

**STATUS OF LAWSUITS
AGAINST THE STATE OF MICHIGAN
FY 2000-01 UPDATE**



**SENATE FISCAL AGENCY
LANSING, MICHIGAN
JANUARY 2002**

THE SENATE FISCAL AGENCY

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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.



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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 \$14,576,960 for judgments and settlements in fiscal year (FY) 2000-01. Of the 106 cases that resulted in payments, 25 were judgments totaling \$6,757,308, and 81 were settlements totaling \$7,819,652. Payments in FY 2000-01 were \$25,958,438 (64.0%) less than the \$40,535,398 paid in FY 1999-2000. A large portion of the amount paid in FY 1999-2000 was related to the \$16,225,000 payment in U.S. v State of Michigan (consent decree resulting from fishing rights of Native Americans pursuant to 1836 Treaty). The other major factor responsible for the reduction in total FY 2000-01 payments was the \$11,650,395 (89.3%) decrease in payments by the Department of Transportation, from \$13,046,755 in FY 1999-2000 to \$1,396,360 in FY 2000-01.

The funding sources for payments in FY 2000-01 were as follows:

Funding Source	Amount	Percent
State General Fund	\$9,261,383	63.5
State Trunkline Fund	1,396,360	9.6
State School Aid Fund	1,368,306	9.4
Other State Restricted Funds	2,550,911	17.5
Total:	\$14,576,960	100.0

Tables on pages 2, 3, and 4 provide a 10-year history (FY 1991-92 through FY 2000-01) 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. A summary of departments that made payments totaling over \$800,000 begins on page 5. The FY 2000-01 reports for payments submitted by State departments and agencies follow beginning on page 10. 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 plaintiff's allegation (summary of case). This report does not include payments resulting from workers' compensation and unemployment claims. 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 listed by departments.

Table 1

TOTAL COURT JUDGMENTS AND SETTLEMENTS PAID BY THE STATE										
(Actual Dollars)										
DEPARTMENT	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
Agriculture	\$0	\$30,895	\$75,800	\$34,000	\$100,500	\$224,710	\$10,000	\$0	\$133,058	\$789
Attorney General	0	0	0	0	0	0	0	0	0	100,000
Career Development								0	0	0
Civil Rights	0	0	0	757	0	0	0	0	0	0
Civil Service	130,775	0	0	0	0	30,000	0	0	0	0
Commerce	14,000	0	7,000	231,467						
Community Health					727,838	908,000	2,131,565	659,922	149,088	106,000
Consumer & Industry Services					0	21,595	153,928	178,460	19,459	1,917,304
Corrections	1,145,294	1,859,508	3,554,111	4,969,224	2,581,259	4,639,321	3,227,817	1,780,090	5,465,079	5,371,081
Education	4,711,540	4,718,571	5,629,103	5,333,941	5,331,636	1,878,837	213,832,688	1,705,551	1,628,259	1,368,306
Environmental Quality					358,459	98,870	2,566	10,998	1,516,756	0
Executive	0	0	0	0	0	0	0	0	0	0
Family Independence Agency					511,587	1,399,850	2,115,076	320,938	107,311	1,520,345
Judiciary	0	0	248,332	268,250	45,000	724,000	0	10,000	0	0
Labor	12,347	16,300	306,700	0						
Library of Michigan	0	0	1,109,312	0	0	0	0	0	0	0
Licensing & Regulation										
Lottery	0	0	55,721	4,000	0	13,420	13,581	17,565	1,500	0
Management & Budget	38,500	21,000	113,863	85,000	126,170	106,000	5,500	75,000	22,500	1,611,654
Mental Health	389,468	2,140,651	379,850	515,500						
Michigan Jobs Commission				1,951,024	3,500	156,239	23,681			
Michigan Strategic Fund								0	0	0
Military Affairs	0	0	0	0	25,000	225,000	2,405,000	90,000	0	8,793
Natural Resources	108,642	310,338	6,951,821	2,005,360	93,859,495	3,442,198	2,906,895	1,872,915	17,787,910	299,756
Public Health	81,586	687,240	38,365	318,959						
Social Services	4,010,689	1,095,341	274,776	2,727,681						
State	0	0	77,500	3,400	67,500	7,500	1,817	101,460	36,400	1,000
State Police	91,310	5,698,133	137,850	1,268,771	1,220,853	873,069	868,141	787,057	513,664	875,572
Transportation	12,861,671	20,922,840	12,871,557	9,882,412	9,567,095	11,080,416	8,383,808	5,074,922	13,046,755	1,396,360
Treasury	122,000	0	968,328	7,500	0	65,669	11,500	0	107,659	0
TOTAL:	\$23,717,822	\$37,500,817	\$32,799,989	\$29,607,246	\$114,525,892	\$25,894,694	\$236,093,563	\$12,684,878	\$40,535,398	\$14,576,960

