

**SUBSTITUTE FOR
SENATE BILL NO. 368**

A bill to make appropriations for the judicial branch for the fiscal year ending September 30, 2000; to provide for the expenditure of these appropriations; to place certain restrictions on the expenditure of these appropriations; to prescribe the powers and duties of certain officials and employees; to require certain reports; and to provide for the disposition of fees and other income received by the judicial branch.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

PART 1

2

LINE-ITEM APPROPRIATIONS

3

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, 2000, from the funds indicated in this part. The following is a summary of the appropriations in this part:

7

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

2

For Fiscal Year Ending
September 30, 2000**1 JUDICIARY****2 APPROPRIATION SUMMARY:**

3	Full-time equated exempted positions.....	598.0	
4	GROSS APPROPRIATION.....	\$	227,950,000
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		2,287,400
8	ADJUSTED GROSS APPROPRIATION.....	\$	225,662,600
9	Federal revenues:		
10	Total federal revenues.....		3,077,800
11	Special revenue funds:		
12	Total local revenues.....		2,496,600
13	Total private revenues.....		1,702,400
14	Total other state restricted revenues.....		56,074,900
15	State general fund/general purpose.....	\$	162,310,900
16	Sec. 102. SUPREME COURT		
17	Full-time equated exempted positions.....	283.0	
18	Supreme court administration--118.0 FTE positions....	\$	13,973,900
19	Judicial institute--18.0 FTE positions.....		2,809,700
20	State court administrative office--80.0 FTE positions		8,675,600
21	Judicial information systems--21.0 FTE positions.....		4,182,900
22	Direct trial court automation support--30.0 FTE		
23	positions.....		2,496,600
24	Foster care review board--12.0 FTE positions.....		1,198,700
25	Community dispute resolution--4.0 FTE positions.....		<u>2,772,300</u>
26	GROSS APPROPRIATION.....	\$	36,109,700

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

3

For Fiscal Year Ending
September 30, 2000

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of career development.....	120,000
4	IDG from state police - criminal justice improvement.	1,443,900
5	IDG from state police - Michigan justice training	
6	fund.....	300,000
7	Federal revenues:	
8	DAG, agriculture mediation grant.....	469,900
9	DOE, special education grant.....	130,000
10	DOJ, victims assistance programs.....	50,000
11	DOT, national highway safety traffic administration..	215,300
12	HHS, access and visitation grant.....	387,000
13	HHS, court improvement project.....	629,800
14	HHS, title IV-D child support program.....	419,100
15	HHS, title IV-E foster care program.....	276,700
16	HHS, TANF.....	500,000
17	Special revenue funds:	
18	Local - user fees.....	2,496,600
19	Private.....	419,000
20	Private - interest on lawyers trust accounts.....	712,600
21	Private - state justice institute.....	500,800
22	Community dispute resolution fees.....	1,642,300
23	Law exam fees.....	477,200
24	Miscellaneous revenue.....	227,900
25	State court fund.....	319,000
26	State general fund/general purpose..... \$	24,372,600

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

4

For Fiscal Year Ending
September 30, 2000**1 Sec. 103. COURT OF APPEALS**

2	Full-time equated exempted positions.....	235.5	
3	Court of appeals operations--223.5 FTE positions.....	\$	18,754,800
4	Delay reduction--12.0 FTE positions.....		<u>950,000</u>
5	GROSS APPROPRIATION.....	\$	19,704,800
6	Appropriated from:		
7	Special revenue funds:		
8	Court filing/motion fees.....		1,571,000
9	Miscellaneous revenue.....		77,800
10	State general fund/general purpose.....	\$	18,056,000
11	Sec. 104. JUSTICES' AND JUDGES' COMPENSATION		
12	Judges positions.....	610.0	
13	Supreme court justices' salaries--7.0 judges.....	\$	975,100
14	Court of appeals judges' salaries--28.0 judges.....		3,588,400
15	District court judges' state base salaries--259.0		
16	judges.....		18,463,700
17	District court judicial salary standardization.....		11,842,500
18	Probate court judges' state base salaries--106.0		
19	judges.....		7,029,100
20	Probate court judicial salary standardization.....		4,332,800
21	Circuit court judges' state base salaries--210.0		
22	judges.....		15,637,000
23	Circuit court judicial salary standardization.....		9,228,000
24	Judges' retirement system defined contributions.....		2,204,900
25	OASI, social security.....		<u>4,002,600</u>
26	GROSS APPROPRIATION.....	\$	77,304,100

02371'99 (S-1)

