

**STATUS OF LAWSUITS
INVOLVING THE STATE OF MICHIGAN
FY 2004-05 UPDATE**



**SENATE FISCAL AGENCY
LANSING, MICHIGAN
FEBRUARY 2006**

THE SENATE FISCAL AGENCY

The Senate Fiscal Agency is governed by a board of five members, including the majority and minority leaders of the Senate, the Chairperson of the Appropriations Committee of the Senate, and two other members of the Appropriations Committee of the Senate appointed by the Chairperson of the Appropriations Committee with the concurrence of the Majority Leader of the Senate, one from the minority party.

The purpose of the Agency, as defined by statute, is to be of service to the Senate Appropriations Committee and other members of the Senate. In accordance with this charge, the Agency strives to achieve the following objectives:

1. To provide technical, analytical, and preparatory support for all appropriations bills.
2. To provide written analyses of all Senate bills, House bills, and Administrative Rules considered by the Senate.
3. To review and evaluate proposed and existing State programs and services.
4. To provide economic and revenue analysis and forecasting.
5. To review and evaluate the impact of Federal budget decisions on the State.
6. To review and evaluate State issuance of long-term and short-term debt.
7. To review and evaluate the State's compliance with constitutional and statutory fiscal requirements.
8. To prepare special reports on fiscal issues as they arise and at the request of members of the Senate.

The Agency is located on the 8th floor of the Victor Office Center. The Agency is an equal opportunity employer.



Gary S. Olson, Director
Senate Fiscal Agency
P.O. Box 30036

Lansing, Michigan 48909-7536
Telephone (517) 373-2767
TDD (517) 373-0543

Internet Home Page <http://www.senate.michigan.gov/sfa>

ACKNOWLEDGMENTS

This report was prepared by Bill Bowerman, Chief Analyst of the Senate Fiscal Agency General Government Unit. Pam Yeomans typed the report. The Senate Fiscal Agency would like to thank all State departments and agencies for their cooperation.

Any questions regarding this report, or requests for additional copies, should be directed to:

Bill Bowerman
Senate Fiscal Agency
P.O. Box 30036
Lansing, MI 48909-7536

Phone: (517) 373-2768
TDD: (517) 373-0543

TABLE OF CONTENTS

OVERVIEW	1
TABLE 1 TOTAL COURT JUDGMENTS AND SETTLEMENTS PAID BY THE STATE FY 1995-96 THRUOUGH FY 2004-05.....	2
TABLE 2 COURT JUDGMENTS PAID BY THE STATE FY 1995-96 THROUGH FY 2004-05	3
TABLE 3 SETTLEMENTS PAID BY THE STATE FY 1995-96 THROUGH FY 2004-05	4
TABLE 4 FY 2004-05 NUMBER OF CASES AND PAYMENTS BY DEPARTMENT	5
FIGURE 1 HIGHWAY NEGLIGENCE PAYMENTS FY 1983-84 THROUGH FY 2004-05	8
TABLE 5 RISK MANAGEMENT FUND AUTOMOTIVE LIABILITY PAYMENTS	9
TABLE 6 TOTAL COURT JUDGMENTS AND SETTLEMENTS PAID TO THE STATE	10
LISTING OF CASES RESULTING IN PAYMENTS DURING FY 2004-05:	
AGRICULTURE	12
COMMUNITY HEALTH.....	13
CORRECTIONS	14
EDUCATION	17
ENVIRONMENTAL QUALITY	18
HUMAN SERVICES.....	19
LABOR & ECONOMIC GROWTH.....	20
MANAGEMENT & BUDGET	21
NATURAL RESOURCES.....	22
STATE.....	23
STATE POLICE	24
TRANSPORTATION - HIGHWAY NEGLIGENCE CASES.....	25
TRANSPORTATION - OTHER CASES	26
TREASURY	27

OVERVIEW

The information in this document is based on reports filed by State departments and agencies pursuant to Section 396(3) of The Management and Budget Act (Public Act 431 of 1984). Based on the amounts reported, the State of Michigan paid \$12,617,048 for judgments and settlements in fiscal year (FY) 2004-05. Of the 95 cases that resulted in payments, 18 were judgments totaling \$4,407,200, and 77 were settlements totaling \$8,209,848. Payments in FY 2004-05 were \$5,693,963 lower than the \$18,311,011 reported in FY 2003-04. The funding sources for payments in FY 2004-05 were as follows:

FUNDING SOURCE	AMOUNT	PERCENT
State General Fund	\$4,714,836	37.4
State Trunkline Fund	3,045,406	24.1
State Restricted Funds	3,045,316	24.1
State School Aid Fund	1,717,015	13.6
Federal Funds	94,475	0.8
TOTAL:	\$12,617,048	100.0

Tables on pages 2, 3, and 4 provide a ten-year history (FY 1995-96 through FY 2004-05) of payments made by the State of Michigan. Table 1 provides information on total payments (judgments and settlements), Table 2 lists payments resulting from judgments only, and Table 3 lists settlements. Table 4 provides a summary of FY 2004-05 cases and payments by department. Table 5 on page 9 includes a history of payments from the State's Risk Management Fund for automotive liability. Payments from the Fund are not included in amounts reported by departments. The report also includes an overview of cases that resulted in payments to the State of Michigan. Table 6 and information following on pages 10 and 11 provide an overview of amounts received by the State.

The FY 2004-05 reports for payments submitted by State departments and agencies follow beginning on page 12. For each payment, the name of the case is listed along with information regarding the funding source, the county where the cause of action arose, and a brief description of the cause of action (summary of case). This report does not include payments resulting from workers' compensation and unemployment claims.

