TESTIMONY IN SUPPORT OF FORTHCOMING AMENDMENT TO HB 2463 BEFORE THE SENATE COMMITTEE ON JUDICIARY ARPIL 14, 2025

PRESENTED BY: KIMBERLY MCCULLOUGH, SENIOR COUNSEL FOR GOVERNMENT RELATIONS OREGON JUDICIAL DEPARTMENT

Chair Prozanski, Vice-Chair Thatcher, and Members of the Committee:

The Oregon Judicial Department (OJD) is pleased to submit this testimony in conceptual support of a forthcoming amendment to HB 2463 to extend, from 14 days to 30 days, the time for a defendant to respond to a case filed in small claims court. Although the amendment has not been posted yet, we understand that it will amend provisions related to claims filed in the small claims departments of both circuit and justice courts. The provisions to be amended prescribe the amount of time within which a defendant must respond by settling a claim or demanding a hearing or jury trial, and set out the time for defendants to respond on the form of notice provided to defendants when a small claim is filed.

This forthcoming amendment aligns with OJD's 2024-27 Justice Campaign because its goal is to reduce barriers to access to justice. The current 14-day timeline presents challenges for defendants in small claims cases to assess the strength and weaknesses of their case, have an opportunity to consult with an attorney, and respond to a claim that can be worth up to \$10,000. This very short timeline can prove to be particularly difficult to meet for individuals with few resources, language barriers, lack of access to information about the court system and the small claims process, and who face additional barriers to accessing justice. Recent court data shows, approximately 50 percent of small claims cases end in a default judgment, meaning the defendant did not file an answer or appear in court to defend themselves. In debt collection cases, which make up approximately 78 percent of the cases filed in small claims court, only 4.4 percent of defendants filed an answer.

We anticipate the additional time to respond to a case filed in small claims court will help more defendants be able to actively participate in the court process, rather than defaulting because they did not respond in time. More time also will increase the time for an informal resolution of the claim to occur, which can benefit plaintiffs as well. We also do not see any downside to this increased time to respond and will be able to update our court processes with existing resources.

Thank you for your time and the opportunity to provide this testimony. If you have any questions, please feel free to contact me.

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¹ https://www.courts.oregon.gov/about/Documents/JusticeCampaign2024.pdf