

Fiscal Estimate Narratives

CTS 12/17/2003

LRB Number	03-2647/1	Introduction Number	AB-651	Estimate Type	Original
Subject					
Omnibus collection and small claims bill					

Assumptions Used in Arriving at Fiscal Estimate

This bill increases the jurisdictional limit in small claims from \$5,000 to \$10,000 except for actions based upon negligence, which remain at \$5,000. It also increases the amounts of attorney fees recoverable in certain civil actions.

In 2001, there were an estimated 155,700 small claims actions filed in the circuit courts. The total filing cost in small claims is \$82.00, of which \$10.20 goes to the county, \$17.80 to the program revenue fund under s. 20.680 (2)(j) for the Consolidated Court Automation Program (CCAP), \$52.00 to the state, and \$2.00 to the Justice Information System (BJIS).

Cases in which more than \$5,000 is claimed are filed as large civil claims in circuit court. There were an estimated 33,300 large civil claims cases filed in 2001. The total filing cost in large civil claims is \$253.00, of which \$30.00 goes to the county, \$21.00 to the program revenue fund under s. 20.680 (2)(j) for the Consolidated Court Automation Program (CCAP), \$200.00 to the state, and \$2.00 to the Justice Information System (BJIS).

It is impossible to predict the loss and gain of cases between the large civil claims and small claims caseload that might result from the change in the small claims jurisdictional limit. The loss in large civil claims does not necessarily mean a corresponding increase in small claims caseload.

A shift of cases from large civil claims to small claims would, however, result in decreased revenue for the state and the counties. For purposes of illustrating the impact, the following table assumes that 20%, or 6,660 cases, of the large civil claims were instead filed as small claims. The following would be the annual fiscal impact:

Large Civil Claims (Decrease of 20%)

6,660 cases, with \$253.00 filing fee, would decrease county revenues by \$199,800, decrease state revenues by \$1,332,000, decrease CCAP revenues by \$139,860 and decrease BJIS revenues by \$13,320.

Small Claims Increase

6,660 cases, with \$ 82.00 filing fee, would increase county revenues by \$67,932, increase state revenues by \$346,320, increase CCAP revenues by \$118,548 and increase BJIS revenues by \$13,320.

Net Totals, if this change in caseload would take place, would be a decrease in county revenues of \$131,868, a decrease in state revenues of \$985,680, a decrease in CCAP revenues of \$21,312 and no change in revenue for BJIS.

Presently, the small claims caseload in the more populous counties is handled by court commissioners, while in those counties without commissioners the clerks handle the initial return dates. This bill would decrease the circuit judge's large civil claim caseload while increasing the caseload for commissioners and clerks. This would result in a shift of the burden of cost for handling cases between \$5,000 and \$10,000 from the state to the county. The counties pay court commissioners and clerk of courts staff. It is unknown how many counties would utilize the option under this bill of using court commissioners to handle the additional small claims caseload.

The clerks of court from Milwaukee and Dane Counties have projected that additional staff would be required under this bill. Milwaukee, which presently has three full-time small claims court commissioners, could require one full-time additional court commissioner (\$125,000/year), a ½ time deputy clerk (\$23,500/year) and two clerk-typists (\$64,000/year). Dane County would need a ½ time clerk

(\$20,500/year). These salaries include fringe benefits but not space and supplies costs. The additional costs for other counties are impossible to predict.

Long-Range Fiscal Implications