

Rules 3.740 and 3.741 of the California Rules of Court are adopted, and rules 3.110, 3.712, and 3.721 are amended, effective July 1, 2007, to read:

1 **Rule 3.740. Collections Cases**

2
3 **(a) Definition**

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5 “Collections case” means an action for recovery of money owed in a sum
6 stated to be certain that is not more than \$25,000, exclusive of interest and
7 attorney’s fees, arising from a transaction in which property, services, or
8 money was acquired on credit. A collections case does not include an action
9 seeking any of the following:

- 10
11 (1) Tort damages;
12
13 (2) Punitive damages;
14
15 (3) Recovery of real property;
16
17 (4) Recovery of personal property; or
18
19 (5) A prejudgment writ of attachment.

20
21 **(b) Civil Case Cover Sheet**

22
23 If a case meets the definition in (a), a plaintiff must check the case type box
24 on the *Civil Case Cover Sheet* (form CM–010) to indicate that the case is a
25 collections case under rule 3.740.

26
27 **(c) Exemption from general time-for-service requirement and case**
28 **management rules**

29
30 A collections case is exempt from:

- 31
32 (1) The time-for-service requirement of rule 3.110(b); and
33
34 (2) The case management rules that apply to all general civil cases under
35 rules 3.712–3.715 and 3.721–3.730, unless a defendant files a
36 responsive pleading.

1 **(d) Time for service**

2
3 The complaint in a collections case must be served on all named defendants,
4 and proofs of service on those defendants must be filed, or the plaintiff must
5 obtain an order for publication of the summons, within 180 days after the
6 filing of the complaint.

7
8 **(e) Effect of failure to serve within required time**

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10 If proofs of service on all defendants are not filed or the plaintiff has not
11 obtained an order for publication of the summons within 180 days after the
12 filing of the complaint, the court may issue an order to show cause why
13 reasonable monetary sanctions should not be imposed. If proofs of service on
14 all defendants are filed or an order for publication of the summons is filed at
15 least 10 court days before the order to show cause hearing, the court must
16 continue the hearing to 360 days after the filing of the complaint.

17
18 **(f) Effect of failure to obtain default judgment within required time**

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20 If proofs of service of the complaint are filed or service by publication is
21 made and defendants do not file responsive pleadings, the plaintiff must
22 obtain a default judgment within 360 days after the filing of the complaint. If
23 the plaintiff has not obtained a default judgment by that time, the court must
24 issue an order to show cause why reasonable monetary sanctions should not
25 be imposed. The order to show cause must be vacated if the plaintiff obtains
26 a default judgment at least 10 court days before the order to show cause
27 hearing.

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30 **Rule 3.741. Settlement of collections case**

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32 If the plaintiff or other party seeking affirmative relief in a case meeting the
33 definition of “collections case” in rule 3.740(a) files a notice of settlement under
34 rule 3.1385, including a conditional settlement, the court must vacate all hearing,
35 case management conference, and trial dates.

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38 **Rule 3.110. Time for service of complaint, cross-complaint, and response**

39
40 **(a) Application**

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42 This rule applies to the service of pleadings in civil cases except for collections
43 cases under rule 3.740(a), unlawful detainer actions, proceedings under the Family

1 Code, and other proceedings for which different service requirements are
2 prescribed by law.

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4 **(b)–(i) * * ***

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7 **Rule 3.712. Application and exceptions**

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9 **(a) Application**

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11 The rules in this chapter apply to all general civil cases filed in the trial
12 courts except those specified in (b), ~~and (c)~~, and (d).

13
14 **(b)–(c) * * ***

15
16 **(d) Collections cases**

17
18 The rules in this chapter do not apply to a collections case, as defined in rule
19 3.740(a), unless a defendant files a responsive pleading.

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21
22 **Rule 3.721. Case management review**

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24 In every general civil case except complex cases and cases exempted under rules
25 3.712(b)–~~(e)~~(d), 3.714(c)–(d), 3.735(b), ~~and 2.573(e)~~, and 3.740(c), the court must
26 review the case no later than 180 days after the filing of the initial complaint.