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**SFA****BILL ANALYSIS**

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Senate Bill 1448 (Substitute S-1 as reported)  
Senate Bills 1449 through 1452 (as reported without amendment)  
Sponsor: Senator Mike Goschka (Senate Bill 1448)  
Senator Walter H. North (Senate Bill 1449)  
Senator Shirley Johnson (Senate Bill 1450)  
Senator Christopher D. Dingell (Senate Bill 1451)  
Senator Martha G. Scott (Senate Bill 1452)

Committee: Judiciary

## **CONTENT**

Senate Bills 1448 (S-1), 1449, 1450, and 1452 would amend the Revised Judicature Act (RJA) to do the following:

- Increase juror compensation fees on October 1, 2003.
- Create the "Juror Compensation Reimbursement Fund" in the State Treasury.
- Provide for the distribution of money in the proposed Fund to court funding units.
- Increase court fees for a trial by jury, and provide for the amount of the increase to be deposited in the proposed Fund.
- Specify that a person who had ever been convicted of a felony could not serve as a juror.

Senate Bill 1451 would amend the Michigan Vehicle Code to increase various driver license clearance fees and allocate a portion of the fees to the proposed Fund.

The bills all are tie-barred to each other. Senate Bills 1448 (S-1) and 1450 would take effect on October 1, 2003. Senate Bills 1449, 1451, and 1452 would take effect on January 1, 2003.

The RJA requires a juror to be compensated at least \$15 per day and \$7.50 per half day of actual attendance at the court. Under Senate Bill 1448 (S-1), that minimum rate of compensation would apply until October 1, 2003. Beginning on that date, the rate would have to be at least \$25 per day and \$12.50 per half day for the first day or half day, and at least \$40 per day and \$20 per half day for each subsequent day or half day.

Senate Bill 1449 would create the Juror Compensation Reimbursement Fund. The State Treasurer could invest money in the Fund in any manner authorized by law for the investment of State money. An investment, however, could not interfere with any apportionment, allocation, or payment of money required under Senate Bill 1450. The unencumbered balance in the Fund at the end of a fiscal year would remain in the Fund.

Senate Bill 1450 would provide for the distribution of money in the proposed Juror Compensation Reimbursement Fund. Each court funding unit would have to submit to the State Court Administrator a semiannual report showing the total amount of the expense incurred during the fiscal year by that funding unit due to the increased minimum compensation rate for jurors (as proposed by Senate Bill 1448).

The State Court Administrator would have to distribute to each court funding unit a reimbursement from the Fund for the expense amount due to the increase in juror compensation fees. In addition, 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. In addition to the amounts paid to court funding units 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 Senate Bill 1448.

Senate Bill 1451 would increase the driver license clearance fee in certain cases from \$25 to \$45. Under the Michigan Vehicle Code, the Secretary of State must suspend a person's driver's license for failing to answer certain citations or notices to appear in court for driving violations. The suspension remains in effect until 1) the Secretary of State is notified by the court that the person has answered the citation or notice, paid the fine, or resolved all outstanding matters; and 2) the person has paid to the court a \$25 driver license clearance fee. The court must transfer 60% (\$15) of each driver license clearance fee to the Secretary of State, on a monthly basis, to be deposited in the State General Fund and used to defray the expenses of processing the driver's license suspensions and reinstatements. Under the bill, for each \$45 fee received, in addition to transmitting \$15 to the Secretary of State, the court would have to transmit \$15 to the proposed Juror Compensation Reimbursement Fund and \$15 to the applicable court funding unit.

The RJA provides that if a trial by jury is demanded in the circuit court, the party making the demand must pay a fee of \$60. If a trial by jury is demanded in the district court, the party making the demand must pay a \$40 fee. Senate Bill 1452 would increase those fees to \$85 and \$50, respectively. For each fee collected, the circuit court clerk would have to transmit \$25, and the district court clerk would have to transmit \$10, to the State Treasurer for deposit in the proposed Juror Compensation Reimbursement Fund.

MCL 600.1307a & 600.1344 (S.B. 1448)  
 Proposed MCL 600.151d (S.B. 1449)  
                   600.151e (S.B. 1450)  
 MCL 257.321a (S.B. 1451)  
                   600.2529 & 600.8371 (S.B. 1452)

Legislative Analyst: Patrick Affholter

**FISCAL IMPACT**

Senate Bill 1448 would increase statutory minimum juror reimbursement rates effective October 1, 2003, as follows:

CURRENT		PROPOSED	
		1 <sup>st</sup> Day of Actual Attendance	2 <sup>nd</sup> and Subsequent Days
Per Day	15.00	25.00	40.00
Half Day	7.50	12.50	20.00

The estimated annual cost of the increase is \$5,687,700. This estimate is based on FY 1994-95 data submitted by local court funding units to the State Court Administrative Office for reimbursement of juror costs and a 2001 survey of 14 courts regarding second-day and beyond juror service. (The State reimbursed funding units for juror costs in FY 1994-95 and FY 1995-96 based on costs in FY 1993-94 and FY 1994-95.) The State Court Administrative Office used a 2001 survey (calendar year 2000) regarding the number of juror days to refine the cost estimate.

The fiscal impact of Senate Bill 1449 would depend on the increase in juror compensation rates under Senate Bill 1448; the distribution of money in the Juror Compensation Reimbursement Fund pursuant to Senate Bill 1450; the amount generated by the driver license clearance fee increase proposed by Senate Bill 1451; and the amount generated by the proposed increase in jury trial fees under Senate Bill 1452.

Under Senate Bill 1450, 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 above, under Senate Bill 1448). Senate Bill 1450 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.

Under the Michigan Vehicle Code, the current \$25 clearance fee is allocated as follows: \$6 to the Department of State, \$9 to the Transportation Economic Development Fund, and \$10 to the local court funding unit. Senate Bill 1451 would increase the clearance fee to \$45 and allocate \$5 of the increase to the local court funding unit and \$15 to the proposed Juror Compensation Reimbursement Fund. Based on the last six years of collection data, the clearance fee increase would generate between \$7,000,000 and \$8,240,000 annually. The allocation of the clearance fee increase between the Juror Compensation Reimbursement Fund and local court funding units would range as follows:

Juror Compensation Reimbursement Fund  
\$5,250,000 to \$6,180,000

Local Court Funding Unit  
\$1,750,000 to \$2,060,000

Senate Bill 1452 would increase the jury demand fee in civil cases from \$60 to \$85 in circuit court, and from \$40 to \$50 in district court. The additional revenue generated from the increases in jury demand fees would have to be deposited in the proposed Juror Compensation Reimbursement Fund. The estimated annual revenue that would be generated from jury demand fee increases is approximately \$500,000. The enacting section of the bill provides that the fee increases would take effect on January 1, 2003.

Date Completed: 11-13-02

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.