

FINAL BILL REPORT

SSB 5531

C 371 L 09
Synopsis as Enacted

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

Sponsors: Senate Committee on Labor, Commerce & Consumer Protection (originally sponsored by Senators Regala, Keiser, Kohl-Welles, Kauffman, Kline, Oemig, Pridemore, Tom and Franklin).

Senate Committee on Labor, Commerce & Consumer Protection
House Committee on Judiciary

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.

Damages Under the CPA. 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.

Private Actions Under the CPA. To prevail on a private CPA claim, a plaintiff must show (1) an unfair or deceptive act or practice; (2) that occurs in trade or commerce; (3) a public interest; (4) injury to the plaintiff in the plaintiff's business or property; and (5) a causal link between the unfair or deceptive act and the injury suffered.

Summary: 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:

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- violates a statute which incorporates the CPA;
- violates a statute which contains a specific legislative declaration of public interest impact; or
- injured other persons, had the capacity to injure, or has the capacity to injure other persons.

Votes on Final Passage:

Senate	28	17	
House	59	39	(House amended)
Senate	29	17	(Senate concurred)

Effective: July 26, 2009