



## Judicial Council of California

ADMINISTRATIVE OFFICE OF THE COURTS

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TANI CANTIL-SAKAUYE  
*Chief Justice of California*  
*Chair of the Judicial Council*

WILLIAM C. VICKREY  
*Administrative Director of the Courts*

RONALD G. OVERHOLT  
*Chief Deputy Director*

April 4, 2011

Hon. Noreen Evans, Chair  
Senate Judiciary Committee  
State Capitol, Room 4034  
Sacramento, California 95814

Subject: Senate Bill 221 (Simitian), as introduced - Support  
Hearing: Senate Judiciary Committee – April 12, 2011

Dear Senator Evans:

The Judicial Council supports SB 221, which increases small claims court jurisdiction for actions brought by natural persons from \$7,500 to \$10,000. The council believes that this increase in jurisdiction will provide increased access to the courts for a number of individuals who are unable to secure legal counsel. Cases involving relatively small amounts in controversy are more appropriately brought in small claims court, which provides a more speedy and efficient forum for resolving such disputes.

The Judicial Council's support for SB 221 takes into account the increasing difficulty of litigants to find attorneys willing to take cases valued at \$10,000, or even higher, given the rising costs of litigation. The council is also mindful of the many challenges faced by self-represented litigants trying these actions as limited civil cases, which is an inefficient and burdensome process for the courts as well. Many litigants with claims in excess of the small claims limit have nowhere to turn, other than small claims court.

According to small claims advisors, self-help advocates and others familiar with these matters, the inability of litigants with claims valued at \$10,000 to find lawyers who are willing to take their cases has significantly worsened over the years with the burgeoning costs of litigation. Although the issue has not been subject to formal study in California, the fears expressed about

the harmful effects of increasing the small claims court jurisdiction do not appear to have taken place.

In the first year after the change from \$5,000 to \$7,500 occurred (2006-2007), there was actually a slight decrease in small claims filings (continuing a long-term trend). Subsequently, there have been modest increases in small claims filings each year. It appears that other factors besides the increase in jurisdictional limits may account for most of the recent increases in small claims filings. This is suggested by the fact that filings in limited civil cases (i.e., cases under \$25,000) have increased even more precipitously than small claims filings during the past few years. Thus, although the increase in jurisdictional limits in small claims may have had some impact on filings in small claims cases, it appears that the downturn in the economy is an even larger factor.

Many small claims litigants with claims up to \$10,000 or more are already filing in small claims court, forced to waive the amount of their claims in excess of the current \$7,500 jurisdictional limit. The amount in controversy does not necessarily translate into more complicated or time consuming cases, and increasing the jurisdictional amount will allow such individuals the opportunity to secure a more complete recovery. Notably, SB 221 keeps intact key protections from the 2005 legislation – the increased jurisdictional amount would only apply to actions brought by natural persons, and the enhanced training requirements for temporary judges and increased funding for small claims advisors would continue under this measure. Given the passage of time, the rising cost of litigation, and the lack of evidence of adverse court impacts from the last jurisdictional increases, the Judicial Council believes that SB 221 strikes the appropriate balance of providing increased access to justice for some individual consumers while at the same time not overwhelming the courts.

For these reasons, the Judicial Council supports SB 221.

Sincerely,



Daniel Pone  
Senior Attorney

DP/lp

cc: Members, Senate Judiciary Committee

Hon. Joe Simitian, Member of the Senate

Ms. Elizabeth Dietzen Olsen, Counsel, Senate Judiciary Committee

Mr. Aaron Maguire, Deputy Legislative Affairs Secretary, Office of the Governor

Ms. Kirsten Kolpitke, Deputy Director of Legislation, Governor's Office of Planning and Research

Mr. Mike Petersen, Consultant, Senate Republican Office of Policy



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RONALD G. OVERHOLT  
*Chief Deputy Director*

June 10, 2011

Hon. Mike Feuer, Chair  
Assembly Judiciary Committee  
State Capitol, Room 2013  
Sacramento, California 95814

