

SUBJECT: Increasing civil jurisdiction of justice and small claims courts

COMMITTEE: Judiciary — favorable, without amendment

VOTE: 5 ayes — Hartnett, Alonzo, R. Cook, Goolsby, Hughes
0 nays
4 absent — Homer, Hopson, Gonzales, Krusee

SENATE VOTE: On final passage, March 28 — 30-0, on Local and Uncontested Calendar

WITNESSES: For — David M. Cobos, Justice of the Peace & Constables Association of Texas
Against — None

BACKGROUND: A county court shares jurisdiction with justice courts in civil cases that have matters in controversy greater than \$200 but not more than \$5,000.

A justice court has original jurisdiction of civil cases that are not in the exclusive jurisdiction of a district or county court and where the amount in controversy does not exceed \$5,000. A justice court also has original jurisdiction in cases of forcible entry and detainer and the foreclosure of mortgages and enforcement of liens on personal property, in which the amount in controversy is otherwise in the court's jurisdiction.

A small claims court shares jurisdiction with a justice court in actions for the monetary recovery in an amount, exclusive of costs, that does not exceed \$5,000.

DIGEST: SB 618 would increase the jurisdiction of justice courts to matters of controversy not to exceed \$10,000. Also, a corporation would not be required to be represented by an attorney in a justice court.

The bill would take effect September 1, 2007, and would apply to a cause of action filed on or after that date.

**SUPPORTERS
SAY:**

SB 618 would increase the civil jurisdictional limit for justice courts from \$5,000 to \$10,000, which would improve access to the courts in civil matters. The bill would not affect criminal cases, nor would it alter the complexity of the matters heard before these courts. It aims to make the court forum more accessible while reducing costs for the public because attorney representation is not required in either justice courts or small claims courts, and court fees in these settings are less expensive than higher courts.

Currently, a person involved in a \$5,100 dispute over a “fender bender” accident, for example, has to take the case to a county court where jurisdictional limits account for cases up to \$100,000. Such cases deserve to be heard in a justice court where disposition can be more expeditious and should not require attorney representation, which in some cases would be sufficiently expensive to defeat the purpose of bringing the case to court.

Concerns about losses of revenue to county and district courts are exaggerated. According to the Legislative Budget Board, SB 618 would have no significant fiscal implication to units of local government.

**OPPONENTS
SAY:**

Raising the jurisdictional limit of justice and small claims courts could cause larger counties to lose revenue generated by court costs. The simplicity of the forums created by justice and small claims courts could influence more people to bring their cases in these settings, which could cause county and district courts to experience a decrease in revenue.

Some courts are not prepared to handle a larger caseload. If the state wants for justice and small claims courts to handle more cases, it also should allow for additional court staff and higher salaries to compensate for the workload increase.