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

5

For Fiscal Year Ending
September 30, 2000

1	Appropriated from:	
2	Special revenue funds:	
3	Court fee fund.....	6,065,600
4	State general fund/general purpose..... \$	71,238,500
5	Sec. 105. JUDICIAL AGENCIES	
6	Full-time equated exempted positions.....10.0	
7	Judicial tenure commission--10.0 FTE positions..... \$	<u>953,700</u>
8	GROSS APPROPRIATION..... \$	953,700
9	Appropriated from:	
10	State general fund/general purpose..... \$	953,700
11	Sec. 106. INDIGENT DEFENSE - CRIMINAL	
12	Full-time equated exempted positions.....69.5	
13	Appellate public defender program--61.5 FTE positions \$	5,118,400
14	State appellate defender office.....	500,000
15	Appellate assigned counsel administration--8.0 FTE	
16	Positions.....	<u>881,900</u>
17	GROSS APPROPRIATION..... \$	6,500,300
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from state police - Michigan justice training	
21	fund.....	423,500
22	Special revenue funds:	
23	Private - interest on lawyers trust accounts.....	70,000
24	Miscellaneous revenue.....	113,100
25	State general fund/general purpose..... \$	5,893,700
26	Sec. 107. INDIGENT CIVIL LEGAL ASSISTANCE	

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

6

For Fiscal Year Ending
September 30, 2000

1	Indigent civil legal assistance.....	\$	<u>7,337,000</u>
2	GROSS APPROPRIATION.....	\$	7,337,000
3	Appropriated from:		
4	Special revenue funds:		
5	State court fund.....		7,337,000
6	State general fund/general purpose.....	\$	0
7	Sec. 108. TRIAL COURT OPERATIONS		
8	Court equity fund reimbursements.....	\$	69,840,400
9	Hold harmless fund reimbursements.....		<u>8,000,000</u>
10	GROSS APPROPRIATION.....	\$	77,840,400
11	Appropriated from:		
12	Special revenue funds:		
13	Court equity fund.....		36,044,000
14	State general fund/general purpose.....	\$	41,796,400
15	Sec. 109. GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT		
16	Drunk driving caseflow program.....	\$	2,000,000
17	Drug caseflow program.....		<u>200,000</u>
18	GROSS APPROPRIATION.....	\$	2,200,000
19	Appropriated from:		
20	Special revenue funds:		
21	Drug fund.....		200,000
22	Drunk driving fund.....		2,000,000
23	State general fund/general purpose.....	\$	0
24			
25			

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

7

1

PART 2

2

PROVISIONS CONCERNING APPROPRIATIONS

3

GENERAL SECTIONS

4

Sec. 201. (1) Pursuant to section 30 of article IX of the state

5

constitution of 1963, total state spending from state sources for fiscal

6

year 1999-2000 is estimated at \$218,385,800.00 in this act and state

7

spending from state sources paid to local units of government for fiscal

8

year 1999-2000 is estimated at \$112,984,700.00. The itemized statement

9

below identifies appropriations from which spending to units of local

10

government will occur:

11

SUPREME COURT

12

State court administrative office - administration... \$ 511,900

13

TRIAL COURT OPERATIONS

14

Court equity fund reimbursements..... \$ 69,840,400

15

Hold harmless fund reimbursement..... 8,000,000

16

JUSTICES' AND JUDGES' COMPENSATION

17

District court judicial salary standardization..... \$ 11,842,500

18

Probate court judges' state base salaries..... 7,029,100

19

Probate court judicial salary standardization..... 4,332,800

20

Circuit court judicial salary standardization..... 9,228,000

21

GRANTS AND REIMBURSEMENTS TO LOCAL GOVERNMENT

22

Drunk driving caseflow program..... \$ 2,000,000

23

Drug caseflow program..... 200,000

24

TOTAL..... \$ 112,984,700

25

(2) If it appears to the principal executive officer of a department

26

or branch that state spending to local units of government will be less

27

than the amount that was projected to be expended under subsection (1),

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

8

1 the principal executive officer shall immediately give notice of the
2 approximate shortfall to the state budget director.

3 Sec. 202. (1) The expenditures and funding sources authorized under
4 this act are subject to the management and budget act, 1984 PA 431, MCL
5 18.1101 to 18.1594.

6 (2) Funds appropriated in part 1 to an entity within the judicial
7 branch shall not be expended or transferred to another account without
8 written approval of the authorized agent of the judicial entity. If the
9 authorized agent of the judicial entity notifies the state budget direc-
10 tor of its approval of an expenditure or transfer, the state budget
11 director shall immediately make the expenditure or transfer. The autho-
12 rized judicial entity agent shall be designated by the chief justice of
13 the supreme court.

14 Sec. 203. As used in this act:

15 (a) "DAG" means the United States department of agriculture.

16 (b) "DOE" means the United States department of education.

17 (c) "DOJ" means the United States department of justice.

18 (d) "DOT" means the United States department of transportation.

19 (e) "FTE" means full-time equated.