Table 2

COURT JUDGMENTS PAID BY THE STATE										
(Actual Dollars)										
DEPARTMENT	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
Agriculture	0	\$30,895	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$789
Attorney General	0	0	0	0	0	0	0	0	0	100,000
Career Development								0	0	0
Civil Rights	0	0	0	757	0	0	0	0	0	0
Civil Service	50,000	0	0	0	0	0	0	0	0	0
Commerce	0	0	0	0						
Community Health					50,000	136,000	0	310,422	21,633	1,000
Consumer & Industry Services					0	15,000	100,000	160,000	0	417,304
Corrections	815,634	1,224,624	2,589,407	3,784,529	1,472,162	2,905,509	1,165,825	627,851	428,729	3,106,093
Education	4,650,249	4,718,571	5,629,103	5,333,941	5,331,636	1,297,349	213,823,188	1,684,540	1,628,259	1,368,306
Environmental Quality					239,459	0	2,566	10,998	1,516,756	0
Executive	0	0	0	0	0	0	0	0	0	0
Family Independence Agency					0	1,066	3,310	0	764	0
Judiciary	0	0	0	0	0	0	0	0	0	0
Labor	0	0	251,700	0						
Library of Michigan	0	0	1,109,312	0	0	0	0	0	0	0
Licensing & Regulation										
Lottery	0	0	0	0	0	0	0	0	0	0
Management & Budget	0	0	113,863	45,000	120,000	0	0	0	22,500	1,611,654
Mental Health	22,500	87,500	0	0						
Michigan Jobs Commission				0	3,500	0	0			
Michigan Strategic Fund								0	0	0
Military Affairs	0	0	0	0	0	5,000	2,400,000	0	0	0
Natural Resources	82,526	0	192,870	242,834	201,811	901,193	2,901,395	409,888	1,537,910	152,162
Public Health	80,336	0	38,365	60,289						
Social Services	2,900,000	29,223	1,520	2,137						
State	0	0	2,500	0	0	0	0	0	0	0
State Police	71,810	5,125,633	9,650	762,500	0	3,569	0	0	0	0
Transportation	6,018,686	11,290,468	5,107,256	1,871,956	661,000	1,331,974	0	0	2,875,000	0
Treasury	122,000	0	8,328	0	0	15,669	0	0	0	0
TOTAL:	\$14,813,741	\$22,506,914	\$15,053,874	\$12,103,943	\$8,079,568	\$6,612,329	\$220,396,284	\$3,203,699	\$8,031,551	\$6,757,308

Table 3

SETTLEMENTS PAID BY THE STATE										
(Actual Dollars)										
DEPARTMENT	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
Agriculture	\$0	\$0	\$75,800	\$34,000	\$100,500	\$224,710	\$10,000	\$0	\$133,058	\$0
Attorney General	0	0	0	0	0	0	0	0	0	0
Career Development								0	0	0
Civil Rights	0	0	0	0	0	0	0	0	0	0
Civil Service	80,775	0	0	0	0	30,000	0	0	0	0
Commerce	14,000	0	7,000	231,467						
Community Health					677,838	772,000	2,131,565	349,500	127,455	105,000
Consumer & Industry Services					0	6,595	53,928	18,460	19,459	1,500,000
Corrections	329,660	634,884	964,704	1,184,695	1,109,097	1,733,812	2,061,992	1,152,239	5,036,350	2,264,988
Education	61,291	0	0	0	0	581,488	9,500	21,011	0	0
Environmental Quality					119,000	98,870	0	0	0	0
Executive	0	0	0	0	0	0	0	0	0	0
Family Independence Agency					511,587	1,398,784	2,111,766	320,938	106,547	1,520,345
Judiciary	0		248,332	268,250	45,000	724,000	0	10,000	0	
Labor	12,347	16,300	55,000	0						
Library of Michigan	0	0	0	0	0	0	0	0	0	0
Licensing & Regulation										
Lottery	0	0	55,721	4,000	0	13,420	13,581	17,565	1,500	0
Management & Budget	38,500	21,000	0	40,000	6,170	106,000	5,500	75,000	0	0
Mental Health	366,968	2,053,151	379,850	515,500						
Michigan Jobs Commission				1,951,024	0	156,239	23,681			
Michigan Strategic Fund								0	0	0
Military Affairs	0	0	0	0	25,000	220,000	5,000	90,000	0	8,793
Natural Resources	26,116	310,338	6,758,951	1,762,526	93,657,684	2,541,005	5,500	1,463,027	16,250,000	147,594
Public Health	1,250	687,240	0	258,670						
Social Services	1,110,689	1,066,118	273,256	2,725,544						
State	0	0	75,000	3,400	67,500	7,500	1,817	101,460	36,400	1,000
State Police	19,500	572,500	128,200	506,271	1,220,853	869,500	868,141	787,057	513,664	875,572
Transportation	6,842,985	9,632,372	7,764,301	8,010,456	8,906,095	9,748,442	8,383,808	5,074,922	10,171,755	1,396,360
Treasury	0	0	960,000	7,500	0	50,000	11,500	0	107,659	0
TOTAL:	\$8,904,081	\$14,993,903	\$17,746,115	\$17,503,303	\$106,446,324	\$19,282,365	\$15,697,279	\$9,481,179	\$32,503,847	\$7,819,652

PAYMENTS BY DEPARTMENTS

Seven State departments made payments totaling over \$800,000. Table 4 summarizes the number of cases and payments by department.

