

# **Collection Law Section**

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February 2, 2017

Representative Scott Y. Nishimoto, Chair and Members of House Judiciary Committee

Re: HB 1274 Relating to Courts Hearing: 2/3/17 @ 2:00 p.m.

Dear Chair Nishimoto:

This testimony is being submitted on behalf of the Collection Law Section of the Hawaii Bar Association ("CLS").<sup>1</sup> The CLS asks that you please pass HB 1274.

The purpose of this bill is to correct an *inconsistency* in §604-5 of Hawaii Revised Statutes that has developed in recent years. HRS §604-5 provides the jurisdictional limits for District Court. Historically, the limits within HRS §604-5 provided that the specific performance jurisdiction of the court was consistent with the overall jurisdiction of the court (now at \$40,000). However, during the change in authority from \$20,000 to \$25,000 and very recent change from \$25,000 to \$40,000, the specific performance authority was apparently overlooked and remained at \$20,000. Further back in time, when the District Court's overall jurisdiction jumped from \$10,000 to \$20,000, so did the court's specific performance jurisdiction.

In reviewing the situation, there is no reason why the court's specific performance should *not* be consistent with the overall court's authority and in fact, there are a number of reasons why the two should remain linked. One such reason is that the District Court already has authority to hand down judgments for \$40,000, so why not allow it to implement a remedy for the same amount? Another reason is that District Court is a more cost effective, simpler, and efficient forum to litigate in, for both sides. Why force a claimant with a \$21,000 claim to file in the more complicated and expensive Circuit Court when District Court could otherwise handle the situation?

The comments and recommendations submitted reflect the position/viewpoint of the Collection Law Section of the HSBA. The position/viewpoint has not been reviewed or approved by the HSBA Board of Directors, and is not being endorsed by the Hawaii State Bar Association.

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Lastly, HB 1274 provides consistency and uniformity to the District Court's jurisdiction. Consistency and uniformity are generally considered positive qualities for any court to have.

Thank you.

Respectfully,

/S/ William J. Plum

William J. Plum Vice-Chair Collection Law Section of the HSBA From: mailinglist@capitol.hawaii.gov

Sent: Thursday, February 2, 2017 9:07 PM

**To:** JUDtestimony

Cc: rkailianu57@gmail.com

**Subject:** \*Submitted testimony for HB1274 on Feb 3, 2017 14:00PM\*

**Categories:** Yellow Category

**HB1274** 

Submitted on: 2/2/2017

Testimony for JUD on Feb 3, 2017 14:00PM in Conference Room 325

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Rachel L. Kailianu	Individual	Support	Yes

#### Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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## The Judiciary, State of Hawai'i

#### **Testimony to the House Committee on Judiciary**

Representative Scott Nishimura, Chair Representative Joy A. San Buenaventura, Vice Chair

> February 3, 2017, 2:00 PM State Capitol, Conference Room 325

> > By

Calvin C. Ching
Deputy Chief Court Administrator, District Court of the First Circuit

**Bill No. and Title:** House Bill No. 1274, Relating to Courts.

**Purpose:** Raises the district courts' jurisdictional limit for civil actions involving specific performance.

### **Judiciary's Position:**

The Judiciary supports House Bill No. 1274.

House Bill 1274 corrects an inconsistency in Hawaii Revised Statutes §604-5 that has developed in recent years. HRS §604-5 provides the jurisdictional limits for District Court. Historically, the limits within HRS §604-5 provided that the specific performance jurisdiction of the court was consistent with the overall jurisdiction of the court (now \$40,000). However, during the change in authority from \$20,000 to \$25,000 and very recent change from \$25,000 to \$40,000, the specific performance authority was apparently overlooked and remained at \$20,000. The passage of HB1274 should correct this inconsistency.

Thank you for the opportunity to provide testimony on this measure.