REVISED JUDICATURE ACT OF 1961 (EXCERPT) Act 236 of 1961

CHAPTER 80. THE CYBER COURT

600.8001 Cyber court; creation; court of record; purpose; location; electronic communications; internet broadcast; staff and support services; funding.

Sec. 8001. (1) The cyber court is created and is a court of record.

- (2) The purpose of the cyber court is to do all of the following:
- (a) Establish judicial structures that will help to strengthen and revitalize the economy of this state.
- (b) Allow business or commercial disputes to be resolved with the expertise, technology, and efficiency required by the information age economy.
 - (c) Assist the judiciary in responding to the rapid expansion of information technology in this state.
- (d) Establish a technology-rich system to serve the needs of a judicial system operating in a global economy.
 - (e) Maintain the integrity of the judicial system while applying new technologies to judicial proceedings.
 - (f) Supplement other state programs designed to make the state attractive to technology-driven companies.
 - (g) Permit alternative dispute resolution mechanisms to benefit from the technology changes.
- (h) Establish virtual courtroom facilities, and allow the conducting of court proceedings electronically and the electronic filing of documents.
- (3) The cyber court shall be located in 1 or more counties as determined by the supreme court. The cyber court shall sit in facilities designed to allow all hearings and proceedings to be conducted by means of electronic communications, including, but not limited to, video and audio conferencing and internet conferencing.
- (4) The cyber court shall hold session and shall schedule hearings or other proceedings to accommodate parties or witnesses who are located outside of this state. A cyber court facility is open to the public to the same extent as a circuit court facility. When technologically feasible, and at the discretion of the judge, pursuant to the court rules, all proceedings of the cyber court shall be broadcast on the internet.
 - (5) The cyber court shall maintain its staff and support services at the seat of government.
 - (6) The cyber court shall be funded from annual appropriations to the supreme court.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002;—Am. 2002, Act 663, Imd. Eff. Dec. 26, 2002.

Popular name: Cybercourt

600.8003 Assignment of judges; clerk.

Sec. 8003. (1) The supreme court shall assign to the cyber court persons who have been elected to and served as judges in this state and who have requested to be considered for that assignment. In making assignments to the cyber court, the supreme court shall consider a person's experience in presiding over commercial litigation and his or her experience and interest in the application of technology to the administration of justice. The supreme court shall endeavor to reflect the ethnic and racial diversity of the state population and the statewide judicial bench when making the assignments under this subsection.

- (2) The total number of judges assigned to the cyber court shall reasonably reflect the caseload of the cyber court.
 - (3) The duration of a judge's assignment to the cyber court shall be at least 3 years.
- (4) The county clerk of the county in which the cyber court sits shall be the clerk for the cyber court. The cyber court clerk shall deputize staff designated by the supreme court to receive all pleadings filed in the cyber court.
- (5) The Michigan judicial institute shall provide appropriate training for judges who are assigned as judges of the cyber court.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002;—Am. 2002, Act 663, Imd. Eff. Dec. 26, 2002.

Popular name: Cybercourt

600.8005 Jurisdiction; business or commercial disputes; definitions; actions; exclusions.

Sec. 8005. (1) The cyber court has concurrent jurisdiction over business or commercial disputes in which the amount in controversy exceeds \$25,000.00.

- (2) An action that involves a business or commercial dispute may be maintained in the cyber court although it also involves claims that are not business or commercial disputes.
 - (3) For purposes of this section:

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- (a) "Business enterprise" means a sole proprietorship, partnership, limited partnership, joint venture, limited liability company, limited liability partnership, for-profit or not-for-profit corporation or professional corporation, business trust, real estate investment trust, or any other entity in which a business may lawfully be conducted in the jurisdiction in which the business is being conducted. Business enterprise does not include an ecclesiastical or religious organization.
 - (b) "Business or commercial dispute" means any of the following actions:
 - (i) An action in which all of the parties are business enterprises.
- (ii) An action in which 1 or more of the parties is a business enterprise and the other parties are its or their present or former owners, managers, shareholders, members, directors, officers, agents, employees, suppliers, customers, or competitors, and the claims arise out of those relationships.
- (iii) An action in which 1 of the parties is a nonprofit organization, and the claims arise out of that party's organizational structure, governance, or finances.
- (*iv*) An action involving the sale, merger, purchase, combination, dissolution, liquidation, organizational structure, governance, or finances of a business enterprise.
 - (4) Business or commercial disputes include, but are not limited to, the following types of actions:
 - (a) Those involving information technology, software, or website development, maintenance, or hosting.
- (b) Those involving the internal organization of business entities and the rights or obligations of shareholders, partners, members, owners, officers, directors, or managers.
- (c) Those arising out of contractual agreements or other business dealings, including licensing, trade secret, noncompete, nonsolicitation, and confidentiality agreements.
 - (d) Those arising out of commercial transactions, including commercial bank transactions.
 - (e) Those arising out of business or commercial insurance policies.
 - (f) Those involving commercial real property.
- (5) Notwithstanding subsections (3) and (4), business or commercial disputes expressly exclude the following types of actions:
- (a) Personal injury actions involving only physical injuries to 1 or more individuals, including wrongful death and malpractice actions against any health care provider.
 - (b) Product liability actions in which any of the claimants are individuals.
 - (c) Matters within the jurisdiction of the family division of circuit court.
 - (d) Proceedings under the probate code of 1939, 1939 PA 288, MCL 710.21 to 712A.32.
- (e) Proceedings under the estates and protected individuals code, 1998 PA 386, MCL 700.1101 to 700.8102.
 - (f) Criminal matters.
 - (g) Condemnation matters.
 - (h) Appeals from lower courts or any administrative agency.
 - (i) Proceedings to enforce judgments of any kind.
 - (j) Landlord-tenant matters involving only residential property.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002;—Am. 2002, Act 663, Imd. Eff. Dec. 26, 2002.

Popular name: Cybercourt

600.8007 Complaint; filing with clerk; practice and procedure, proceedings, and service of process in accordance with special rules.

Sec. 8007. (1) An action may be filed in the cyber court by filing a complaint with the clerk of the cyber court.

(2) Practice and procedure in the cyber court, the form and manner of pleadings, and the manner of service of process shall be in accordance with special rules for the cyber court adopted by the supreme court.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002.

Popular name: Cybercourt

600.8009 Filing fee; disposition.

Sec. 8009. Before a civil action is filed in the cyber court, the party bringing the action shall pay a filing fee in the amount of \$200.00. Each month the clerk of the cyber court shall deposit with the state treasurer all fees collected, securing and filing a receipt for all the fees deposited.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002.

Popular name: Cybercourt

600.8011 Transfer to circuit court.

Sec. 8011. (1) A defendant in an action commenced in the cyber court, a plaintiff against whom a Rendered Wednesday, October 17, 2012

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counterclaim is filed in that action, or any party added by motion of the original parties as a plaintiff, defendant, or third-party defendant, may cause the entire case to be transferred to the circuit court in a county in which venue is proper by filing a notice of transfer with the clerk of the cyber court within 28 days after the date on which the party was served with the pleading that gives it the right to transfer.

