SENATE BILL REPORT SHB 1683

As of March 20, 2009

Title: An act relating to modifying provisions relating to consumer protection act violations.

Brief Description: Modifying provisions relating to consumer protection act violations.

Sponsors: House Committee on Judiciary (originally sponsored by Representatives Kirby, Goodman, Nelson, Campbell, Williams, Orwall, Green, Ormsby, Moeller and Pedersen).

Brief History: Passed House: 3/06/09, 59-36.

Committee Activity: Labor, Commerce & Consumer Protection: 3/23/09.

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Staff: Alison Mendiola (786-7483)

Background: The Consumer Protection Act (CPA), first enacted in 1961, prohibits unfair or deceptive practices in trade or commerce. The act includes prohibitions on anti-competitive behavior and restraints on trade. The act may be enforced by private parties, the state, counties, municipalities, and all political subdivisions of the state.

In a lawsuit for a CPA violation, a prevailing plaintiff is entitled to recover (1) the actual damages sustained; (2) the costs of the suit; and (3) reasonable attorney's fees. Additionally, a court has the discretion to award additional damages in the amount of up to three times the actual damages sustained by the plaintiff. These discretionary treble damages are capped at \$10,000 in superior court and \$75,000 in district court. Treble damages are available to private parties, counties, municipalities, and all political subdivisions of the state.

Summary of Bill: In a lawsuit for a CPA violation, the district and superior courts have the discretion to award up to \$25,000 in damages, which may be awarded to private parties and to the counties, municipalities, and political subdivisions of the state.

In a private action claiming a CPA violation, a claimant may establish that the act or practice is injurious to the public because it:

- violates a statute which incorporates the CPA;
- violates a statute which contains a specific legislative declaration of public interest impact; or

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• injured other persons, had the capacity to injure, or has the capacity to injure other persons.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.