

Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536

**SFA****BILL ANALYSIS**

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

House Bill 6447 (Substitute H-1 as reported)  
Sponsor: Representative Marc Shulman  
House Committee: Civil Law and the Judiciary  
Senate Committee: Judiciary

### **CONTENT**

The bill would amend provisions of the Revised Judicature Act concerning the Cyber Court to:

- Specify that an action that involved a business or commercial dispute could be maintained in the Cyber Court, although it also involved claims that were not business or commercial disputes; and define "business or commercial dispute".
- Provide that business or commercial disputes would not include product liability actions in which any of the claimants were individuals; matters within the family court's jurisdiction; proceedings under the Probate Code of 1939 or the Estates and Protected Individuals Code; criminal matters; or condemnation matters.
- Allow a Cyber Court defendant, a plaintiff against whom a counterclaim was filed, or any party added by motion of the original parties, to have the entire case transferred to circuit court by filing a notice of transfer with the Cyber Court clerk within 28 days after the party was served with the pleading that gave it the right to transfer. (The bill would delete the current provision that allows the defendant in a Cyber Court action to remove it to circuit court with 14 days after the deadline for filing an answer.)
- Require the Cyber Court judge to whom a case was assigned to determine whether it was primarily a business or commercial dispute; and, if the judge determined that it was not, provide for the case to be transferred to circuit court.
- Specify that the county clerk of the county where the Cyber Court sits would be the clerk of the Cyber Court, and would have to deputize staff designated by the Supreme Court to receive all pleadings filed in the Cyber Court. (Currently, the Supreme Court is required to appoint the Cyber Court clerk.)

MCL 600.8001 et al.

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

The bill would have minimal implications for the existing Cyber Court structure. While the legislation that created the Cyber Court had an effective date of October 1, 2002, the Supreme Court has not received additional funding to implement the Cyber Court. The FY 2002-03 Judiciary appropriation bill would allow expenditures of up to \$1,000,000 for the development of the Cyber Court. The funding, however, is contingent upon a refund of State penalties paid to the Federal government related to the Child Support Enforcement System.

The State Court Administrative Office estimates the cost to implement the Cyber Court at \$2,030,000, with annual operating costs of \$1,033,000.

Date Completed: 12-5-02

Fiscal Analyst: Bill Bowerman