

**SENATE APPROPRIATIONS SUBCOMMITTEE
HEARING
April 23, 2008
REMARKS OF CHIEF JUSTICE CLIFFORD W.
TAYLOR**

GOOD AFTERNOON, MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. I APPRECIATE THE OPPORTUNITY TO SPEAK WITH YOU ABOUT THE JUDICIAL BRANCH BUDGET PROPOSAL FOR FY 2009. CHIEF JUDGE HENRY SAAD OF THE COURT OF APPEALS WILL ALSO BE SPEAKING WITH YOU TODAY. ALSO HERE ARE MEMBERS OF OUR STAFF TO HELP ME ANSWER ANY QUESTIONS YOU MAY HAVE AFTER I MAKE MY REMARKS.

THE MANY BUDGET REDUCTIONS THAT
HAVE OCCURRED SINCE FY 2001 HAVE
CERTAINLY TAKEN THEIR TOLL ON THE STATE
JUDICIAL BRANCH. THE EFFECTS WERE
PERHAPS MOST OBVIOUS IN THE PAST FISCAL
YEAR, WHEN, DUE IN PART TO THE MID-YEAR
NEGATIVE SUPPLEMENTAL, WE WERE FACED
WITH A \$2.9 MILLION LOSS IN GENERAL FUND
APPROPRIATIONS. THAT LOSS IN TURN LED TO
A SUBSTANTIAL NUMBER OF UNPAID
FURLOUGH DAYS, BOTH VOLUNTARY AND
MANDATORY, AS WELL AS STAFF LAYOFFS.

THIS CONTINUES A TREND OF REDUCTIONS IN STAFFING FOR THE JUDICIAL BRANCH THAT LEFT US WITH 14.6 PERCENT FEWER FULL-TIME EQUIVALENT EMPLOYEES TODAY THAN WE HAD AT THE END OF FY 2000.

WE RECOGNIZE THAT MORE ROUGH ECONOMIC TIMES LIE AHEAD FOR THE JUDICIARY AS FOR THE REST OF STATE GOVERNMENT. OUR RESPONSE WILL BE AS IT HAS BEEN IN PAST YEARS: TO MAKE THE BEST USE OF EXISTING RESOURCES AND PROVIDE THE HIGHEST POSSIBLE LEVEL OF PUBLIC

SERVICE. THIS IS A CHALLENGE. THE JUDICIARY REPRESENTS A VERY SMALL SLICE OF THE STATE BUDGET – LESS THAN 1 PERCENT OF THE GROSS STATE BUDGET – AND AN EVEN SMALLER SLICE OF THAT 1 PERCENT IS ACTUALLY UNDER OUR CONTROL. THE JUDICIARY CAN'T CONTROL ABOUT TWO-THIRDS OF ITS GENERAL FUND APPROPRIATION BECAUSE THOSE ITEMS ARE GOVERNED BY STATUTE. I REFER, OF COURSE, TO JUDICIAL SALARIES, PAYMENTS TO LOCAL GOVERNMENTS, AND PAYMENTS TO

PROVIDERS OF CIVIL LEGAL SERVICES FOR THE
INDIGENT. SO OUR CHALLENGE IS TO WORK
WITHIN THE REMAINING ONE-THIRD, WHICH
SUPPORTS JUDICIAL BRANCH OPERATIONS:
THE SUPREME COURT, COURT OF APPEALS,
STATE COURT ADMINISTRATIVE OFFICE, AND
THE OTHER JUDICIAL BRANCH AGENCIES.

THE PROPOSED FY 2009 EXECUTIVE
BUDGET INCREASES THE TOTAL GENERAL
FUND FOR THE JUDICIARY BY \$1.9 MILLION
OVER THE ENACTED FY 2008 APPROPRIATION.
AS YOU WILL SEE FROM THE MATERIALS WE'VE

PROVIDED, THIS INCREASE INCLUDES \$1.1 MILLION FOR A NEW MENTAL HEALTH COURT PROGRAM, \$445,700 FOR JUDICIAL SALARIES, AND \$391,000 FOR JUDICIAL OPERATIONS. THE JUDICIAL OPERATIONS INCREASE WILL BE USED TO COVER SUCH ITEMS AS HEALTH CARE AND STATE RETIREMENT – BOTH, AS YOU KNOW, BECOMING INCREASINGLY EXPENSIVE.

