

House of Representatives 2 state house station Augusta, maine 04333-0002 (207) 287-1400 TTY: Maine relay 711

Christopher J. Kessler 39 Stanley Street South Portland, ME 04106 Phone: (207) 956-0882 Christopher.Kessler@legislature.maine.gov

TESTIMONY BEFORE THE JOINT STANDING COMMITTEE ON JUDICIARY LD 654 - An Act to Adjust the Maximum Small Claim Limit Based on the Consumer Price Index

March 6, 2025

Senator Carney, Representative Kuhn, and Members of the Joint Standing Committee on Judiciary,

I am Representative Chris Kessler, and I represent District 121, part of South Portland and part of Cape Elizabeth. Please accept my apologies for not being able to be before you today. LD 654 seeks to address a perennial issue before the Legislature regarding the maximum compensation for small claims cases.

Back in 1993, the 116th Legislature required the Judicial Branch to report back to this committee every four years about making potential changes to the limit. In my research on this bill, there was no written information or comments to be found for the 2021 reporting year. The last time the small claims limit changed was back in 2009 during the 124th Legislature, setting the limit at \$6,000.

This legislation simply seeks to have the Judicial Department calculate the limit based on the Consumer Price Index Annual Average for All Urban Consumers, CPI-U: Northeast Region, All Items, reported by the United States Department of Labor, Bureau of Labor Statistics. The initial adjustment would raise the small claims limit to approximately \$8,880. For context, a recent prior bill sought to set the limit at \$15,000. I believe this would be a modest and reasonable increase keeping with the spirit of the 2009 legislation. This would provide greater justice for plaintiffs who have been financially harmed but cannot afford to bring their case to trial court.

There may be a concern raised that tying the limit to CPI in statute would be confusing for the public, as they typically do not have lawyers representing their case in small claims. I would counter that because of the perennial nature of this issue, the approach



House of Representatives 2 State House Station Augusta, Maine 04333-0002 (207) 287-1400 TTY: Maine Relay 711

Christopher J. Kessler 39 Stanley Street South Portland, ME 04106 Phone: (207) 956-0882 Christopher.Kessler@legislature.maine.gov

we have been taking has not worked in the best interest of the public. I would suggest to the committee that the updated limit can be easily posted front and center on the Judicial Branch's Small Claims website, where the general public is already visiting to get information about how to navigate the small claims process.

Thank you for consideration, and please vote "Ought to Pass" on this bill.

Sincerely,

Rep. Christopher Kessler