



House Bill 387: Small Claims Courts
Written Testimony
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Greater Cleveland Partnership | Council of Smaller Enterprises
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Chairman Bacon and members of the Ohio Senate Civil Justice Committee, thank you for the opportunity to provide written testimony regarding small claims courts legislation, House Bill 387 (HB 387). The Greater Cleveland Partnership (GCP) and its small business division, the Council of Smaller Enterprises (COSE), represent the most comprehensive small, middle market, and large business organization in the state with more than 8,500 business members in Northeast Ohio. On behalf of our members, we appreciate the opportunity to provide support for HB 387.

As you may know, the small claims division was established by the Ohio General Assembly in 1967 and under current law each county and municipal court is required to establish a small claims division. A small claims division has jurisdiction in civil actions for the recovery of taxes and money only, for amounts not exceeding \$3,000, not including interest and cost. And, our members are encouraged by efforts to increase the maximum dollar amount to \$6,000 through HB 387.

According to the Ohio Supreme Court's 2014 statistical summary report, there were 724,229 incoming small claims cases from 2005 through 2014. The annual number of incoming small claims cases have trended downward since 2005, however, and Ohio has not seen an increase in the monetary limit small claims courts have jurisdiction over in nearly twenty years.

Adjusting the maximum level small claims courts have jurisdiction over will allow for additional business owners to participate in a process that was not available to them in years past. In addition, it would provide the business community with another useful tool at their disposal to recover losses and debts when it does not make good economic sense to go through a higher court due to the costs of attorneys' fees, etc. Our membership supports HB 387 because it will help them: contain legal costs, save time and effort that could be better spent managing their businesses, and utilize a more informal, expeditious, and inexpensive means to pursue claims for smaller sums of money through the small claims division.

While this issue may not individually command headline news, your work on this matter is meaningful and it makes a larger statement about Ohio's desire to find ways to continue to eliminate barriers for businesses in our state. HB 387 is a step in the right direction and we welcome the opportunity to continue working with you and your colleagues to foster a strong, vibrant small business community in Ohio.