~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

February 8, 2017

**S. 118**

Introduced by Senators Campsen, Malloy and Hembree

S. Printed 2/8/17--S.

Read the first time January 10, 2017.

**THE COMMITTEE ON JUDICIARY**

To whom was referred a Bill (S. 118) to amend Section 22‑3‑10, Code of Laws of South Carolina, 1976, relating to the civil jurisdiction of the magistrates court, so as to increase the, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass with amendment:

Amend the bill, as and if amended, page 1, by striking line 29 in Section 22-3-10, as contained in SECTION 1, and inserting therein the following:

/ “Section 22‑3‑10. Magistrates have concurrent civil /

Amend the bill further, as and if amended, page 2, by striking line 42, and page 3, by striking lines 1 through 4, in Section 22-3-10, as contained in SECTION 1, and inserting therein the following:

/ is calculated.” /

Renumber sections to conform.

Amend title to conform.

BRAD HUTTO for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Explanation of Fiscal Impact**

**Introduced on January 10, 2017**

**State Expenditure**

This bill increases the civil jurisdiction of the magistrates court from $7,500 to $10,000 and requires that, except for landlord and tenant cases, any case with an amount in controversy equaling or exceeding $5,000 must be ordered for mandatory mediation.

**Judicial Department.** The department reports that during FY 2015-16, there were 87,421 cases filed in common pleas courts and 211,308 civil cases filed in magistrates courts. There is no data as to how many of the cases filed in common pleas court dealt with an amount between $7,500 and $10,000, however. As such, neither the number of cases that would now be heard in magistrates court nor the extent of any future cost savings to the general fund can be determined.

State Revenue

Currently, fees, costs, and assessments for civil actions filed in magistrate court and circuit court are divided among the general fund, specified state agencies and programs, and the counties. Because data is not available to estimate the change in filings between magistrate court and circuit court that would occur as a result of this bill, the bill’s impact on the general fund and other funds is undetermined.

**Local Expenditure**

Local government expenditures may be affected by an increase in magistrate court jurisdiction and by mandatory mediation. However, data is not available to determine the number of cases filed in common pleas court with an amount in controversy exceeding $7,000 up to $10,000 that could be heard in magistrate court, or the number of cases in magistrate court with an amount in controversy equaling or exceeding $5,000 that would be handled through mandatory mediation. Consequently, the expenditure impact on local government is undetermined.

**Local Revenue**

Currently, fees, costs, and assessments for civil actions filed in magistrate court and circuit court are divided among the general fund, specified state agencies and programs, and the counties. Because data is not available to estimate the change in filings between magistrate court and circuit court that would occur as a result of this bill, the bill’s impact on local government revenue is undetermined.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**A** **BILL**

TO AMEND SECTION 22‑3‑10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE CIVIL JURISDICTION OF THE MAGISTRATES COURT, SO AS TO INCREASE THE CIVIL JURISDICTION FROM SEVEN THOUSAND FIVE HUNDRED DOLLARS TO TEN THOUSAND DOLLARS AND TO REQUIRE THAT, EXCEPT FOR LANDLORD AND TENANT CASES, ANY CASE WITH AN AMOUNT IN CONTROVERSY EQUALING OR EXCEEDING FIVE THOUSAND DOLLARS MUST BE ORDERED FOR MANDATORY MEDIATION IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE SOUTH CAROLINA SUPREME COURT.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 22‑3‑10 of the 1976 Code is amended to read:

“Section 22‑3‑10. (A) Magistrates have concurrent civil jurisdiction in the following cases:

(1) in actions arising on contracts for the recovery of money only, if the sum claimed does not exceed ~~seven~~ ten thousand ~~five hundred~~ dollars;

(2) in actions for damages for injury to rights pertaining to the person or personal or real property, if the damages claimed do not exceed ~~seven~~ ten thousand ~~five hundred~~ dollars;

(3) in actions for a penalty, fine, or forfeiture, when the amount claimed or forfeited does not exceed ~~seven~~ ten thousand ~~five hundred~~ dollars;

(4) in actions commenced by attachment of property, as provided by statute, if the debt or damages claimed do not exceed ~~seven~~ ten thousand ~~five hundred~~ dollars;

(5) in actions upon a bond conditioned for the payment of money, not exceeding ~~seven~~ ten thousand ~~five hundred~~ dollars, though the penalty exceeds that sum, the judgment to be given for the sum actually due, and when the payments are to be made by installments an action may be brought for each installment as it becomes due;

(6) in any action upon a surety bond taken by them, when the penalty or amount claimed does not exceed ~~seven~~ ten thousand ~~five hundred~~ dollars;

(7) in any action upon a judgment rendered in a court of a magistrate or an inferior court when it is not prohibited by the South Carolina Rules of Civil Procedure;

(8) to take and enter judgment on the confession of a defendant in the manner prescribed by law when the amount confessed does not exceed ~~seven~~ ten thousand ~~five hundred~~ dollars;

(9) in any action for damages or for fraud in the sale, purchase, or exchange of personal property, if the damages claimed do not exceed ~~seven~~ ten thousand ~~five hundred~~ dollars;

(10) in all matters between landlord and tenant and the possession of land as provided in Chapters 33 through 41 ~~of~~, Title 27;

(11) in any action to recover the possession of personal property claimed, the value of which, as stated in the affidavit of the plaintiff, his agent, or attorney, does not exceed the sum of ~~seven~~ ten thousand ~~five hundred~~ dollars;

(12) in all actions provided for in this section when a filed counterclaim involves a sum not to exceed ~~seven~~ ten thousand ~~five hundred~~ dollars, except that this limitation does not apply to counterclaims filed in matters between landlord and tenant and the possession of land;

(13) in interpleader actions arising from real estate contracts for the recovery of earnest money, only if the sum claimed does not exceed ~~seven~~ ten thousand ~~five hundred~~ dollars; and

(14) in actions for damages arising from a person’s failure to return leased or rented personal property within seventy‑two hours after the expiration of the lease or rental agreement, such damages to be based on the loss of revenue or replacement value of the property, whichever is less, if the damages claimed do not exceed ~~seven~~ ten thousand ~~five hundred~~ dollars; however, the lease or rental agreement must set forth the manner in which the amount of the loss of revenue or replacement value of the item leased or rented is calculated.

(B) Except for cases described in subsection (A)(10), any case with an amount in controversy equaling or exceeding five thousand dollars must be ordered for mandatory mediation in accordance with procedures established by the South Carolina Supreme Court.”

SECTION 2. The repeal or amendment by this act of any law, whether temporary or permanent or civil or criminal, does not affect pending actions, rights, duties, or liabilities founded thereon, or alter, discharge, release or extinguish any penalty, forfeiture, or liability incurred under the repealed or amended law, unless the repealed or amended provision shall so expressly provide. After the effective date of this act, all laws repealed or amended by this act must be taken and treated as remaining in full force and effect for the purpose of sustaining any pending or vested right, civil action, special proceeding, criminal prosecution, or appeal existing as of the effective date of this act, and for the enforcement of rights, duties, penalties, forfeitures, and liabilities as they stood under the repealed or amended laws.

SECTION 3. This act takes effect upon approval by the Governor.

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