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## **North Carolina Small Claims Courts Receive “D” Grade in National Report Card** *State’s Small Claims Courts Scored Eighth Worst in the Nation*

HALT—*An Organization of Americans for Legal Reform* released its 2004 Small Claims Report Card today, grading all 50 states and the District of Columbia on their small claims courts. The legal consumer advocacy group publicizes the value of small claims courts, the only place in the civil justice system where people can resolve common disputes without an attorney. But HALT’s 2004 Small Claims Report Card illustrates that North Carolina’s citizens critically need greater access to a true People’s Court.

North Carolina has the eighth lowest score in the country on the Small Claims Report Card. North Carolina’s low small claims dollar limit of \$4,000 makes it difficult for people to resolve everyday disputes without a lawyer. Also hurting the state’s grade, none of the North Carolina courts surveyed by HALT employ small claims advisors—court employees whose primary job is to help people navigate the small claims system. Furthermore, none of the North Carolina courts surveyed by HALT hold evening or weekend sessions, making it impossible for many people to use the courts without missing work. Finally, none of the North Carolina small claims courts surveyed by HALT offer mediation services to help people resolve their disputes amicably before facing a judge.

“A \$4,000 limit on small claims leaves many people stuck in a legal no-man’s land with a dispute that is too large for small claims court, yet not large enough to hire an attorney,” said HALT Senior Counsel Tom Gordon. “With the low small claims dollar limit in place now, North Carolina is shutting out large numbers of people from the civil justice system.”

HALT’s 2004 Small Claims Report Card graded states in six categories: dollar limit, self-help, convenience, mediation, expedited collection and injunctive relief. Grades varied from the “B” range to failing marks for four states; no state received an “A” grade. North Carolina’s “D” grade leaves room for improvement.

The 2004 report card emphasizes the urgent need to raise jurisdictional dollar limits on small claims courts in North Carolina; HALT advocates a \$20,000 limit on claims. The report card also reveals the necessity of implementing reforms to make these courts a more consumer-friendly, accessible alternative to traditional litigation.

Small claims courts have tremendous promise as a means of empowering ordinary people to take charge of their own routine legal needs. By reforming these courts to fulfill this promise, North Carolina lawmakers can show a real commitment to opening up the legal system to its citizens.

**A more extensive summary of HALT’s 2004 Small Claims Report Card, along with the national and state report cards, can be found on HALT’s Web site at [www.halt.org](http://www.halt.org).** Founded in 1978, HALT—*An Organization of Americans for Legal Reform* is a nonpartisan, nonprofit public interest organization. HALT pursues an aggressive education and advocacy program that challenges the legal establishment to improve access and accountability and reduce costs in the civil justice system.