Table 4
FY 2000-01 PAYMENTS BY DEPARTMENT

DEPARTMENT	NUMBER OF CASES	PERCENT OF TOTAL	STATE PAYMENTS	PERCENT OF TOTAL
CONSUMER & INDUSTRY SERVICES	2	1.9	\$1,917,304	13.2
CORRECTIONS	43	40.6	5,371,081	36.8
EDUCATION	1	0.9	1,368,306	9.4
FAMILY INDEPENDENCE AGENCY	8	7.5	1,520,345	10.4
MANAGEMENT AND BUDGET	4	3.8	1,611,654	11.1
STATE POLICE	18	17.0	875,572	6.0
TRANSPORTATION	17	16.0	1,396,360	9.6
OTHER DEPARTMENTS	13	12.3	516,338	3.5
TOTAL:	106	100.0	\$14,576,960	100.0

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

Payments by the Department of Consumer and Industry Services for two cases totaled \$1,917,304. Of that amount, \$1,500,000 was for a traffic accident in Kuchuk v State of Michigan. The State's Risk Management Fund also paid \$1,000,000 in this case, bringing the total payment to \$2,500,000.

DEPARTMENT OF CORRECTIONS

The Department of Corrections made payments in 43 cases totaling \$5,371,081. This represents a decrease of \$93,998 (1.7%) from the \$5,465,079 paid in FY 1999-2000 for 35 cases. Payments ranged from \$100 in three cases (one personal injury case and two cases involving petitions for review) to \$2,000,000 in Graham v MDOC for a case alleging employee discrimination. Eighteen payments in cases alleging employee discrimination resulted in payments totaling \$4,626,363, which represents 86.1% of the total amount paid by the Department of Corrections in FY 2000-01.

DEPARTMENT OF EDUCATION

The \$1,368,306 payment by the Department of Education represents continuing payments in the Berry v Benton Harbor Area School District desegregation case. State payments in that case have totaled \$61,287,023 from FY 1980-81 through FY 2000-01. 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 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. The State filed a motion to be dismissed from the jurisdiction of the Federal Court. Hearings on that motion were held in July and August 2001. A decision on that motion is pending.

FAMILY INDEPENDENCE AGENCY

Payments in eight cases by the Family Independence Agency ranged from \$1,250 for failure to respond to a Freedom of Information Act request to \$650,000 in Dominick v FIA for alleged constructive discharge/discrimination. Another case, Filkins v Maxey Training School, resulted in a payment of \$400,000 for alleged sexual harassment.

DEPARTMENT OF MANAGEMENT AND BUDGET

Most of the amount paid by the Department of Management and Budget was related to a \$1,550,000 payment in Hernandez v State of Michigan for an injury that resulted from a fall in the Treasury Building.

DEPARTMENT OF STATE POLICE

Settlements by the Department of State Police in 18 cases totaled \$875,572. Three cases with payments of \$100,000 or more accounted for \$550,000 (62.8%) of the total amount paid by the Department of State Police in FY 2000-01. Payments ranged from \$1,232 in Degner v MSP for a case involving an attack on plaintiff's dog by a State Police canine, resulting in the death of plaintiff's dog, to \$300,000 in Gilbert v Maskey for failure to promote.

DEPARTMENT OF TRANSPORTATION

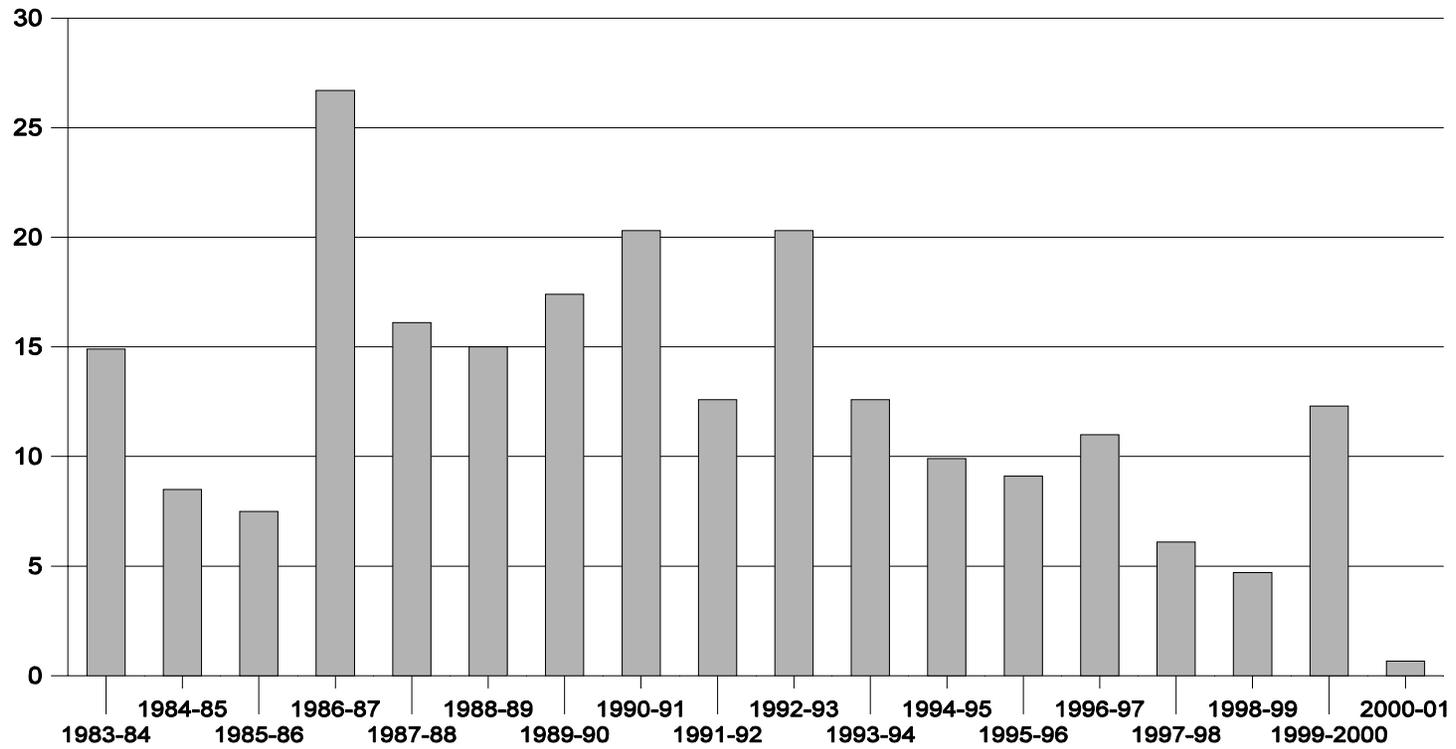
Department of Transportation payments in 17 cases totaled \$1,396,360, representing a decrease of \$11,650,395 (89.3%) from the \$13,046,755 paid in FY 1999-2000 for 39 cases. It is the lowest annual amount reported by the Department of Transportation in more than 20 years. Payments by the Department of Transportation ranged from \$900 for alleged failure to maintain the road due to potholes in Anderson v MDOT, to \$365,000 in Henion v MDOT for a traffic accident in which an MDOT snowplow struck another vehicle. The State's Risk Management Fund paid an additional \$1,000,000 in the Henion case. Twelve highway negligence cases accounted for \$668,400 of Department of Transportation payments in FY 2000-01. Two highway negligence cases with payments of \$195,000 (failure to prohibit left turn) and \$262,000 (hazardous conditions at an intersection) accounted for 68.4% of the total amount paid in highway negligence claims. The median highway negligence payment was \$22,500.

