

HOUSE BILL REPORT

HB 1825

*As Reported By House Committee on:
Judiciary*

Title: An act relating to mandatory arbitration.

Brief Description: Altering mandatory arbitration provisions.

Sponsor(s): Representative Appelwick.

Brief History:

Reported by House Committee on:
Judiciary, March 1, 1991, DPS.

**HOUSE COMMITTEE ON
JUDICIARY**

Majority Report: *That Substitute House Bill No. 1825 be substituted therefor, and the substitute bill do pass.*
Signed by 16 members: Representatives Appelwick, Chair; Ludwig, Vice Chair; Paris, Assistant Ranking Minority Member; Belcher; Broback; Forner; Inslee; Locke; R. Meyers; Mielke; H. Myers; Riley; Scott; Tate; Vance; and Wineberry.

Staff: Bill Perry (786-7123).

Background: Superior courts are authorized to use mandatory arbitration as an alternative to judicial dispute resolution. Lawsuits that may be made subject to arbitration are those in which the only demand is for a money judgment. In a county that has adopted mandatory arbitration, all such suits in which no party asks for more than \$15,000 must be sent to arbitration. By a two-thirds vote of a county's superior court judges, this dollar limit may be raised to \$35,000.

Arbitrators must be members of the Bar Association, or must be retired judges, unless the parties to a suit agree among themselves to use someone else as an arbitrator. Decisions of an arbitrator are appealable to the superior court on a "de novo" basis. That is, the case on appeal will be heard anew rather than on the record from the arbitration.

Summary of Substitute Bill: Mandatory arbitration in courts that have adopted it covers lien foreclosures as well as cases in which the only relief sought is a money judgment.

The optional upper limit of \$35,000 on cases in superior court that are subject to mandatory arbitration is increased to \$50,000.

Substitute Bill Compared to Original Bill: The original bill extends mandatory arbitration to cases in district court. It also raises the optional upper limit to \$45,000 instead of \$50,000.

Fiscal Note: Not requested.

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

Testimony For: Mandatory arbitration has proven to be an effective tool for reducing court congestion. The bill will expand mandatory arbitration to appropriate additional cases.

Testimony Against: None.

Witnesses: William Gates, Washington Commission on Trial Courts (in favor); Michele Radosevich, Washington State Trial Lawyers Association (in favor); and David Kerruish, Seattle-King County Bar Association (expressed concerns).