

SENATE BILL REPORT

SB 5326

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, FEBRUARY 26, 1993

Brief Description: Establishing penalties for breaking food product delivery guarantees.

SPONSORS: Senators Pelz, von Reichbauer, Moore and Winsley

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: That Substitute Senate Bill No. 5326 be substituted therefor, and the substitute bill do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Fraser, McAuliffe, Pelz, Sutherland, and Vognild.

Staff: Blaine Gibson (786-7457)

Hearing Dates: February 15, 1993; February 26, 1993

BACKGROUND:

Injuries have occurred when delivery vehicles are in a hurry to comply with food product delivery guarantees.

SUMMARY:

A civil cause of action is created for injuries and damages proximately caused by a food product delivery guarantee. Damages include nominal, compensatory, and punitive. The Attorney General may petition for a civil penalty of \$5,000 whenever injury or damage results from a food product delivery guarantee. All retail prepared food delivery businesses are required to have public liability insurance for motor vehicles used for delivery, even if the business does not own the vehicle. Minimum required coverage is established.

EFFECT OF PROPOSED SUBSTITUTE:

Punitive damages are eliminated. Clarification is made that a food product delivery guarantee is an advertised policy warranting time of delivery, rather than a mere promise by a food preparer. Required insurance coverage may be in excess to the driver's personal liability insurance, but in that case the company must reimburse the deductible.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

This bill is needed because often delivery vehicle drivers are not covered for work related accidents.

TESTIMONY AGAINST:

Committee should clarify that a guarantee is an advertised policy.

TESTIFIED: Senator Pelz, prime sponsor (pro); Mel Sorensen, Pizza Hut