

ALASKA STATE LEGISLATURE

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Rep. Ralph Samuels
Rep. Les Gara
Rep. Max Gruenberg



State Capitol, Room 120
Juneau, AK 99801-1182
(907) 465-4990
Fax (907) 465-6592

House Judiciary Committee

Sponsor Statement CSHB 227 (JUD)

"An Act increasing the jurisdictional limit for small claims and for magistrates from \$7,500 to \$10,000; increasing the jurisdictional limit of district courts in certain civil cases from \$50,000 to \$100,000; expanding the jurisdiction of district courts; and amending Rule 11(a)(4), Alaska District Court Rules of Civil Procedure, relating to service of process for small claims."

The jurisdictional limit for district courts was last raised in 1990 when the legislature raised the limit from \$35,000 to \$50,000. By raising the jurisdictional limit from \$50,000 to \$100,000, this bill will allow for increases in inflation and provide increased flexibility for litigants regarding whether to file in district court or superior court.

The jurisdictional limit on small claims court and magistrate court was last raised in 1997 when the legislature raised the limit from \$5000 to \$7500. Small claims court offers many advantages over district court to private litigants, including less formal discovery requirements, reduced filing fees, and relaxed evidentiary rules. This bill will increase the limit to \$10,000.

The bill also removes prohibitions against the district court hearing claims for false imprisonment, libel, slander, and malicious prosecution. These restrictions were adopted shortly after statehood. District court judges are well qualified and there is no reason to prohibit them from hearing these types of cases.

Finally, [the bill](#) will expand small claims jurisdiction over out-of-state defendants. Under current law, small claims actions against out-of-state defendants may only be brought under the [landlord-tenant act](#) or under [AS 09.05.020](#), which authorizes service of process against owners or operators of motor vehicles involved in an accident in the state. The bill would authorize small claims jurisdiction over out-of-state defendants under traditional long-arm principles. This expanded long-arm jurisdiction is limited to district court judges. Magistrates will continue to be limited by the standards set forth in current law.