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SECOND SUBSTITUTE SENATE BILL 5659

State of Washington 56th Legislature 2000 Regular Session

By Senate Committee on Judiciary (originally sponsored by Senators Heavey, Roach, Kline, Johnson, Costa and Thibaudeau)

Read first time 1/25/00.

- 1 AN ACT Relating to mandatory arbitration of civil actions; amending
- 2 RCW 7.06.050 and 7.06.060; reenacting and amending RCW 7.06.020; and
- 3 creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 7.06.020 and 1987 c 212 s 101 and 1987 c 202 s 127 are 6 each reenacted and amended to read as follows:
- 7 (1) All civil actions, except for appeals from municipal or
- 8 district courts, which are at issue in the superior court in counties
- 9 which have authorized arbitration, where the sole relief sought is a
- 10 money judgment, and where no party asserts a claim in excess of
- 11 ((fifteen)) twenty-five thousand dollars, or if approved by the
- 12 superior court of a county by two-thirds or greater vote of the judges
- 13 thereof, up to ((thirty-five)) fifty thousand dollars, exclusive of
- 14 interest and costs, are subject to mandatory arbitration.
- 15 (2) If approved by majority vote of the superior court judges of a
- 16 county which has authorized arbitration, all civil actions which are at
- 17 issue in the superior court in which the sole relief sought is the
- 18 establishment, termination or modification of maintenance or child
- 19 support payments are subject to mandatory arbitration. The

p. 1 2SSB 5659

- 1 arbitrability of any such action shall not be affected by the amount or
- 2 number of payments involved.
- 3 **Sec. 2.** RCW 7.06.050 and 1982 c 188 s 2 are each amended to read 4 as follows:
- 5 (1) Following a hearing as prescribed by court rule, the arbitrator
- 6 shall file his decision and award with the clerk of the superior court,
- 7 together with proof of service thereof on the parties. Within twenty
- 8 days after such filing, any aggrieved party may file with the clerk a
- 9 written notice of appeal and request for a trial de novo in the
- 10 superior court on all issues of law and fact. Such trial de novo shall
- 11 thereupon be held, including a right to jury, if demanded.
- 12 (a) Up to thirty days prior to the actual date of a trial de novo,
- 13 <u>a nonappealing party may serve upon the appealing party a written offer</u>
- 14 of compromise.
- 15 (b) In any case in which an offer of compromise is not accepted by
- 16 the appealing party within ten calendar days after service thereof, for
- 17 purposes of MAR 7.3, the amount of the offer of compromise shall
- 18 replace the amount of the arbitrator's award for determining whether
- 19 the party appealing the arbitrator's award has failed to improve that
- 20 party's position on the trial de novo.
- 21 (c) A postarbitration offer of compromise shall not be filed or
- 22 communicated to the court or the trier of fact until after judgment on
- 23 the trial de novo, at which time a copy of the offer of compromise
- 24 shall be filed for purposes of determining whether the party who
- 25 appealed the arbitrator's award has failed to improve that party's
- 26 position on the trial de novo, pursuant to MAR 7.3.
- 27 (2) If no appeal has been filed at the expiration of twenty days
- 28 following filing of the arbitrator's decision and award, a judgment
- 29 shall be entered and may be presented to the court by any party, on
- 30 notice, which judgment when entered shall have the same force and
- 31 effect as judgments in civil actions.
- 32 **Sec. 3.** RCW 7.06.060 and 1979 c 103 s 6 are each amended to read
- 33 as follows:
- 34 <u>(1)</u> The ((supreme)) superior court ((may by rule provide for))
- 35 <u>shall assess</u> costs and reasonable ((attorney's)) attorneys' fees ((that
- 36 may be assessed)) against a party ((appealing from)) who appeals the
- 37 award ((who)) and fails to improve his, her, or its position on the

- 1 trial de novo. The court may assess costs and reasonable attorneys'
- 2 fees against a party who voluntarily withdraws a request for a trial de
- 3 novo if the withdrawal is not requested in conjunction with the
- 4 <u>acceptance of an offer of compromise.</u>
- 5 (2) For the purposes of this section, "costs" means those provided
- 6 for by statute or court rule, or both, as well as all expenses related
- 7 to expert witnesses, including but not limited to depositions and trial
- 8 testimony, that the court finds were reasonably necessary after the
- 9 request for trial de novo was filed.
- 10 (3) For the purposes of this section, "reasonable attorneys' fees"
- 11 means those attorneys' fees that the court finds were reasonably
- 12 necessary after the request for trial de novo was filed.
- 13 (4) If the prevailing party in the arbitration also prevails at the
- 14 trial de novo, even though at the trial de novo the appealing party may
- 15 have improved his or her position from the arbitration, this section
- 16 does not preclude the prevailing party from recovering those costs and
- 17 disbursements allowed by law, including but not limited to those
- 18 allowed under chapter 4.84 RCW, for both actions.
- 19 <u>NEW SECTION.</u> **Sec. 4.** This act applies to all requests for a trial
- 20 de novo filed pursuant to and in appeal of an arbitrator's decision and
- 21 filed on or after the effective date of this act.

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p. 3 2SSB 5659