

Michigan Supreme Court
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John D. Ferry, Jr., State Court Administrator

M E M O R A N D U M:

DATE: October 5, 1998

TO: All Trial Court Chief Judges
cc: Court Administrators

FROM: John D. Ferry, Jr.

SUBJ: SCAO Administrative Memorandum 1998-10; Filing of
Transfer Orders With SCAO pursuant to Supreme Court
Administrative Order 1998-01

On June 16, 1998, the Supreme Court issued Administrative Order 1998-01, Reassignment of Circuit Court Actions to District Judges. In paragraph two of its order, the Supreme Court directs that:

"Circuit courts are directed to send to the State Court Administrator copies of all orders transferring actions to district court under MCR 2.227 based on the amount in controversy."

It does not appear that copies of all orders are being sent to the SCAO.

Copies of all orders entered pursuant to MCR 2.227 should be sent by the circuit court to the appropriate SCAO Regional Office. The SCAO Regional Office will maintain copies by court and provide the SCAO Administrative Services Division with a copy.

Please contact your SCAO Regional Administrative Office if you should have any questions.

cc: Regional Administrators
James Covault
Dawn Monk

Attachment: Administrative Order 1998-01

June 16, 1998

Administrative Order 1998-1

Reassignment of Circuit Court
Actions to District Judges

In 1996 PA 374 the Legislature repealed former MCL 600.641; MSA 27A.641, which authorized the removal of actions from circuit court to district court on the ground that the amount of damages sustained may be less than the jurisdictional limitation as to the amount in controversy applicable to the district court. In accordance with that legislation, we repealed former MCR 4.003, the court rule implementing that procedure. It appearing that some courts have been improperly using transfers of actions under MCR 2.227 as a substitute for the former removal procedure, and that some procedure for utilizing district judges to try actions filed in circuit court would promote the efficient administration of justice, we adopt this administrative order, effective immediately, to apply to actions filed after January 1, 1997.

A circuit court may not transfer an action to district court under MCR 2.227 based on the amount in controversy unless: (1) The parties stipulate to the transfer and to an appropriate amendment of the complaint, see MCR 2.111(B)(2); or (2) From the allegations of the complaint, it appears to a legal certainty that the amount in controversy is not greater than the applicable jurisdictional limit of the district court. Circuit courts are directed to send to the State Court Administrator copies of all orders transferring actions to district court under MCR 2.227 based on the amount in controversy.

Circuit courts and the district courts within their geographic jurisdictions are strongly urged to enter into agreements, to be implemented by joint local administrative orders, to provide that certain actions pending in circuit court will be reassigned to district judges for further proceedings. An action designated for such reassignment shall remain pending as a circuit court action, and the circuit court shall request the State Court Administrator assign the district judge to the circuit court for the purpose of conducting proceedings. Such administrative orders may specify the categories of cases that are appropriate or inappropriate for such reassignment, and shall include a procedure for resolution of disputes between circuit

and district courts as to whether a case was properly reassigned to a district judge.

Because this order was entered without having been considered at a public hearing under Administrative Order 1997-11, the question whether to retain or amend the order will be placed on the agenda for the next administrative public hearing, currently scheduled for September 24, 1998.