

# Order

Michigan Supreme Court  
Lansing, Michigan

January 29, 2014

Robert P. Young, Jr.,  
Chief Justice

ADM File No. 2013-41

Michael F. Cavanagh  
Stephen J. Markman  
Mary Beth Kelly  
Brian K. Zahra  
Bridget M. McCormack  
David F. Viviano,  
Justices

Adoption of Amendments of  
Administrative Order No. 1998-5  
(Regarding Court Funding Disputes)

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On order of the Court, the need for immediate action having been found, the following amendments of Administrative Order No. 1998-5 are adopted, effective immediately and pending public comment. This notice is given to afford interested persons the opportunity to comment on the form or the merits of the amendment or to suggest alternatives. The Court welcomes the views of all. This matter will be considered at a public hearing. The notices and agendas for public hearings are posted at [Administrative Matters & Court Rules page](#).

[Additions to the text of Administrative Order No. 1998-5  
are indicated in underlining and deleted text  
is shown by strikeover.]

Chief Judge Responsibilities; Local Intergovernmental Relations

~~On order of the Court, the following order is effective immediately. This order replaces Administrative Order No. 1997-6, which is rescinded.~~

I.-II. [Unchanged.]

### III. FUNDING DISPUTES; MEDIATION AND LEGAL ACTION

If, after the local funding unit has made its appropriations (including, for purposes of this section, amendments of existing appropriations or enforcement of existing appropriations), a court concludes that the funds provided for its operations by its local funding unit are insufficient to enable the court to properly perform its duties and that legal action is necessary, the procedures set forth in this order must be followed.

1. ~~Legal action may be commenced 30 days after the court has notified~~ The chief judge of the court shall notify the State Court Administrator that a dispute exists regarding court funding that the court and the local funding unit have been unable to resolve, ~~unless mediation of the dispute is in progress, in which case legal action may not be commenced within 60 days of the commencement of the mediation.~~ The notice must be accompanied by a written communication indicating that the chief judge of the court has approved the commencement of legal proceedings. With the notice, the court must supply the State Court Administrator with all facts relevant to the funding dispute. The State Court Administrator must attempt to aid the court and the local funding unit to resolve

the dispute. If requested by the court and the local funding unit, the State Court Administrator must appoint a person or entity to serve as mediator within five business days. The State Court Administrator may extend this period for an additional 30 days.

2. ~~During the waiting period provided in paragraph 1, the State Court Administrator must attempt to aid the court and the involved local funding unit to resolve the dispute.~~
32. ~~If, after the procedure provided in paragraph 2 has been followed, the court concludes that a civil action to compel funding is necessary, the State Court Administrator must assign a disinterested judge to preside over the action a civil action may be commenced by the chief judge, consistent with MCL 141.436 and MCL 141.438, if applicable. If not applicable, a civil action may be commenced by the chief judge, and the State Court Administrator must assign a disinterested judge to preside over the action.~~
43. Chief judges or representatives of funding units may request the assistance of the State Court Administrative Office to mediate situations involving potential disputes at any time, before differences escalate to the level of a formal funding dispute.

IV.-X. [Unchanged.]

*Staff Comment:* The amendments of Administrative Order No. 1998-5 modify the way county-funded courts pursue disputes over court funding. These modifications are adopted with immediate effect, but pending public comment and a future public hearing, in light of the recent enactment of 2013 PA 172.

The staff comment is not an authoritative construction by the Court.

A copy of this order will be given to the Secretary of the State Bar and to the State Court Administrator so that they can make the notifications specified in MCR 1.201. Comments on the proposal may be sent to the Supreme Court Clerk in writing or electronically by May 1, 2014, at P.O. Box 30052, Lansing, MI 48909, or

[ADMcomment@courts.mi.gov](mailto:ADMcomment@courts.mi.gov). When filing a comment, please refer to ADM File No. 2013-41. Your comments and the comments of others will be posted under the chapter affected by this proposal at [Proposed & Recently Adopted Orders on Admin Matters page](#).



I, Larry S. Royster, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

January 29, 2014

  
Clerk