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PROGRAM RESEARCH

WASHINGTON STATE
HOUSE OF REPRESENTATIVES

Consumer Protection Act

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Consumer Protection Act

- Enacted in 1961, the CPA forbids unfair methods of competition and unfair or deceptive acts or practices in any trade or commerce.
 - Unfair methods of competition;
 - Unfair methods or practices in trade or commerce;
 - Conspiracy in restraint of trade or commerce;
 - Monopolies;
 - Transactions and agreements not to use or deal in commodities or services of a competitor to lessen competition; and
 - Acquisition of corporate stock by another corporation to lessen competition.



CPA Enforcement

 The Attorney General and private citizens may bring civil action for violations.

 AGO Consumer Protection Division.



Private Right of Action

⚖️ To prevail on a private CPA claim, a plaintiff must show:

- ⚖️ An unfair or deceptive act or practice;
- ⚖️ The act or practice occurred in trade or commerce;
- ⚖️ A public interest impact;
- ⚖️ Injury to the plaintiff's business or property; and
- ⚖️ Causation.



Per Se Violations

“The legislature finds that the practices covered by this section are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this section is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.”

Can be limited to AGO enforcement only.



Penalties and Remedies

⚖️ Plaintiffs may obtain an injunction, recover actual damages, costs, and reasonable attorney's fee.

⚖️ Civil penalties available:

⚖️ \$7,500 for unfair or deceptive act or practice

⚖️ \$125,000 for violating an injunction

⚖️ Three times the unlawful gains or loss avoided for conspiracy to restrain trade or monopolize

⚖️ \$5,000 additional penalty for discriminatory unlawful acts or practices



Declared Purpose/Interpretation

- ⚖ Declared purpose to complement related federal law to protect the public and foster fair and honest competition.
- ⚖ The CPA shall be liberally construed so that its beneficial purposes may be served.
- ⚖ The CPA “shall not be construed to prohibit acts or practices which are reasonable in relation to the development and preservation of business or which are not injurious to the public interest...”



Questions

