
Civil Rights & Judiciary Committee

HB 2072

Brief Description: Concerning penalties relating to antitrust actions.

Sponsors: Representatives Farivar, Taylor, Ryu, Reeves, Slatter, Reed, Ormsby, Ramel, Macri, Goodman, Fosse, Riccelli and Hackney; by request of Attorney General.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Revises the maximum civil penalties that may be imposed for violations of certain antitrust provisions of the Consumer Protection Act.
--

Hearing Date: 1/10/24

Staff: Edie Adams (786-7180).

Background:

The Consumer Protection Act (CPA) declares a variety of business practices unlawful. These unlawful practices include: engaging in unfair methods of competition and unfair or deceptive acts or practices in the conduct of commerce; the formation of contracts, combinations, and conspiracies in restraint of trade or commerce; and monopolizing or attempting to monopolize trade.

A person injured by a violation of the CPA may bring a civil action to enjoin further violations and to recover actual damages, costs, and attorney's fees. Recovery may also include an increased award of triple the actual damages, up to a maximum of \$25,000.

The Attorney General may bring an action in the name of the state, or on behalf of persons residing in the state, against any person to enjoin violations of the CPA and to obtain restitution for persons injured by the violation. The prevailing party may, in the discretion of the court,

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

recover costs and attorney's fees. The Attorney General may also seek civil penalties up to statutorily authorized maximums against any person who violates the CPA.

A violation of the CPA's prohibitions on monopolies and on contracts, combinations, and conspiracies in restraint of trade or commerce, are subject to the following maximum penalties:

- for an individual, a penalty of up to \$180,000; and
- for a person that is not an individual, a penalty of up to \$900,000.

Civil penalties imposed in CPA actions are paid to the state.

Summary of Bill:

Penalties for violations of the CPA provisions that prohibit monopolies or the formation of contracts, combinations, and conspiracies in restraint of trade or commerce are revised. Every person who violates these provisions must pay a civil penalty of up to three times the illegal gains or loss avoided as a result of each violation, including, but not limited to, price fixing.

Appropriation: None.

Fiscal Note: Requested on January 3, 2024.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.