Table 1

TOTAL COURT JUDGMENTS AND SETTLEMENTS PAID BY THE STATE (Actual Dollars)										
DEPARTMENT	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05
Agriculture	\$100,500	\$224,710	\$10,000	\$0	\$133,058	\$789	\$12,500	\$116,416	\$0	\$7,500
Attorney General	0	0	0	0	0	100,000	83,308	297,000	0	0
Civil Rights	0	0	0	0	0	0	0	0	0	0
Civil Service	0	30,000	0	0	0	0	0	0	0	0
Community Health	727,838	908,000	2,131,565	659,922	149,088	106,000	387,750	2,092,756	114,889	156,000
CIS	0	21,595	153,928	178,460	19,459	1,917,304	0	3,000		
Corrections	2,581,259	4,639,321	3,227,817	1,780,090	5,465,079	5,371,081	3,380,386	1,788,948	1,672,725	3,007,509
Education	5,331,636	1,878,837	213,832,688	1,705,551	1,628,259	1,368,306	2,123,500	3,046,081	2,299,211	1,717,015
Environmental Quality	358,459	98,870	2,566	10,998	1,516,756	0	0	276,893	738,250	3,541
Executive	0	0	0	0	0	0	0	0	0	0
History, Arts, & Libraries							1,000	0	0	0
Human Services	511,587	1,399,850	2,115,076	320,938	107,311	1,520,345	339,422	144,597	447,237	224,861
Information Technology							0	0	0	0
Judiciary	45,000	724,000	0	10,000	0	0	0	0	0	0
Labor & Econ. Growth									503,067	2,273,159
Lottery	0	13,420	13,581	17,565	1,500	0	0	0	0	0
Management & Budget	126,170	106,000	5,500	75,000	22,500	1,611,654	308,641	0	0	735,000
MI Jobs Commission	3,500	156,239	23,681							
MI Strategic Fund				0	0	0	0	0	0	0
Military Affairs	25,000	225,000	2,405,000	90,000	0	8,793	0	0	0	0
Natural Resources	93,859,495	3,442,198	2,906,895	1,872,915	17,787,910	299,756	47,177	307,063	796,280	1,095,146
State	67,500	7,500	1,817	101,460	36,400	1,000	150	0	2,099	5,000
State Police	1,220,853	873,069	868,141	787,057	513,664	875,572	1,424,855	1,075,239	842,330	264,900
Transportation	9,567,095	11,080,416	8,383,808	5,074,922	13,046,755	1,396,360	1,897,922	1,085,324	10,774,291	3,045,406
Treasury	0	65,669	11,500	0	107,659	0	180,000	269,000	120,632	82,011
TOTAL:	\$114,525,892	\$25,894,694	\$236,093,563	\$12,684,878	\$40,535,398	\$14,576,960	\$10,186,611	\$10,502,317	\$18,311,011	\$12,617,048

Table 2

COURT JUDGMENTS PAID BY THE STATE (Actual Dollars)										
DEPARTMENT	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05
Agriculture	\$0	\$0	\$0	\$0	\$0	\$789	\$0	\$116,416	\$0	\$0
Attorney General	0	0	0	0	0	100,000	81,808	0	0	0
Civil Rights	0	0	0	0	0	0	0	0	0	0
Civil Service	0	0	0	0	0	0	0	0	0	0
Community Health	50,000	136,000	0	310,422	21,633	1,000	250	1,025,273	100,000	0
CIS	0	15,000	100,000	160,000	0	417,304	0	3,000		
Corrections	1,472,162	2,905,509	1,165,825	627,851	428,729	3,106,093	1,067,178	194,054	1,035,594	373,974
Education	5,331,636	1,297,349	213,823,188	1,684,540	1,628,259	1,368,306	2,123,500	3,046,081	2,287,211	1,717,015
Environmental Quality	239,459	0	2,566	10,998	1,516,756	0	0	114,893	750	3,541
Executive	0	0	0	0	0	0	0	0	0	0
History, Arts, & Libraries							0	0	0	0
Human Services	0	1,066	3,310	0	764	0	8,682	0	115,652	0
Information Technology							0	0	0	0
Judiciary	0	0	0	0	0	0	0	0		0
Labor & Econ. Growth									68,567	2,273,159
Lottery	0	0	0	0	0	0	0	0	0	0
Management & Budget	120,000	0	0	0	22,500	1,611,654	78,641	0	0	0
MI Jobs Commission	3,500	0	0							
MI Strategic Fund				0	0	0	0	0	0	0
Military Affairs	0	5,000	2,400,000	0	0	0	0	0	0	0
Natural Resources	201,811	901,193	2,901,395	409,888	1,537,910	152,162	0	307,063	5,788	0
State	0	0	0	0	0	0	150	0	2,099	5,000
State Police	0	3,569	0	0	0	0	0	975,615	41,328	0
Transportation	661,000	1,331,974	0	0	2,875,000	0	0	360,000	0	0
Treasury	0	15,669	0	0	0	0	0	0	120,632	34,511
TOTAL:	\$8,079,568	\$6,612,329	\$220,396,284	\$3,203,699	\$8,031,551	\$6,757,308	\$3,360,209	\$6,142,395	\$3,777,621	\$4,407,200

