## \_\_\_\_\_

## ENGROSSED SENATE BILL 5675

State of Washington 60th Legislature 2007 Regular Session

By Senators Franklin, Kohl-Welles, Keiser, Murray and Kline

Read first time 01/29/2007. Referred to Committee on Labor, Commerce, Research & Development.

- 1 AN ACT Relating to increasing minimum industrial insurance
- 2 benefits; amending RCW 51.32.050 and 51.32.060; reenacting and amending
- 3 RCW 51.32.090; and providing an effective date.

10

11

12

13

- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 51.32.050 and 1995 c 199 s 6 are each amended to read 6 as follows:
- 7 (1) Where death results from the injury the expenses of burial not 8 to exceed two hundred percent of the average monthly wage in the state 9 as defined in RCW 51.08.018 shall be paid.
  - (2)(a) Where death results from the injury, a surviving spouse of a deceased worker eligible for benefits under this title shall receive monthly for life or until remarriage payments according to the following schedule:
- (i) If there are no children of the deceased worker, sixty percent of the wages of the deceased worker ((but not less than one hundred eighty-five dollars));
- (ii) If there is one child of the deceased worker and in the legal custody of such spouse, sixty-two percent of the wages of the deceased worker ((but not less than two hundred twenty two dollars));

p. 1 ESB 5675

(iii) If there are two children of the deceased worker and in the legal custody of such spouse, sixty-four percent of the wages of the deceased worker ((but not less than two hundred fifty three dollars));

1 2

3

4 5

6 7

8

10

11

1213

14

15

16 17

18

19 20

21

22

2324

25

2627

28

29

3031

32

33

34

35

3637

38

- (iv) If there are three children of the deceased worker and in the legal custody of such spouse, sixty-six percent of the wages of the deceased worker ((but not less than two hundred seventy-six dollars));
- (v) If there are four children of the deceased worker and in the legal custody of such spouse, sixty-eight percent of the wages of the deceased worker ((but not less than two hundred ninety nine dollars)); or
- (vi) If there are five or more children of the deceased worker and in the legal custody of such spouse, seventy percent of the wages of the deceased worker ((but not less than three hundred twenty two dollars)).
- (b) Where the surviving spouse does not have legal custody of any child or children of the deceased worker or where after the death of the worker legal custody of such child or children passes from such surviving spouse to another, any payment on account of such child or children not in the legal custody of the surviving spouse shall be made to the person or persons having legal custody of such child or The amount of such payments shall be five percent of the children. monthly benefits payable as a result of the worker's death for each such child but such payments shall not exceed twenty-five percent. Such payments on account of such child or children shall be subtracted from the amount to which such surviving spouse would have been entitled had such surviving spouse had legal custody of all of the children and the surviving spouse shall receive the remainder after such payments on account of such child or children have been subtracted. Such payments on account of a child or children not in the legal custody of such surviving spouse shall be apportioned equally among such children.
- (c) Payments to the surviving spouse of the deceased worker shall cease at the end of the month in which remarriage occurs: PROVIDED, That a monthly payment shall be made to the child or children of the deceased worker from the month following such remarriage in a sum equal to five percent of the wages of the deceased worker for one child and a sum equal to five percent for each additional child up to a maximum of five such children. Payments to such child or children shall be apportioned equally among such children. Such sum shall be in place of

any payments theretofore made for the benefit of or on account of any such child or children. If the surviving spouse does not have legal custody of any child or children of the deceased worker, or if after the death of the worker, legal custody of such child or children passes from such surviving spouse to another, any payment on account of such child or children not in the legal custody of the surviving spouse shall be made to the person or persons having legal custody of such child or children.

- (d) In no event shall the monthly payments provided in subsection (2) of this section:
- (i) Exceed the applicable percentage of the average monthly wage in the state as computed under RCW 51.08.018 as follows:

13	AFTER	PERCENTAGE
14	June 30, 1993	105%
15	June 30, 1994	110%
16	June 30, 1995	115%
17	June 30, 1996	120%

- (ii) For dates of injury or disease manifestation after July 1, 2008, be less than fifteen percent of the average monthly wage in the state as computed under RCW 51.08.018 plus an additional ten dollars per month for a surviving spouse and an additional ten dollars per month for each child of the worker up to a maximum of five children. However, if the monthly payment computed under this subsection (2)(d)(ii) is greater than one hundred percent of the wages of the deceased worker as determined under RCW 51.08.178, the monthly payment due to the surviving spouse shall be equal to the greater of the monthly wages of the deceased worker or the minimum benefit set forth in this section on June 30, 2008.
- (e) In addition to the monthly payments provided for in subsection (2)(a) through (c) of this section, a surviving spouse or child or children of such worker if there is no surviving spouse, or dependent parent or parents, if there is no surviving spouse or child or children of any such deceased worker shall be forthwith paid a sum equal to one hundred percent of the average monthly wage in the state as defined in