From FY 1983-84 through FY 2000-01 the State paid \$225.7 million resulting from 1,099 highway negligence cases. The payments made by the Department in FY 2000-01 represent the lowest annual payment amount over that time period. The amount paid in FY 2000-01 can be attributed in part to recent rulings of the Michigan Supreme Court regarding governmental immunity and the statutory highway exception to governmental immunity, MCL 691.1402 (1), which rulings are considered favorable to the government. 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 recent 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. The low level of payments in FY 2000-01 is also a result of the timing involved in the resolution of litigation. There are currently a greater number of highway negligence cases on appeal than has been the case in the past. The appellate courts are currently allowing interlocutory appeals by governmental entities on the issue of governmental immunity. This has resulted in a greater number of appeals by the State prior to final disposition of cases in the Court of Claims. The resolution of pending appeals will make more apparent the impact of recent case law on highway negligence litigation. Figure 1 below shows highway negligence payments attributed to each fiscal year from FY 1983-84 through FY 2000-01.

Figure 1

Michigan Department of Transportation Highway Negligence Payments

(millions of dollars)



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 \$1,000,000 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 1992-83	\$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

FISCAL YEAR 2000-01

DEPARTMENT: AGRICULTURE

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Josalene Taylor and Wendy Givens v State of Michigan, Department of Agriculture	\$788.75 ^{a)}	\$0	General Fund	Wayne	Settlement labor relations case.
FY 2000-01 TOTAL:	\$788.75	\$0			

^{a)} This judgment was reported in FY 1999-2000 in the amount of \$133,058.13. An account payable for that amount was set up in FY 1999-2000. In FY 2000-01 the Department paid an adjusted amount of \$133,846.88. This included an additional \$788.75 of FY 2000-01 funds, as well as the original amount reported in FY 1999-2000.

FISCAL YEAR 2000-01

DEPARTMENT: ATTORNEY GENERAL

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Womancare of Southfield, PC, et al v Jennifer Granholm and Mark I. Evans, MD, et al v Jennifer Granholm	\$100,000.00	\$0	General Fund	Statewide	Community Health Division: Defense of Infant Protection Act, PA 107 of 1999. The court declared the Act unconstitutional and awarded plaintiffs attorney fees and court costs. Paid to American Civil Liberties Union.
FY 2000-01 TOTAL:	\$100,000.00	\$0			

FISCAL YEAR 2000-01

DEPARTMENT: COMMUNITY HEALTH

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Michigan Association of Children with Emotional Disorders, et al v State of Michigan, et al	\$1,000.00	\$0	General Fund	Wayne	Order for department to pay attorney fees and court costs.
FY 2000-01 TOTAL:	\$1,000.00	\$0			

FISCAL YEAR 2000-01

DEPARTMENT: CONSUMER AND INDUSTRY SERVICES

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
AT&T v State of Michigan, et al	\$417,303.94	\$4,899.75	Public Utility Assessments	Ingham	Appeal of 1997 public utility assessment based on calculation of gross operating revenues earned in Michigan.
FY 2000-01 TOTAL:	\$417,303.94	\$4,899.75			

FISCAL YEAR 2000-01

DEPARTMENT: CONSUMER AND INDUSTRY SERVICES

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Kuchuk v State of Michigan	\$1,500,000.00 ^{a)}	\$0	\$1,251,100 General Fund, \$248,900 Corporation Fees	Ingham	Traffic accident litigation.