Table 3

SETTLEMENTS PAID BY THE STATE (Actual Dollars)										
DEPARTMENT	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05
Agriculture	\$100,500	\$224,710	\$10,000	\$0	\$133,058	\$0	\$12,500	\$0	\$0	\$7,500
Attorney General	0	0	0	0	0	0	1,500	297,000	0	0
Civil Rights	0	0	0	0	0	0	0	0	0	0
Civil Service	0	30,000	0	0	0	0	0	0	0	0
Community Health	677,838	772,000	2,131,565	349,500	127,455	105,000	387,500	1,067,483	14,889	156,000
CIS	0	6,595	53,928	18,460	19,459	1,500,000	0	0	0	0
Corrections	1,109,097	1,733,812	2,061,992	1,152,239	5,036,350	2,264,988	2,313,208	1,594,894	637,131	2,633,535
Education	0	581,488	9,500	21,011	0	0	0	0	12,000	0
Environmental Quality	119,000	98,870	0	0	0	0	0	162,000	737,500	0
Executive	0	0	0	0	0	0	0	0	0	0
History, Arts, & Libraries							1,000	0	0	0
Human Services	511,587	1,398,784	2,111,766	320,938	106,547	1,520,345	330,740	144,597	331,585	224,861
Information Technology							0	0	0	0
Judiciary	45,000	724,000	0	10,000	0	0	0	0	0	0
Labor & Econ. Growth									434,500	0
Lottery	0	13,420	13,581	17,565	1,500	0	0	0	0	0
Management & Budget	6,170	106,000	5,500	75,000	0	0	230,000	0	0	735,000
MI Jobs Commission	0	156,239	23,681							
MI Strategic Fund				0	0	0	0	0	0	0
Military Affairs	25,000	220,000	5,000	90,000	0	8,793	0	0	0	0
Natural Resources	93,657,684	2,541,005	5,500	1,463,027	16,250,000	147,594	47,177	0	790,492	1,095,146
State	67,500	7,500	1,817	101,460	36,400	1,000	0	0	0	0
State Police	1,220,853	869,500	868,141	787,057	513,664	875,572	1,424,855	99,624	801,002	264,900
Transportation	8,906,095	9,748,442	8,383,808	5,074,922	10,171,755	1,396,360	1,897,922	725,324	10,774,291	3,045,406
Treasury	0	50,000	11,500	0	107,659	0	180,000	269,000	0	47,500
TOTAL:	\$106,446,324	\$19,282,365	\$15,697,279	\$9,481,179	\$32,503,847	\$7,819,652	\$6,826,402	\$4,359,922	\$14,533,390	\$8,209,848

PAYMENTS BY DEPARTMENTS

Table 4 summarizes the number of cases and payments by department.

Table 4 FY 2004-05 NUMBER OF CASES AND PAYMENTS BY DEPARTMENT				
DEPARTMENT	NUMBER OF CASES	PERCENT OF TOTAL	STATE PAYMENTS	PERCENT OF TOTAL
Corrections	31	32.6	\$3,007,509	23.8
Education	1	1.1	1,717,015	13.6
Labor & Economic Growth	2	2.1	2,273,159	18.0
Management & Budget	1	1.1	735,000	5.8
Natural Resources	10	10.5	1,095,146	8.7
State Police	11	11.6	264,900	2.1
Transportation	18	18.9	3,045,406	24.1
Other Departments	21	22.1	478,913	3.8
TOTAL:	95	100.0	\$12,617,048	100.0

DEPARTMENT OF CORRECTIONS

The Department of Corrections made payments in 31 cases totaling \$3,007,509. This represents an increase of \$1,334,784 (79.8%) from the \$1,672,725 paid for 27 cases reported in FY 2003-04. Payments ranged from \$100 each in two cases involving petitions for review of a hearing officer's decision, to \$2.0 million in Doe, Jane et al. v MDOC et al. for a class action case alleging that prisoners were denied placement in Community Residential Programs and Camps based on medical condition.

DEPARTMENT OF EDUCATION

The case reported by the Department of Education relates to continuing payments in the Berry v Benton Harbor Area School District desegregation case. The State has been making annual payments resulting from this case since FY 1980-81. The original defendants in the case included the Benton Harbor Area School District, the Coloma School District, the Eau Claire School District, the Berrien County Intermediate School District, the Governor, the Attorney General, the State Board of Education, and the State Superintendent of Public Instruction. The United States District Court for the Western District of Michigan, Southern Division, directed the State of Michigan to pay certain expenses related to the court's desegregation remedy plan detailed in the court's order dated May 1, 1981. Most of the payments related to funding to the Benton Harbor Area School District for its resident students who elected to transfer to another school district and their transportation costs. Settlements reached with the Eau Claire School District and the Coloma School District modified the State's school aid funding obligations to those school districts beginning with FY 1995-96 and in subsequent fiscal years. The United States District Court formally released the Coloma School District, the Eau Claire School District, and the Berrien County Intermediate School District from court jurisdiction in November 2001. On April 4, 2002, the State was dismissed from the case, with a phase-out of payments (25% per year) over a five-year period using FY 2001-02 payments as a base. Pursuant to the court order, the last year of the phased out payments will be FY 2005-06. Under the court order, the State is also responsible for a portion of the transportation costs, which continue until there are no more Benton Harbor students attending school in other districts.

DEPARTMENT OF MANAGEMENT & BUDGET

The Department of Management and Budget made a payment of \$735,000 resulting from the case of Stetzer, et al. v Department of Attorney General. The case resulted from a contract dispute involving expert services provided to the Department of Attorney General in the "stray voltage" case filed against Consumers Energy in 1998.

DEPARTMENT OF NATURAL RESOURCES

Two cases accounted for \$1,067,000 (97.4%) of the \$1,095,146 paid by the Department of Natural Resources (DNR) in FY 2004-05. Payments ranged from \$150 in an Administrative Board claim alleging that an abdominal infection was caused by a contaminated park water supply, to \$750,000 in Gallon v MDNR for a case resulting from an automobile/pedestrian accident. The total amount paid by the State in the Gallon case was \$1,750,000. The State Risk Management Fund paid \$1.0 million, and the balance was paid out of DNR appropriated funds.

DEPARTMENT OF STATE POLICE

Payments for 11 settlements by the Department of State Police totaled \$264,900. Payments ranged from \$1,000 in Jeberaeel v MSP, et al., for a case alleging excessive force, to \$99,000 in Lessnau v MSP, for a discrimination claim.

