

June 30, 2011

The Honorable Edmund G. Brown, Jr.
Governor of California
State Capitol, First Floor
Sacramento, CA 95814

Re: Senate Bill 221 – Small Claims Court Limits

Dear Governor Brown:

This letter is to respectfully request your signature on Senate Bill 221, which increases the jurisdictional limits of actions brought in small claims court from \$7,500 to \$10,000.

In 2005, I successfully authored SB 422 (Chapter 600, Statutes of 2005) which increased the small claims court limits from \$5,000 to \$7,500. This legislation was the result of a study by the Judicial Council of California and the California Law Revision Commission which recommended the increase.

Court 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. Studies show and the Judicial Council confirms that it is nearly impossible to find representation for cases involving less than \$25,000 in damages. Therefore, for individuals with damages between \$7,500 and \$25,000 justice is difficult to come by and the usual result is to settle at the jurisdictional limit of \$7,500. Senate Bill 221 closes that gap.

Senate Bill 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, I believe 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.

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Earlier this year HALT, a nonprofit legal reform group, ranked California's small claims courts second in the nation. The report noted, however, that if California had increased its jurisdictional limit to \$10,000, then its small claims system "would have ranked first in the nation."

Senate Bill 221 enjoys the support of the California Association of Realtors, the California Apartment Association, the Consumer Attorneys of California and the Judicial Council of California to name just a few.

There is no opposition to the bill.

I respectfully request your signature on Senate Bill 221.

Sincerely,

S. JOSEPH SIMITIAN

State Senator, Eleventh District

cc: Aaron Maguire, Deputy Legislative Secretary
Gareth Elliott, Legislative Secretary
Nancy McFadden, Executive Secretary