

SUBJECT: Expanding the jurisdiction of justice courts and statutory county courts

COMMITTEE: Judiciary and Civil Jurisprudence — favorable, without amendment

VOTE: 5 ayes — Leach, Krause, Meyer, Smith, White

2 nays — Y. Davis, Neave

2 absent — Farrar, Julie Johnson

SENATE VOTE: On final passage, April 17 — 28-3 (Hinojosa, Lucio, Watson), on Local and Uncontested Calendar

WITNESSES: *On House companion bill, HB 3336:*

For — John Barton and Lynn Holt, Justices of the Peace and Constables Association of Texas; Lee Parsley, Texans for Lawsuit Reform; (*Registered, but did not testify:* Melissa Shannon, Bexar County Commissioners Court; James Grace Jr., CNA Insurance; Lee Loftis, Independent Insurance Agents of Texas; Bobby Gutierrez, Carlos Lopez, and Jama Pantel, Justices of the Peace and Constables Association of Texas; George Christian, Texas Association of Defense Counsel, Texas Civil Justice League; John W. Fainter Jr., Texas Civil Justice League; Cary Roberts, U.S. Chamber Institute for Legal Reform)

Against — Will Adams, Texas Trial Lawyers Association; (*Registered, but did not testify:* Karen Collins; Susan Gezana; Ash Hall; Vanessa MacDougal; Robyn Ross; Arthur Simon)

On — Thea Whalen, Texas Justice Court Training Center

BACKGROUND: Government Code sec. 22.004(h) requires the Texas Supreme Court to adopt rules to promote the prompt, efficient, and cost-effective resolution of civil actions with amounts in controversy of \$100,000 or less.

Sec. 25.0003(c) provides that, in addition to other jurisdiction provided by law, statutory county courts have concurrent jurisdiction with district

courts in civil cases in which the amount in controversy exceeds \$500 but does not exceed \$200,000.

Sec. 62.301 states that juries in county courts are composed of six persons. Sec. 25.0007(b) provides that statutory county courts practice under the law prescribed for county courts, except with regard to matters in which statutory county courts have concurrent jurisdiction with district courts. However, statutory county courts are not governed by the laws and rules pertaining to districts courts with respect to the number of jurors in matters in which statutory county courts have concurrent jurisdiction with district courts.

Sec. 27.031 provides that justice courts have jurisdiction of civil matters with amounts in controversy of \$10,000 or less.

**DIGEST:**

SB 2342 would increase the maximum amount in controversy for matters under the jurisdiction of justice courts and the standard maximum amount in controversy for matters under statutory county court jurisdiction, require 12-person juries for certain matters before statutory county courts, and increase the amount in controversy for matters to qualify for expedited proceedings under the Texas Supreme Court's rules.

**Amounts in controversy.** The bill would increase the maximum amount in controversy for civil cases in which a county court had concurrent jurisdiction with a district court from \$200,000 to \$250,000. The maximum amount in controversy for matters over which a justice court had original jurisdiction would be increased from \$10,000 to \$20,000.

**Juries in statutory county courts.** SB 2342 would specify that civil cases pending before statutory county courts with matters in controversy exceeding \$250,000 would have a jury composed of 12 members, unless all parties agreed to a jury composed of a lesser number of jurors.

In matters of concurrent jurisdiction with district courts, statutory county courts would be governed by the laws and rules pertaining to district courts in the county in which the statutory county court was located with

respect to the drawing of jury panels and the selection of jurors.

**Supreme Court rules.** The bill would increase from \$100,000 to \$250,000 the amount in controversy for cases that qualified for expedited proceedings under the Supreme Court's rules. The Supreme Court would have to adopt rules on these matters by January 1, 2020. These rules could not conflict with any other statutory law.

**Other provisions.** SB 2342 would remove references to the previous standard maximum amount in controversy for matters before certain statutory county courts and would eliminate the maximum amount in controversy of \$50,000 for statutory county courts in Angelina County.

The bill would eliminate the requirements for certain statutory county courts that the judge of the court consent to a 12-member jury and amend provisions governing jury size in certain counties as specified in the bill. SB 2342 also would specify that in statutory county courts in Travis County, failure to object before a six-member jury was seated and sworn would constitute a waiver of a 12-member jury.

The bill would take effect September 1, 2019, and would apply to a cause of action filed on or after that date.

**SUPPORTERS  
SAY:**

SB 2342 would improve access to the civil justice system by increasing the amount-in-controversy caps for justice courts and statutory county courts and requiring the Texas Supreme Court to expand existing rules for expedited civil cases to cover those with amounts in controversy of \$250,000 or less.

Litigation often is very expensive and time consuming, effectively closing the door to the court system for many Texans. Justice courts, with their informal proceedings, are designed to resolve cases quickly and cost-efficiently. Increasing the jurisdictional limits for justice courts on matters with no more than \$10,000 in dispute to matters with no more than \$20,000 would make these speedy, efficient courts available for more Texans. Likewise, raising the standard jurisdictional limit for statutory

county courts from \$200,000 to \$250,000 would allow more Texans to take advantage of these courts, which are designed for medium-sized cases and typically empanel six-person juries.

Requiring statutory county courts with jurisdiction over cases with amounts in controversy exceeding \$250,000 to empanel 12-person juries for such cases would promote fairness and uniformity, reducing forum shopping with district courts. Most of the courts that would be affected by this requirement already are equipped for 12-person juries, so this requirement should result in no additional cost.

**OPPONENTS  
SAY:**

SB 2342 would put a strain on the jury system and increase costs for counties. Requiring more cases to have 12-person juries would exacerbate the juror shortage that the state is currently experiencing. Pooling additional jurors for these cases also would be costly for counties.

Requiring the Texas Supreme Court to expand rules for expedited civil actions to cover cases with amounts in controversy of \$250,000 or less also could limit discovery and trial time for more complex cases. As the amounts in controversy of cases increase, so do their complexity and need for significant discovery. Requiring these cases to adhere to expedited rules could lead to inefficient outcomes.

**NOTES:**

The bill sponsor plans to offer a floor amendment that would require the Texas Supreme Court to adopt rules to promote the prompt, efficient, and cost-effective resolution of only those civil actions filed in county courts at law in which the amount in controversy exceeded \$100,000 but did not exceed \$250,000. The amendment would require that such rules balance the need for lowering discovery costs against the complexity of and discovery needs in those actions.