p. 3 ESB 5675

1 RCW 51.08.018, any such children, or parents to share and share alike in said sum.

- (f) Upon remarriage of a surviving spouse the monthly payments for the child or children shall continue as provided in this section, but the monthly payments to such surviving spouse shall cease at the end of the month during which remarriage occurs. However, after September 8, 1975, an otherwise eligible surviving spouse of a worker who died at any time prior to or after September 8, 1975, shall have an option of:
- (i) Receiving, once and for all, a lump sum of twenty-four times the monthly compensation rate in effect on the date of remarriage allocable to the spouse for himself or herself pursuant to subsection (2)(a)(i) of this section and subject to any modifications specified under subsection (2)(d) of this section and RCW 51.32.075(3) or fifty percent of the then remaining annuity value of his or her pension, whichever is the lesser: PROVIDED, That if the injury occurred prior to July 28, 1991, the remarriage benefit lump sum available shall be as provided in the remarriage benefit schedules then in effect; or
- (ii) If a surviving spouse does not choose the option specified in subsection (2)(f)(i) of this section to accept the lump sum payment, the remarriage of the surviving spouse of a worker shall not bar him or her from claiming the lump sum payment authorized in subsection (2)(f)(i) of this section during the life of the remarriage, or shall not prevent subsequent monthly payments to him or to her if the remarriage has been terminated by death or has been dissolved or annulled by valid court decree provided he or she has not previously accepted the lump sum payment.
- (g) If the surviving spouse during the remarriage should die without having previously received the lump sum payment provided in subsection (2)(f)(i) of this section, his or her estate shall be entitled to receive the sum specified under subsection (2)(f)(i) of this section or fifty percent of the then remaining annuity value of his or her pension whichever is the lesser.
- (h) The effective date of resumption of payments under subsection (2)(f)(ii) of this section to a surviving spouse based upon termination of a remarriage by death, annulment, or dissolution shall be the date of the death or the date the judicial decree of annulment or dissolution becomes final and when application for the payments has been received.

- (i) If it should be necessary to increase the reserves in the reserve fund or to create a new pension reserve fund as a result of the amendments in chapter 45, Laws of 1975-'76 2nd ex. sess., the amount of such increase in pension reserve in any such case shall be transferred to the reserve fund from the supplemental pension fund.
- (3) If there is a child or children and no surviving spouse of the deceased worker or the surviving spouse is not eligible for benefits under this title, a sum equal to thirty-five percent of the wages of the deceased worker shall be paid monthly for one child and a sum equivalent to fifteen percent of such wage shall be paid monthly for each additional child, the total of such sum to be divided among such children, share and share alike: PROVIDED, That benefits under this subsection or subsection (4) of this section shall not exceed the lesser of sixty-five percent of the wages of the deceased worker at the time of his or her death or the applicable percentage of the average monthly wage in the state as defined in RCW 51.08.018, as follows:

17	AFTER	PERCENTAGE
18	June 30, 1993	105%
19	June 30, 1994	110%
20	June 30, 1995	115%
21	June 30, 1996	120%

- (4) In the event a surviving spouse receiving monthly payments dies, the child or children of the deceased worker shall receive the same payment as provided in subsection (3) of this section.
- (5) If the worker leaves no surviving spouse or child, but leaves a dependent or dependents, a monthly payment shall be made to each dependent equal to fifty percent of the average monthly support actually received by such dependent from the worker during the twelve months next preceding the occurrence of the injury, but the total payment to all dependents in any case shall not exceed the lesser of sixty-five percent of the wages of the deceased worker at the time of his or her death or the applicable percentage of the average monthly wage in the state as defined in RCW 51.08.018 as follows:

p. 5 ESB 5675

1	AFTER	PERCENTAGE
2	June 30, 1993	105%
3	June 30, 1994	110%
4	June 30, 1995	115%
5	June 30, 1996	120%

If any dependent is under the age of eighteen years at the time of the occurrence of the injury, the payment to such dependent shall cease when such dependent reaches the age of eighteen years except such payments shall continue until the dependent reaches age twenty-three while permanently enrolled at a full time course in an accredited school. The payment to any dependent shall cease if and when, under the same circumstances, the necessity creating the dependency would have ceased if the injury had not happened.

- (6) For claims filed prior to July 1, 1986, if the injured worker dies during the period of permanent total disability, whatever the cause of death, leaving a surviving spouse, or child, or children, the surviving spouse or child or children shall receive benefits as if death resulted from the injury as provided in subsections (2) through (4) of this section. Upon remarriage or death of such surviving spouse, the payments to such child or children shall be made as provided in subsection (2) of this section when the surviving spouse of a deceased worker remarries.
- (7) For claims filed on or after July 1, 1986, every worker who becomes eligible for permanent total disability benefits shall elect an option as provided in RCW 51.32.067.
- **Sec. 2.** RCW 51.32.060 and 1993 c 521 s 2 are each amended to read 27 as follows:
  - (1) When the supervisor of industrial insurance shall determine that permanent total disability results from the injury, the worker shall receive monthly during the period of such disability:
- 31 (a) If married at the time of injury, sixty-five percent of his or 32 her wages ((but not less than two hundred fifteen dollars per month)).
- 33 (b) If married with one child at the time of injury, sixty-seven 34 percent of his or her wages ((but not less than two hundred fifty-two 35 dollars per month)).

