

LEGAL NEWSROUNDUP

Hawaii Adopts Higher Small Claims Limit

Hawaii's small claims limit increase to \$5,000 became effective July 1, 2011. Prior to the passage of House Bill 1333, the jurisdictional limit of small claims courts in Hawaii was \$3,500—one of the lowest limits in the country. While the new amount falls far short of the \$20,000 limit promoted by HALT, the increase marks a positive development for the people's courts of Hawaii. Three other states, California, Nevada and Oregon, have also increased their small claims limits this year.

LegalZoom Settles Missouri Lawsuit

A class action lawsuit against LegalZoom (*Janson v. LegalZoom.com, Inc.*) has been settled, in principle, according to the company's press release. While the details of the settlement are still being worked out, LegalZoom will be allowed to resume its services in Missouri, with certain business modifications. The online legal service provider is set to open its third office—a research and development facility in San Francisco that will help the online company continue its growth nationally and internationally.

the HALT SENTINEL

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Legal Malpractice Claims on the Rise

The crumbling state of the American real estate market is increasing the number of legal malpractice claims filed in the first half of 2011 by as much as 20 percent. A study, conducted by insurance brokerage firm Ames & Gough, surveyed six malpractice insurance companies that serve thousands of law firms across the country. It found that real estate law firms were the most likely to be sued, a growing trend in the years since the housing market collapse. Malpractice claims for the real estate firms included in the study most often centered on complaints of "conflict of interest" or "failure to file in a timely way."

Arizona Passes Guardianship Reform

On June 13, Arizona Governor Jan Brewer added her signature during a bill signing ceremony to a pair of bills that together drastically improve guardianship proceedings in the state. "Too often systemic failures in the nation's probate system allow unscrupulous guardians to victimize those whom they are supposed to protect," stated HALT Executive Director Rodd Santomauro. "We applaud Arizona's efforts to protect its most vulnerable citizens."

Senate Bill 1499 outlines a guardian's duty toward their ward. The bill also provides for the appointment of a new guardian through petition to the court by a ward or individual who represent the ward's best interest. House Bill 2424 establishes an advisory panel that must hold at least one public hearing a year and submit reform recommendations to the legislature and other decision makers by November 15 of each year.

Oregon Increases Small Claims Limit and Fees

With Governor John Kitzhaber's signing of House Bill 2710 on June 30, Oregon joins a smattering of states—including California and Nevada—that recently increased their small claims jurisdictional limits. Effective July 1, 2011, HB 2710 raises the small claims limit from \$7,500 to \$10,000 and moderately increases court filing fees to pay for the newly created Legal Aid Account that will provide legal support services for Oregonians in need. **HS**

Iowa Supreme Court Sides with HALT

On August 26, 2011, the Iowa Supreme Court rejected a proposal offered by the Office of Professional Regulation that would have allowed lawyers who voluntarily agree to be suspended to keep the reason for their suspension confidential.

"The Court's decision to give this anti-consumer proposal the boot before it could even be distributed for public comment is very promising," said HALT Executive Director Rodd Santomauro. "HALT has long supported increased transparency in lawyer discipline systems and applauds the Iowa Supreme Court's quick action."

HALT was interviewed by the *Des Moines Register* several times about Iowa's discipline system.

Complaints against Iowa attorneys do not become public until formal charges are filed. According to a new HALT study, Iowa is one of 21 states that provide online access to court decisions or case briefs associated with attorney disciplinary proceedings. Thirty states give legal consumers absolutely no information about the details of an attorney's misconduct.

The Iowa Office of Professional Regulation has now been tasked by the Court to come up with proposals that actually increase consumer protection. Those proposals will be released for public comment before the Court takes final action. **HS**

HALT Welcomes New Staff

HALT is pleased to welcome Claire Blaylock to the staff. She serves as HALT's Operations Administrator/Membership Coordinator and is your key contact for any membership or book order questions you have! Claire earned her master's degree in History from the University of Massachusetts, Amherst where she studied the history of social justice. **HS**

