

ACT 72

H.B. NO. 2898

A Bill for an Act Relating to Arbitration.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Under the existing laws, the district courts have exclusive jurisdiction over civil claims in which the disputed amount is \$10,000 or less. However the circuit courts have exclusive jurisdiction over disputes subject to arbitration regardless of the amount in dispute. Many disputes subject to arbitration are well below the \$10,000 limit at which the district courts would normally have jurisdiction. The legislature finds that this is not an economical or efficient use of judicial resources and it discourages the use of arbitration in the area of small disputes. Therefore, the mere existence of an arbitration agreement should not impact which court has jurisdiction over civil claims.

The purpose of this Act is to give the district courts jurisdiction over civil actions subject to arbitration agreements where the amount in dispute is less than \$10,000, unless the arbitration is subject to chapter 89, chapter 377, or the National Labor Relations Act.

SECTION 2. Section 658A-1, Hawaii Revised Statutes, is amended by amending the definition of "court" to read as follows:

““Court” means [the] any district or circuit court [of the appropriate judicial circuit] of competent jurisdiction in this State, unless otherwise indicated. In cases involving arbitration subject to chapter 89, chapter 377, or the National Labor Relations Act, “court” means the circuit court of the appropriate judicial circuit.”

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect upon its approval.

(Approved May 2, 2006.)