

Testimony of Owen Eagan in Support of House Bill 6924
Judiciary Committee Public Hearing
March 6, 2015

Thank you for the opportunity to present testimony on House Bill 6924. I urge the passage of this bill increasing the dollar amount for Small Claims Court from \$5,000 to \$7,500.

My name is Owen P. Eagan, and I am a member of the law offices of Eagan, Donohue, Van Dyke and Falsey LLP located in West Hartford, Connecticut. I have been practicing law for over 27 years. I am primarily a trial and probate attorney, who has worked in both the federal and state court. As a result of my trial experience, I have had a significant amount of exposure to the Small Claims Court.

My office is a general practice firm. We represent many clients with various issues and claims. We have brought several hundred personal injury claims, as well as breach-of-contract claims in the Superior Court. Our office, like many reputable law offices, generally refuses to represent clients with claims that have a value of less than \$15,000. This is because many of these prospective clients would like us to take their file on a one third contingency basis. Our experience has taught us that it costs at least \$5,000 to try a case in the Superior Court.

Our office also refuses to take a claim even if the client insists that he or she will pay us on an hourly basis. We reject these offers because we do not think it is fair to take a case when we believe that the client will net less than what our office receives as a fee to complete their legal work. It is not a good practice nor is it good business.

In those situations, we encourage our clients to bring their claims in the Small Claims Court. We explain to them that the Small Claims Court is a People's Court and that they do not need a lawyer to present their case. The client understands that the Small Claims Court will probably hear their case in six months, and that generally it will take less than an hour for the client to present their claim to a neutral, who is an attorney. Unfortunately, we must also explain to the client that they may only recover \$5,000.

A person with a claim worth more than \$5,000 must be willing to give up anything above that amount. Sometimes the clients are willing to do this, however, if the claim is worth \$7,500 to \$15,000, then the client is reluctant to do so.

In those situations, the client must either find someone else to represent him or her or be forced to bring the claim in the Superior Court without a lawyer for assistance. Most times, the client brings a claim on his or her own. While it is possible for a layperson to represent himself or herself in Superior Court, it is very difficult. It can be time consuming for the person, and it can be time consuming for the court and the defendant as well. It also overloads an already burdened court system.

By increasing the dollar limit for Small Claims Court from \$5,000 to \$7,500, the State of Connecticut would be encouraging more people to bring their actions to the Small Claims Court. Those actions will be resolved in a more efficient manner. Small cases are those worth less than

\$15,000. Those cases do not need to be developed for one to two years in the Superior Court system. Most often, people simply just need a person who is neutral to listen to their claim and make a fair and reasonable decision. The Small Claims Court satisfies that need.

I am also sure that lawyers will utilize the system with claims worth less than \$15,000. On rare occasions, our office will take a client's case, and file it in the Small Claims Court. If the dollar limit is raised to \$7,500, our office will consider taking more small claims matters. This will also help remove cases from the Superior Court docket.

As a result of increasing the limit, there may be a need to hire additional magistrate judges to hear these cases. This cost can be dealt with by charging an adequate fee for the use of the Small Claims Court. I am sure that the people who desire to use the Small Claims Court will pay for this service. In fact, the proposed bill provides for a \$60 increase of the filing fee for cases claimed to be worth more than \$5,000. This will assist in covering any additional costs incurred.

Furthermore, if and opponent removes the case from the Small Claims Court to the Superior Court, the rules allow the plaintiff to obtain attorney's fees if he or she is successful in his action against the defendant in the Superior Court. In those cases, a plaintiff would have the ability to hire an attorney to represent him. Our office is willing to take a case on this basis because, if we are successful in trying the matter to the Superior Court or to a jury, we can obtain our fee from the defendant, and the client can keep the full amount of the judgment.

The system has operated for years with great success. It was meant to deal with the smaller matters that did not belong in the Superior Court. Lawsuits are more costly now than they were five years ago, therefore, the amount of the small claims limit should be increased.

For the reasons stated above, I encourage you to pass House bill, 6924, increasing the dollar limit for Small Claims Court from \$5,000 to \$7,500.

Thank you,

Owen P. Eagan