20 (f) "HHS" means the United States department of health and human
21 services.

22 (g) "IDG" means interdepartmental grant.

23 (h) "MDSP" means the department of state police.

24 (h) "OASI" means old age survivor's insurance.

25 (i) "TANF" means temporary assistance for needy families.

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

9

1 Sec. 204. Funds appropriated in this act shall not be used for the
2 purchase of foreign goods or services when competitively priced American
3 goods and services are available.

4 Sec. 205. (1) The chief justice of the supreme court shall take all
5 reasonable steps to ensure businesses in deprived and depressed communi-
6 ties compete for and perform contracts to provide services or supplies,
7 or both, for the judicial branch.

8 (2) The chief justice shall strongly encourage firms with which the
9 courts of this state contract to subcontract with certified businesses in
10 depressed and deprived communities for services or supplies, or both.

11 Sec. 206. (1) In addition to the funds appropriated in part 1,
12 there is appropriated an amount not to exceed \$500,000.00 for federal
13 contingency funds.

14 (2) In addition to the funds appropriated in part 1, there is appro-
15 priated an amount not to exceed \$500,000.00 for state restricted contin-
16 gency funds.

17 (3) In addition to the funds appropriated in part 1, there is appro-
18 priated an amount not to exceed \$100,000.00 for local contingency funds.

19 (4) In addition to the funds appropriated in part 1, there is appro-
20 priated an amount not to exceed \$100,000.00 for private contingency
21 funds.

22 (5) A transfer of contingency funds within the judicial branch shall
23 not be made by the authorized agent of the judicial entity unless
24 approved by both appropriations committees. If the state budget director
25 does not approve contingency fund transfers adopted by both appropria-
26 tions committees under this section, the state budget director shall

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

10

1 notify the appropriations committees of his or her action within 15
2 days.

3 Sec. 207. (1) The judicial branch shall provide to the senate and
4 house of representatives standing committees on appropriations and the
5 senate and house fiscal agencies a monthly report on all personal service
6 contracts awarded without competitive bidding, pricing, or rate setting.
7 The notification shall include all of the following:

8 (a) The total dollar amount of the contract.

9 (b) The duration of the contract.

10 (c) The name of the vendor.

11 (d) The type of service to be provided.

12 (2) For personal service contracts of \$100,000.00 or more, the judi-
13 cial branch shall provide a monthly report on all of the following:

14 (a) The total dollar amount of the contract.

15 (b) The duration of the contract.

16 (c) The name of the vendor.

17 (d) The type of service to be provided.

18 Sec. 208. Sixty days prior to beginning any effort to privatize,
19 the judicial branch shall submit a complete project plan to the appropri-
20 ate house and senate appropriations subcommittees and the house and
21 senate fiscal agencies. The plan shall include the criteria under which
22 the privatization initiative will be evaluated. The evaluation shall be
23 completed and submitted to the appropriate house and senate appropria-
24 tions subcommittees and the house and senate fiscal agencies within 30
25 months.

26 Sec. 209. All reports required by this act shall be made available
27 to the public primarily through Internet access, unless a printed version

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368 as amended March 23, 1999

11

1 is requested. The judiciary shall provide electronic notification to all
2 legislative offices for specific reports requested by the legislature.

Sec. 210. The department shall provide a report prepared by the department's internal auditor for the prior fiscal year. This report shall include a listing of each audit or investigation performed by the internal auditor pursuant to sections 486(4) and 487 of the management and budget act, 1984 PA 431, MCL 18.1486 and 18.1487. The report shall identify the proportion of time spent on each of the statutory responsibilities described in sections 485(4), 486(4), and 487 of the management and budget act, 1984 PA 431, MCL 18.1485, 18.1486, and 18.1487, and the time spent on all other activities performed in the internal audit function. The first report is due March 1, 2000, and beginning on May 1, 2002, biennially thereafter. The reports shall be submitted to the governor, auditor general, the senate and house appropriations committees, the senate and house fiscal agencies, and the director.

3 JUDICIAL BRANCH

4 Sec. 301. (1) The direct trial court automation support program of
5 the state court administrative office shall recover direct and overhead
6 costs from trial courts by charging for services rendered. The fee shall
7 cover the actual costs incurred to the direct trial court automation sup-
8 port program in providing the service. A report of amounts collected in
9 excess of funds identified as user service charges in part 1 shall be
10 submitted to the state budget director and to the house and senate appro-
11 priations subcommittees on judiciary 30 days before expenditure by the
12 direct trial court automation support program.

13 (2) From funds appropriated in part 1, the direct trial court auto-
14 mation support program of the state court administrative office shall
15 provide to the state budget director, the senate and house appropriations
16 committees, and the senate and house fiscal agencies before January 1 of
17 each year, a detailed list of user service charges collected during the
18 immediately preceding state fiscal year.

