



SENATE OF PENNSYLVANIA BILL SUMMARY

Senate Bill 1043 Printer's No. 1355

Prime Sponsor: Senator Greenleaf
Committee: Judiciary

SYNOPSIS:

This bill amends Title 12 (Commerce and Trade), Title 15 (Corporations and Unincorporated Associations), and Title 42 (Judiciary and Judicial Procedure) to create specialized Commerce Courts to resolve business disputes.

SUMMARY:

This bill establishes a Commerce Court with original and appellate jurisdiction.

Organization of the Commerce Court. The Commerce Court will consist of six judges during the first four years following the effective date of this bill, and thereafter the court will consist of ten judges. Judges of the Commerce Court will be elected and vacancies will be filled in the same manner as other judges of this Commonwealth. The Commerce Court must maintain offices for the receipt of filings and will conduct regular sessions in Harrisburg, Philadelphia, other cities where federal bankruptcy court hold regular sessions, and any judicial district that provides by local rule that the Commerce Court has exclusive jurisdiction over certain matters. The Commerce Court Fund will be used to reimburse counties for actual and reasonable expenses related to the use of that county's facilities to hold regular or other sessions of the Commerce Court.

This bill creates in the State Treasury the Commerce Court Fund, which will be used to pay all operating and capital expenses of the Commerce Court. The Fund will be credited with amounts appropriated by the General Assembly and amounts collected in surcharges related to filings with the Department of State, licensing fees of the Department of Banking and Securities, and licensing fees of the Insurance Department.

Original Jurisdiction. The Commerce Court will have original jurisdiction of civil actions by the Commonwealth with regard to fraternal benefit societies, civil actions arising under an association's organic law, actions involving the sale or transfer of securities, actions involving non-compete agreements, antitrust disputes, claims of intentional interference with contractual relations or unfair trade practices, and claims under the Pennsylvania Securities Act. In addition, the Commerce Court will have original jurisdiction of actions against and appeals from the Department of State relating to the filing of organic documents and related papers of a corporation or other association.

With regard to the internal affairs of associations, the Commerce Court's jurisdiction will be exclusive in the First, Fifth, and Twelfth Judicial Districts and will be concurrent with the courts of common pleas

in all other districts. Defendants may remove actions from the courts of common pleas to the Commerce Court in a manner prescribed by rule.

The Commerce Court will have no jurisdiction over consumer actions for damages, personal injury actions, civil matters involving domestic relations, eminent domain proceedings, civil rights or employment discrimination claims, or claims of professional malpractice.

Appellate Division. The Appellate Division of the Commerce Court will have a president judge and other judges, and they will sit in panels to review appeals. No member of an appellate panel may participate if that member participated in the original jurisdiction review of the case. The regular sessions of the Appellate Division will be held in Harrisburg, Philadelphia, and Pittsburgh, as well as any other location as prescribed by Commerce Court rule. The Appellate Division may have jurisdiction over certain appeals from the courts of common pleas. Final orders of the Appellate Division of the Commerce Court may be reviewed by the Supreme Court upon allowance of appeal.

The Appellate Division's jurisdiction includes appeals from the original jurisdiction hearings in the Commerce Court. The Appellate Division may answer questions of law certified to it by a United States appellate court. Briefs, arguments, and other proceedings will be governed by Commerce Court rules.

Effective Date: This bill is effective in 90 days.

BILL HISTORY:

There is no bill history during this legislative session.

Prepared by: Cawley 10/26/2015