DEPARTMENT OF TRANSPORTATION

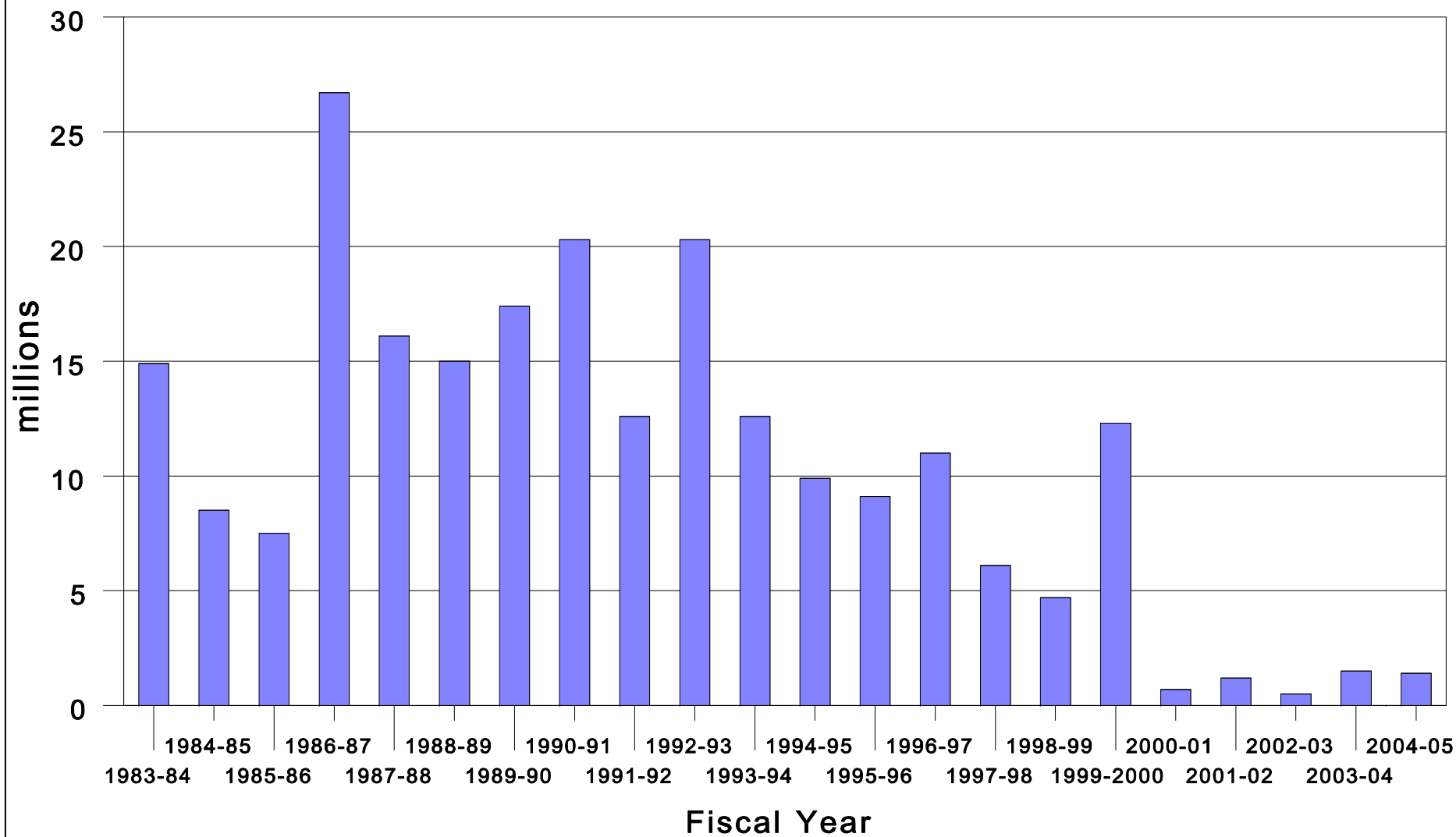
Department of Transportation payments in 18 cases totaled \$3,045,406, a decrease of \$7,728,885 (71.7%) from the \$10,774,291 paid in FY 2003-04. A \$7.5 million payment in Rockwell Collins, Inc. v MDOT in FY 2003-04 is the main reason for the difference in total payments by the Department. The Rockwell case involved allegations that MDOT required redesign and site location changes for Intelligent Transportation System facilities and did not compensate the contractor for the required extra work. Fiscal year 2004-05 payments ranged from \$7,000 in Parkin v MDOT, for a case involving claims related to road construction and damage to property, to \$763,000 in Walter Tobe Construction, et al. v MDOT, involving a contractor's suit for extra compensation.

Ten highway negligence cases accounted for \$1,443,250 of Department of Transportation payments in FY 2004-05. Payments in highway negligence cases ranged from \$9,750 in Souto v MDOT to \$600,000 in Bletsch v MDOT. Both cases involved alleged roadbed defects. From FY 1983-84 through FY 2004-05, the State paid \$230.3 million resulting from 1,145 highway negligence cases. Payments resulting from highway negligence litigation over recent years have been well below the amounts paid in the 1980s and 1990s. The reduced level of payments can be attributed in part to rulings by the Michigan Supreme Court regarding governmental immunity and the statutory highway exception to governmental immunity, MCL 691.1402(1). The consolidated cases of Nawrocki v Macomb County Road Commission and Evens v Shiawassee County Road Commission, 463 Mich 143; 615 NW2d 702 (2000), overturned previous case law and narrowly construed the highway exception to governmental immunity. The Court stated that prior decisions of the Supreme Court improperly broadened the scope of the highway exception. The Supreme Court's opinion (January 3, 2002) in Hanson v Board of County Road Commissioners of the County of Mecosta followed the reasoning in Nawrocki, ruling that the highway exception to governmental immunity does not include a duty to design, or to correct defects arising from the original design or construction of highways. On October 11, 2002, the Michigan Court of Appeals in Adams v MDOT, 253 Mich App 431, ruled that Nawrocki applies retroactively to pending highway negligence cases. A request for leave to appeal in that case was denied by the Michigan Supreme Court. The decision in Adams further reduced the State's potential liability. Figure 1 shows highway negligence payments attributed to each fiscal year from FY 1983-84 through FY 2004-05.

