

**HB1846**



- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company

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**Senate Committee on Judiciary and Labor**  
Conference Room 016 State Capitol  
Friday, March 21, 2014, 10:00 am.  
**HB 1846 – Relating District Court Jurisdiction**

Chair Hee, Vice-Chair Shimabukuro and Members of the Committee:

my name is Tim Dayton and I am General Manager for GEICO, Hawaii's largest insurer of motor vehicles. **GEICO opposes HB 1846.** The majority of civil actions involve injuries arising from motor vehicle accidents. District Court is not set up to allow for full evaluation of the liability of the respective parties and does not provide for adequate discovery appropriate for injuries with a potential value of up to \$40,000. The minimum limit of bodily injury liability coverage in Hawaii is only \$20,000 and this proposal would expose many drivers to judgments that far exceed their coverage *without their day in court*. Raising the jurisdictional limits of District Court also hurts motorists that are protected by automobile liability insurance because there is no right of appeal from cases that are tried in District Court. Thus, an insured with minimum limits of automobile insurance could find himself in a lawsuit without full discovery to defend his position, with the result that a judgment is entered that exceeds his insurance limits, with no right of appeal.

This kind of result would be financially devastating to many motorists and is not the kind of result that a District Court case is intended for.

The volume of personal injury cases tried to judgment in Hawaii Circuit Courts is extremely small; perhaps the lowest in the nation for courts of this level. It is hard to rationalize the need or justification for this proposal. This bill will harm consumers and eventually lead to higher prices for insurance. GEICO respectfully urges the Committee to hold this Bill.

Thank you for the opportunity to submit this testimony.

A handwritten signature in black ink, reading "Timothy M. Dayton", with a long horizontal flourish extending to the right.

Timothy M. Dayton, CPCU

**Testimony of Edward C. Kemper  
Relating to HB1846 District Court Jurisdiction**

Permitting Civil Cases in the District Court up to \$40,000

I am a practicing attorney in the various courts in the State of Hawaii, and I am one of the designated reporters for judge-lawyer meetings held in 2012 and 2013 (commonly called "The Bench-Bar Conference").

One of the purposes of the Bench-Bar Conference was to come up with suggestions that would benefit the court, the attorneys, and the parties before the court.

This amendment is very simple by giving a choice to the parties or the attorneys to file a civil case in either District Court or Circuit Court if the claim is under \$40,000, instead of the present limit of \$25,000.

The basis of this amendment is likewise simple. The District Court has very simplified procedural system and much earlier trial dates than Circuit Court, thus saving the parties time and money. The attorneys at the Bench-Bar Conference felt that cases under \$40,000 should be able to be filed in the District Court.

If a party really feels the need to be in Circuit Court even though the claim is under \$40,000, a jury demand can be filed and the case can be moved to that venue.

At this time, I do not know whether the Judiciary has a position for or against this provision.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [JDLTestimony](#)  
**Cc:** [gmk@hawaiiantel.net](mailto:gmk@hawaiiantel.net)  
**Subject:** Submitted testimony for HB1846 on Mar 21, 2014 10:00AM  
**Date:** Wednesday, March 19, 2014 2:42:22 PM

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**HB1846**

Submitted on: 3/19/2014

Testimony for JDL on Mar 21, 2014 10:00AM in Conference Room 016

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
glenn kosaka	Individual	Support	No

Comments: I support raising the District Court jurisdictional limit. However, I ask that the Senate consider raising the limit to the maximum possible at this time. I would like the limit to be \$49,999. The cost of litigation continues to rise, and the creditors will seek to have the debtors pay the fees and costs. Actions in Circuit Court are more time consuming and costly. It would benefit the creditors as well as the debtors to be able to use the less expensive forum--both in time and cost. District Judges are fully capable of making dispositions on claims of \$49,999. There is no need for juries on claims less than \$50,000, reducing cost to the judiciary as well as the litigants. I respectfully ask that the Senate increase the District Court jurisdictional limit to \$49,999 and to persuade the House to agree.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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