

# HOUSE BILL REPORT

## SSB 5634

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As Reported By House Committee On:  
State Government

**Title:** An act relating to disputes between state agencies.

**Brief Description:** Requiring state agencies to submit interagency disputes to mediation before filing lawsuits.

**Sponsors:** Senate Committee on Government Operations (originally sponsored by Senators Bauer, Newhouse, Snyder, Haugen, Gaspard, Vognild, Sutherland, Rinehart, Spanel, Talmadge, Winsley, McAuliffe, Moore and Drew).

**Brief History:**

Reported by House Committee on:  
State Government, March 23, 1993, DPA.

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### HOUSE COMMITTEE ON STATE GOVERNMENT

**Majority Report:** Do pass as amended. Signed by 8 members: Representatives Anderson, Chair; Reams, Ranking Minority Member; Vance, Assistant Ranking Minority Member; Campbell; Conway; Dyer; King; and Pruitt.

**Staff:** Bonnie Austin (786-7135).

**Background:** In dispute resolution, there is a growing trend toward the use of mediation. Mediation is a cost-saving alternative to legal action. Mediation is authorized under a variety of state statutes. Most recently, the 1992 Legislature authorized the Forest Practices Appeals Board to mediate disputes before the board. In response to the trend toward mediation, the 1991 Legislature enacted provisions covering the confidentiality of information exchanged in the mediation process.

There are currently no provisions in state law prescribing how state agencies are to resolve disputes among themselves. Agencies occasionally institute legal action in the courts against each other.

**Summary of Amended Bill:** All state agencies are required to participate in a 30-day mediation process prior to filing suit against another state agency. A neutral mediator will be appointed by agreement of the agencies or by the governor. Third parties may be invited to participate in

the mediation. At the end of 30 days, the mediator will report either: (1) a settlement; (2) an agreement as to a process for reaching settlement; or (3) failure to either settle or reach agreement on a process. The process to achieve settlement may include arbitration or litigation of certain issues. The mediation requirements do not apply when an agency must implead another agency in an existing suit or otherwise pursue an appeal or file a notice to avoid the forfeiture of rights or remedies.

**Amended Bill Compared to Substitute Bill:** The amended bill clarifies that the definition of state agency does not include the Legislature, the governor's office, or various boards of trustees.

**Fiscal Note:** Requested March 16, 1993.

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

**Testimony For:** None.

**Testimony Against:** None.

**Witnesses:** None.