Figure 1

Highway Negligence Payments

FY 1983-84 through FY 2004-05



RISK MANAGEMENT FUND

The Risk Management Fund was administratively established to account for specific centralized risk management functions performed by the Department of Management and Budget for all State agencies. Effective July 1, 1992, the State became self-insured for automotive liability claims. Motor transport charges to State departments and agencies include a cost associated with projected automotive liability. This amount is deposited in the State's Risk Management Fund. Automotive liability payments that do not exceed \$1.0 million are paid from the Fund. Table 5 provides a history of payments from the Fund. Amounts are reported based on the fiscal year in which the payment was made, and therefore do not necessarily reflect the year in which the liability occurred.

Table 5

RISK MANAGEMENT FUND AUTOMOTIVE LIABILITY PAYMENTS	
FY 1991-92	\$28,318
FY 1992-93	\$138,194
FY 1993-94	\$435,862
FY 1994-95	\$1,135,659
FY 1995-96	\$1,977,178
FY 1996-97	\$1,743,580
FY 1997-98	\$1,223,622
FY 1998-99	\$3,985,189
FY 1999-2000	\$775,972
FY 2000-01	\$2,590,458
FY 2001-02	\$1,780,009
FY 2002-03	\$2,487,429
FY 2003-04	\$2,718,182
FY 2004-05	\$2,941,684

PAYMENTS TO THE STATE OF MICHIGAN

The following table provides a summary of FY 2004-05 lawsuit payments to the State as reported by Departments pursuant to Section 396(3) of The Management and Budget Act:

Table 6

TOTAL COURT JUDGMENTS AND SETTLEMENTS PAID TO THE STATE (Actual Dollars)	
DEPARTMENT	FY 2004-05
Attorney General	\$9,642,474
Community Health	393,394
Corrections	2,556,113
Environmental Quality	15,041,476
Transportation	612,370
Treasury	277,442,741
TOTAL:	\$305,688,568

Department of Attorney General

Of the amount reported by the Department of Attorney General, 80% of the payments resulted from three cases. Two cases were reported by the Health Fraud Division, Global Settlement - Schering Plough \$2,628,439 and Global Settlement - Warner-Lambert/Pfizer \$2,016,730. The third case, Buspar BMS Antitrust Action, was reported by the Special Projects Division and involved a payment of \$3,075,800. In all three cases, the Federal Medicaid match portion of the payment was reimbursed to the Federal government.

Payments to the State from the Master Tobacco Settlement are listed under the Department of Treasury.

Community Health

Most of the payments to the State reported by the Department of Community Health resulted from appeals related to financial liability of clients. Subrogation claims are not included.

Corrections

All of the payments listed by the Department of Corrections resulted from cases filed under the Prisoner Reimbursement Act. Payments ranged from \$12.87 to \$170,800. There were 263 cases, 202 of which included payments of less than \$10,000. Seven cases with payments of \$53,744 or more accounted for 26.7% of the total amount received by the State.

Environmental Quality

There were 232 payments to the State reported by the Department of Environmental Quality. A majority of the payments involved reimbursement for environmental contamination. Four cases accounted for \$6.4 million (42.6%) of the payments received by the Department in FY 2004-05.

Transportation

Payments to the Michigan Department of Transportation (MDOT) included 18 cases totaling \$459,686 for damage to roads and State appurtenances and four cases totaling \$152,683 related to contracts and other claims.

Treasury

The \$277,442,741 listed by the Department of Treasury reflects FY 2004-05 payments to the State resulting from the Master Tobacco Settlement Agreement.

FISCAL YEAR 2004-05

DEPARTMENT: AGRICULTURE

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Employee v MDA	\$7,500.00	\$0	General Fund	Ingham	Employment discharge changed to resignation as a result of disciplinary hearing.
FY 2004-05 TOTAL:	\$7,500.00	\$0			

FISCAL YEAR 2004-05

DEPARTMENT: COMMUNITY HEALTH

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Doug Kaselitz v MDCH, et al.	\$146,000.00	\$0	General Fund	Ingham	Complaint regarding lease application with State of Michigan.
Dominique Hayes v MDCH	10,000.00	0	General Fund	Ingham	Petition for Judicial Review of Administrative Hearing Decision for the MDCH Administrative Tribunal filed on February 28, 2005.