Subject: SB 221 (Simitian), as amended May 19, 2011 - Support  
Hearing: Assembly Judiciary Committee – June 21, 2011

Dear Assembly Member Feuer:

The Judicial Council supports SB 221, which increases small claims court jurisdiction for actions brought by natural persons from \$7,500 to \$10,000. The council believes that this increase in jurisdiction will provide increased access to the courts for a number of individuals who are unable to secure legal counsel. Cases involving relatively small amounts in controversy are more appropriately brought in small claims court, which provides a more speedy and efficient forum for resolving such disputes.

The Judicial Council's support for SB 221 takes into account the increasing difficulty of litigants to find attorneys willing to take cases valued at \$10,000, or even higher, given the rising costs of litigation. The council is also mindful of the many challenges faced by self-represented litigants trying these actions as limited civil cases, which is an inefficient and burdensome process for the courts as well. Many litigants with claims in excess of the small claims limit have nowhere to turn, other than small claims court.

According to small claims advisors, self-help advocates and others familiar with these matters, the inability of litigants with claims valued at \$10,000 to find lawyers who are willing to take their cases has significantly worsened over the years with the burgeoning costs of litigation. Although the issue has not been subject to formal study in California, the fears expressed about

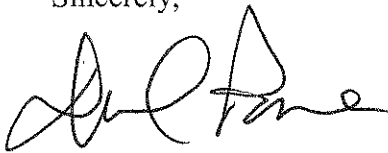
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Many small claims litigants with claims up to \$10,000 or more are already filing in small claims court, forced to waive the amount of their claims in excess of the current \$7,500 jurisdictional limit. The amount in controversy does not necessarily translate into more complicated or time consuming cases, and increasing the jurisdictional amount will allow such individuals the opportunity to secure a more complete recovery. Notably, SB 221 keeps intact key protections from the 2005 legislation – the increased jurisdictional amount would only apply to actions brought by natural persons, and the enhanced training requirements for temporary judges and increased funding for small claims advisors would continue under this measure. Given the passage of time, the rising cost of litigation, and the lack of evidence of adverse court impacts from the last jurisdictional increases, the Judicial Council believes that SB 221 strikes the appropriate balance of providing increased access to justice for some individual consumers while at the same time not overwhelming the courts.

For these reasons, the Judicial Council supports SB 221.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Pone", with a stylized, cursive script.

Daniel Pone  
Senior Attorney

DP/lp

cc: Members, Assembly Judiciary Committee

Hon. Joe Simitian, Member of the Senate

Ms. Leora Gershenzon, Chief Counsel, Assembly Judiciary Committee

Mr. Aaron Maguire, Deputy Legislative Affairs Secretary, Office of the Governor

Ms. Kirsten Kolpitzke, Deputy Director of Legislation, Governor's Office of Planning and Research

Mr. Mark Redmond, Consultant, Assembly Republican Office of Policy



## Judicial Council of California

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CURTIS L. CHILD  
*Director, Office of Governmental Affairs*

June 28, 2011

Hon. Edmund G. Brown, Jr.  
Governor of California  
State Capitol, First Floor  
Sacramento, California 95814

Subject: SB 221 (Simitian) – Request for Signature

Dear Governor Brown:

The Judicial Council supports SB 221, which increases small claims court jurisdiction for actions brought by natural persons from \$7,500 to \$10,000. The council believes that this increase in jurisdiction will provide increased access to the courts for a number of individuals who are unable to secure legal counsel. Cases involving relatively small amounts in controversy are more appropriately brought in small claims court, which provides a more speedy and efficient forum for resolving such disputes.

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For these reasons, the Judicial Council requests your signature on SB 221.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. Pone', with a stylized, flowing script.

Daniel Pone  
Senior Attorney

DP/lp

cc: Hon. Joe Simitian, Member of the Senate

Mr. Aaron Maguire, Deputy Legislative Affairs Secretary, Office of the Governor