

HOUSE BILL ANALYSIS

HB 1671

Title: An act relating to actions arising out of public works contracts.

Brief Description: Eliminating a maximum amount threshold for pleadings in actions arising from public works contracts.

Sponsors: Representatives Constantine, Radcliff, Kessler, Mastin, Sullivan, Grant, G. Chandler, Reardon, Lisk, Esser, Alexander, McMorris and Mitchell.

Brief Summary of Bill

- Lowers the dollar amount in dispute in a public works contract lawsuit that qualifies the suit for the offer of settlement procedure.

HOUSE COMMITTEE ON JUDICIARY

Staff: Bill Perry (786-7123).

Background:

In a civil action for damages of not more than \$10,000, certain procedures apply when a party makes an offer of settlement prior to trial. If the case goes to trial after an offer of settlement has been made, the "prevailing party" is awarded reasonable attorney fees and costs.

The prevailing party is determined by who bettered his or her position at trial when compared to the offer of settlement. The plaintiff is the prevailing party if he or she is awarded damages that at least equal the amount the plaintiff offered in settlement. The defendant is the prevailing party if the amount awarded is zero, or is not more than the defendant's offer of settlement.

Offers of settlement must be served on the opposing party at least 10 days before trial, but not sooner than 30 days after the filing of the summons and complaint.

Under a separate statute, disputes over public works contracts are made subject to the offer of settlement provision if the amount in dispute does not exceed \$250,000. Under this statute, the filing period for an offer of settlement in a public works case is not less than 30 and not more than 120 days after service of the summons and complaint.

Summary of Bill:

The \$250,000 offer of settlement limit in case of disputes over public works contracts is eliminated. Such cases are subject to the same \$10,000 limit as all other cases.

Fiscal Note: Not requested.

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

Office of Program Research