



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1252 (as enrolled)
Sponsor: Senator Michael Switalski
Senate Committee: Judiciary
House Committee: Judiciary

PUBLIC ACT 328 of 2004

Date Completed: 10-7-04

RATIONALE

The Michigan Supreme Court has authorized the Michigan Court of Appeals to use differentiated case management in an effort to increase the efficiency of the Court of Appeals in disposing of cases. Administrative Order 2002-5 of the Michigan Supreme Court states, "The Court of Appeals is engaged in a delay-reduction initiative, with the goal of disposing of 95 percent of its cases within 18 months of filing beginning in October 2003." The Order authorizes the Court of Appeals to give precedence on the session calendar to any appeals that the Court of Appeals determines are appropriate for differentiated case management (described below in **BACKGROUND**).

One aspect of achieving the efficiencies expected with differentiated case management is the expeditious transcription of court records. That service is provided by court reporters or recorders, who are entitled to fees specified in the Revised Judicature Act. Those fees, however, have not been increased since 1986 and may not be sufficient for court reporters and recorders to give priority to records for particular cases, or to cover the cost of subcontracting the work so that it can be completed quickly. It was suggested that the Supreme Court be statutorily authorized to increase the transcription fee for certain cases that are part of differentiated case management.

CONTENT

The bill amended the Revised Judicature Act to authorize the Supreme Court to increase the payment due to circuit court reporters or

recorders for transcripts ordered and timely filed for appeals of certain civil cases.

Under the Act, circuit court reporters or recorders are entitled to \$1.75 per original page and 30 cents per page for each copy of a transcript ordered by any person, unless a lower rate is agreed upon. For a transcript ordered by the circuit judge, reporters and recorders are entitled to receive the same compensation from the county.

The bill provides that the Supreme Court, by administrative order or court rule, may authorize the payment to circuit court reporters or recorders of \$3 per original page and 50 cents per page for each copy for transcripts ordered and timely filed as part of a program of differentiated case management for appeals of civil cases in which the circuit court either granted or denied summary disposition. If a transcript ordered under such a program is not timely filed, the reporter or recorder will not be entitled to receive the increased rate for that transcript.

The bill took effect on September 23, 2004.

MCL 600.2543

BACKGROUND

According to the U.S. Department of Justice Bureau of Justice Assistance (BJA), differentiated case management "is a technique courts can use to tailor the case management process to the requirements of individual cases...[and] provides a mechanism for processing each case in accordance with the timeframe and judicial system resources required. Thus, each case

can move as expeditiously as possible line" (Bureau of Justice Assistance Fact Sheet, November 1995). In addition, the BJA has reported that differentiated case management provides greater certainty in scheduling; results in more efficient use of resources; provides for increased coordination and cooperation among agencies in the justice system; and improves the quality of the judicial process.

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

According to the Case Management Work Group of the Michigan Supreme Court and the Michigan Court of Appeals, Administrative Order 2002-5 "has provided the flexibility to modify the traditional plan" of case management, without focusing "solely on advancing the shorter, younger cases" (Case Management Work Group First Report, February 17, 2004). Securing court transcripts in a timely manner is crucial to the efficient handling of cases. By authorizing the Supreme Court to offer a financial incentive to court reporters and recorders to transcribe the records of summary dispositions in civil cases quickly (within 28 days, rather than the usual 91 days, according to Judiciary Committee testimony), the bill will assist the Court of Appeals in reducing delays and disposing of its cases more efficiently than it has in the past.

Supporting Argument

If the Supreme Court does increase the fees, as allowed by the bill, there will be no public cost (except to the extent a governmental entity is a party to a case). Individual litigants are responsible for paying the transcription fees in their civil cases and they will be responsible for the increased rates as well.

Opposing Argument

Since the rate paid to court reporters and recorders for transcripts of court records has not been increased in 18 years, the bill should increase the per-page rate for all transcriptions regardless of the type of case or whether it was involved in a program of differentiated case management.

toward disposition, rather than waiting in

Response: Counties end up paying the fee in many criminal cases because the defendants often are indigent. An across-the-board increase in the transcription fees would place a financial burden on counties at a time when their budgets are tight. In addition, a general increase could violate Article IX, Section 29 of the State Constitution (part of the so-called "Headlee Amendment") since it might amount to a State-mandated cost to the counties.

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

Civil litigants will incur the additional costs of increased transcript fees under the circumstances specified in the bill, so there will be no cost to either the State or local court funding units, unless either is a party in an applicable case. To the extent that it promotes timely filing and the success of case management programs, the bill may provide for administrative efficiencies and related savings for the Judiciary.

Fiscal Analyst: Bethany Wicksall

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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.