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SFA



BILL ANALYSIS

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Senate Bills 1448 through 1452 (as introduced 9-25-02)
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

Date Completed: 11-12-02

CONTENT

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

- **Increase juror compensation fees.**
- **Specify that a person who had ever been convicted of a felony could not serve as a juror.**
- **Allow an attorney to claim exemption from jury service and provide that he or she would be exempt upon making that request.**
- **Create the "Juror Compensation Reimbursement Fund" in the State Treasury.**
- **Provide for the distribution of money in the proposed Fund to district, probate, and circuit 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.**

Senate Bill 1451 would amend the Michigan Vehicle Code to increase various driver license clearance fees that are required for the issuance of a license to a person whose license has been suspended for failure to appear or comply in response to certain violations. The bill would allocate a portion of the fees to the proposed Fund.

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

Senate Bill 1448

Juror Compensation

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

Juror Qualification & Exemption

Under the RJA, a person who is under sentence for a felony at the time of jury selection is not qualified to serve as a juror. The bill instead would disqualify from jury service a person who had been convicted of a felony. (For purposes of this provision, "felony" would mean a violation of a penal law of this State, another state, or the United States that was expressly designated by law to be a felony or for which the offender could be punished by death or by imprisonment for more than one year.)

In addition, the RJA provides that a person over 70 years of age may claim exemption from jury service and that he or she shall be

exempt upon making that request. The bill would include in that provision a person admitted to the practice of law in Michigan or another state.

Senate Bill 1449

The bill would create the Juror Compensation Reimbursement Fund. Money in the Fund would have to be used as provided in Senate Bill 1450.

The State Treasurer would have to credit to the Fund deposits of proceeds from the collection of driver license clearance fees, as provided in Senate Bill 1451, and deposits of proceeds from the collection of jury demand fees, as provided in Senate Bill 1452.

The 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 State Treasurer would have to credit to the Fund all income earned as a result of an investment of money in the Fund. The unencumbered balance in the Fund at the end of a fiscal year would have to remain in the Fund and could not revert to the General Fund.

Senate Bill 1450

The bill would provide for the distribution of money in the proposed Juror Compensation Reimbursement Fund. 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 during the fiscal year by that funding unit due to the increased minimum compensation rate for jurors (as proposed by Senate Bill 1448). 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.

Each year, at the direction of the Supreme Court and upon confirmation by the State Treasurer of the total amount available in the 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 from the Fund, however, 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 to the next fiscal year and could not revert to the General Fund.

Payments from the Fund 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 from the Fund within two months after the end of the six-month period.

The bill provides that, in addition to the amounts paid to court funding units for the reimbursement of the increased juror compensation rate 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

The Michigan Vehicle Code requires that the Secretary of State suspend a person's driver's license for failing to answer certain citations or notices to appear in court for driving violations. In each case, the suspension remains in effect until both of the following occur:

- The Secretary of State is notified by each court in which the person failed to answer a citation or notice to appear or failed to

pay a fine or cost that the person has answered the citation or notice, paid the fine, or resolved all outstanding matters regarding each notice or citation.

- The person has paid to the court a \$25 driver license clearance fee. (In some instances, the court is allowed or required to waive the fee.)

The Code requires that the court transfer 60% (\$15) of each driver license clearance fee to the Secretary of State, on a monthly basis. The funds received by the Secretary of State must be deposited in the State General Fund and used to defray the Secretary of State's expenses in processing the driver's license suspensions and reinstatements.

The bill would increase the driver license clearance fee to \$45. For each fee received, the court still would have to transmit \$15 each month to the Secretary of State for deposit in the State General Fund to defray driver's license suspension and reinstatement expenses. In addition, on a monthly basis, the court would have to transmit \$15 to the Juror Compensation Reimbursement Fund proposed by Senate Bill 1449 and \$15 to one of the following, as applicable:

- If the matter were before the circuit court, to the county treasurer for deposit in the county's general fund.
- If the matter were before the district court, to the treasurer of that court's district court funding unit (i.e., the county, city, township, or incorporated village where the court was located, depending on the court), for deposit in the funding unit's general fund.
- If the matter were before a municipal court, to the treasurer of the city in which the municipal court was located, for deposit in the city's general fund.

Senate Bill 1452

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. The bill would increase that fee to \$85. If a trial by jury is demanded in the district court, the party making the demand must pay a \$40 fee. The bill would increase that fee to \$50. 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.

The RJA provides that failure to pay the fee for demanding a jury trial within the time provided in the court rules constitutes a waiver of the right to a jury trial. Under the bill, failure to pay the fee at the time the demand was made would constitute a waiver of the right to a jury trial.

- 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

The bill would increase statutory minimum juror reimbursement rates effective October 1, 2003, as follows:

CURRENT		PROPOSED	
		1 st Day of Actual Attendance	2 nd 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.

Senate Bill 1449

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.

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.

Senate Bill 1451

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. The bill 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

The bill 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.

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.