



Telephone: (517) 373-5383

Fax: (517) 373-1986

House Bill 5046 (Substitute H-1 as passed by the House)

Sponsor: Representative Nate Shannon House Committee: Criminal Justice

Senate Committee: Civil Rights, Judiciary, and Public Safety

Date Completed: 10-25-24

CONTENT

The bill would amend Chapter 25 (Fees) of the Revised Judicature Act to do the following:

- -- Increase, from \$1.75 per original page and 30 cents per page per copy to \$3.75 per original page and 90 cents per page per copy, the amount court reporters and recorders would be entitled to receive for court transcripts.
- -- Prescribe a \$50 minimum charge for an original transcript and 90 cents per page for any requested copy.
- -- Require a reporter or recorder to prioritize appellate transcripts paid for by a court funding unit during normal court business hours.
- -- Require the State Treasurer to adjust the amounts for transcripts and copies by the Consumer Price Index (CPI) on January 1, 2030, and every five years after.
- -- Specify that official court reporters or recorders would be responsible for the purchase of transcription production products while a court funding unit would have to purchase supplies and equipment for record preservation.

Currently, circuit court reporters or recorders, probate court reporters or recorders, and district court 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 a circuit judge, circuit reporters and recorders are entitled to receive the same compensation from the county.

The bill would increase the amounts described above to \$3.75 per original page and 90 cents per page per copy. Additionally, the bill would specify that for a transcript ordered by a circuit judge, reporters would be entitled to receive the same compensation from the *court funding unit* for work completed outside of normal business hours. During normal court business hours, a reporter or recorder would have to give first priority to appellate transcripts paid for by the court funding unit. The bill would prescribe a \$50 minimum charge for an original transcript and 90 cents per page for any copy requested.

On January 1, 2030, and on January 1, of every fifth year following that date, the State Treasurer would have to adjust the transcript charges to reflect the cumulative annual percentage change in the CPI and publish the adjusted amounts.

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¹ District and probate court recorders and reporters are entitled to receive the same fees for transcripts as circuit court reporters or recorders, as prescribed under Section 8631 and Section 878 of the Revised Judicature Act, respectively.

Additionally, the bill would delete language authorizing the payment to a court reporter for transcripts ordered and filed as part of a program of differentiated case management for appeals of certain civil cases (see **BACKGROUND**).

Under the bill, an official court reporter or recorder would have to purchase supplies and equipment necessary to produce transcripts such as transcript paper, ink, binders, software, and hardware used in transcript production. The court funding unit would have to purchase the supplies and equipment necessary to capture and preserve the record, such as steno machines, digital audio-video recording equipment, computers, and digital storage media.

"Consumer price index" would mean the most comprehensive index of consumer prices available for the State from the Bureau of Labor Statistics of the United States Department of Labor.

MCL 600.2543

BACKGROUND

Public Act 328 of 2004 allows the Michigan Supreme Court, by administrative order or court rule, to authorize payment to circuit court reporters and recorders for transcription fees for certain cases that are a part of differentiated case management, which generally is a process for courts to modify case management to process a case within a specific and often expedited timeframe. The Supreme Court may authorize the payment to circuit court reporters or recorders \$3 per original page and 50 cents per page for each copy for such transcripts. Administrative Order 2004-5 (Expedited Summary Disposition Docket in the Court of Appeals) prescribed this transcript fee but expired December 31, 2007.²

Legislative Analyst: Eleni Lionas

FISCAL IMPACT

The bill would have a minimal, negative fiscal impact on State and local courts. The fiscal impact to courts would come when only court judges order transcripts from court reporters. The increased costs for electronic or hard copy transcripts of court proceedings would primarily affect litigants: either plaintiffs or defendants who typically wish to appeal a lower court decision.

Although the bill would add language to indicate that court funding units would have to cover the cost to purchase supplies and equipment to preserve the record, State and local court systems already do this. All courts are already financially responsible for creating the record for hearings and trials; the bill's language primarily would apply to the reproduction of that record for litigant review and/or further appeal.

A court funding unit, which is defined in the Revised Judicature Act under Section 151e (MCL 600.151e) is either the county or city within which the court is located. For circuit and probate courts, that local government is the county within which the court resides. For municipal courts, the funding unit is the city within which the court resides. For district courts, the funding unit can be a county, city, or township depending on the classification of that district court, of either first second, or third class. District court classifications are defined in the Revised Judicature Act under Section 8104 (MCL 600.8104) and are organized by population.

Fiscal Analyst: Michael Siracuse

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² Michigan Supreme Court AO No. 2004-5. SAS\S2324\s5046sa

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.