FY 2000-01 TOTAL: **\$1,500,000.00** **\$0**

^{a)} An additional \$1,000,000 was paid from the State's Risk Management Fund, bringing the total payment for this case to \$2,500,000. See page 9 for an explanation of payments from the Risk Management Fund.

FISCAL YEAR 2000-01

DEPARTMENT: CORRECTIONS

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Blanton, Paul v MDOC	\$100.00	\$0	General Fund	Branch	Petition for review.
Brown, Ronald v MDOC	\$4,901.21	\$0	General Fund	Washtenaw	Employee supplemental benefits for assault injury.
Edwards, Orlando v MDOC	\$750,000.00	\$0	General Fund	Wayne	Employee discrimination.
Fathiree, Ali v MDOC	\$120.00	\$0	General Fund	Jackson	Petitions for review.
Glaspy, James v Russell Malicoat	\$40,000.00	\$0	General Fund	Luce	Visitor treated poorly by staff.
Graham v MDOC	\$2,000,000.00	\$0	General Fund	Ionia	Employee discrimination.
Harris, Steven v MDOC	\$150.00	\$0	General Fund	Jackson	Petition for review.
Hebestreit, Charles M. v MDOC	\$120.00	\$0	General Fund	Chippewa	Petitions for review.
House, Sharon v MDOC	\$140,000.00	\$0	General Fund	Wayne	Employee discrimination.
Hudson-Bey, David, et al v Kenneth McGinnis, et al	\$423.48	\$0	General Fund	Montcalm	Religious property.
Parker, Thomas v MDOC	\$100.00	\$0	General Fund	Montcalm	Petition for review.
Spruytte, Floyd, et al v Robert Collins, et al	\$18,684.49	\$0	General Fund	Ionia	Retaliatory transfer.
Thomas, Willie, et al v Jim Pogats, et al	\$150,000.00	\$0	General Fund	Wayne	Condition of confinement - bond pending appeal.
Walker, William v William Roth, et al	\$1,351.00	\$0	General Fund	Arenac	Access to courts and harassment.
Windom, Dale v MDOC	\$142.60	\$0	General Fund	Macomb	Freedom of Information Act.
FY 2000-01 TOTAL:	\$3,106,092.78	\$0			

FISCAL YEAR 2000-01

DEPARTMENT: CORRECTIONS

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Audio Alert, Inc. v State of Michigan	\$50,000.00	\$0	General Fund	Ingham	Breach of contract regarding installation of security system.
Austin, Annae v MDOC	\$30,000.00	\$0	General Fund	Wayne	Employee discrimination.
Backos, Stanton v Warden Carol Howes	\$6,000.00	\$0	General Fund	Branch	Time computation.
Baker, Sherry v State of Michigan, et al	\$225,000.00	\$0	General Fund	Wayne	Sexual harassment.
Brownlee, Venita v MDOC	\$5,000.00	\$0	General Fund	Wayne	Employee discrimination.
Burnette, Michael v Randy Ollis, et al	\$559.95	\$0	General Fund	Alger	Harrassment.
Cole, Harold v MDOC	\$1,250.00	\$0	General Fund	Lenawee	Personal injury.
Daily, Sandra v MDOC	\$15,000.00	\$0	General Fund	Wayne	Employee discrimination.
Davidson, Tyrone v MDOC, et al	\$30,000.00	\$0	General Fund	Wayne	Employee discrimination.
Ford, Ozzie v State of Michigan	\$175,000.00	\$0	General Fund	Ionia	Employee discrimination.
Hart, Jon v MDOC, et al	\$35,000.00	\$0	General Fund	Wayne	Personal injury - prisoner.
Heit, Richard, et al v MDOC, et al	\$171,089.09	\$0	General Fund	Muskegon	Disciplinary process.
Hibbs, Patricia v MDOC, et al	\$50,000.00	\$0	General Fund	Wayne	Employee discrimination.
Jones, Allison v MDOC	\$10,000.00	\$0	General Fund	Jackson	Employee discrimination.
Kavanaugh, Julie v Ray Henning	\$200.00	\$0	General Fund	Montcalm	Employee harassment.
Perry, Everett v Kenneth McGinnis, et al	\$560,000.00	\$0	General Fund	Ingham	Employee discrimination.
Roberts, Patrice v MDOC	\$25,000.00	\$0	General Fund	Lenawee	Employee discrimination.
Russel, Lamont v Claude Priebe	\$100.00	\$0	General Fund	Washtenaw	Personal injury - prisoner.

