

1 **SMALL CLAIMS COURT JURISDICTION**

2 **AMENDMENTS**

3 2004 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Stephen H. Urquhart**

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies provisions related to small claims court.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ increases the amount a claim can be in small claims court from \$5,000 to \$7,500;
- 13 ▶ allows nonattorneys to represent parties without compensation; and
- 14 ▶ makes technical changes.

15 **Monies Appropriated in this Bill:**

16 None

17 **Other Special Clauses:**

18 None

19 **Utah Code Sections Affected:**

20 AMENDS:

21 **78-6-1**, as last amended by Chapter 215, Laws of Utah 1997

23 *Be it enacted by the Legislature of the state of Utah:*

24 Section 1. Section **78-6-1** is amended to read:

25 **78-6-1. Small claims -- Defined -- Biannual review -- Counsel not necessary --**

26 **Deferring multiple claims of one plaintiff -- Supreme Court to govern procedures.**

27 (1) A small claims action is a civil action:



28 (a) for the recovery of money where:

29 (i) the amount claimed does not exceed [~~\$5,000~~] \$7,500 including attorney fees but
30 exclusive of court costs and interest; and [~~where~~]

31 (ii) the defendant resides or the action of indebtedness was incurred within the
32 jurisdiction of the court in which the action is to be maintained; or

33 (b) involving interpleader under Rule 22 of the Utah Rules of Civil Procedure, in
34 which the amount claimed does not exceed [~~\$5,000~~] \$7,500 including attorney fees but
35 exclusive of court costs and interest.

36 (2) The judgment in a small claims action may not exceed [~~\$5,000~~] \$7,500 including
37 attorney fees but exclusive of court costs and interest.

38 (3) Counter claims may be maintained in small claims actions if the counter claim
39 arises out of the transaction or occurrence that is the subject matter of the plaintiff's claim. A
40 counter claim may not be raised for the first time in the trial de novo of the small claims action.

41 (4) The Judicial Council shall present to the Judiciary Interim Committee prior to the
42 general session of the Legislature during odd-numbered years a report and recommendations
43 concerning the maximum amount of small claims actions.

44 (5) [~~Persons~~] (a) With or without counsel, persons or corporations may litigate actions
45 on behalf of themselves;

46 (i) in person; or

47 (ii) through authorized employees [~~with or without counsel~~].

48 ~~Ĥ (b) A person or corporation may be represented in an action by an individual who is~~
49 ~~not an employee of the person or corporation and is not licensed to practice law only if that~~
50 ~~individual receives no compensation for that individual's representation.~~

51 ~~——(c) (b) Ĥ A person or corporation may be represented in an action by an individual who is~~
51a ~~not~~

52 ~~an employee of the person or corporation and is not licensed to practice law only in accordance~~
53 ~~with Ĥ THE UTAH RULES OF SMALL CLAIMS PROCEDURE AS PROMULGATED BY THE Ĥ Supreme~~
53a ~~Court Ĥ [rule if the individual is being compensated] Ĥ .~~

54 (6) If a person or corporation other than a municipality or a political subdivision of the
55 state files multiple small claims in any one court, the clerk or judge of the court may remove all
56 but the initial claim from the court's calendar in order to dispose of all other small claims
57 matters. Claims so removed shall be rescheduled as permitted by the court's calendar.

58 (7) Small claims matters shall be managed in accordance with simplified rules of

59 procedure and evidence promulgated by the Supreme Court.

Legislative Review Note
as of 12-11-03 9:35 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number HB0124

Small Claims Court Jurisdiction Amendments

03-Feb-04

11:49 AM

State Impact

It is estimated that provisions of this bill can be implemented with existing resources.

Individual and Business Impact

No significant fiscal impact.

Office of the Legislative Fiscal Analyst