

SENATE BILL REPORT

SHB 1825

AS REPORTED BY COMMITTEE ON LAW & JUSTICE, APRIL 5, 1991

Brief Description: Altering mandatory arbitration provisions.

SPONSORS: House Committee on Judiciary (originally sponsored by Representative Appelwick).

HOUSE COMMITTEE ON JUDICIARY

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: Do pass as amended.

Signed by Senators Nelson, Chairman; Thorsness, Vice Chairman; Erwin, Hayner, Madsen, Newhouse, and Rasmussen.

Staff: Richard Rodger (786-7461)

Hearing Dates: April 1, 1991; April 5, 1991

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.

SUMMARY:

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.

Appropriation: none

Revenue: none

Fiscal Note: none requested

SUMMARY OF PROPOSED SENATE AMENDMENT:

The original provisions of the bill are eliminated. Cases subject to arbitration are those in which the total value of claims does not exceed \$35,000 per party.

Arbitrators who are appointed to conduct mandatory civil arbitrations are immune from civil actions based on the proceedings, except for acts of willful or wanton misconduct. The arbitrators' memoranda, notes, and files are confidential and privileged.

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:

There is no need for an increase in the mandatory arbitration limit. There are no problems with a backlog of civil cases, the problems are with the criminal cases. The arbitration cases lack fairness on appeal because attorneys' fees may be awarded. This encourages plaintiffs' attorneys not to fully prepare for the arbitrations.

TESTIFIED: Representative Martin Appelwick, prime sponsor; Ronald Gould, WSBA; Ken LeMaster, SAFECO (con); John Soltys, attorney (con); Bruce Meyers, attorney (con); Mr. McGee, PEMCO