

STATE OF MICHIGAN SIXTH JUDICIAL CIRCUIT OAKLAND COUNTY	BUSINESS COURT	LOCAL ADMINISTRATIVE ORDER 2024 -01 Rescinds LAO 2018-06
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## Scope

This administrative order is issued in accordance with Michigan Court Rule 8.112(B) which allows a trial court to issue administrative orders governing internal court management. This administrative order establishes a Business Court as required by 2012 PA 333 and recommended by the State Bar of Michigan Judicial Crossroads Task Force. It sets forth the goals of the Business Court, creates the procedural mechanisms by which cases will be assigned to the Business Court, and prescribes the provisions by which the Business Court will be managed. This Order rescinds Administrative Order 2018-06.

The Sixth Judicial Circuit Court will implement a Business Court commencing on July 1, 2013 (the “Commencement Date”). The Business Court is established to create a specialized docket for the handling of business-related litigation in lieu of traditional case file management. The Court will monitor the effectiveness of the Project, and report on its progress from time to time as requested by the State Court Administrative Office or the Chief Judge of the Sixth Judicial Circuit Court.

This administrative order is issued in accordance with Local Administrative Order 2015-03 Case Flow Management Plan.

Other than as expressly provided in this Local Administrative Order (the “LAO”), the procedural and substantive law otherwise applicable to cases assigned to the Business Court shall remain unaffected.

## I. Case Eligibility Criteria for the Business Court

The Business Court has jurisdiction over business or commercial disputes<sup>1</sup> in which equitable or declaratory relief is sought or in which the matter otherwise meets circuit court jurisdictional requirements.<sup>2</sup> The business or commercial dispute may be found in the complaint, counter-claim, cross-claim, or third-party complaint.<sup>3</sup> Cases shall be assigned to the Business Court if all or part of the action includes a business or commercial dispute.<sup>4</sup> Examples of disputes to be included in or excluded from the Business Court are found at MCL 600.8031(2) and (3).

## II. Assignment of Cases to the Business Court

- A. Cases will be assigned to the Business Court in accordance with the requirements of MCR 2.112(O) and MCL 600.8031 et seq.

<sup>1</sup> A “business or commercial dispute” is defined at MCL 600.8031(1)(c).

<sup>2</sup> MCL 600.8035(1).

<sup>3</sup> MCL 600.8035(6).

<sup>4</sup> MCL 600.8035(3).

- B. Cases identified in the initial complaint as Business Court eligible shall be assigned to the Business Court by blind draw.
- C. Cases assigned to the General Civil Docket, but which are later discovered to meet the statutory requirements of MCL 600.8031 *et seq.*, shall be reassigned to the Business Court.
- D. Cases which are to be reassigned between the General Civil docket and Business Court dockets shall be reassigned in accordance with the three-judge signature method as provided in the court's Method for Assigning Cases LAO 2022-16 Section IX, or its subsequently revised LAO.

### **III. Removal of Cases from the Business Court**

- A. A Business Court judge may remove a case from the Business Court to the General Civil Docket if the case does not meet the statutory requirements of MCL 600.8031 *et seq.* or if it ceases to include a business or commercial dispute.
- B. A party may file a motion requesting the chief judge to review the court's determination under Section III (A).
- C. When a case is removed from the Business Court under Section III (A), the case shall be assigned to a non-business court civil/criminal division judge in accordance with a blind draw rotational process.<sup>5</sup>
- D. A judge assigned in accordance with the blind draw rotational process shall accept the case as reassigned unless disqualification of the judge under MCR 2.003 applies. In this instance, the judge shall follow the disqualification rules under the court's Method for Assigning Cases LAO 2022-16 Section VI, or its subsequently revised provision.

### **IV. The Business Court Judges & Dockets**

- A. Business Court Judges. The Business Court shall consist of two judges. A circuit judge assigned as a judge of the Business Court is assigned for a term of 6 years and may be reassigned at the expiration of the judge's term. The term of a judge of the Business Court expires on April 1, 2019, and on April 1 of every sixth year thereafter.