- (2) Within 14 days after the filing of an answer to a complaint or a motion by a defendant for summary disposition, whichever is earlier, the judge to whom the case has been assigned shall make a determination, based solely upon the complaint and answer or the motion, whether the case is primarily a business or commercial dispute. If the judge determines that it is not, the court shall notify the plaintiff of that decision, and the plaintiff has 14 days after service of the court's notification to transfer the case to the circuit court in a county in which venue is proper. If the plaintiff does not transfer the case to the circuit court, the judge of the cyber court shall do so. Subject to subsection (3), if the judge determines that it is primarily a business or commercial dispute, the case shall proceed in cyber court.
- (3) If, at the time of or after the filing of the defendant's answer or motion for summary disposition, parties or claims are added or deleted, the judge to whom the case is assigned, not later than 14 days after the answer or motion is filed, shall again make a determination, based solely upon the pleadings as they then exist, whether the case is then primarily a business or commercial dispute. If the judge determines that it is not, the court shall notify the plaintiff of that decision, and the plaintiff has 14 days after service of the court's notification to transfer the case to the circuit court in a county in which venue is proper. If the plaintiff does not transfer the case to the circuit court, the judge of the cyber court shall do so. If the judge determines that it is primarily a business or commercial dispute, the case shall proceed in cyber court. However, if parties or claims are later added or deleted, the procedures in this subsection apply again.
- (4) Any determination by a judge of the cyber court made under subsections (2) and (3) is final and may not be reviewed or altered by the circuit court to which a case is transferred.
- (5) If a defendant in an action commenced in cyber court, a plaintiff against whom a counterclaim is filed in such an action, or any party added by motion of the original parties as a plaintiff, defendant, or third-party defendant transfers the action to the circuit court as provided in subsection (1), or the judge determines under subsection (2) or (3) that the case is not primarily a business or commercial dispute and the case is transferred to the circuit court, the clerk of the cyber court shall forward to the circuit court, as a filing fee, a portion of the filing fee paid at the commencement of the action in the cyber court that is equal to the filing fee otherwise required in the circuit court.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002;—Am. 2002, Act 663, Imd. Eff. Dec. 26, 2002.

Popular name: Cybercourt

600.8013 Jury trial; waiver.

Sec. 8013. Unless a party removes an action filed in the cyber court to the circuit court pursuant to section 8011, all parties to an action in the cyber court shall be considered to have waived the right to trial by jury.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002.

Popular name: Cybercourt

600.8015 Electronic communications.

Sec. 8015. All matters heard in the cyber court shall be heard by means of electronic communications, including, but not limited to, video and audio conferencing and internet conferencing among the judge and court personnel, parties, witnesses, and other persons necessary to the proceeding.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002.

Popular name: Cybercourt

600.8017 Subpoena of witnesses; production of records; oaths and affirmations.

Sec. 8017. The cyber court has the same power to subpoena witnesses and require the production of books, papers, records, documents, electronic documents, and any other evidence and to punish for contempt as the circuit court has. The judge and clerk of the cyber court may administer oaths and affirmations and take acknowledgments of instruments by electronic means. An oath or affirmation taken from a person located outside of this state and pursuant to the laws of the jurisdiction in which the person is located shall be considered to be an oath or affirmation authorized by the laws of this state.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002.

Popular name: Cybercourt

600.8019 New trial.

Sec. 8019. An action in the cyber court shall be heard by the judge without a jury. The court may grant a Rendered Wednesday, October 17, 2012

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new trial upon the same terms and under the same conditions and for the same reasons as prevail in the case of the circuit court of this state, in a case heard by a judge without a jury.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002.

Popular name: Cybercourt

600.8021 Appeal to court of appeals; entry of final order or judgment; electronic notice.

Sec. 8021. (1) An appeal from the cyber court shall be to the court of appeals, as prescribed by supreme court rules.

(2) The clerk of the cyber court shall immediately furnish the parties to every action with an electronic notice of entry of any final order or judgment. The time within which an appeal as of right may be taken shall be governed by supreme court rules.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002.

Popular name: Cybercourt

600.8023 Alternative dispute resolution.

Sec. 8023. The supreme court shall provide by rule for an alternative dispute resolution for matters before the cyber court.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002.

Popular name: Cybercourt

600.8025 Report to legislature.

Sec. 8025. Not later than October 1, 2004, the state court administrator shall submit a written report to the legislature on the operation of the cyber court. The report shall include the state court administrator's recommendations, if any, for expanding the jurisdiction of the cyber court over other matters.

History: Add. 2001, Act 262, Eff. Oct. 1, 2002.

Popular name: Cybercourt

600.8027 Implementation of chapter; rules.

Sec. 8027. The supreme court shall adopt rules to implement this chapter.

History: Add. 2001, Act 262, Imd. Eff. Jan. 9, 2002.

Popular name: Cybercourt

600.8029 Repealed. 2006, Act 232, Imd. Eff. June 26, 2006.

Compiler's note: The repealed section pertained to creation of legislative oversight committee on oversight.

Popular name: Cybercourt