

May 12, 2004

Governor Frank H. Murkowski
Office of the Governor
Box 110001
Juneau, AK 99811

Dear Governor Murkowski:

I am writing to you on behalf of the 50,000 members of *HALT-An Organization of Americans for Legal Reform* to ask you to sign House Bill 227 into law. As an organization that works to increase access to the justice system, HALT views the small claims court system – the real People’s Court – as an essential and unique element of the justice system. We urge you to take this opportunity to increase the jurisdictional limit in Alaska’s small claims courts from \$7,500 to \$10,000, which would tie Alaska’s limit for third highest in the nation.

Small claims courts offer a tremendous benefit to citizens confronted with routine legal situations. Because small claims courts use simplified rules and procedures, they provide a fitting forum for ordinary people to take charge of their simple legal needs.

Unfortunately, the potential of these courts is stifled in the state of Alaska because the jurisdictional limit of \$7,500 is prohibitively low. With such a low dollar limit, people find themselves in a legal no-man’s land, since their disputes are too large for small claims court, yet too small to make it cost-effective to hire an attorney to represent them in a higher court. By signing this bill into law, many more disputes will be resolved at their proper dollar value and in their most appropriate venue. To put it simply, small claims courts will work for more Alaskans.

A nationwide HALT study, released last fall, allays the concern that higher dollar limits would produce an onslaught of new cases, straining the system to its breaking point. The new HALT study puts forth conclusive evidence that an increase in a state’s jurisdictional limit very rarely leads to a larger caseload.

Drawing on state-by-state small claims court caseload data, the HALT study found that, on average, courts experience only a 5.4 percent increase in caseload during the first year after a dollar limit increase, which is well within the range of average variation on a normal year. Furthermore, five years after the jurisdictional increase, the caseloads of five out of six courts return to their pre-increase size. In the case of Alaska’s last dollar limit increase in 1997 from a \$5,000 to a \$7,500, the caseload actually *decreased* 6.2 percent in the following year. Five years later, the court’s caseload was still lower than the level before the increase in 1997. In short, the HALT study resoundingly proves that predictions that an increased dollar limit would inevitably lead to an overburdened system are unfounded.

The state of Alaska has nothing to fear in raising its small claims court jurisdictional limit to \$10,000. In fact, what is most troubling is the effect of vetoing H.B. 227, which would leave too many Alaskans stranded in a legal no-man's land. We urge you to take action, to sign H.B. 227 into law and to extend access to justice in Alaska.

Sincerely,

Thomas M. Gordon
Senior Counsel