19 Sec. 302. Funds appropriated within the judicial branch shall not
20 be expended by any component within the judicial branch without the
21 approval of the supreme court.

22 Sec. 303. Of the amount appropriated in part 1 for the judicial
23 branch, \$325,000.00 is allocated for circuit court reimbursement under
24 section 3 of 1978 PA 16, MCL 800.453, and \$186,900.00 is allocated for

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

12

1 court of claims reimbursement under section 6413 of the revised
2 judicature act of 1961, 1961 PA 236, MCL 600.6413.

3 Sec. 304. The judicial branch shall cooperate with the auditor gen-
4 eral regarding audits of the judicial branch conducted pursuant to sec-
5 tion 53 of article IV of the state constitution of 1963.

6 Sec. 305. To avoid the overexpenditure of funds appropriated under
7 this act, the supreme court shall report quarterly to the state budget
8 director and to the judiciary subcommittees of the house and senate
9 appropriations committees regarding the status of the accounts set forth
10 in part 1.

11 Sec. 306. From funds appropriated under part 1, forms required to
12 be developed by the state court administrative office pursuant to
13 section 2950b of the revised judicature act of 1961, 1961 PA 236, MCL
14 600.2950b, shall be provided in the quantity requested by each county
15 clerk.

16 Sec. 307. The supreme court shall continue to implement and enforce
17 an appropriate antinepotism policy, which shall include provisions that
18 prohibit a judge from hiring or employing a member of his or her immedi-
19 ate family as a court employee or in any judicial support related
20 capacity.

21 Sec. 308. Funds appropriated in part 1 shall not be used to pay
22 directly or by reimbursement the annual dues for membership in the state
23 bar of Michigan of a judge, justice, or other employee of the judicial
24 branch.

25 Sec. 309. (1) The chief financial officer of a funding unit for a
26 court, in cooperation with the local court, shall provide to the state
27 treasurer and state court administrative office by January 1, 2000

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368

13

1 audited accounts of all money due and owing the court as of September 30,
2 1999. Where audited accounts are not available, the chief financial
3 officer of a funding unit for a court may provide estimates as long as
4 they are clearly marked as "estimated".

5 (2) The state treasurer shall report to the legislature a compila-
6 tion of the estimated accounts receivable of all courts and cumulative
7 totals by March 1, 2000. This report is a public record.

8 Sec. 310. The state court administrative office, from funds appro-
9 priated in part 1, shall assist the court of appeals and trial courts to
10 meet American bar association model standards on case processing.

11 Sec. 311. If sufficient funds are not available from the court fee
12 fund to pay judges' compensation, the difference between the appropriated
13 amount from that fund for judges' compensation and the actual amount
14 available after the amount appropriated for trial court reimbursement is
15 made shall be appropriated from the state general fund for judges'
16 compensation.

17 Sec. 312. Funds appropriated in part 1 for indigent defense shall
18 be used in accordance with terms and conditions of section 1485(11)(b) of
19 the revised judiciary act of 1961, 1961 PA 236, MCL 600.1485, including
20 reference to federal prohibitions against providing legal assistance with
21 respect to any proceeding or litigation which seeks to procure an
22 abortion.

23 Sec. 313. The legislature urges the supreme court to examine court
24 rules and consider changes which would:

25 (a) Allow candidates for judge to express opinions on political
26 issues.

SB 368, As Passed Senate, March 24, 1999

Senate Bill No. 368 as amended March 24, 1999

14

1 (b) Allow judges to preside over cases even though they have
2 publicly expressed political opinions on issues generally related to the
3 case.

4 Sec. 314. The salaries paid to the state appellate defender, chief
5 deputy defender, and deputy defender shall remain at the fiscal year
6 1998-99 level during fiscal year 1999-2000.

7 Sec. 315. The additional \$400,000.00 state general fund appropria-
8 tion for community dispute resolution contained in section 102 shall be
9 used to supplement funding for community dispute resolution centers that
10 receive less than \$64,500.00 from court filing fees pursuant to section
11 10 of 1988 PA 260, MCL 691.1560. The supplemental funding shall not
12 exceed an amount that would result in a center receiving over \$64,500.00
13 from court filing fees and state general fund.

Sec. 316. Ten percent of the appropriations under this act shall be placed in a grant known as the "reimbursement accountability grant". The grant money shall be disbursed to the judicial branch upon certification by the legislative auditor general that the supreme court has taken all steps necessary to guarantee that the following requirements are implemented:

(a) Funds appropriated in part 1 are not used to pay for, or to provide reimbursement for, social functions, including holiday meals, for state employees or members of state boards and commissions.

(b) Reimbursement from funds appropriated in part 1 for meals related to work activities are limited to state employees and state board and commission members.