I WANT TO EMPHASIZE THAT THE JUDICIARY HAS DONE ITS SHARE OF BELT-TIGHTENING DURING THESE CHALLENGING TIMES. OUR GENERAL FUND APPROPRIATION FOR FY 2008,

EXCLUDING JUDICIAL SALARIES, IS NEARLY 22 PERCENT LESS THAN THE ORIGINAL FY 2000 APPROPRIATION. AS I NOTED EARLIER, WE HAVE 14.6 PERCENT FEWER FULL-TIME EQUIVALENT EMPLOYEES TODAY THAN WE DID AT THE END OF FY 2000. AND BY THE END OF FY 2008 THESE EMPLOYEES WILL HAVE SEEN 9 PERCENT LESS IN COST OF LIVING INCREASES DURING THE LAST FIVE YEARS THAN HAVE EXECUTIVE BRANCH EMPLOYEES. IF WE HADN'T DECIDED TO FORGO THESE COST OF LIVING INCREASES, WE WOULD HAVE BEEN FORCED

TO REDUCE OUR EMPLOYMENT LEVELS EVEN FURTHER. THAT IS WHY I'M PARTICULARLY CONCERNED THAT THE HOUSE VERSION OF OUR FY 2009 BUDGET BILL REDUCED THE FUNDING FOR THE SUPREME COURT BY \$526,500 FROM THE EXECUTIVE RECOMMENDATION. I WANT TO EMPHASIZE THAT THIS REDUCTION WOULD BE VERY DETRIMENTAL TO THE OPERATIONS OF THE SUPREME COURT, AND I ENCOURAGE THE SENATE TO RESTORE THE FUNDING TO THE EXECUTIVE LEVEL.

THE HOUSE VERSION OF OUR FY 2009 BUDGET ALSO ADDED \$200,000 OF FUNDING FOR SECURITY AND UPGRADING OF CENTRAL DISPATCH SERVICES FOR TWO DISTRICT COURTS. WHILE I DON'T DOUBT THAT THESE COURTS NEED THESE SERVICES, THESE ARE NEEDS THAT ARE SHARED BY MANY OTHER COURTS IN THE STATE. ON WHAT BASIS HAS IT BEEN DETERMINED THE NEEDS OF THESE TWO COURTS ARE GREATER THAN THOSE OF THE OTHER COURTS? AND WHAT WILL THE RESPONSE BE WHEN THE LOCAL

GOVERNMENTS THAT FUND THESE OTHER COURTS REQUEST STATE GRANTS FOR SIMILAR PROJECTS? WE BELIEVE THESE EARMARKS SHOULD BE REMOVED FROM THE JUDICIARY'S BUDGET.

AS I'VE SAID VERY PUBLICLY ON SEVERAL OCCASIONS, I BELIEVE THAT ANY SERIOUS CONSIDERATION OF THE STATE'S FINANCES SHOULD INCLUDE A HARD LOOK AT THE NUMBER OF STATE JUDGESHIPS. ALTHOUGH I DO NOT PROPOSE REVISITING LAST YEAR'S DISCUSSION, WHICH AT THE TIME GENERATED

MUCH CONTROVERSY AND NO HARD RESULTS, IN DEPTH HERE TODAY, I DON'T THINK WE CAN AVOID HAVING THAT CONVERSATION IN LIGHT OF THE CONTINUING HARDSHIPS OF OUR STATE. I WOULD HOPE WE WILL NOT ABANDON THE ISSUE WITHOUT A THOUGHTFUL DISCUSSION FIRST.

THE MATERIALS YOU HAVE BEFORE YOU ARE SELF-EXPLANATORY, BUT I WOULD LIKE TO EMPHASIZE A FEW POINTS.

