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**SFA****BILL ANALYSIS**

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House Bill 4553 (Substitute S-1 as reported)  
Sponsor: Representative Andrew Richner  
House Committee: Civil Law and the Judiciary  
Senate Committee: Judiciary

## **CONTENT**

The bill would amend the Revised Judicature Act (RJA) to provide for the distribution of money in the proposed Juror Compensation Reimbursement Fund to district, probate, and circuit court funding units. The bill would take effect on October 1, 2003, and is tie-barred to House Bills 4090, 4551, 4552, and 4798. (House Bill 4090 would increase juror compensation rates. House Bill 4551 would create the Juror Compensation Reimbursement Fund. House Bill 4552 would increase various driver license clearance fees. House Bill 4798 would increase jury trial fees.)

Under House Bill 4553 (S-1), each court funding unit (county, city, township, or incorporated village, depending on the court) would have to submit a semiannual report to the State Court Administrator, for each court for which it was a funding unit. The report would have to show the total amount of the expense incurred due to the increased minimum compensation rate for jurors (as proposed by House Bill 4090). If any of the juror compensation payments made by that court funding unit exceeded the statutory minimum, the report would have to include the total amount paid to jurors in excess of that minimum rate.

At the direction of the Supreme Court and upon confirmation by the State Treasurer of the total amount available in the proposed Juror Compensation Reimbursement Fund, the State Court Administrator would have to distribute to each court funding unit a reimbursement from the Fund for the expense amount reported for the increase in juror compensation fees for the preceding six months, excluding any juror compensation in excess of the statutory minimum fee. Reimbursements would be subject to both of the following:

- The State Court Administrator semiannually would have to be reimbursed from the Fund for reasonable costs associated with administration of the distribution process. This reimbursement could not exceed \$100,000 in fiscal year 2003-04 or \$40,000 in subsequent fiscal years.
- If the amount available in the Fund in any fiscal year were more than the amount needed to pay the entire reimbursement required for all court funding units, the unencumbered balance would have to be carried forward and could not revert to the General Fund.

Payments would have to be made every six months. Reimbursement for each six-month period beginning with the quarter ending March 31, 2004, would have to be made within two months after the end of the six-month period.

Also, for the six-month periods ending March 31, 2004, and September 30, 2004, the State Court Administrator would have to pay to each court funding unit an additional sum equal to 14% of the payments due. The bill specifies that those two extra payments would be "intended to offset expenses incurred by court funding units for costs in adapting to the changes in the statutory minimum rate for juror compensation" proposed by House Bill 4090.

Proposed MCL 600.151e

Legislative Analyst: Patrick Affholter

## **FISCAL IMPACT**

Based on reports to be filed by local court funding units, the State Court Administrative Office would semiannually reimburse local units of government for the expense incurred due to the increases in statutory minimum compensation rates for jurors that would take effect on October 1, 2003. The annual cost of this reimbursement is estimated at \$5,687,700 (as explained in the **FISCAL IMPACT** of House Bill 4090). The bill also provides that the State Court Administrative Office would receive up to \$100,000 in FY 2003-04, and up to \$40,000 in subsequent fiscal years for reasonable administrative costs. For FY 2003-04 only, local court funding units would receive an additional sum equal to 14% of their reimbursement amount to offset expenses incurred in adapting to changes in the new statutory minimums for juror compensation. The cost of this additional payment in FY 2003-04 is estimated at \$796,300.

Date Completed: 5-28-02

Fiscal Analyst: Bill Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.