



*THE JUDICIARY, STATE OF HAWAII*

**Testimony to the House Committee on Finance**

Representative Marcus R. Oshiro, Chair  
Representative Marilyn B. Lee, Vice Chair

Monday, February 28, 2011, 12:30 p.m.  
State Capitol, Conference Room 308

by

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First Circuit

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**Bill No. and Title:** House Bill No. 1333, Relating to Small Claims Court

**Purpose:** Increases the monetary limit of claims that may be filed in small claims court.

**Judiciary's Position:**

The Judiciary is supportive of raising the small claims jurisdictional limit from \$3,500 to less than \$5,000 under House Bill No. 1333.

If the jurisdictional limit is less than \$5,000, a party is afforded the following benefits by filing in Small Claims Court because there is no right to a jury trial:

1. A plaintiff is allowed to keep control of where the case is heard. If there is no right to a jury trial, a case cannot be removed to Regular Claims court or to Circuit Court without the plaintiffs consent.
2. A case is generally set for trial within 30 days. Since parties represent themselves and the rules of evidence are relaxed, cases are heard more quickly than in other trial courts.
3. There is no right to appeal the judgment. The parties are able to have their case come to a final resolution. If there is a monetary award to any party, that party can timely receive his or her award.



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4. Parties have an opportunity to resolve their differences with the help of a mediator.

The Judiciary supports mediation because it provides useful opportunities for resolution that may help to preserve relationships and bring more satisfying results for all parties involved.

However, the Judiciary notes that if the jurisdictional limit is increased there will be an increased number of cases filed in Small Claims Court. Currently, the Small Claims Court has already seen an increase in the amount of filings and this increase in caseload has had a tremendous impact on the court staff and its operating costs, such as supplies, equipment and other support costs.

Thank you for the opportunity to provide testimony on this measure.

February 26, 2011

Rep. Marcus R. Oshiro, Chair  
Rep. Marylyn B. Lee, Vice Chair  
Rep. FIN Committee Members

I support Bill HB1333 to increase the monetary limit of claims that may be filed in small claims court for three reasons.

- It will save money to more citizens, consumers, and small business owners as they will be able to settle their disputes quickly and inexpensively in small claims court, without having to hire an attorney.
- The current \$3,500 limit, which was set in 1992, has never been adjusted for inflation.
- Bill HB1333 will bring Hawaii more in line with the rest of the country. Currently, 37 out of 50 states (\*) have small claims court limits higher -- or much higher -- than \$3,500. For example, the limit in California is \$7,500, in Alaska \$10,000, in Georgia \$15,000, and in Tennessee \$25,000.

(\*) Source: "How Much Can I Sue for in Small Claims Court?"

<http://www.nolo.com/legal-encyclopedia/small-claims-suits-how-much-30031.html;jsessionid=7243DF716FDEBDC7DEDD7E79FE7D205D>

-Giuseppe Leone