FIRST, I WOULD DRAW YOUR ATTENTION TO A VERY EXCITING PROJECT, AND THAT IS THE

DEVELOPMENT OF A NEW CASE MANAGEMENT SYSTEM FOR THE STATE'S TRIAL COURTS. THIS WILL REPLACE THE CURRENT SYSTEM SUPPORTED BY THE STATE COURT ADMINISTRATIVE OFFICE'S JUDICIAL INFORMATION SYSTEMS DIVISION THAT IS USED BY 74 PERCENT OF THE STATE'S TRIAL COURTS TO MANAGE THEIR OPERATIONS. THIS NEW SYSTEM IS CURRENTLY IN ITS FIRST PHASE OF DEVELOPMENT, AND IT WILL BE A HUGE TECHNOLOGICAL STEP FORWARD FOR MICHIGAN COURTS. SOFTWARE DEVELOPMENT

IS SCHEDULED TO BE COMPLETED AND IMPLEMENTED IN PILOT COURTS AROUND THE END OF 2011. WHEN THIS PROJECT IS FINISHED, COURTS WILL HAVE A SYSTEM THAT WILL TAKE FULL ADVANTAGE OF MODERN TECHNOLOGY, INCLUDING THE POWER OF THE INTERNET, WITH A CENTRALLY-HOSTED SYSTEM AND ENHANCED BUSINESS CAPABILITIES AND REPORTING TOOLS. THIS IS PART OF A GENERAL MOVEMENT TOWARD MAKING COURT INFORMATION MORE EASILY AVAILABLE ON A STATEWIDE BASIS. FOR EXAMPLE, OVER 95

PERCENT OF ALL CRIMINAL DISPOSITIONS ARE NOW REPORTED ELECTRONICALLY FROM COURTS TO THE STATE POLICE THROUGH THE JUDICIAL NETWORK PROJECT. ELECTRONIC REPORTING MAKES FOR MUCH TIMELIER UPDATING OF CRIMINAL HISTORIES, WITH CORRESPONDING BENEFITS FOR LAW ENFORCEMENT. SIMILARLY, THE JUDICIAL DATA WAREHOUSE, ANOTHER JIS PROJECT, PROVIDES A STATEWIDE REPOSITORY OF PENDING AND CLOSED CASES THROUGHOUT THE STATE. THIS DATA WAREHOUSE HAS THE

POTENTIAL TO ASSIST US IN AREAS RANGING FROM HOMELAND SECURITY TO LOCAL LAW ENFORCEMENT TO BETTER COURT COLLECTIONS.

THAT LAST TOPIC IS, OF COURSE, OF INTEREST TO ALL OF US WHO ARE CHARGED WITH ENFORCING COURT SANCTIONS, INCLUDING FINANCIAL ONES. AS YOU KNOW, MONEY COLLECTED BY THE COURTS SUPPORTS THE CRIME VICTIMS' RIGHTS FUND, LAW ENFORCEMENT, LOCAL GOVERNMENTS, AND LIBRARIES, TO NAME A FEW, AND WE IN

THE JUDICIARY ARE KEENLY AWARE OF THESE OBLIGATIONS. BUT WE ALSO VIEW EFFECTIVE COLLECTIONS AS ENHANCING THE COURTS' CREDIBILITY; IMPROVED ENFORCEMENT HEIGHTENS RESPECT FOR THE COURT AND ITS ORDERS. THE JUDICIAL BRANCH'S STATEWIDE COLLECTIONS STRATEGY HAS MULTIPLE PRONGS: EDUCATION, DATA COLLECTIONS, TRAINING, PILOT PROGRAMS, AND BEST PRACTICES. WE ARE FORTUNATE TO HAVE A BLUE-RIBBON ADVISORY COMMITTEE, WITH JUDGES AND COURT STAFF FROM EVERY PART

OF THE STATE, TO HELP US IMPLEMENT THIS STRATEGY, AND, MORE IMPORTANTLY, PROMOTE IT WITH THEIR COLLEAGUES. WE PLAN TO HAVE ALL COURTS IMPLEMENTING AN APPROVED COLLECTIONS PROGRAM BY THE END OF 2009.

