

Testimony of Chief Judge Michael Gadola of the Michigan Court of Appeals

before the Corrections and Judiciary Subcommittee of the House Committee on Appropriations

March 20, 2025

Chair Slagh, Majority VC Markkanen, Minority VC O'Neal, and members of the subcommittee, thank you for allowing me the opportunity to address you concerning the fiscal year 2026 budget of the Michigan Court of Appeals. Our current year budget of roughly \$27.3m, and our recommended budget of roughly \$27.7m for FY 2026 (roughly a \$400k increase over the current year) represents less than one-half of one percent of GF expenditures for both years.

While the size of our appropriation is relatively small, the work of our Court, including our 25 judges and hard-working staff, continues to be impressive. In 2024 our Court disposed of 4,613 cases. 4,883 cases were filed in the COA in 2024, which was a very slight reduction from 2023 new filings.

As you can see, while the Court continues to work efficiently and effectively, the number of new filings exceeded the number of dispositions in 2024. This raises a concern for me as CJ of the Court. Our court's "clearance rate," which measures the number of cases disposed of versus new filings coming in the door, has fallen below 100% in each of the past 3 years. This means that we have had more cases coming in the door than we have had going out the door for each of those years. During the "Covid years" we were able to substantially reduce our pending caseload due to the fact trial court activity was drastically reduced during that period, with a concomitant reduction of new filings in our Court.

Our pending caseload reached a low point of 2,557 cases at the end of 2021, but has risen to 3,771 cases today. There are several reasons for that shift. First and most obviously, our new filings have returned to pre-Covid levels. Second, we have had judicial vacancies that have hampered our ability to field a full complement of monthly case call panels. We had 2 judges with long-term illnesses who were unable to fully participate in case call last year, and we have had 2 judicial vacancies for all of this year. This has required us to dissolve a certain number of monthly case call panels during these times. We have also experienced challenges in retaining a full complement of Research Attorneys who process reports on the vast majority of our opinion cases each month.

We will be implementing some changes this year to the way we process cases internally in order to improve our clearance rate and reduce our pending caseload. I am hopeful that those changes, along with having a full complement of 25 judges, will help us improve our performance. It is possible, however, that we may find it necessary to increase the number of Research Attorneys on staff in order to help us meet a clearance rate of 100% or better. I wanted to make the members of the subcommittee aware that this time next year I may come before you seeking additional funding to help us process our caseload more efficiently. I promise to keep you apprised of how things develop in the meantime.

We continue to manage the Court of Claims docket as efficiently and effectively as possible, under the direction of CJ Brock Swartzle. There were 205 new filings in the COC in 2024, which appears to be fairly standard in our recent experience. The COC disposed of 225 cases last year. (BAS, JRR, CPY, SGP).

One final note. As you may be aware, our Court has been working to move our operations from private lease space to State-owned facilities. Over the last 20 years, the Court has moved 4 offices to State-

owned buildings, leaving just our offices in Troy in private lease space. That lease expires in November, 2026.

We appreciate your support of our move from the leased space in Troy to Cadillac Place in Detroit with a supplemental appropriation last year. I'm happy to report that bids have come in and all were under the budgeted amount for this project. DTMB will soon select a successful bidder and we hope to be able to move into the Detroit space later this year.

I will close just by saying that we support the Governor's recommendation of economic increases in our budget of roughly \$400k for FY 2026. Thank you very much for your time and consideration. I would be happy to answer any questions you might have.