Michigan Indigent Defense Commission Local Share Evaluation Interim Report

Public Sector Consultants April 20, 2021



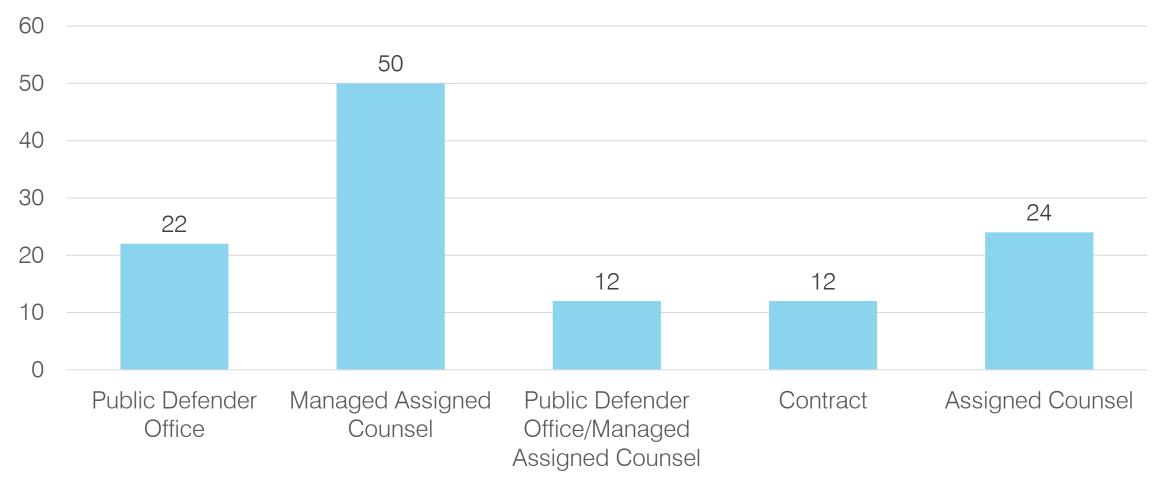


Background

- Michigan Indigent Defense Commission (MIDC) hired Public Sector Consultants (PSC) to evaluate the current local share funding contributions
- The evaluation was informed by data collection on local jurisdictions' expenditures/expenses and stakeholder interviews
 - Data analysis was based on current spending data and future projections
 - PSC conducted 20 one-hour interviews with diverse stakeholders



Types of Legal Defense Systems in Michigan







Data Collection and Analysis

- PSC collected and analyzed data from MIDC related to state grant and local share funding by jurisdiction for fiscal years 2019, 2020, 2021, and 2022
- PSC also integrated analysis on inflation and attorney fee reimbursements
- For the final report, PSC will consider integrating demographic data to further assess equitability

FY 2019–2021 Budget Spending

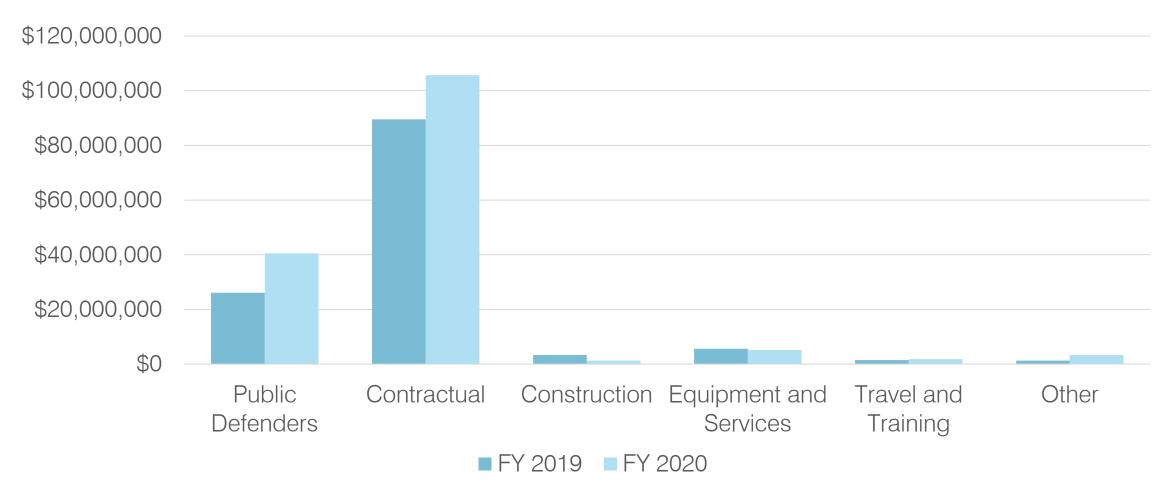
Fiscal Year	State MIDC Grants	Local Share	Total System Costs	Total Local Share Percentage
FY 2019	\$86,759,934	\$37,925,642	\$124,685,577	30%
FY 2020	\$117,424,880	\$38,523,865	\$157,698,982	24%
FY 2021	\$134,689,367	\$38,486,189	\$173,175,556	22%
FY 2022*	\$168,789,367	\$38,684,154	\$207,473,521	19%

Source: PSC analysis of MIDC data. Note: FY 2020 Total System Costs includes \$1.7 million in other funding sources from Macomb and Oakland jurisdictions.



^{*}FY 2022 figures assume the \$34.1 million state budget request is approved.

