



Senate Fiscal Agency  
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## BILL ANALYSIS



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House Bill 5128 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Representative John Walsh

House Committee: Judiciary

Senate Committee: Judiciary

**CONTENT**

The bill would amend the Revised Judicature Act to provide for business courts (courts with a special docket, as described in the bill), and would repeal sections that provide for a cyber court. The bill would take effect on January 1, 2013, and would do the following:

- Require each circuit with at least three judges to have a business court, and to submit a plan for its operation to the State Court Administrative Office (SCAO) and the Supreme Court.
- Allow circuits with fewer than three judges to submit an administrative order for a business court to the Supreme Court and the SCAO for review as part of a concurrent jurisdiction plan.
- Provide that a business court would have jurisdiction over business disputes and commercial disputes in which the amount in controversy exceeded \$25,000.
- Require an action to be assigned to a business court if all or part of it included a business or commercial dispute.
- Require an action to be assigned to a business court judge by blind draw.
- Authorize the chief judge of the circuit to review assignments, and provide that the judge's ruling could not be appealed.
- Require a business court action to be filed electronically, whenever possible.
- Require a business court to meet minimum standards determined by the SCAO.
- Provide that fees payable in civil actions in circuit court would apply to business court cases.
- Require the Michigan Judicial Institute to provide training for business court judges.
- Provide that any case pending on a pilot business court docket on January 1, 2013, would remain on that docket and assigned to the same judge until its completion.

Proposed MCL 600.308 et al.

Legislative Analyst: Suzanne Lowe

**FISCAL IMPACT**

The bill would have a minor, perhaps negligible, fiscal impact on State and local government. Although the bill would create a "new" court in at least 17 circuits (those with at least three judges), the court would be run by one (or more) of the current judges and current staff, meaning the cost of carving out this new specialization would be minor and only of an administrative nature.

The cost of training by the Michigan Judicial Institute would depend on the quantity of training required for each judge assigned and also upon how many circuits adopted business courts (in addition to those that would be mandated to do so).

Date Completed: 9-19-12

Fiscal Analyst: Dan O'Connor

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