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HOUSE BILL NO. 587

Offered January 10, 2018

Prefiled January 8, 2018

A *BILL to amend the Code of Virginia by adding a section numbered 8.01-577.1, relating to consumer arbitration; private arbitration company; information reporting requirement.*

Patrons—Krizek, Boysko, Carroll Foy, Guzman, Hope, Hurst, Jones, J.C., Kory, Levine, Lindsey, McQuinn, Plum and Simon; Senators: Howell and Surovell

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 8.01-577.1 as follows:

§ 8.01-577.1. Consumer arbitration; private arbitration company; information reporting requirement.

A. For the purposes of this section:

"Consumer arbitration" means an arbitration that is binding on a consumer and conducted under a provision in a written contract to which the consumer is a party, drafted by or on behalf of a nonconsumer party to the contract, to submit to arbitration any controversy that arises between such parties.

"Private arbitration company" means an impartial third party that is selected to facilitate arbitration between the parties to such arbitration and that is not appointed by the court.

B. When a private arbitration company facilitates a consumer arbitration, such private arbitration company shall collect, publish, and make available to the public on a searchable website the following information for each consumer arbitration facilitated by such company for the preceding calendar year:

1. The name of the nonconsumer party, if the nonconsumer party is a corporation or other business entity;

2. The type of dispute involved between the parties. If the dispute between the parties involves employment, the private arbitration company shall also indicate whether the employee consumer's annual wage is (i) less than \$100,000, (ii) at least \$100,000 but not more than \$250,000, or (iii) more than \$250,000;

3. Whether the consumer or nonconsumer party was the prevailing party in the consumer arbitration;

4. How many times the nonconsumer party has been a party to an arbitration or other mediation facilitated by such private arbitration company;

5. Whether the nonconsumer party was represented by an attorney at the consumer arbitration;

6. The date the private arbitration company received the demand for consumer arbitration, the date an individual arbitrator was appointed to the consumer arbitration by such private arbitration company, and the date the arbitration award was made;

7. If an arbitration award was not made pursuant to the consumer arbitration, the nature of the disposition of the dispute, if known;

8. The amount of the claim at issue in the dispute, the amount of the arbitration award, and any other relief granted in the arbitration award; and

9. The name of the individual arbitrator appointed, such arbitrator's expenses and fees incurred in the facilitation of the consumer arbitration, and the percentage of such expenses and fees allocated to each party.

C. The information required by subsection B shall be (i) collected, published, and made available to the public on a searchable website on an annual basis; (ii) maintained as long as the private arbitration company remains in business; and (iii) made available without cost for inspection and download.

D. The information required by subsection B shall be published by February 1 of each year.

E. Any private arbitration company that is authorized or registered by or with the State Corporation Commission to transact business in the Commonwealth under any applicable provision of Title 13.1 or Title 50 and that fails to comply with this section shall have such authorization or registration revoked or canceled.

INTRODUCED

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