

HB1333

Testimony



Collection Law Section

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Reply to:

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April 4, 2011

Senator Clayton Hee, Chair
Senate Commerce and Consumer Protection Committee
State of Hawaii

RE: TESTIMONY IN SUPPORT OF HB 1333
RELATING TO SMALL CLAIMS COURT
HEARING 4/7/11 @ 9:30 AM

Dear Senator Hee and Committee Members:

The Collection Law Section of the Hawaii State Bar Association of supports HB 1333 and offers suggestions to improve the bill.¹ Increasing the jurisdictional limit of the Small Claims Division of the District Court will adjust the current amount of \$3,500 for inflation and will allow that court to hear cases that, for various reasons, are better suited to be heard in that forum.

Additionally, we recommend that the court's limit be increased to \$5,000. A \$5,000 limit will still avoid any conflict with the Hawaii Constitution's provision for a jury demand and it will allow greater access to the courts by the public. As practicing attorneys, we know it is often difficult to justify retaining an attorney for amounts in dispute that are \$5,000 or less.

Thank you.

Sincerely,

WILLIAM J. PLUM

William J. Plum
Vice-Chair of the Collection Law Section
of the Hawaii State Bar Association

cc: Steven Guttman
Lyn Flanigan

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Thank you.

¹ The views of the Collection Law Section of the Hawaii State Bar Association ("HSBA") are not necessarily the views of the HSBA proper.

April 4, 2011

Sen. Clayton Lee, JDL Chair

Sen. Maile S.L. Shimabukuro, JDL Vice Chair

Sen. Mike Gabbard, Sen. Les Ihara. Jr. and Sen. Sam Slom, JDL 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.

Giuseppe Leone

(*) 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>