

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** PCB CJC 18-01 County Court Jurisdiction  
**SPONSOR(S):** Civil Justice & Claims Subcommittee  
**TIED BILLS:** None **IDEN./SIM. BILLS:** SB 1384

| REFERENCE  | ACTION | ANALYST | STAFF DIRECTOR or<br>BUDGET/POLICY CHIEF |
|--|--------|---------|--|
| Orig. Comm.: Civil Justice & Claims Subcommittee |        | Jones   | Bond                                     |

### 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 bill increases the jurisdictional threshold between county court and circuit courts from \$15,000 to \$50,000 and requires the Florida Supreme Court to adjust the jurisdictional threshold beginning in 2020 and every five years thereafter based on the Consumer Price Index.

The bill appears to have the following recurring fiscal impacts, commencing with FY 2018-19:

- \$4.5 million negative impact on the State Courts Revenue Trust Fund revenues
- \$2.3 million positive fiscal impact on clerks of court revenues
- \$0.12 million negative fiscal impact on the Department of Financial Services Administrative Trust Fund revenues
- \$0.25 million negative fiscal impact on the General Revenue Fund

The effective date of the bill is July 1, 2018. The bill 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**

In Florida, the two types of trial courts that hear civil lawsuits are county courts and circuit courts.<sup>1</sup> 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.<sup>2</sup> 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.<sup>3</sup> Any general action at law where the amount in controversy exceeds \$15,000 must be filed in circuit court.

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).<sup>4</sup> The circuit court filing fee is allocated as follows: \$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.<sup>5</sup>

The filing fee for a civil lawsuit in county court ranges from \$50 to a maximum of \$300, depending on the amount in controversy.<sup>6</sup> The county court filing fee for a case with an amount in controversy greater than \$2,500 and up to \$15,000 is allocated as follows: \$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.<sup>7</sup>

##### **Effect of the Bill**

###### Increased Jurisdictional Threshold Beginning July 1, 2018

The bill amends s. 34.01, F.S., to increase the county court's jurisdictional amount in controversy to \$50,000 beginning on July 1, 2018, through June 30, 2020. This requires actions at law with an amount in controversy up to \$50,000 to be filed in county court beginning July 1, 2018. The bill states that it applies to all causes of action filed on or after July 1, 2018, regardless of when the cause of action accrues.

###### Periodic Adjustment of Amount by Supreme Court

The bill also directs the Florida Supreme Court, beginning July 1, 2020, and every five years thereafter, to adjust the jurisdictional amount of county courts to reflect inflation using a formula based on the unadjusted Consumer Price Index for All Urban Consumers.<sup>8</sup> The amount is rounded to the nearest \$1,000.

<sup>1</sup> See ss. 26.012(5), 34.01(5), F.S.

<sup>2</sup> FLA. CONST. art. V, ss. 5, 6.; see s. 26.012(2)(a), F.S.

<sup>3</sup> S. 34.01(1)(c), F.S.

<sup>4</sup> SS. 28.241, 44.108(1), F.S.

<sup>5</sup> SS. 28.241(1), 44.108, F.S.

<sup>6</sup> S. 34.041(1)(a), F.S.

<sup>7</sup> SS. 34.041(1), 44.108(1), F.S.

<sup>8</sup> The Consumer Price Index (CPI) is a measure of the average change of prices over time (that is, inflation) and is widely used as an accurate way to adjust dollar values. It is published monthly by the U.S. Bureau of Labor Statistics. See <https://www.bls.gov/cpi/questions-and-answers.htm>.

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

**B. SECTION DIRECTORY:**

**Section 1:** Amends s. 34.01, F.S. regarding the jurisdiction of county courts.

**Section 2:** Provides an effective date of July 1, 2018.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

**1. Revenues:**

The bill appears to have the following recurring fiscal impacts on state government revenues, commencing with FY 2018-19:

- \$4,510,562 negative fiscal impact on the State Courts Revenue Trust Fund
- \$123,948 negative fiscal impact on the Department of Financial Services Administrative Trust Fund
- \$247,203 negative fiscal impact on the General Revenue Fund

**2. Expenditures:**

None.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

**1. Revenues:**

The bill appears to have a recurring positive fiscal impact on clerk of courts revenues of \$2,285,093 commencing July 1, 2018.

**2. Expenditures:**

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

The bill appears to have a positive fiscal impact on the private sector because some filing fees will be lower.

**D. FISCAL COMMENTS:**

The filing fee for a civil lawsuit in circuit court is generally \$400,<sup>9</sup> currently allocated as follows: \$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.<sup>10</sup>

The county court filing fee for a case with an amount in controversy greater than \$2,500 and up to \$15,000 is \$300, currently allocated as follows: \$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.<sup>11</sup>

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<sup>9</sup> SS. 28.241, 44.108(1), F.S.

<sup>10</sup> SS. 28.241(1), 44.108, F.S.

<sup>11</sup> SS. 34.041(1), 44.108(1), F.S.

### **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**