

1                                   **SMALL CLAIMS COURT JURISDICTION**

2   **AMENDMENTS**

3   2004 GENERAL SESSION

4   STATE OF UTAH

5   **Sponsor: Stephen H. Urquhart**

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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

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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 (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) A person or corporation may be represented in an action by an individual who is not
- 52 an employee of the person or corporation and is not licensed to practice law only in accordance
- 53 with Supreme Court rule if the individual is being compensated.
- 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.

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**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**

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**Fiscal Note**  
**Bill Number HB0124**

**Small Claims Court Jurisdiction Amendments**

*03-Feb-04*

*11:49 AM*

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**State Impact**

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

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**Individual and Business Impact**

No significant fiscal impact.

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**Office of the Legislative Fiscal Analyst**