

Department of Legislative Services  
Maryland General Assembly  
2003 Session

FISCAL AND POLICY NOTE

House Bill 97

(Delegates Amedori and Hogan)

Judiciary

Judicial Proceedings

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District Court - Civil Jurisdiction - Dishonored Checks and Other Instruments

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This bill provides that the District Court of Maryland has exclusive original civil jurisdiction in an action for damages for a dishonored check or other instrument, regardless of the amount in controversy. However, if the amount in controversy in such a case exceeds \$25,000, the defendant is entitled to transfer the case from the District Court to circuit court.

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Fiscal Summary

**State Effect:** The bill would not have a significant fiscal impact on the Judiciary. It is expected that any increase in District Court case filings could be handled with existing resources.

**Local Effect:** Any decrease in circuit court case filings is expected to have minimal impact on local finances.

**Small Business Effect:** None.

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Analysis

**Current Law:** In general, the District Court has exclusive original civil jurisdiction in an action in contract or tort if the debt or damages claimed do not exceed \$25,000, exclusive of prejudgment or postjudgment interest, costs, and attorney's fees. The District Court also has exclusive original jurisdiction, regardless of the amount in controversy, over specified matters (*e.g.*, replevin actions, landlord-tenant disputes).

In addition, the Commercial Law Article provides that the holder of a check or other instrument that has been dishonored may seek damages in any District Court of the State 30 days after a notice of dishonor has been sent by mail to the last known address of the maker or drawer.

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### **Additional Information**

**Prior Introductions:** HB 48 of 2002 and HB 70 of 2001 passed both houses, but each was vetoed by the Governor on the ground that insufficient evidence existed to warrant altering the current jurisdictional balance between the District Court and the circuit courts. A similar bill, HB 356 of 2000, passed both houses and was vetoed by the Governor for the same policy reason.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - January 31, 2003  
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