

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 551

(Senator Waldstreicher, *et al.*)

Judicial Proceedings

Courts - Civil Jury Trials - Amount in Controversy

This bill makes the statutory changes necessary to implement the constitutional amendment proposed by Senate Bill 550/House Bill 726 of 2020. The bill prohibits a party in a civil action from requesting a jury trial if the amount in controversy does not exceed \$30,000, exclusive of attorney's fees if attorney's fees are recoverable by law or contract. The bill may not be construed to affect any requirement under Maryland Rule 2-325 for withdrawal of an election for jury trial after a party files a demand electing a trial by jury. The bill applies prospectively to civil actions filed on or after the bill's effective date. The bill is contingent on the adoption by the voters of a constitutional amendment (Senate Bill 550/House Bill 726 of 2020) increasing the amount in controversy in civil proceedings in which the right to trial by jury may be limited by legislation. **The bill takes effect on the date of the proclamation by the Governor that the constitutional amendment has been adopted.**

Fiscal Summary

State Effect: Because the bill eliminates the availability of jury trial demands in civil cases originally filed in the District Court, cases that might otherwise have gone to circuit courts for jury trials remain in the District Court. Any increase in caseload for the District Court can be handled with existing resources. Revenues are not affected.

Local Effect: Potential minimal decrease in expenditures for circuit courts due to the decrease in the number of jury trials as a result of the bill. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law: The right to a jury trial in Maryland is established in Articles 5 and 23 of the Maryland Declaration of Rights. Article 5 preserves the right of the inhabitants of Maryland to a jury trial as it existed in the English Common Law on July 4, 1776. Article 23 inviolably preserves the right to a jury trial in civil proceedings where the amount in controversy exceeds \$15,000. A party may not demand a jury trial if the amount in controversy does not exceed \$15,000, exclusive of any attorney's fees if attorney's fees are recoverable by law or contract.

The District Court of Maryland has exclusive original jurisdiction for a civil case in which the amount in controversy does not exceed \$5,000, exclusive of prejudgment or postjudgment interest, costs, and attorney's fees if attorney's fees are recoverable by law or contract.

The District Court has concurrent jurisdiction with the circuit courts in a civil case in which the amount in controversy exceeds \$5,000, but does not exceed \$30,000, exclusive of prejudgment or postjudgment interest, costs, and attorney's fees if attorney's fees are recoverable by law or contract. The plaintiff may elect to file such a case in the District Court or a circuit court. However, if the plaintiff files the case in the District Court and the amount in controversy exceeds \$15,000, any party to the case may demand a jury trial and the case must be transferred to the circuit court.

The circuit courts have exclusive jurisdiction in civil cases in which the amount in controversy exceeds \$30,000, exclusive of prejudgment or postjudgment interest, costs, and attorney's fees if attorney's fees are recoverable by law or contract.

Background: According to the Judiciary, 229 civil complaints originally filed in the District Court resulted in a jury trial demand and transfer of the case to the circuit courts during fiscal 2019.

Additional Information

Prior Introductions: SB 775 of 2019 received a hearing in the Senate Judicial Proceedings Committee, but no further action was taken. SB 475 of 2015 received a hearing in the Senate Judicial Proceedings Committee, but no further action was taken.

Designated Cross File: HB 727 (Delegate Bartlett, *et al.*) - Judiciary.

Information Source(s): Judiciary (Administrative Office of the Courts); Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2020
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