

Sixty-first  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1296

Introduced by

Representatives Grande, Dosch, Glassheim

Senators Dotzenrod, Grindberg, Hogue

1 A BILL for an Act to amend and reenact subsection 1 of section 27-08.1-01 and section  
2 27-08.1-03 of the North Dakota Century Code, relating to limits on small claims court actions.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Subsection 1 of section 27-08.1-01 of the North Dakota  
5 Century Code is amended and reenacted as follows:

6 1. All judges of the district courts may exercise the jurisdiction conferred by this  
7 chapter, and while sitting in the exercise of that jurisdiction must be known and  
8 referred to as the "small claims court". The jurisdiction of this court is confined to  
9 cases for recovery of money, or the cancellation of any agreement involving  
10 material fraud, deception, misrepresentation, or false promise, when the value of  
11 the agreement or the amount claimed by the plaintiff or the defendant does not  
12 exceed ~~five~~ ten thousand dollars.

13 **SECTION 2. AMENDMENT.** Section 27-08.1-03 of the North Dakota Century Code is  
14 amended and reenacted as follows:

15 **27-08.1-03. Informal hearing - Answer and counterclaim - Filing and service fees -**  
16 **Examination of debtor.** No formal pleadings other than the claim affidavit and order for  
17 appearance ~~shall~~ may be required, and the hearing and disposition of actions ~~shall~~ must be  
18 informal. ~~No~~ A court reporter ~~shall be~~ is not required to be present to take the testimony unless  
19 arranged for and paid for by one of the parties to the action. The defendant may file an answer,  
20 and file a claim affidavit setting forth any new matter constituting a counterclaim, not to exceed  
21 ~~five~~ ten thousand dollars, which must be served upon the plaintiff by a person of legal age, not  
22 a party to or interested in the action, or mailed to the plaintiff by certified mail, not later than  
23 forty-eight hours before the hearing set for the appearance of the defendant. The compulsory  
24 counterclaim rule does not apply to counterclaims in excess of ~~five~~ ten thousand dollars. At the

1 hearing, the plaintiff and the defendant may appear without counsel. The court will conduct the  
2 proceedings and may make its own inquiry before, during, or after the hearing. After the court  
3 has found that money is owing by any party to the proceeding, the court may, in the presence  
4 of the prevailing party, inquire of the debtor as to plans for payment of the debt. The court may  
5 examine the debtor concerning the property owned by the debtor, at the hearing, as would be  
6 made under chapter 28-25. The examination may be made without first having issued an  
7 execution against the property of the debtor and without further notice as otherwise provided in  
8 chapter 28-25. A trial by jury ~~shall~~ is not ~~be~~ allowed in small claims court. A fee as prescribed  
9 in subdivision c of subsection 1 of section 27-05.2-03 must be charged for filing the claim  
10 affidavit.