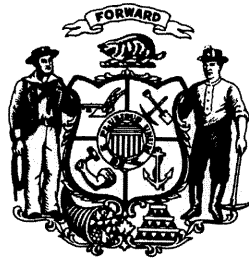


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SB240
b-pt01

SK: in rule



September 2, 1999

TO: ALL LEGISLATORS

FROM: SENATOR JIM BAUMGART

RE: COSPONSORING LRB 3434/1 – relating to raising the dollar limit for small claims actions.

I am introducing this legislation at the request of a constituent who believes that the jurisdictional limit for small claims is too low. As values of automobiles, trucks and SUV's increase so do the claims made to insurance companies. In the past small claims court was an effective mediation system but as the insurance costs rise small claims courts cannot hear those cases. This causes such cases to be heard in Circuit Courts and adds to the already crowded caseloads. Therefore, I propose to increase the limit to \$10,000 by July 1, 2000, to \$15,000 by July 1, 2004 and to \$20,000 on July 1, 2008.

If you would like to sign on to **LRB 3434/1**, please call my office at **6-2056** by **September 16, 1999**.

Analysis by the Legislative Reference Bureau

Under current law, the small claims procedure, which is much less formal than other circuit court procedures, is limited to certain types of actions, such as evictions, and actions in which the amount in dispute is \$5,000 or less. This bill raises that amount to \$10,000 on July 1, 2000, to \$15,000 on July 1, 2004, and to \$20,000 on July 1, 2008.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.