THE SUPREME COURT HAS BEEN VERY APPRECIATIVE OF THE FACT THAT DRUG COURT FUNDING HAS REMAINED SO STABLE OVER THE PAST SEVERAL YEARS. MICHIGAN IS CERTAINLY A NATIONAL LEADER IN THE DRUG COURT MOVEMENT, WITH 81 DRUG COURTS,

TWO OF WHICH ARE IN THE PLANNING STAGES.

A RECENT SCAO-COMMISSIONED STUDY

INDICATES THAT DRUG COURTS CAN REDUCE

RECIDIVISM AND INCARCERATION COSTS. JUST

BY WAY OF EXAMPLE, DRUG COURTS IN TWO

COUNTIES, BARRY AND KALAMAZOO, SAVED

NEARLY ONE MILLION DOLLARS IN AVOIDED

COSTS, INCLUDING INCARCERATION, OVER THE

TWO YEARS THAT THOSE COURTS WERE

STUDIED. THE SAME STUDY, WHICH WAS

PERFORMED BY A NATIONALLY RECOGNIZED

RESEARCH FIRM, ALSO FOUND THAT THOSE

COURTS REDUCED RECIDIVISM AND
SUBSTANCE ABUSE.

I SHOULD NOTE THAT OUR DRUG COURTS
APPROPRIATION IS PREMISED IN PART ON A
FEDERAL APPROPRIATION OF \$1.8 MILLION
FROM THE BYRNE MEMORIAL JUSTICE
ASSISTANCE GRANT PROGRAM. THIS FUNDING
TARGETS NONVIOLENT PROBATION VIOLATORS
AND OTHER NONVIOLENT FELONY OFFENDERS
WHO, BASED ON LOCAL SENTENCING
PRACTICES, ARE OTHERWISE BOUND FOR
PRISON. ALTHOUGH THE OMNIBUS

APPROPRIATION BILL FOR FEDERAL FY 2008 CUTS THIS BYRNE FUNDING BY 67 PERCENT, I'M PLEASED TO BE ABLE TO REPORT THAT MICHIGAN'S OFFICE OF DRUG CONTROL POLICY HAS TOLD US THAT THE \$1.8 MILLION WILL BE AVAILABLE FOR DRUG COURTS IN FY 2009. THE LOSS OF THIS FUNDING SOURCE WOULD HAVE POSED A SERIOUS SETBACK FOR OUR STATE DRUG COURTS.

FINALLY, I WOULD NOTE THAT THE FY 2009 EXECUTIVE RECOMMENDATION INCLUDES \$1.1 MILLION IN THE JUDICIARY BUDGET FOR A

PILOT MENTAL HEALTH COURT PROJECT.

STUDIES INDICATE THAT JAIL INMATES HAVE A

HIGHER INCIDENCE OF MENTAL ILLNESS THAN

IN THE GENERAL POPULATION, AND THAT

MENTAL ILLNESS WILL LEAD TO REPEAT

OFFENSES IF NOT TREATED. MENTAL HEALTH

COURTS ATTEMPT TO BREAK THIS CYCLE

THROUGH A COURT-SUPERVISED PROGRAM OF

TREATMENT BACKED BY REWARDS AND

SANCTIONS. THIS PILOT PROJECT WILL BE THE

FIRST OF ITS KIND IN MICHIGAN, AND WE ARE

HOPING THAT IT OFFERS THE SAME POTENTIAL

FOR REDUCING RECIDIVISM AND
INCARCERATION COSTS AS DRUG COURTS
HAVE.

I WILL BE GLAD TO TAKE ANY QUESTIONS
YOU MAY HAVE FOR ME. THANK YOU AGAIN FOR
THIS OPPORTUNITY TO ADDRESS YOU.