Total System Costs by Category





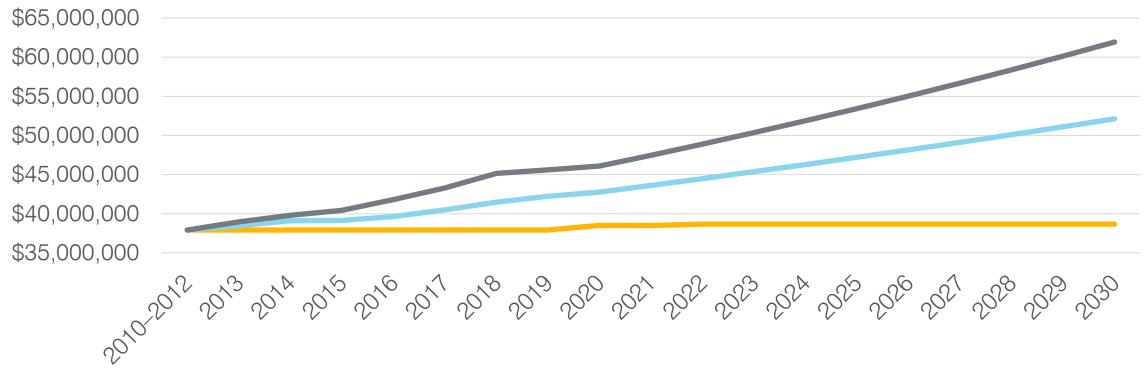
FY 2019 and 2020 Total and Average Local Share Percentage

Fiscal Year	Total Local Share Percentage	Average Local Share Percentage
FY 2019	30%	25%
FY 2020	24%	21%





Local Share Costs Only



- -Current local share
- Local share with compounding inflation
- -Local share with compounding legal services inflation



Stakeholder Interviews

Current Program Strengths

- Statewide standardization has significantly improved indigent defense in Michigan
- Partners in all steps of the process agree on the importance of proper indigent defense

Current Program Challenges

- Concern at the local level about continued available state funding
- Need for better resource regionalization
- Difficulty in attracting lawyers to public defense work
- Question over allowable costs during annual financial review
- Persistent inequity between jurisdictions' program implementation



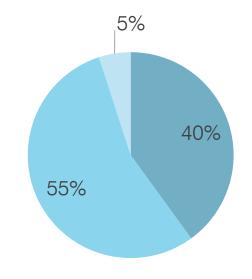
Interviewees' Perspectives on Future Funding

Local and State Funding

- Most interviewees agreed that local jurisdictions should continue to make decisions and have a financial stake in program administration
- Local jurisdictions are better positioned to understand challenges and address gaps in their own systems

State Funding

- Supporters of greater or complete state funding agreed this shift is likely as program costs increase
- Implementation of standards would be too taxing on local jurisdictions
- Local decision making will change as standards are implemented











Local Share Formula

Successes

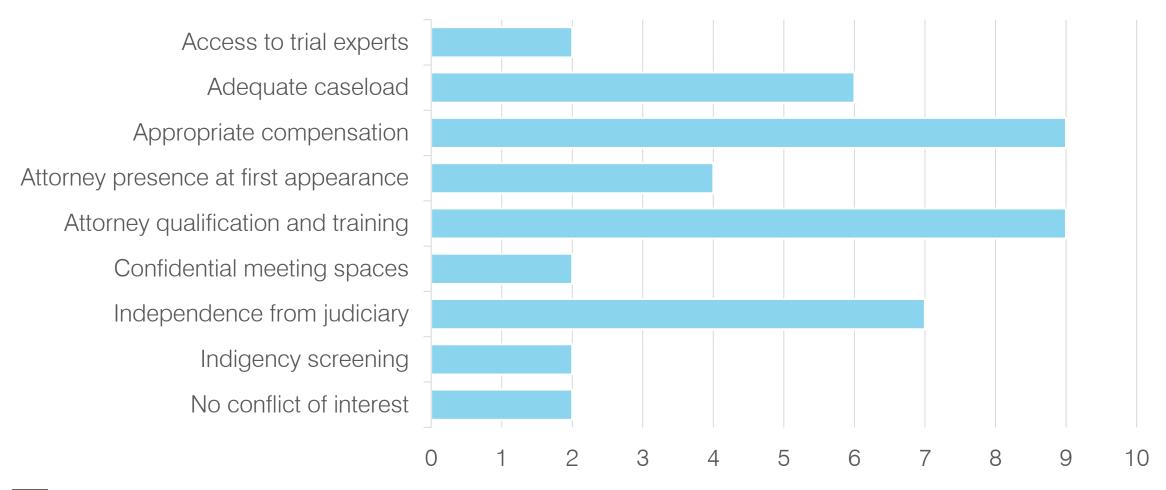
- Bipartisan support and widespread understanding of the program
- Local delivery of state-mandated services and innovative local problem solving
- Predictability of state funding

Setbacks

- Tension between state oversight and local control
- Uncertainty of continued state funding and potential state budget cuts
- Innovative practices potentially discouraged



Guiding Principles in Indigent Defense





Equitability

- Perception that equity between jurisdictions' funding contributions could improve
- Perceived inequitable apportionment of state funding based on three years of indigent defense spending
- Large range of local funding percentage creates challenges
- Discrepancies between jurisdictions in partially indigent reimbursement collections practices



Next Steps

- Share interim report containing findings with the commission
- Convene focus groups
- Conduct an industry-wide survey
- Further explore attorney reimbursement collection
- Develop recommendations and deliver a final report to the commission



