



# HOUSE BILL 303: Dispute Resolution Amendments

2015-2016 General Assembly

<b>Committee:</b>	House Judiciary III, if favorable, Finance	<b>Date:</b>	March 24, 2015
<b>Introduced by:</b>	Reps. Horn, Daughtry, Davis, Stevens	<b>Prepared by:</b>	Bill Patterson
<b>Analysis of:</b>	PCS to First Edition H303-CSTG-2		Committee Counsel

**SUMMARY:** *The PCS for House Bill 303: (1) makes it unlawful falsely to represent to the public that one is certified or eligible to be certified as a mediator by the Dispute Resolution Commission or falsely to represent that a mediation training program is Commission-certified or eligible to be so certified; (2) revises the manner in which mediator certification fees are maintained in the Judicial Department; (3) grants additional authority to the Commission to address violations of the law governing mediators; and (4) makes other technical and conforming changes to the law.*

**CURRENT LAW:** G.S. 7A-38.2 requires persons wishing to serve as mediators in the following actions to meet standards established by the Supreme Court:

- G.S. 7A-38.1 (most superior court actions)
- G.S. 7A-38.3 (farm nuisance disputes)
- G.S. 7A-38.3B (matters within the jurisdiction of the clerk of superior court)
- G.S. 7A-38.3D (matters within the jurisdiction of the district criminal courts)
- G.S. 7A-38.3E (public records disputes)
- G.S. 7A-38.4A (district court actions involving equitable distribution, alimony, or support)

The Dispute Resolution Commission ("Commission") is established within the Judicial Department to administer certification and training of mediators and to discipline violation of applicable laws and rules. Mediator certification and renewal fees are used by the Administrative Office of the Courts to establish and maintain the operation of the Commission and its staff, at the direction of the Commission.

**BILL ANALYSIS:** Sections 1-4 of the PCS amends four statutory sections to replace the phrase "any agency established to enforce standards of conduct for mediators or other neutrals" with "the Dispute Resolution Commission," and replace "disciplinary proceedings" with "disciplinary hearings" where those phrases currently appear.

Section 5 requires mediator certification or renewal fees to be maintained in a Dispute Resolution Fund established within the Judicial Department, with the fund's monies to be used by the Commission at its discretion to support its operation. Section 5 also substitutes the phrase "executive director" for "executive secretary."

Section 6: authorizes the Commission to issue cease and desist letters to persons falsely representing themselves to be Commission-certified or eligible for certification as mediators; makes it a Class 2 misdemeanor falsely to represent to the public that one is s Commission-certified mediator or is eligible for such certification or falsely to represent to the public that a mediation training program is Commission-certified or is eligible for such certification; subjects violators to a civil penalty of up to \$500 for each day of violation; and authorizes the Commission to seek injunctions against violations of the law governing mediators.

**EFFECTIVE DATE:** Section 6 of the act becomes effective December 1, 2015, and applies to offenses committed on or after that date. The remainder of the act becomes effective July 1, 2015, and applies to mediations commenced on or after that date.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

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