FISCAL YEAR 2000-01

DEPARTMENT: CORRECTIONS (continued)

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Snarski, Douglas v MDOC	\$68,363.52	\$0	General Fund	Macomb	Employee discrimination.
Stephenson, Tony v MDOC	\$175,000.00	\$0	General Fund	Wayne	Employee discrimination.
Varmado-El, Prince v James Zummer, et al	\$275.00	\$0	General Fund	Arenac	Personal injury - prisoner.
Vincent, John, et al v Director Bill Martin, et al	\$36,000.00	\$0	General Fund	Ionia	Challenge of visiting rule.
Weberg, Merrienne, et al v Randy Franks et al, State of Michigan, et al	\$300,000.00	\$0	General Fund	Wayne	Employee discrimination.
Webster, James v MDOC	\$225,000.00	\$0	General Fund	Macomb	Employee discrimination.
Welch, Carlos v MDOC, et al	\$13,000.00	\$0	General Fund	Wayne	Employee discrimination.
Wilson, David v James Seward, et al	\$150.00	\$0	General Fund	Jackson	Personal injury - prisoner.
Wise, Rhonda v MDOC	\$55,000.00	\$0	General Fund	Branch	Employee discrimination.
Yarbrough, Johnny v State of Michigan, et al	\$3,000.00	\$0	General Fund	Ingham	Freedom of Information Act.
FY 2000-01 TOTAL:	\$2,264,987.56	\$0			

FISCAL YEAR 2000-01

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	\$1,368,305.97	\$0	State School Aid Fund	Berrien	School Desegregation.
FY 2000-01 TOTAL:	\$1,368,305.97	\$0			

FISCAL YEAR 2000-01

DEPARTMENT: FAMILY INDEPENDENCE AGENCY

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Windward Clinic v MDSS	\$55,000.00	\$0	General Fund	Ingham	Denial of medical adoption subsidies.
Lee H. Craft v FIA	\$125,000.00	\$0	General Fund	Livingston	Failure to promote/discrimination.
Linda E. Adomou v FIA	\$36,821.00	\$0	General Fund	Wayne	Grievance settlement agreement/discrimination.
Kim Dominick v FIA & Williams	\$650,000.00	\$0	General Fund	Wayne	Constructive discharge/discrimination.
William Jibson v FIA	\$1,250.00	\$0	General Fund	Newaygo	Failure to respond to Freedom of Information Act request.
Sandra Davidson-McVittie v Maxey Training School, et al	\$200,000.00	\$0	General Fund	Livingston	Employment discrimination.
Bethesda Family Services v FIA	\$52,274.21	\$0	General Fund	Wayne	Breach of contract.
Brenda Kay Filkins v Maxey Training School & FIA	\$400,000.00	\$0	General Fund	Livingston	Sexual harassment.
FY 2000-01 TOTAL:	\$1,520,345.21				

FISCAL YEAR 2000-01

DEPARTMENT: MANAGEMENT AND BUDGET

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Battle Creek Glass Works v Department of Management and Budget	\$18,000.00	\$1,207	User Fees	Lenawee	Withholding of payment from vendor.
Michigan State Medical Society v Department of Management and Budget, State Budget Office	\$25,000.00	\$0	General Fund	Ingham	Denial of Freedom of Information Act request.
Linda Appling v Janet E. Phipps, Director Michigan Department of Management and Budget, and the Michigan Office of Retirement Services, and Barnceal E. Jones	\$18,654.00	\$0	Pension Trust Funds	Ingham	Account balance of Michigan State Employee Deferred Compensation Plan I (457) and distribution.
Josephine Hernandez v State of Michigan	\$1,550,000.00	\$0	Information Technology Internal Service Fund	Ingham	Injuries resulting from fall in the Treasury Building.
FY 2000-01 TOTAL:	\$1,611,654.00	\$1,207			

FISCAL YEAR 2000-01

DEPARTMENT: MILITARY AFFAIRS

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Kaledas	\$8,793.20	\$0	General Fund	Ingham	Breach of contract.
FY 2000-01 TOTAL:	\$8,793.20	\$0			

FISCAL YEAR 2000-01

DEPARTMENT: NATURAL RESOURCES

FORM 1: JUDGMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Platte Lake Improvement Association	\$152,161.89	\$0	Game & Fish Fund	Benzie	Phosphorous levels at Platte River Hatchery.

FY 2000-01 TOTAL: **\$152,161.89** **\$0**

FISCAL YEAR 2000-01

DEPARTMENT: NATURAL RESOURCES

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Koschke & Holzhauser	\$1,702.76	\$0	General Fund	Oakland	Inappropriate prosecution.
Michigan Basic Property Insurance Association (Johnson) v Michigan Department of Natural Resources and State Farm (Alcantar) v Michigan Department of Natural Resources	\$99,000.00	\$0	Land Sale Fund	Wayne	Fire damage adjacent property.
Michigan Basic Property Insurance Association (Miller) v Michigan Department of Natural Resources	\$35,000.00	\$0	Land Sale Fund	Wayne	Fire damage adjacent property.
Michigan Basic Property Insurance Association (Hill) v Michigan Department of Natural Resources	\$6,500.00	\$0	Land Sale Fund	Wayne	Fire damage adjacent property.
Michigan Basic Property Insurance Association (Montgomery) v Michigan Department of Natural Resources	\$5,391.00	\$0	Land Sale Fund	Wayne	Fire damage adjacent property.
FY 2000-01 TOTAL:	\$147,593.76	\$0			

FISCAL YEAR 2000-01

DEPARTMENT: STATE

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Pamela J. Russell v MDOS	\$1,000.00	\$0	General Fund	Grand Traverse	Claim for discrimination by Secretary of State employee.
FY 2000-01 TOTAL:	\$1,000.00	\$0			

