

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Grande

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~~ eight 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~~ eight thousand dollars, which must be served upon the plaintiff by a person of legal age,
22 not 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~~ eight thousand dollars. At

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