Commerce & Labor Committee

HB 3255

- **Brief Description:** Regarding workers' compensation coverage for work performed outside Washington.
- **Sponsors:** Representatives Wood, Conway and Ormsby; by request of Department of Labor & Industries.

Brief Summary of Bill

• Requires Washington employers to obtain industrial insurance coverage for temporary and incidental work outside Washington and authorizes the Department of Labor and Industries (Department) to adopt rules for work in excess of temporary and incidental.

Hearing Date: 2/1/08

Staff: Joan Elgee (786-7106).

Background:

A worker who suffers an industrial injury outside Washington is entitled to compensation under the Industrial Insurance Act if:

- (1) the employment was principally localized in Washington; or
- (2) the worker was working under a contract made in Washington for employment:
 - not principally localized in any state; or
 - principally localized in another state whose workers' compensation law is not applicable to the employer; or
 - outside the United States and Canada.

Any recovery for the injury under the workers' compensation law of another state is credited against the compensation due the worker under Washington law.

The Director of the Department may enter agreements with other states and Canadian provinces regarding conflicts of jurisdiction where the contract of employment is in one state and the injury occurs in another.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Workers' Compensation Advisory Committee (Committee) is a statutory committee that studies any aspects of workers' compensation that the Committee decides requires its consideration.

Summary of Bill:

Washington employers who are not self-insured must cover Washington workers for temporary and incidental work performed on jobs or at job sites in another state. For work in excess of temporary and incidental, the Department may adopt rules governing premium liability and reporting requirements.

"Temporary and incidental" is defined as work by Washington employers on jobs or at job sites in another state for 30 or fewer consecutive or non-consecutive full or partial days within a calendar year. Temporary and incidental days are considered on a per state basis.

The Department must report to the Committee on the effect of the new provisions on the revenue and costs to the state fund by December 1, 2011.

Rules Authority: The bill authorizes the Department to adopt rules.

Appropriation: None.

Fiscal Note: Requested on January 28, 2008.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.