



Collection Law Section

Chair:
Steven Guttman

Vice Chair:
William J. Plum

Secretary:
Thomas J. Wong

Treasurer:
Arlette S. Harada

Directors:
Lynn Araki-Regan
Marvin S.C. Dang
David C. Farmer
Christopher Shea Goodwin
Steven Guttman
Arlette S. Harada
James Hochberg
Elizabeth A. Kane
William J. Plum
David B. Rosen
Andrew Salenger
Mark T. Shklov
Yuriko J. Sugimura
Thomas J. Wong
Reginald K.T. Yee

Reply to: **STEVEN GUTTMAN, CHAIR**
220 SOUTH KING STREET SUITE 1900
HONOLULU, HAWAII 96813
TELEPHONE: (808) 536-1900
FAX: (808) 529-7177
E-MAIL: sguttman@kdubm.com

March 16, 2015

Representative Karl Rhoads, Chair
Representative Joy A. San Buenaventura, Vice-Chair
House Judiciary Committee

Re: SB 779 Relating to Courts
Hearing: March 17, 2015, 2:00 p.m.
Supporting Testimony

Dear Chair, Vice-Chair, and Members of the Committee:

This testimony is being submitted on behalf of the Collection Law Section of the Hawaii Bar Association (“CLS”).¹ The CLS urges passage of this bill. The purpose of this bill is to correct an inconsistency in §604-5 of Hawaii Revised Statutes that has developed in recent years. HRS §604-5 provides the jurisdictional limits for District Court. Historically, the limits within HRS §604-5 provided that the specific performance jurisdiction of the court was consistent with the overall jurisdiction of the court (now at \$40,000). However, during the change in authority from \$20,000 to \$25,000 and very recent change from \$25,000 to \$40,000, the specific performance authority was apparently overlooked and remained at \$20,000. Note, the specific performance jurisdiction did jump from \$10,000 to \$20,000 when the overall court’s authority was changed many years ago.

There is no reason why the court’s specific performance should *not* be consistent with the overall court’s authority and in fact, there are a number of reasons why the two should remain linked. One such reason is that the District Court already has authority to hand down judgments for \$40,000, so why not allow authority to implement a remedy for the same amount. Another reason is that District Court is a more cost effective, simpler, faster, and efficient forum for the public, both in the public’s capacity as a party and the public’s capacity as a taxpayer. Why force a \$21,000 claimant to file in the more complex and expensive Circuit Court when District Court would otherwise suit the situation just fine?

¹ *The comments and recommendations submitted reflect the position/viewpoint of the Collection Law Section of the HSBA. The position/viewpoint has not been reviewed or approved by the HSBA Board of Directors, and is not being endorsed by the Hawaii State Bar Association.*

March 16, 2015
Page 2

Thank you.

Respectfully,

/S/ William J. Plum

William J. Plum
Vice-Chair
Collection Law Section of the HSBA

cc: Steven Guttman
Patricia A. Mau-Shimizu