FY 2004-05 TOTAL:	\$156,000.00	\$0
--------------------------	---------------------	------------

FISCAL YEAR 2004-05

DEPARTMENT: CORRECTIONS

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Allen, Barton v Baldwin*	\$201,621.41	\$1,020.00	General Fund	Ionia	Harassment - Prisoner claimed that staff paid another prisoner to assault him.
Bell v Johnson	103,888.56	18,889.56	General Fund	Jackson	Harassment - Retaliation, improper cell search, and removal of prisoner property (food items).
Coleman-Bey, Andre Lee v MDOC	100.00	0	General Fund	Ingham	Petition for Judicial Review of Hearing Officer decision - costs.
Crumpler, Jack Jr. v MDOC	150.00	0	General Fund	Ingham	Petition for Judicial Review of Hearing Officer decision - costs.
Boyd, Darnell v MDOC	140.00	0	General Fund	Ingham	Petition for Judicial Review of Hearing Officer decision - costs.
Jennings, Floyd v MDOC	150.00	0	General Fund	Ingham	Petition for Judicial Review of Hearing Officer decision - costs.
Moore, C. Pepper v MDOC	100.00	0	General Fund	Ingham	Petition for Judicial Review of Hearing Officer decision - costs.
Mracna, George v MDOC	150.00	0	General Fund	Ingham	Petition for Judicial Review of Hearing Officer decision - costs.
Ratliff, Jeremy v Simmons, Anthony*	67,524.50	2,524.50	General Fund	Washtenaw	Use of Force - Claimed that defendant viciously kicked a door open, hitting plaintiff in the face at the Gilman TRV Center, causing injury.
Wicks, Jerald v MI Parole Board, et al.	150.00	0	General Fund	Ingham	Parole Appeal.
FY 2004-05 TOTAL:	\$373,974.47	\$22,434.06			

*Of the amount paid, \$62,056.10 was from appropriation year 2004.

FISCAL YEAR 2004-05

DEPARTMENT: CORRECTIONS

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Colston, Mark v Redick, Diana	\$300.00	\$0	General Fund	Ionia	Harassment – Claimed negative work report was retaliatory.
Brown, Gary Lee v Rum, Scott, et al.	5,500.00	0	General Fund	Gratiot	Failure to Protect – Prisoner claimed staff should have known he was at risk of sexual assault.
Doe, Jane, et al. v MDOC, et al.	2,000,000.00	0	General Fund	Ingham	Discrimination – Class action claiming prisoners were denied placement in Community Residential Programs and Camps based on medical condition.
Doe, Jane J. aka Story, Jennifer v MDOC, et al.	151,500.00	0	General Fund	Grand Traverse	Employee – Other (physical injury).
Dunford, Oscar J. v MDOC	10,000.00	0	General Fund	Ingham	Employee – Other (denial of assault pay).
Everson, Roslyn v MDOC, et al.	2,500.00	0	General Fund	Wayne	Employee – Other – Claimed retaliation and hostile work environment due to EEOC complaints and prior lawsuit.
Griffin, John v Niemi, et al.**	20,000.00	0	General Fund	Marquette	Medical – Claimed surgery and subsequent improper transport were to blame for disability.
Hall, Zsa Zsa v State of Michigan	3,250.00	0	General Fund	Wayne	Failure to Protect – Prisoner claimed staff failed to intervene while she was being physically assaulted by another prisoner.
Horacek, Daniel v Barge, Marie, et al.*	12,000.00	0	General Fund	Oakland	Parole Revocation Process – Claimed illegally incarcerated on parole violation charges (tax cost obligation).
Kinnie, David v Hansen, G., et al.	500.00	0	General Fund	Ionia	Use of Force – General – Claimed staff assault.
Meade, Jamie v Plummer, et al.	500.00	0	General Fund	Chippewa	Property - Plaintiff claimed his footlocker and legal materials were confiscated in retaliation for grievance.

FISCAL YEAR 2004-05

DEPARTMENT: CORRECTIONS

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
McWright, Vincent v Gerald, Steven and Swift, Chiquita	2,500.00	0	General Fund	Wayne	Transfer - Claimed he was transferred in retaliation for filing a grievance.
Nogel, Connie v State of Michigan	5,750.00	0	General Fund	Wayne	Elliott Larsen Civil Rights Act - race/gender harassment and retaliation.
Patterson, Chester v MDOC, et al.	750.00	0	General Fund	Muskegon	Condition of Confinement - Claimed exposure to secondhand smoke.
Patwin, Douglas v Witgen, Randy, et al.	300.00	0	General Fund	Gratiot	Security Classification - Plaintiff claimed Security Classification Screen - Review form contained errors.
Poe, Jane D. aka Sanders, Diane v MDOC, et al.	254,000.00	0	General Fund	Grand Traverse	Employee - Other (physical injury).
Robe, John Louis v MDOC	22,500.00	0	General Fund	Jackson	Employee - Disability Discrimination - Claimed he was demoted due to hearing impairment.
Roe, Jane K. aka Gibson, Kimberly v MDOC, et al.	66,500.00	0	General Fund	Grand Traverse	Employee - Other (physical injury).
Smith, James Albert v MDOC*	25,000.00	0	General Fund	Saginaw	Time Computation - Prisoner was held beyond his maximum outdate.
Spearman, Maurice v Kocot, Stacy	185.00	0	General Fund	Arenac	Harassment - Prisoner alleged retaliation for filing grievances.
Tibergien, Dennis v MDOC	50,000.00	0	General Fund	Muskegon	Employee Discrimination - General - Claimed he was denied promotions based on race and gender (white/male).
FY 2004-05 TOTAL:	\$2,633,535.00	\$0			

**Appropriation Year 2003

*Appropriation Year 2004

FISCAL YEAR 2004-05

DEPARTMENT: EDUCATION

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Berry v Benton Harbor, et al.	\$1,717,014.82	\$0	State School Aid Fund	Berrien	Benton Harbor desegregation case. This is the amount of the FY 2004-05 settlement with Benton Harbor Area Schools. FY 2005-06 is the last year of the settlement.
FY 2004-05 TOTAL:					
	\$1,717,014.82	\$0			

FISCAL YEAR 2004-05

DEPARTMENT: ENVIRONMENTAL QUALITY

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Frank J. Ruffilo	\$435.00	\$0	General Fund	Ionia	Compensation for delays incurred due to postponement of the jury trial.
Williams Acosta, PLLC	3,106.20	0	General Fund	Wayne	Wrongfully withheld evidence (Wetland file).

