

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1167 Pilot Programs for Specialized Dispute Resolution Divisions
SPONSOR(S): Simmons; Seiler
TIED BILLS: None **IDEN./SIM. BILLS:** SB 2692

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Courts</u>	<u>6 Y, 0 N</u>	<u>Bond</u>	<u>Bond</u>
2) <u>Safety & Security Council</u>	<u>15 Y, 0 N, As CS</u>	<u>Bond</u>	<u>Havlicak</u>
3) <u>Policy & Budget Council</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

SUMMARY ANALYSIS

This bill makes legislative findings regarding specialty courts handling complex business cases, and presents the legislature with the opportunity to fund three existing programs regarding such cases.

This bill does not appear to have a fiscal impact on state or local governments.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government -- If funded, this bill would create a new state program in the judicial branch.

B. EFFECT OF PROPOSED CHANGES:

Business courts specialize in handling complex business cases, such as antitrust suits, intellectual property cases, franchise cases and unfair competition cases. Their goal is to handle business litigation matters in an effective and efficient manner. Benefits of a business court include implementation of standardized procedures, a higher degree of consistency of rulings on recurring issues, and economic stimulus to the community.¹

Currently, three of the twenty judicial circuits have established a civil division for complex business, corporate, and commercial disputes, namely the Ninth (Orange and Osceola counties), Eleventh (Miami-Dade county) and Thirteenth (Hillsborough) judicial circuits.

This bill makes legislative findings regarding complex business, corporate, and commercial disputes.

This bill further provides that the legislature may appropriate for complex business, corporate, and commercial disputes in three judicial circuits. If made, the appropriation would fund law clerks, case managers, special masters, and technology resources.

C. SECTION DIRECTORY:

Section 1 creates a pilot program for adjudication and resolution of complex business litigation cases.

Section 2 provides language wherein an appropriation could be made.

Section 3 provides an effective date of July 1, 2007.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill contemplates an appropriation, but does not specify the amount of the appropriation.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

¹ From the website of the Ninth Judicial Circuit, reviewed March 8, 2007, at: <http://www.ninja9.org/Courts/Business/Index-BC.htm>

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

If the legislature were to fund positions for this bill, the recurring costs per position would be as follows:

Position	Salary/Benefits	Expenses	HR Fee	Total for position
Program Specialist II	53,759	3,538	252	57,549
Staff Attorney	63,199	3,538	252	66,989
Magistrate	102,554	3,538	252	106,344

Each position also requires a non-recurring cost in the first year of operation of \$2,779.

The circuits have requested the following positions:

Circuit	Positions	Recurring	Nonrecurring
Ninth	2 Program Specialists II 2 Staff Attorneys	249,076	11,116
Eleventh	1 Program Specialist II 1 Staff Attorney 1 Magistrate	230,882	8,337
Thirteenth	1 Program Specialist II 1 Staff Attorney 1 Magistrate	230,882	8,337
Totals	10 FTE's	710,840	27,790

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

No sponsor statement submitted.

The chair of the Safety & Security Council chose not to submit any further comments regarding the council substitute.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On March 28, 2007, the Safety & Security Council adopted one amendment to this bill. The amendment removed the blanks that could have been filled in with an appropriation and otherwise made the appropriation optional. The bill was then reported favorably with a council substitute.