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<sup>5</sup> Blind draw rotational process means - one name of each non-business court civil/criminal division judge shall be placed in a collective pool. Upon removal from the business court, the case shall be re-assigned by lot from the pool. Once the

The chief judge may make a recommendation to the Supreme Court regarding the judges to be assigned to the Business Court using the following method:

1. General Civil/Criminal division judges may volunteer to serve in the Business Court. Volunteers will be recommended by seniority from the pool of available judges.
  2. If fewer than two judges volunteer, the chief judge shall poll the General Civil/Criminal division judges to determine interest.
  3. If after polling the judges there are still no volunteers, the chief judge will recommend General Civil/Criminal division judges to serve in reverse seniority order.
  4. For purposes of Section IV. A. 3, judges who have previously served in the Business Court, or who are currently serving in the Business Court, shall be exempted from serving in the Business Court by reverse seniority order. This provision will cease to apply if and when a vacancy exists in the Business Court and each judge has previously served in the Business Court or is currently serving in the Business Court. In such instances a vacancy shall be filled in the manner prescribed in Section IV. A. 3 above.
  5. The above methodology will be used for filling vacancies in the Business Court unless the chief judge determines that it is not in the best interest of the Business Court or other good cause exists.
- B. Pending Matters. Judges assigned to the Business Court shall complete all pending civil matters (i.e., matters undecided on cases assigned to them).
- C. Case Tracking. Cases assigned to the Business Court will be assigned an internal docket code identifying their assignment to the Business Court, which will be used for tracking purposes and statistical analysis.
- D. Orders. If a Business Court judge before whom a case has been tried or a motion heard is disabled or absent from the place where court is held, another circuit judge assigned as a judge of the Business Court may continue to hear, determine, and sign all matters that the disabled or absent Business Court judge could have heard, determined, and signed.

## **V. Business Court Scheduling Order**

When a case is assigned to the Business Court, the Court will issue a Business Court scheduling order pursuant to MCR 2.401(B)(2).

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reassignment order is completed that judge's name shall be removed from the pool until all names have been utilized for reassignment under this rule. Once all names have been utilized the pool shall be replenished in its entirety.



## VI. Technology


Business court cases are subject to electronic filing (E Filing), pursuant to Supreme Court Administrative Order 2019-4 and all subsequent administrative orders concerning case filing requirements.

Parties who are unable to appear for court proceedings in person may be permitted to participate from remote locations through video or audio conferencing. Arrangements must be made in advance with the judge of the Business Court to whom the case is assigned.

## VII. Business Court Opinions; User Evaluation; Reporting

- A. Opinions. Each Business Court Judge may issue written opinions on material rulings which may be of interest to the bench, bar and public. All written opinions shall be transmitted to the SCAO within 7 days after the court enters the opinion.
- B. Reporting. The Business Court shall maintain data as required by the SCAO and shall provide data to the SCAO upon request.

**IT IS SO ORDERED.**

  
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Hon. Jeffery S. Matis  
Chief Judge

1/10/24  
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Date

### Notes:

The purpose of the amendments included in LAO 2017-09 was to change the method by which cases, originally filed as business court cases but later deemed not to be eligible for the business court, are reassigned to a judge in the non-business court civil/criminal division. The Alternate Judge Table had been used in the past, but now cases will be assigned by randomly pulling a name from the pool of non-business court civil/criminal division judges. This amendment was approved by the bench on July 11, 2017.

The purpose of the amendments included in LAO 2018-06 was to comply with revised statutory requirements as to Business Court jurisdiction. These amendments were approved by the bench on March 13, 2018. Updates were made to Section VI (Technology) to reflect that pursuant to the Sixth Circuit's conversion to MiFILE on December 18, 2017, all business court cases will be e-Filed through the statewide e-Filing system, MiFILE.

The purpose of the amendments included in LAO 2023-\_\_\_ was to 1) follow statutory requirement MCL 600.8031 to transfer cases into the business court, 2) make the reassignment process consistent with the 3-judge signature process within the court's method for assigning cases LAO, 3) provide a means for the State Court Administrative Office to assign a business court case to a Business Court outside of the Sixth Circuit when both business court judges disqualify themselves from hearing the case, and 4) to revise outdated language and MSC orders.

Proposed LAO 2023-\_\_\_ was bench approved on August 1, 2023; however, the State Court Administrative Office (SCAO) objected to one of the four revisions. The LAO was not approved based upon the language in section III E regarding process upon business court judge disqualification. All other provisions approved by the bench on August 1, 2023, were satisfactory to SCAO. On January 9, 2024, the bench was advised that LAO 2024-\_\_\_ was revised to strike section III E. All other revisions approved by the bench on August 1, 2023 remain.