sanctions program participants for the purpose of leveraging collaborations and determining avenues of success for offenders who are eligible for state-provided programs; requires SCAO to provide guidance to courts participating in the Swift and Sure Sanctions program of available DHHS, LEO, and MDOC programming. Executive deletes. House deletes.

Sec. 215. Receipt and Retention of Required Reports – RETAINED

Requires judicial branch to receive and retain copies of all required reports; requires federal and state guidelines to be followed for short- and long-term retention of records; authorizes judicial branch to electronically retain copies of reports unless otherwise required by federal and state guidelines. Executive deletes. House retains current law.

Sec. 301. Direct Trial Court Automation Support – DELETED

Requires Direct Trial Court Automation Support program to recover direct and overhead costs from trial courts by charging fees for services rendered; requires fees to cover actual costs incurred in providing services. Executive deletes. House deletes.

Sec. 309. Oral Fluid Testing Program – REVISED

Requires SCAO to allocate \$100,000 for a program in a veterans treatment court, mental health treatment court, or both, that investigates the effectiveness of oral fluid testing to determine compliance with required mental health medications or requirements; requires SCAO to report on oral fluid testing programs established in the state, number of program participants in each jurisdiction, and rearrest rate of participants while participating in the program. Executive deletes. House revises to require SCAO to continue the program and to also include program testing and results, program treatment, and program outcomes in the report.

Sec. 310. Statewide Judicial Case Management System – NEW

Requires SCAO to report on the statewide judicial case management system, including a status update on development and implementation of the system and an accounting of all appropriations and expenditures for the previous and current fiscal years. Executive does not include. House includes new language.

Sec. 311. Parental Rights Restoration Act – DELETED

Requires SCAO to report on the total number of petitions filed by minors seeking court-issued waivers of parental consent under the Parental Rights Restoration Act, and the total number of petitions granted. Executive deletes. House deletes.

Sec. 312. Medication-Assisted Treatment Program – REVISED

Requires judiciary to maintain a medication-assisted treatment program to provide treatment for opioid- and alcohol-addicted individuals who are referred to and who voluntarily participate in the program; requires judiciary to report on the program, including itemized spending by court, number of participants, and statistics that indicate average program participation duration and success rates; specifies that the goal of the program is for participants to be free of narcotic addiction prior to ending participation in the program. Executive deletes. House retains current law, but revises report date.

Sec. 314. MAACS Roster Attorney Compensation Grants – NEW

Requires MAACS to administer and provide grants to counties as reimbursement for approximately one-half of the compensation provided to public defenders appointed as appellate defense counsel; requires counties to pay appellate counsel consistent with rates established by the Michigan Indigent Defense Commission. Executive includes new language. House includes new language.

Sec. 401. Court Improvement Project – NEW

Requires funding to be used for new construction or renovation of existing structures to facilitate security enhancements, public safety, accessibility, and efficiency of court operations; itemizes improvement projects; designates unexpended funding as a work project appropriation; Executive does not include. House includes new language.

Sec. 402. Judicial Institute – NEW

Designates unexpended funding as a work project appropriation; states purpose of the project is to develop and maintain a court administration bench book. Executive includes new language. House includes new language.

Major Boilerplate Changes from FY 2022-23

Sec. 403. Statewide Court Data Transparency Project – NEW

Designates unexpended funding as a work project appropriation; states purpose of the project is to collect and analyze court data, publish court data in a data portal, and develop data-driven criminal justice policies and goals. Executive includes new language. House includes new language, but revises appropriation amount.

Sec. 402. Statewide Judicial Case Management System – DELETED

Requires SCAO to establish a system that demonstrates the ability to integrate criminal justice data across the state and local units; prohibits funds from being used to supplant current user fee systems and administrative purposes unrelated to the system; requires system to comply with all security measures and restrictions and to be hosted in a secure cloud by an experienced vendor; requires implementation status report; designates unexpended funding as a work project appropriation. Executive deletes. House deletes.