

SENATE BILL REPORT

SB 5280

AS REPORTED BY COMMITTEE ON LAW & JUSTICE, FEBRUARY 13, 1991

Brief Description: Providing for consumer and business dispute resolution.

SPONSORS: Senators Nelson and Rasmussen; by request of Attorney General.

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: That Substitute Senate Bill No. 5280 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Nelson, Chairman; Thorsness, Vice Chairman; Erwin, L. Kreidler, Madsen, Rasmussen, and A. Smith.

Staff: Jack Brummel (786-7428)

Hearing Dates: January 24, 1991; February 13, 1991

BACKGROUND:

The Attorney General's Office enforces the provisions of the state's Consumer Protection Act. The office operates a limited mediation program which, largely through the efforts of volunteers, attempts informal mediation of complaints that consumers file against businesses. The number of consumer complaints filed with the Attorney General's Office has grown significantly in recent years.

SUMMARY:

The Attorney General is directed to establish consumer dispute resolution centers and establish procedures for their operation and the encouragement of their use in appropriate cases. Documents produced and communications made through the consumer dispute resolution process are confidential and privileged and, unless all parties agree to disclosure, are not subject to disclosure in subsequent judicial or administrative proceedings. Exceptions to the nondisclosure provision are made for threats of injury or damage and when a court or administrative tribunal determines that material was submitted in order to avoid discovery.

Parties who voluntarily enter the consumer dispute resolution process may withdraw and seek judicial or administrative redress without prejudice to their case. During the consumer dispute resolution process, any applicable statute of limitations shall not apply to the participants.

EFFECT OF PROPOSED SUBSTITUTE:

The Attorney General is to refer consumer complaints which are appropriate for mediation to dispute resolution centers or mediation services. When a dispute resolution center or mediation service is not available, the Attorney General is to establish such service, independent of the Attorney General's enforcement function, for the resolution of consumer complaints.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

The number of consumer complaints which the Attorney General's Office handles has grown dramatically in the last decade. There is a need to offer greater opportunity for resolution of consumer disputes.

TESTIMONY AGAINST: None

TESTIFIED: Ken Eikenberry, Attorney General (pro)