FISCAL YEAR 2000-01

DEPARTMENT: STATE POLICE

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Glasser v MSP	\$4,100.00	\$0	General Fund	Bay	Plaintiffs' claim they were traveling down the road when their vehicle was negligently struck in the rear by a trooper.
Brindley v McCullen	\$9,003.77	\$0	General Fund	Genesee	Plaintiffs' claim that Defendant's, while executing a search warrant, seized personal property and intended to search for items beyond the scope of the purported warrants.
Southfield Gold v Dougovito, et al	\$6,206.55	\$0	General Fund	Genesee	Plaintiff alleges Defendants executed a search warrant at his business, seizing jewelry and gold in violation of the scope of the search warrant.
Bowers v MSP	\$3,029.48	\$0	General Fund	Ingham	Plaintiff sent in an FOIA request regarding tow truck/wrecker services and claims that the Defendants have not taken any action to provide the requested documentation nor have they denied the request.
Manning v MSP	\$40,000.00	\$0	General Fund	Ingham	Plaintiff, an employee, claims she was discriminated against based on race while assigned to the East Lansing Laboratory and that she was subjected to degrading, humiliating, and intimidating comments from her supervisors.

FISCAL YEAR 2000-01

DEPARTMENT: STATE POLICE

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Urbanski v State of Michigan, et al	\$8,500.00	\$0	General Fund	Lucas (Ohio)	Plaintiff claims Defendants entered his home, woke him up, threw him to the floor, kneed or struck him in the back, maced and arrested him after he was falsely identified as a suspect who had stolen a car in Michigan since the stolen car was parked in front of his home.
Green v Bridges, et al	\$15,000.00	\$0	General Fund	Wayne	Plaintiff claims Defendants were pursuing him when he stopped his vehicle and ran up an embankment away from Defendants, each Defendant fired at least one shot at him, striking him in the leg causing injury.
Kuchrawy v Bauermeister	\$25,000.00	\$0	General Fund	Genesee	Plaintiff claims the Defendant violated his civil rights, maliciously prosecuted, assaulted and battered him when he arrested Plaintiff for the crime of telecommunications fraud.
Higley v Amley, et al	\$150,000.00	\$0	General Fund	Newaygo	While pursuing Plaintiff's vehicle, Defendants performed a pit maneuver to stop her vehicle; while trying to get her out of her car, Defendant Bell placed his service weapon on her right shoulder and it accidently went off shooting Plaintiff in the back.

FISCAL YEAR 2000-01

DEPARTMENT: STATE POLICE

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Griggs v MSP, et al	\$13,000.00	\$0	General Fund	Sanilac	Plaintiff claims Defendants arrested her claiming she was Judy Lynn Griggs in spite of evidence to the contrary. Plaintiff claims she was illegally seized, falsely arrested, and imprisoned without a warrant or probable cause, violating her constitutional rights.
Degner v MSP	\$1,232.00	\$0	General Fund	Monroe	Plaintiff's dog was attacked by an MSP canine, which resulted in the death of Plaintiff's dog.
Piotrowski v MSP, et al	\$65,000.00	\$0	General Fund	Macomb	Plaintiffs claim they were injured when they were pulled over by Defendants who falsely arrested, assaulted, and maliciously prosecuted them.
Maxwell v SWET	\$25,000.00	\$0	General Fund	VanBuren	The Southwest Enforcement Team entered the wrong door while executing a search warrant.
Gilbert v Maskey	\$300,000.00	\$0	General Fund	Macomb	Plaintiff, an employee, alleged failure to promote.
Filey v Servia	\$80,000.00	\$0	General Fund	Wayne	Plaintiff was pulled over for speeding and claims one of the Defendants dropped a small plastic bag in his car and then did a non-consensual, illegal search of his car and made him stand on the side of the road while they did an invasive search of his person causing embarrassment.

FISCAL YEAR 2000-01

DEPARTMENT: STATE POLICE

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Posey v Martinez, et al	\$100,000.00	\$0	General Fund	Wayne	Plaintiff claims Defendant shot decedent even though decedent made no threatening move or movements toward them and that Defendants shot him in the back which constituted an assault and battery.
Mobley v MSP, et al	\$25,000.00	\$0	General Fund	Macomb	Plaintiff claims Defendants obtained a key to her apartment from her landlord and without probable cause and/or a search warrant, entered her home where her 13-year old daughter was sleeping and was not allowed to dress in private.
Glenn v Speedway Towing, et al	\$5,500.00	\$0	General Fund	Kalamazoo	Troy A. Kuhn failed to yield the right of way at an intersection killing Plaintiff's son and injuring Plaintiff. Trooper witnessed the collision and caused Plaintiff's 1993 Dodge Shadow to be impounded and held as evidence of crime.
FY 2000-01 TOTAL:	\$875,571.80				