FY 2004-05 TOTAL:

\$3,541.20

\$0

FISCAL YEAR 2004-05

DEPARTMENT: HUMAN SERVICES (FORMERLY FAMILY INDEPENDENCE AGENCY)

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Theis, Corey Lee v Miller & Allen	\$52,500.00	\$0	General Fund	Washtenaw	Tort - bodily injury.
Miller, Claudia v DCH	10,000.00	0	General Fund	Washtenaw	Home help services.
Kalmar, Steven & Jacqueline v FIA, MDCH	7,000.00	0	General Fund	Ingham	Medical services for adopted child.
Montgomery, Leslie v FIA	31,361.40	0	General Fund	Ingham	Sexual harassment.
Eckles, Christopher	20,000.00	0	General Fund	Emmet	Denial of consent to adoption.
Detroit Free Press	3,000.00	0	General Fund	Wayne	Release of information.
McKinzie, Willie	3,500.00	0	General Fund	Oakland	Child support arrearage.
Lewis, Nancy	87,500.00	0	3% General Fund 97% Federal Funds	Wayne	Reasonable accommodation.
Abram, Joi - In the matter of	10,000.00	0	4% General Fund 96% Federal Funds	Wayne	Section 45 adoption.
FY 2004-05 TOTAL:	\$224,861.40	\$0			

FISCAL YEAR 2004-05

DEPARTMENT: LABOR & ECONOMIC GROWTH

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Schneider National Carriers, Inc. v State of Michigan	\$1,689,169.85	\$79,891.08	Motor Carrier Fees	Ingham	Improper charge of Motor Carrier Fees to carriers plated in another state and doing interstate commerce in Michigan.
Yellow Freight Systems, Inc. v State of Michigan	583,989.19	27,968.40	Motor Carrier Fees	Ingham	Improper charge of Motor Carrier Fees to carriers plated in another state and doing interstate commerce in Michigan.
FY 2004-05 TOTAL:	\$2,273,159.04	\$107,859.48			

FISCAL YEAR 2004-05

DEPARTMENT: MANAGEMENT & BUDGET

FORM 2: SETTLEMENTS PAID BY THE STATE

[illegible]

FISCAL YEAR 2004-05

DEPARTMENT: NATURAL RESOURCES

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Maki, S. v MDNR	\$25,000.00	\$0	Park Improvement Fund	Houghton	Personal injury from broken toilet.
Gallon v MDNR*	750,000.00	0	General Fund \$410,000.00 Park Improvement Fund \$340,000.00	Livingston	Death from operation of a motor vehicle.
STATE ADMINISTRATIVE BOARD CLAIMS					
MDNR Contract with SG Construction	317,000.00	0	State Park Endowment Fund	Monroe	Settlement for cost overruns contractor attributed to Agency.
Catherine Ritola	550.00	0	Park Improvement Fund	Cheboygan	Injury/stitches resulting from cut caused by water spigot stem.
Michael Misko	351.00	0	Waterways Fund	Iosco	Damage to boat caused by protruding bolt at State dock.
Margaret Ann Kooi	150.00	0	Park Improvement Fund	Luce	Abdominal infection caused by contaminated park water supply.
Gregory Lake	999.00	0	Park Improvement Fund	Kalamazoo	Damage to vehicle caused by asphalt thrown by mower.
Michael Zimmerman	160.00	0	Park Improvement Fund	Mason	Replacement parts for camper due to faulty park electrical box.
Susan Coletta	500.00	0	Waterways Fund	Sanilac	Damage to boat by exposed brackets on dock posts.
Auto-Owners Insurance Co.	435.78	0	Park Improvement Fund	Ottawa	Damage to van by park vehicle.
FY 2004-05 TOTAL:	\$1,095,145.78	\$0			

*The total amount paid by the State for this case was \$1,750,000, of which \$1.0 million was paid from the State Risk Management Fund.

FISCAL YEAR 2004-05

DEPARTMENT: STATE

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Stevenson v Diamond Dismantling, Inc.	\$5,000.00	\$0	State Restricted Funds	Ingham	Chapter 7 bankruptcy settlement.

FY 2004-05 TOTAL:

\$5,000.00

\$0

FISCAL YEAR 2004-05

DEPARTMENT: STATE POLICE

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
DeVowe v Frayre	\$2,500.00	\$0	General Fund	Montcalm	Excessive force claim.
Arenac County Board of Commissioners v MSP	6,400.00	0	General Fund	Arenac	Freedom of Information Act case awarding fees and costs.
Cable v Wagner	22,500.00	0	General Fund	St. Joseph	Excessive force claim.
Ward/Komarowski v Tanner, et al.	45,000.00	0	General Fund	Shiawassee	Gross negligence claim.
Jeberaeel v MSP, et al.	1,000.00	0	General Fund	Wayne	Excessive force claim.
Webster, et al. v Brewer, et al.	10,000.00	0	General Fund	Clinton	Excessive force claim.
Marrs v Tuckey, et al.	13,500.00	0	General Fund	St. Clair	Civil rights claim.
Shook v Reinacher, et al.	55,000.00	0	General Fund	Livingston	Assault and battery claim.
Wilson v Motor City Casino, et al.	7,000.00	0	General Fund	Wayne	Assault and battery claim.
Lessnau v MSP	99,000.00	0	General Fund	Ingham	Discrimination claim.
Goods v MSP	3,000.00	0	General Fund	Wayne	Discrimination claim.
FY 2004-05 TOTAL:	\$264,900.00	\$0			

