

FINAL BILL REPORT

HB 1065

C 92 L 13
Synopsis as Enacted

Brief Description: Addressing the applicability of statutes of limitation in arbitration proceedings.

Sponsors: Representative Goodman.

House Committee on Judiciary
Senate Committee on Law & Justice

Background:

Arbitration is a form of nonjudicial, alternative dispute resolution. Contracting parties may explicitly agree to settle claims arising from a contract through arbitration, rather than judicial proceedings. In Washington, arbitration proceedings are governed by the Uniform Arbitration Act (UAA), which prescribes procedures for initiating and conducting arbitration and for enforcing and appealing arbitration awards and rulings.

In 2010 the Washington Supreme Court held that existing statutes of limitations did not apply to arbitration proceedings where the parties had not explicitly so agreed. The court based its conclusion on the language of Washington's statutes of limitations and Washington's former arbitration guidelines, the Washington Arbitration Act (WAA), in effect at the time of the arbitration dispute in the case.

In so holding, the court noted: that the state's statutes of limitations mention only court actions, not arbitrations; that the WAA consistently referred to arbitration variously as "arbitration," "hearing," or "proceeding," and to lawsuits as "civil actions," "actions," or "suits;" and that the WAA did not make state statutes of limitations explicitly applicable to arbitrations. The WAA language the court found dispositive is the same as that found in the UAA.

Summary:

The UAA is amended to specify that a claim sought to be arbitrated is subject to the same limitations for the commencement of actions as if the claim had been asserted in a court.

Votes on Final Passage:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

House 98 0
Senate 48 0

Effective: July 28, 2013