LEGISLATURE OF NEBRASKA

ONE HUNDRED EIGHTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1161

Introduced by Dungan, 26.

Read first time January 11, 2024

Committee: Judiciary

- 1 A BILL FOR AN ACT relating to arbitration; to adopt the Consumer and
- 2 Employment Arbitration Data Reporting Act; and to provide a duty for
- 3 the Revisor of Statutes.
- 4 Be it enacted by the people of the State of Nebraska,

- 1 Section 1. Sections 1 to 6 of this act shall be known and may be
- 2 <u>cited as the Consumer and Employment Arbitration Data Reporting Act.</u>
- 3 Sec. 2. The Legislature finds that:
- 4 (1) Fairness in the arbitration process is needed to protect
- 5 <u>consumers and employees involved in arbitration;</u>
- 6 (2) Transparency in the arbitration process will help promote
- 7 fairness for consumers and employees during arbitration; and
- 8 (3) The Consumer and Employment Arbitration Data Reporting Act will
- 9 <u>bring transparency to the arbitration process.</u>
- 10 Sec. 3. For purposes of the Consumer and Employment Arbitration
- 11 <u>Data Reporting Act:</u>
- 12 <u>(1) Arbitration means arbitration used to resolve a dispute between</u>
- 13 a consumer and a retailer or between an employee and an employer;
- 14 (2) Arbitration data means the data specified in section 5 of this
- 15 act;
- 16 (3) Consumer means any individual who contracts to purchase or
- 17 purchases goods, products, or services that are intended to be used or
- 18 are used by such individual primarily for personal, family, or household
- 19 purposes and not for purposes that are directly related to
- 20 <u>entrepreneurial or business activities;</u>
- 21 (4) Employee means any employee involved in an employment-related
- 22 arbitration;
- 23 (5) Employer means any employer involved in an employment-related
- 24 <u>arbitration; and</u>
- 25 (6) Retailer means any person who contracts to sell to a consumer or
- 26 <u>sells to a consumer goods, products, or services that are intended to be</u>
- 27 <u>used or are used primarily for personal, family, or household purposes</u>
- 28 and not for purposes that are directly related to entrepreneurial or
- 29 business activities.
- 30 Sec. 4. (1) For any arbitration ongoing or beginning after the
- 31 effective date of this act, an arbitrator shall, within thirty days after

LB1161 LB1161 2024 2024

- 1 the conclusion of such arbitration:
- 2 <u>(a) Collect all required arbitration data from the arbitration; and</u>
- 3 (b) Publish such required arbitration data in a report on a website
- 4 in an electronically searchable format.
- 5 (2) The report published pursuant to this section shall be free to
- 6 and accessible by the general public for at least five years.
- 7 Sec. 5. The following arbitration data is required to be published
- 8 in a report pursuant to section 4 of this act:
- 9 <u>(1) The name of the arbitrator;</u>
- 10 (2) The total fee of the arbitrator for the arbitration and the
- 11 percentage of the fee allocated to be paid by each party;
- 12 (3) The name of each party who is an employer or a retailer;
- 13 (4) The classification for the arbitration dispute based on the
- 14 <u>following classifications:</u>
- 15 (a) Goods;
- 16 (b) Banking;
- 17 <u>(c) Insurance;</u>
- 18 (d) Health care;
- 19 (e) Employment. If the classification is employment, indicate the
- 20 amount of the most recent annual income received by the employee from
- 21 each employer that is a party to the arbitration; or
- 22 (f) Miscellaneous. If the classification does not fall under any of
- 23 the other classifications of this subdivision (4), include a brief
- 24 description for the miscellaneous classification for the arbitration;
- 25 (5) The amount of the claim;
- 26 (6) The amount of the award and any other relief granted;
- 27 (7) The prevailing party;
- 28 (8) The following information or an indication that the information
- 29 <u>is inapplicable:</u>
- 30 (a) The date of receipt of the demand for arbitration;
- 31 (b) The date the arbitrator was appointed;

LB1161 LB1161 2024 2024

- 1 (c) The date of the award; and
- 2 (d) The date of publication pursuant to section (4) of this act;
- 3 (9) The final disposition of the arbitration, excluding any change
- 4 or vacation of the award by a court, based on the following
- 5 classifications:
- 6 (a) Withdrawal;
- 7 (b) Abandonment;
- 8 <u>(c) Settlement;</u>
- 9 <u>(d) Award after hearing;</u>
- 10 <u>(e) Award without hearing;</u>
- 11 <u>(f) Default; or</u>
- 12 (g) Dismissal without hearing;
- 13 (10) The name of the attorney representing the consumer or employee
- 14 who is a party to the arbitration, if any;
- 15 (11) The number of all arbitrations for which the arbitrator served
- 16 <u>as an arbitrator in an arbitration involving any retailer or employer</u>
- 17 that is a party, excluding the arbitration for which the report is
- 18 published; and
- 19 <u>(12) The number of all mediations for which the arbitrator served as</u>
- 20 <u>a mediator in a mediation involving any retailer or employer that is a</u>
- 21 party.
- 22 Sec. 6. An arbitrator who violates section 4 of this act shall be
- 23 liable for a civil penalty of two thousand five hundred dollars for each
- 24 such violation. Such civil penalty shall be assessed and recovered in a
- 25 civil action brought by the Attorney General in any court of competent
- 26 jurisdiction. Any collected civil penalty shall be remitted to the State
- 27 Treasurer for distribution in accordance with Article VII, section 5, of
- 28 the Constitution of Nebraska.
- 29 Sec. 7. The Revisor of Statutes shall assign sections 1 to 6 of
- 30 this act to Chapter 25, article 26.