FISCAL YEAR 2004-05**DEPARTMENT: TRANSPORTATION - HIGHWAY NEGLIGENCE CASES****FORM 2: SETTLEMENTS PAID BY THE STATE**

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Bletsch v MDOT	\$600,000.00	\$0	State Trunkline Fund	Van Buren	Roadbed defect.
Bozarth v MDOT	16,000.00	0	State Trunkline Fund	Wayne	Roadbed defect.
Casey v MDOT	45,000.00	0	State Trunkline Fund	Bay	Roadbed defect.
Deneen v MDOT	20,000.00	0	State Trunkline Fund	Wayne	Roadbed defect.
Lalli v MDOT	70,000.00	0	State Trunkline Fund	Wayne	Roadbed defect.
Plasencia v MDOT	22,500.00	0	State Trunkline Fund	Wayne	Roadbed defect.
Popp v MDOT	125,000.00	0	State Trunkline Fund	Ogemaw	Roadbed defect.
Souto v MDOT	9,750.00	0	State Trunkline Fund	Livingston	Roadbed defect.
Stachowicz & Hojnacki v MDOT	500,000.00	0	State Trunkline Fund	Wayne	Roadbed defect.
Tibbs v MDOT	35,000.00	0	State Trunkline Fund	Wayne	Roadbed defect.
FY 2004-05 TOTAL:	\$1,443,250.00	\$0			

FISCAL YEAR 2004-05

DEPARTMENT: TRANSPORTATION - OTHER CASES

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Boddy Construction Co., Inc. v MDOT	\$167,500.00	\$0	State Trunkline Fund	St. Clair	Highway construction contractor claim.
Florence Cement Co. v MDOT	364,300.00	0	State Trunkline Fund	Wayne	Highway construction contractor claim.
J. Slagter & Son Construction Co. v MDOT	105,356.24	0	State Trunkline Fund	Muskegon	Prime contractor alleged breach of contract, claiming that its bituminous subcontractor was unable to complete the work, resulting in additional costs to complete the work, and in MDOT issuing a Contract Modification assessing a penalty. Contractor alleged MDOT was responsible for all quality assurance and testing of bituminous mix.
Walter Toebe Construction, et al. v MDOT	763,000.00	0	State Trunkline Fund	Wayne	Highway construction contractor claim.
Donald Parkin v MDOT	7,000.00	0	State Trunkline Fund	Montcalm	Inverse taking claim.
Daniel v MDOT	25,000.00	0	State Trunkline Fund	Saginaw	Employment case.
Hilyard v MDOT	70,000.00	0	State Trunkline Fund	Oakland	Building defect.
Lancewicz v MDOT	100,000.00	0	State Trunkline Fund	Alpena	Employment case.
FY 2004-05 TOTAL:	\$1,602,156.24	\$0			

FISCAL YEAR 2004-05

DEPARTMENT: TREASURY

FORM 1: JUDGMENTS PAID BY THE STATE

[illegible]

FISCAL YEAR 2004-05

DEPARTMENT: TREASURY

FORM 2: SETTLEMENTS PAID BY THE STATE

[illegible]



RECENT SENATE FISCAL AGENCY REPORTS

"A REVIEW OF MEDICAID REFORM EFFORTS IN OTHER STATES"

By David Fosdick & Steve Angelotti February 2006

"FY 2004-05 APPROPRIATIONS REPORT PART III – YEAR-END APPROPRIATIONS"

January 2006

"MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW FY 2004-05, FY 2005-06 AND FY 2006-07"

January 2006

"FY 2005-06 HIGHER EDUCATION APPROPRIATIONS REPORT"

by Ellen Jeffries December 2005

"FY 2005-06 APPROPRIATIONS REPORT PART II – INITIAL APPROPRIATIONS"

November 2005

"MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW FY 2004-05 AND FY 2005-06 – REVISED"

August 2005

"THE MICHIGAN ECONOMY AND STATE BUDGET FY 1994-95 TO FY 2003-04 – TEN YEARS OF SIGNIFICANT CHANGES"

by Gary S. Olson & Talat Mangla July 2005

"MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW FY 2003-04, FY 2004-05 AND FY 2005-06"

May 2005

"STATUS OF LAWSUITS AGAINST THE STATE OF MICHIGAN FY 2003-04 UPDATE"

March 2005

"MEDICAID ENROLLMENT IN THE STATE OF MICHIGAN 1999-2004"

by David Fosdick March 2005

"FY 2005-06 APPROPRIATIONS REPORT PART I – GOVERNOR'S RECOMMENDATIONS"

February 2005

"FY 2003-04 APPROPRIATIONS REPORT PART III – YEAR-END APPROPRIATIONS"

January 2005

"DISPOSAL OF SOLID WASTE IN MICHIGAN LANDFILLS: IMPORTED WASTE AND ENVIRONMENTAL CONCERNS"

by Suzanne Lowe January 2005

"MICHIGAN'S ECONOMIC OUTLOOK AND BUDGET REVIEW FY 2003-04, FY 2004-05 AND FY 2005-06"

January 2005

"AGRICULTURAL BIOFUELS: OPPORTUNITIES AND CHALLENGES IN MICHIGAN"

by Claire Layman January 2005

RECURRING SENATE FISCAL AGENCY REPORTS

RECURRING SENATE FISCAL AGENCY REPORTS	
Appropriations Report - Governor's Recommendations	Produced Annually
Appropriations Report - Initial Appropriations	Produced Annually
Appropriations Report - Year-End Appropriations	Produced Annually
Estimated State Spending by County	Produced Annually
Status of Lawsuits Against the State	Produced Annually
Higher Education Appropriations Report	Produced Annually
Michigan's Economic Outlook and Budget Review	Produced Twice a Year
Monthly Revenue Report	Produced Monthly
Michigan Economic Indicators	Produced Monthly
State Notes: Topics of Legislative Interest	Produced Six Times a Year
U.S. and Michigan Motor Vehicle Statistical Report	Produced Annually