

COA Opinion: Court of Claims has jurisdiction over any “ex contractu” or “ex delicto” case, regardless of the relief sought

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In [Oakland County v. Department of Human Services, No. 288812](#), the Court of Appeals clarified when the Court of Claims possesses subject matter jurisdiction in lawsuits filed against the State or its agencies. Oakland County brought suit against the Michigan Department of Human Services seeking monetary and injunctive relief, alleging the Department violated state law when it retroactively changed the rate of reimbursement used in calculating the County’s share of child care costs for public wards assigned by the State to the County. The Department filed a motion for summary disposition, arguing that the Court of Claims did not have subject matter jurisdiction. The Court of Claims denied the motion and concluded jurisdiction was proper, reasoning that its exclusive jurisdiction was not limited to claims that arise in contract or tort, but also extended to any claim seeking declaratory relief and monetary damages against the State.

The Court of Appeals affirmed the result but did not agree with the reasoning. The Court of Appeals concluded that it is “the essential nature of the claim” that determines jurisdiction. When the claim arises in contract or tort against the State or one of its agencies, jurisdiction in the Court of Claims is appropriate, regardless of whether monetary or declaratory relief is sought. In a [conurrence](#), Judge Shapiro concluded that although money damages were not required for proper subject matter jurisdiction, when money damages are involved, the Court of Claims has exclusive subject matter jurisdiction in claims against the State and its agencies, regardless of whether the claim arose under tort or contract law.