

**SENATE BILL REPORT**

**SB 5027**

**AS REPORTED BY COMMITTEE ON LAW & JUSTICE, JANUARY 29, 1991**

**Brief Description:** Raising the jurisdictional limit for small claims departments to five thousand dollars.

**SPONSORS:** Senators Nelson, Rasmussen and Thorsness.

**SENATE COMMITTEE ON LAW & JUSTICE**

**Majority Report:** That Substitute Senate Bill No. 5027 be substituted therefor, and the substitute bill do pass.

Signed by Senators Nelson, Chairman; Thorsness, Vice Chairman; Erwin, Hayner, Kreidler, L., Madsen, Newhouse, Rasmussen, and Smith, A.

**Staff:** Jon Carlson (786-7459)

**Hearing Dates:** January 21, 1991; January 29, 1991

**BACKGROUND:**

Small claims courts are a distinct department of the district court system. The primary purpose of small claims courts is to simplify the court process for civil disputes of claims that do not exceed \$2,000. Small claims proceedings are generally conducted in an informal manner without formal pleadings. Attorneys are only permitted to be involved in small claims court proceedings with the consent of the district court judge.

It is suggested that the jurisdiction of small claims court be increased, and that attorneys and paralegals be prohibited from representing corporation plaintiffs in small claims cases.

**SUMMARY:**

The jurisdiction of small claims courts is increased to \$5,000.

A corporation plaintiff may not be represented by an attorney or paralegal in small claims court.

**EFFECT OF PROPOSED SUBSTITUTE:**

The jurisdiction of small claims courts is increased to \$2,500.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested January 15, 1991

**TESTIMONY FOR:**

Raising the jurisdiction limit would allow more claimants to avoid the expense and time of formal litigation proceedings. Prohibiting corporation plaintiffs from using an attorney would help moderate the wide advantage that institutional plaintiffs have in the informal setting of small claims court.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Judge Robert McBeth, District and Municipal Court Judges Association; Keith McDonald, Washington Collectors' Association; Walt Corneille, Washington State Process Servers