

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 7061 PCB CJC 18-01 Jurisdiction of County Courts
SPONSOR(S): Judiciary Committee, Civil Justice & Claims Subcommittee, Perez
TIED BILLS: **IDEN./SIM. BILLS:** CS/SB 1384

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Civil Justice & Claims Subcommittee	15 Y, 0 N	Jones	Bond
1) Justice Appropriations Subcommittee	10 Y, 0 N	Smith	Gusky
2) Judiciary Committee	15 Y, 0 N, As CS	Jones	Poche

SUMMARY ANALYSIS

In Florida, the two types of trial courts that hear civil lawsuits are county courts and circuit courts. Pursuant to the Florida Constitution, county courts exercise jurisdiction as provided by general law, and circuit courts exercise jurisdiction in matters not within the jurisdiction of county courts. County courts generally have jurisdiction of actions at law where the amount in controversy does not exceed \$15,000; actions at law where the amount in controversy exceeds \$15,000 must be filed in circuit court. The current jurisdictional threshold was last changed in 1992.

CS/HB 7061 increases the jurisdictional threshold between county court and circuit courts from \$15,000 to \$50,000. The bill:

- Adjusts the county court filing fee structure for cases valued between \$15,001 and \$50,000 to match the filing fee structure for circuit court cases; and
- Adjusts the appellate filing fee structure for cases valued between \$15,001 and \$50,000 appealed from county court to match the appellate filing fee structure for cases appealed from circuit court.

The bill does not appear to have a fiscal impact on state or local governments.

The bill is effective on July 1, 2018, and applies to a cause of action filed on or after that date, regardless of when the cause of action accrued.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

County and Circuit Courts

In Florida, the two types of trial courts that hear civil lawsuits are county courts and circuit courts.¹ The Florida Constitution provides that county courts exercise jurisdiction as provided by general law, and that circuit courts exercise jurisdiction in matters not within the jurisdiction of county courts.² Section 34.01, F.S., implements the constitutional provision, establishing that county courts have jurisdiction of certain cases including actions at law where the amount in controversy does not exceed \$15,000, exclusive of interest, costs, and attorney's fees, except those cases within the exclusive jurisdiction of circuit courts.³ Any general action at law where the amount in controversy exceeds \$15,000 must be filed in circuit court. The \$15,000 threshold has not changed since 1992.⁴

Filing Fees

The filing fee for a civil lawsuit in circuit court is \$400 or more (depending on the number of defendants and the nature of the case).⁵ The Legislature last raised filing fees for basic circuit court filings in 2009.⁶ The circuit court filing fee is allocated:

- \$195 to the clerk as a filing fee;
- \$196 to the State Courts Revenue Trust Fund;
- \$5.50 to the Department of Financial Services Trust Fund; and
- \$3.50 to the Court Education Trust.⁷

The filing fee for a civil lawsuit in county court ranges from \$50 to a maximum of \$300, depending on the amount in controversy.⁸ The Legislature last raised filing fees for basic county court filings in 2008.⁹ The county court filing fee for a case with an amount in controversy greater than \$2,500 and up to \$15,000 is allocated:

- \$280 to the clerk as a filing fee;
- \$16 to the State Courts Revenue Trust Fund
- \$3.50 to the Court Education Trust; and
- \$0.50 to the Department of Financial Services Trust Fund.¹⁰

When a case is appealed from circuit court to a district court of appeal, the filing fee is \$400.¹¹ That fee is allocated:

- \$50 to the State Courts Revenue Trust Fund;
- \$250 to General Revenue;
- and \$100 to the clerks of court.¹²

¹ SS. 26.012(5), F.S., and 34.01(5), F.S.

² FLA. CONST. Art. V, ss. 5 and 6.; S. 26.012(2)(a), F.S.

³ S. 34.01(1)(c), F.S.

⁴ S. 1, Ch. 90-269, Laws of Fla. (raising the jurisdictional threshold from \$10,000 to \$15,000, effective July 1, 1992).

⁵ SS. 28.241, F.S., and 44.108(1), F.S.

⁶ S. 5, Ch. 2009-61, Laws of Fla.

⁷ SS. 28.241(1), F.S., and 44.108, F.S.

⁸ S. 34.041(1)(a), F.S.

⁹ S. 11, Ch. 2008-111, Laws of Fla.

¹⁰ SS. 34.041(1), F.S., and 44.108(1), F.S.

¹¹ SS. 28.241(2), F.S., and 35.22(2)(a), F.S.

¹² SS. 28.241(2), F.S., and 35.22(5), F.S.

When a case is appealed from county court to circuit court, the filing fee is \$281.¹³ That fee is allocated:

- \$1 to the State Courts Revenue Trust Fund; and
- \$280 to the clerks of court.¹⁴

Small Claims Court

Small claims court is a proceeding in county court where the amount in controversy is less than a specified amount, which is set by the Florida Supreme Court.¹⁵ Currently, the threshold is \$5,000,¹⁶ which was established in 1996.¹⁷ The small claims court threshold is independent of the county court jurisdictional threshold set by the Legislature.

Effect of Proposed Changes

CS/HB 7061 amends s. 34.01, F.S., to increase the county court's jurisdictional amount in controversy to \$50,000. The new threshold applies to all causes of action filed on or after July 1, 2018, regardless of when the cause of action accrues.

Additionally, the bill amends ss. 28.241, 34.041, and 44.108, F.S., to:

- Adjust the county court filing fee structure for cases valued between \$15,001 and \$50,000 to match the filing fee structure for circuit court cases; and
- Adjust the appellate filing fee structure for cases valued between \$15,001 and \$50,000 appealed from county court to match the appellate filing fee structure for cases appealed from circuit court.

A case with a value between \$15,001 and \$50,000—which would be filed in circuit court under current law—will have the same filing fees under the bill even though the case will be filed in county court, and those filing fees will be distributed in the same way as under current law. Similarly, a case with a value between \$15,001 and \$50,000 appealed from county court will have the same appellate fee as current law requires for a case appealed from circuit court to the district court of appeal.

The bill is effective July 1, 2018.

B. SECTION DIRECTORY:

Section 1: Amends s. 28.241, F.S., relating to filing fees for trial and appellate proceedings.

Section 2: Amends s. 34.01, F.S., relating to jurisdiction of county court.

Section 3: Amends s. 34.041, F.S., relating to filing fees.

Section 4: Amends s. 44.108, F.S., relating to funding of mediation and arbitration.

Section 5: Provides an effective date of July 1, 2018.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

¹³ S. 28.241(2), F.S.

¹⁴ S. 28.241(2), F.S.; *Increasing County Court Jurisdiction: Issues to Consider*, Report by Office of State Courts Administrator (Jan. 16, 2018).

¹⁵ Fla. Sm. Cl. R. 7.010(b)

¹⁶ Fla. Sm. Cl. R. 7.010(b)

¹⁷ In re Amendments to the Florida Small Claims Rules, 682 So. 2d 1075 (Fla. 1996) (raising the amount from \$2,500 to \$5,000).

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

Not applicable.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 21, 2018, the Judiciary Committee adopted a strike-all amendment and reported the bill favorably as a committee substitute. The amendment:

- Adjusted the county court filing fee structure for cases valued between \$15,001 and \$50,000 to match the filing fee structure for circuit court cases;
- Adjusted the appellate filing fee structure for cases valued between \$15,001 and \$50,000 appealed from county court to match the appellate filing fee structure for cases appealed from circuit court; and
- Removed the requirement that the Supreme Court adjust the jurisdictional threshold every 5 years.

This analysis is drafted to the committee substitute as passed by the Judiciary Committee.