FISCAL YEAR 2000-01

DEPARTMENT: TRANSPORTATION - HIGHWAY NEGLIGENCE CASES

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Anderson v MDOT	\$900.00	\$0	State Trunkline Fund	Wayne	Failure to maintain due to potholes.
Chudy v MDOT	\$30,000.00	\$0	State Trunkline Fund	Oakland	Failure to maintain due to pavement drop.
Dziendziel v MDOT	\$195,000.00	\$0	State Trunkline Fund	Monroe	Failure to prohibit left turn.
Foster v MDOT	\$60,000.00	\$0	State Trunkline Fund	Genesee	Failure to maintain due to potholes.
Hamilton v MDOT	\$15,000.00	\$0	State Trunkline Fund	Calhoun	Public building defect.
Johnson v MDOT	\$30,000.00	\$0	State Trunkline Fund	Wayne	Failure to maintain due to broken pavement.
Kemmis v MDOT	\$262,000.00	\$0	State Trunkline Fund	Roscommon	Hazardous condition at intersection.
McCahill v MDOT	\$45,000.00	\$0	State Trunkline Fund	Kent	Failure to maintain due to loose pavement.
Moore v MDOT	\$3,500.00	\$0	State Trunkline Fund	Oakland	Insufficient sight distance.
O'Brien v MDOT	\$5,000.00	\$0	State Trunkline Fund	Wayne	Unsafe center lane.
Parr v MDOT	\$10,000.00	\$0	State Trunkline Fund	Gratiot	Hole in pavement next to railroad crossing.
Weiss v MDOT	\$12,000.00	\$0	State Trunkline Fund	Wayne	Failure to maintain due to uneven surface.
FY 2000-01 TOTAL:	\$668,400.00	\$0			

FISCAL YEAR 2000-01

DEPARTMENT: TRANSPORTATION - OTHER CASES

FORM 2: SETTLEMENTS PAID BY THE STATE

NAME OF CASE	AMOUNT PAID	INTEREST	FUNDING SOURCE	LOCATION	SUMMARY OF CASE
Angelo Iafrate Construction Co. v MDOT	\$228,468.00	\$0	State Trunkline Fund	St. Clair	Contractor alleged MDOT failed to make good on promise to pay by force account for extra work; breach of contract.
David Babcock v SOM, MDOT, MCSC	\$75,000.00	\$0	State Trunkline Fund	Ingham	Application for Leave to Appeal Court of Appeals decision reversing circuit court affirmance of MDOT's discharge of an UPTRAN employee.
Ferndale Electric Company v MDOT	\$49,992.00	\$0	State Trunkline Fund	Wayne	Subcontractor alleged MDOT failed to timely review shop drawings and stop order pending design problems, causing delay and additional costs; breach of contract.
William and Joann Holloway	\$9,500.00	\$0	State Trunkline Fund	Berrien	Property owner alleged partial taking in 1978, resulting from US-31 ramp interchange project; inverse condemnation.
Henion v MDOT	\$365,000.00 ^a	\$0	State Trunkline Fund	Ingham	MDOT snowplow driver struck a vehicle while making a left hand turn.
FY 2000-01 TOTAL:	\$727,960.00	\$0			

^a An additional \$1,000,000 was paid from the State's Risk Management Fund, bringing the total payment for this case to \$1,365,000. See page 9 for an explanation of payments from the Risk Management Fund.



RECENT SENATE FISCAL AGENCY REPORTS

<p>"BUDGET STATUS REPORT ISSUE 2001-3 Economic, Revenue, and Year-end Balance Estimates FY 2000-01, FY 2001-02, and FY 2002-03" December, 2001</p>	<p>"VOTING SYSTEMS IN MICHIGAN" by Jessica Runnels September, 2001</p>	<p>"2000 STATISTICAL REPORT" March, 2001</p>
<p>"FISCAL YEAR 2001-02 HIGHER EDUCATION APPROPRIATIONS REPORT" October, 2001</p>	<p>"THE ECONOMIC GROWTH AND TAX RELIEF RECON- CILIATION ACT OF 2001" by Jay Wortley, David Zin, & Matt Stanski June, 2001</p>	<p>"AN ANALYSIS OF SENTENCING AND FACTORS AFFECTING CRIME IN MICHIGAN'S 83 COUNTIES" by Karen Firestone February, 2001</p>
<p>"FY 2001-02 APPROPRIATIONS REPORT" October, 2001</p>	<p>"BUDGET STATUS REPORT ISSUE 2001-1 Economic, Revenue, and Year-end Balance Estimates FY 2000-01 and FY 2002-02" May 11, 2001</p>	<p>"GOVERNOR ENGLER'S FY 2001-02 BUDGET Summary and Analysis of Major Recommendations" February, 2001</p>
<p>"REVISED ECONOMIC FORECAST, REVENUE, AND YEAR-END BALANCE ESTIMATES - FY 2000-01 and FY 2001-02 " October, 2001</p>	<p>"ESTATE TAXES: GOING, GOING, GONE? A Review of Who Pays Death Taxes and the Impact of Eliminating the Federal Estate Tax" by David Zin March, 2001</p>	<p>"UPDATE ON THE FINANCIAL STATUS OF MICHIGAN MANAGED CARE ORGANIZATIONS" by Steve Angelotti and John Walker February, 2001</p>

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Analysis of the Governor's Major Budget Recommendations	Produced Annually
Appropriations Report	Produced Annually
Estimated State Spending by County	Produced Annually
Fiscal Digest	Produced Annually
Status of Lawsuits Against the State	Produced Annually
Higher Education Appropriations Report	Produced Annually
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Monthly Revenue Report	Produced Monthly
Michigan Economic Indicators	Produced Monthly
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