

# Legislative Analysis

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## **SMALL CLAIMS COURT: INCREASE RECOVERY AMOUNT**

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**House Bill 4160**  
**Sponsor: Rep. John Pastor**  
**Committee: Judiciary**

**Complete to 6-13-06**

## **A SUMMARY OF HOUSE BILL 4160 AS INTRODUCED 2-2-05**

The small claims division of district court hears cases in which the claim for damages sought to be recovered is \$3,000 or less. The bill would amend the Revised Judicature Act to increase that amount to not more than \$10,000.

MCL 600.8401

## **FISCAL IMPACT:**

The bill would have an indeterminate fiscal impact on the state and local units of government. There are no statewide data to indicate how many cases would become eligible for small claims court under the bill (i.e., that are filed claiming dollar amounts between \$3,000 and \$10,000).

The bill's fiscal impact on the state and local units of government would depend on how it affected the overall and relative numbers of small claims cases (which typically are heard by magistrates) and civil cases in district court (which are heard by district court judges). Magistrates' salaries and benefits are paid by the local units, and vary between jurisdictions. Judges' salaries and retirement benefits are paid by the state, and currently cost roughly \$156,000 per district court judge; any other benefits for trial court judges are paid by the local units.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.