

SENATE BILL REPORT

SB 5157

AS REPORTED BY COMMITTEE ON LAW & JUSTICE, FEBRUARY 5, 1993

Brief Description: Increasing statutory attorneys' fees.

SPONSORS: Senators Hargrove and Nelson

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: That Substitute Senate Bill No. 5157 be substituted therefor, and the substitute bill do pass.

Signed by Senators A. Smith, Chairman; Quigley, Vice Chairman; Hargrove, McCaslin, Nelson, Niemi, Rinehart, Roach, and Spanel.

Staff: Tom McBride (786-7448)

Hearing Dates: January 29, 1993; February 5, 1993

BACKGROUND:

Parties in a civil lawsuit may recover attorney's fees. Attorney's fees may be awarded by way of contractual agreement, by court decision or by statute.

Currently, in civil cases involving sums under \$10,000, state statutes provide for attorney's fees in the amount of \$50 to the prevailing party, unless otherwise provided.

To obtain the statutory award of attorney's fees, the debt recovery or judgment obtained by the prevailing party must be at least \$25, exclusive of the costs of bringing the lawsuit. These cases are generally tried in district court.

Statutory attorney's fees in cases involving sums over \$10,000, which are generally tried in superior court, are \$125.

SUMMARY:

Statutory attorney's fees in cases involving less than \$10,000 is raised to \$125.

EFFECT OF PROPOSED SUBSTITUTE:

The substitute bill raises the amount of statutory attorney's fees to \$100, and also raises the minimum judgment recovery to qualify for statutory attorney's fees to \$50.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

Amount of attorney's fees awarded have not been raised since 1985 and no longer reflect costs of retaining an attorney to pursue claims.

TESTIMONY AGAINST: None

TESTIFIED: PRO: Benita McCormick, Washington Collectors Association; Kevin Underwood, Allied Credit