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HOUSE FISCAL AGENCY

124 N. Capitol Avenue 4 – North, HOB Lansing, MI

HB4090

AS PASSED BY THE HOUSE

Sponsor Committee Rep. Michael Switalski CIVIL LAW AND THE

JUDICIARY

Analyst(s) Aben, Tim

Completed 10/18/01

State Fiscal Impact

Local Fiscal Impact

Cost None Revenues None

Cost Revenues Increase

None

This bill would amend the section of the Revised Judicature Act (RJA) that requires minimum payment and mileage for jurors, which has been the same since 1966.

Currently, payments made for jurors are at \$7.50 for half day and \$15 for full day. This bill would raise the required minimum payment by \$12.50 (to \$20) for a half day and \$25 (to \$40) for a full day, effective for second and subsequent days of jury service.

The total projected cost increase would be \$3.25 million and is based on actual 1995 statistics collected by the State Court Administrative Office (SCAO), not adjusted for inflation.

In order to fully fund an increase in jury compensation, the statutory changes are recommended through the following House Bills:

HB 4090 would amend the Revised Judicature Act to increase juror compensation after the first day of jury duty to \$40 for each full day and \$20 for each half day of jury duty. This would create additional costs to local units of government (funding units).

HB 4551 would add a new section to the Revised Judicature Act to create the "juror compensation reimbursement fund" in the state treasury, who would credit to the fund the increased amount in driver license clearance fees as proposed by HB 4552 and the increase in jury demand fees as proposed by HB 4798. To create this new revenue account would cause additional responsibilities for the state treasurer which increases his/her the cost of maintaining a new fund, and costs of investment and administratively ensure that all interest is properly credited to the fund.

HB 4552 wold increase the driver license clearance fee to \$50 (from \$25) and would specify how the money from the fee would be distributed. Of the current \$25 fee collected, \$15 (projected \$2,100,000) is disbursed to the Secretary of State and the remaining \$10 (projected \$1,400,000) is disbursed to the treasurer of the local funding unit for deposit into the local general fund. Of the new proposed \$25 collected, \$5 (projected \$700,000) would be disbursed to the treasurer of the local funding unit for deposit into the local general fund. The remaining \$20 (projected \$2,800,000) would be deposited into the "juror compensation reimbursement fund" created in HB 4551.

HB 4553 would direct the distribution of money each year from the "juror compensation reimbursement fund". Payments will be made twice yearly from the State Court Administrative Office (SCAO), subsequent to a report required for each court. Costs would be incurred (\$40,000 annually) as a result of administration of the fund.

HB 4798 would increase jury demand fees in civil actions brought in either circuit or district courts for deposit into the "juror compensation reimbursement fund".

As a result of the proposal to increase juror compensation, costs are estimated to be \$8,125,288 gross, HOWEVER, based on a current court survey from SCAO, it has further been estimated that 40% of those payments will be made for second and subsequent days on jury services, netting the total cost at \$3,250,115. Total estimated revenue for the new fund is \$3,292,500 and Administration of the fund is set at \$40,000 which leaves a net balance in the fund estimated at \$2,385.

The bills in this package are tie-barred.