



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 333 (Substitute S-1 as reported)
Sponsor: Senator Rick Jones
Committee: Judiciary

CONTENT

The bill would amend the Revised Judicature Act to specify that a business court would have jurisdiction over business and commercial disputes in which equitable or declaratory relief was sought or in which the matter otherwise met circuit court jurisdictional requirements, instead of business and commercial disputes in which the amount in controversy exceeds \$25,000.

The bill also would modify the definition of "business and commercial dispute". The term means, in part, an action in which one 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, or competitors, and the claims arise out of those relationships. Under the bill, this list would include the guarantors of a commercial loan, and where the Act refers to members, the bill would refer to members of a limited liability company or similar business organization.

Business or commercial disputes expressly exclude certain actions, including proceedings to enforce judgments of any kind. The bill would add, "including supplementary hearings". The Act also excludes from business or commercial disputes land contracts or mortgage foreclosure matters involving residential property. Under the bill, this exclusion would extend to construction and condominium lien foreclosure matters and actions involving the enforcement of condominium and homeowners associations governing documents. In addition, business or commercial disputes do not include actions related to motor vehicle insurance coverage under the Insurance Code, except where two or more parties to the action are insurers. The bill would remove that exception.

The bill would apply to actions commenced on or after its effective date.

MCL 600.8031 & 600.8035

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 5-4-17

Fiscal Analyst: Ryan Bergan