

SENATE BILL REPORT

SB 5389

As Passed Senate, March 9, 2001

Title: An act relating to small claims court.

Brief Description: Adjusting small claims jurisdiction.

Sponsors: Senator Gardner.

Brief History:

Committee Activity: Judiciary: 2/1/01, 2/20/01 [DP].

Passed Senate: 3/9/01, 48-0.

SENATE COMMITTEE ON JUDICIARY

Majority Report: Do pass.

Signed by Senators Kline, Chair; Constantine, Vice Chair; Costa, Hargrove, Kastama, McCaslin, Thibaudeau and Zarelli.

Staff: Dick Armstrong (786-7460)

Background: Small claims court is a department of the district court. The small claims department has jurisdiction over cases for the recovery of money where the amount claimed does not exceed \$2,500. An action is commenced in the small claims department by filing a claim that contains specified information and paying a filing fee.

An action originally filed in district court may be transferred to the small claims department if the claim does not exceed the jurisdictional limit of the small claims department. Generally, a party may not be represented by an attorney in the small claims department. However, if the action was originally filed in district court and the plaintiff was represented by an attorney at that time, the attorney may represent the plaintiff in the small claims department.

The proceedings in the small claims department are informal. The parties may offer evidence and bring witnesses. The judge may consult witnesses and investigate the controversy between the parties, and the judge may give judgment or make orders that the judge finds equitable.

A party may not appeal the judgment from the small claims department where the amount claimed was less than \$250. A party requesting the exercise of jurisdiction by the small claims department may not appeal a judgment if the amount claimed by that party was less than \$1,000.

Summary of Bill: The jurisdictional amount in small claims court is increased from \$2,500 to \$4,000.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: None.

Testimony Against: Insurance companies issue policies and have a duty to defend clients up to the policy limits of the insurance contracts. This bill means that policyholders with claims of less than \$4,000 will not have the benefit of an attorney.

Testified: Mel Sorenson, National Assn. of Independent Insurers (con).