REFERENCE TITLE: justices of the peace; jurisdiction

State of Arizona House of Representatives Forty-eighth Legislature First Regular Session 2007

HB 2472

Introduced by Representatives Pearce: Crump, Senators Gray C, Gray L

AN ACT

AMENDING SECTIONS 22-201 AND 33-1408, ARIZONA REVISED STATUTES; RELATING TO JUSTICES OF THE PEACE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 22-201, Arizona Revised Statutes, is amended to read:

22-201. <u>Jurisdiction of civil actions</u>

- A. Justices of the peace have jurisdiction only as affirmatively conferred on them by law.
- B. Justices of the peace have exclusive original jurisdiction of all civil actions when the amount involved, exclusive of interest, costs and awarded attorney fees when authorized by law, is $\frac{\text{five}}{\text{TEN}}$ TEN thousand dollars or less.
- C. Justices of the peace have concurrent original jurisdiction with the superior court in cases when the amount involved, exclusive of interest, costs and awarded attorney fees when authorized by law, is more than five thousand dollars and less than ten thousand dollars.
- D. C. Justices of the peace have jurisdiction concurrent with the superior court in cases of forcible entry and detainer when the amount involved, exclusive of interest, costs and awarded attorney fees when authorized by law, is ten thousand dollars or less.
- E. D. Justices of the peace have jurisdiction to try the right to possession of real property when title or ownership is not a subject of inquiry in the action. If in any such action the title or ownership of real property becomes an issue, the justice shall so certify in the docket, at once stop further proceedings in the action and forward all papers, together with a certified copy of the docket entries in the action, to the superior court, where the action shall be docketed and determined as though originally brought in the superior court.
- \digamma . E. In actions between landlord and tenant for possession of leased premises the title to the property leased shall not be raised nor made an issue.
- G. F. If in any action before a justice of the peace a party files a verified pleading which THAT states as a counterclaim a claim in which the amount involved, exclusive of interest and costs, is more than ten thousand dollars, the justice of the peace shall certify this in the docket, at once stop further proceedings in the action and forward all papers, together with a certified copy of the docket entries in the action, to the superior court, where the action shall be docketed and determined as though originally brought in the superior court. The party shall pay to the clerk of the superior court the same fees required to be paid by a defendant, and no other party in the action before the justice of the peace shall be required to pay any sum. If the party is finally adjudged to be entitled to recover on the counterclaim, exclusive of interest and costs, ten thousand dollars or less, the superior court may deny costs to the party and may, in addition, MAY impose costs, including reasonable attorney fees, on the party. The superior court shall have original jurisdiction of the action, but it may at any time in furtherance of convenience or to avoid prejudice, or if it appears that

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the amount involved in the counterclaim, exclusive of interest and costs, is ten thousand dollars or less, remand the action, or any claim or counterclaim of which the justice court has jurisdiction, to the justice court and may order costs.

H. G. The justice of the peace may require arbitration or other dispute resolution methods that are approved by the supreme court in all civil actions, except forcible entry or detainer actions.

Sec. 2. Section 33-1408, Arizona Revised Statutes, is amended to read: 33-1408. <u>Jurisdiction and service of process; recovery of attorney fees; treble damages</u>

- A. The appropriate court of this state may exercise jurisdiction over any landlord or tenant with respect to any conduct in this state governed by this chapter or with respect to any claim arising from a transaction subject to this chapter. In addition to any other method provided by rule or by statute, personal jurisdiction over a landlord may be acquired in a civil action or proceeding instituted in the appropriate court by the service of process in the manner provided by this section.
- B. If a landlord is not a resident of this state or is a legal entity not authorized to do business in this state and engages in any conduct in this state governed by this chapter, or engages in a transaction subject to this chapter, the landlord shall designate an agent upon whom service of process may be made in this state. The agent shall be a resident of this state or a legal entity authorized to do business in this state. The designation shall be in writing and filed with the secretary of state. If no designation is made and filed or if process cannot be served in this state upon the designated agent, process may be served upon the secretary of state, but the plaintiff or petitioner shall forthwith mail a copy of this process and pleading by certified mail to the defendant or respondent at his last reasonably ascertained address. If there is no last reasonably ascertainable address and if the defendant or respondent has not complied with section 33–1432, subsections A and B, service upon the secretary of state shall be sufficient service of process without the mailing of copies to the defendant or respondent. Service of process shall be deemed complete and the time shall begin to run for the purposes of this section at the time of service upon ON the secretary of state. The defendant shall appear and answer within thirty days after completion thereof in the manner and under the same penalty as if he had been personally served with the summons. An affidavit of compliance with this section shall be filed with the clerk of the court on or before the return day of the process, if any, or within any further time the court allows. Where applicable, the affidavit shall contain a statement that the defendant or respondent has not complied with section 33–1432, subsections A and B or the affiant could not ascertain compliance by inquiry directed to the secretary of state.
- C. In any contested action arising out of an agreement entered into pursuant to this chapter or for violation of any provisions of this chapter,

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the court may award the successful party reasonable attorney's ATTORNEY fees. The award of reasonable attorney's ATTORNEY fees shall be made to mitigate the burden of the expense of litigation to establish a just claim or a just defense. The award need not equal or relate to the attorney's ATTORNEY fees actually paid or contracted and may not exceed the amount paid or agreed to be paid. Reasonable attorney's ATTORNEY fees shall be awarded by the court upon ON clear and convincing evidence that the claim or defense constitutes harassment, is groundless and is not made in good faith. In making such award, the court may consider such evidence as it deems appropriate and shall receive such evidence during trial on the merits of the cause, or separately, regarding the amount of such fees as it deems in the best interest of the parties.

D. Treble damages may be awarded by the court in any contested action arising under this chapter upon ON clear and convincing evidence that the claim or defense constitutes harassment, is groundless and is not made in good faith. In making such award, the court may consider such evidence as it deems appropriate and shall receive this evidence during trial on the merits of the case, or separately. If the action is brought in justice court and a party intends to request treble damages, the party shall file with the justice court a pleading stating that treble damages are sought and that the justice court may lawfully award treble damages within the court's jurisdiction of civil actions. In the absence of such pleading, the justice of the peace may not award treble damages. If an opposing party files a verified pleading alleging that with treble damages the amount involved is potentially in excess of the justice court's jurisdiction of civil actions, the provisions of section 22-201, subsection Gashall apply Fapplies.

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