1 (c) If married with two children at the time of injury, sixty-nine 2 percent of his or her wages ((but not less than two hundred 3 eighty-three dollars)).

- (d) If married with three children at the time of injury, seventy-one percent of his or her wages ((but not less than three hundred six dollars per month)).
- (e) If married with four children at the time of injury, seventy-three percent of his or her wages ((but not less than three hundred twenty nine dollars per month)).
- (f) If married with five or more children at the time of injury, seventy-five percent of his or her wages ((but not less than three hundred fifty two dollars per month)).
- (g) If unmarried at the time of the injury, sixty percent of his or her wages ((but not less than one hundred eighty five dollars per month)).
  - (h) If unmarried with one child at the time of injury, sixty-two percent of his or her wages ((but not less than two hundred twenty two dollars per month)).
  - (i) If unmarried with two children at the time of injury, sixty-four percent of his or her wages ((but not less than two hundred fifty three dollars per month)).
  - (j) If unmarried with three children at the time of injury, sixty-six percent of his or her wages ((but not less than two hundred seventy-six dollars per month)).
  - (k) If unmarried with four children at the time of injury, sixty-eight percent of his or her wages ((but not less than two hundred ninety nine dollars per month)).
  - (1) If unmarried with five or more children at the time of injury, seventy percent of his or her wages ((but not less than three hundred twenty two dollars per month)).
  - (2) For any period of time where both husband and wife are entitled to compensation as temporarily or totally disabled workers, only that spouse having the higher wages of the two shall be entitled to claim their child or children for compensation purposes.
  - (3) In case of permanent total disability, if the character of the injury is such as to render the worker so physically helpless as to require the hiring of the services of an attendant, the department shall make monthly payments to such attendant for such services as long

p. 7 ESB 5675

as such requirement continues, but such payments shall not obtain or be operative while the worker is receiving care under or pursuant to the provisions of chapter 51.36 RCW and RCW 51.04.105.

- (4) Should any further accident result in the permanent total disability of an injured worker, he or she shall receive the pension to which he or she would be entitled, notwithstanding the payment of a lump sum for his or her prior injury.
- 8 (5) In no event shall the monthly payments provided in this 9 section:
- 10 <u>(a) Exceed the applicable percentage of the average monthly wage in</u> 11 the state as computed under the provisions of RCW 51.08.018 as follows:

12	AFTER	PERCENTAGE
13	June 30, 1993	105%
14	June 30, 1994	110%
15	June 30, 1995	115%
16	June 30, 1996	120%

(b) For dates of injury or disease manifestation after July 1, 2008, be less than fifteen percent of the average monthly wage in the state as computed under RCW 51.08.018 plus an additional ten dollars per month if a worker is married and an additional ten dollars per month for each child of the worker up to a maximum of five children. However, if the monthly payment computed under this subsection (5)(b) is greater than one hundred percent of the wages of the worker as determined under RCW 51.08.178, the monthly payment due to the worker shall be equal to the greater of the monthly wages of the worker or the minimum benefit set forth in this section on June 30, 2008.

The limitations under this subsection shall not apply to the payments provided for in subsection (3) of this section.

- (6) In the case of new or reopened claims, if the supervisor of industrial insurance determines that, at the time of filing or reopening, the worker is voluntarily retired and is no longer attached to the work force, benefits shall not be paid under this section.
- 33 (7) The benefits provided by this section are subject to 34 modification under RCW 51.32.067.

1 Sec. 3. RCW 51.32.090 and 1993 c 521 s 3, 1993 c 299 s 1, and 1993
2 c 271 s 1 are each reenacted and amended to read as follows:

- (1) When the total disability is only temporary, the schedule of payments contained in RCW 51.32.060 (1) and (2) shall apply, so long as the total disability continues.
- (2) Any compensation payable under this section for children not in the custody of the injured worker as of the date of injury shall be payable only to such person as actually is providing the support for such child or children pursuant to the order of a court of record providing for support of such child or children.
- (3)(a) As soon as recovery is so complete that the present earning power of the worker, at any kind of work, is restored to that existing at the time of the occurrence of the injury, the payments shall cease. If and so long as the present earning power is only partially restored, the payments shall:
- 16 (i) For claims for injuries that occurred before May 7, 1993, 17 continue in the proportion which the new earning power shall bear to 18 the old; or
  - (ii) For claims for injuries occurring on or after May 7, 1993, equal eighty percent of the actual difference between the worker's present wages and earning power at the time of injury, but: (A) The total of these payments and the worker's present wages may not exceed one hundred fifty percent of the average monthly wage in the state as computed under RCW 51.08.018; (B) the payments may not exceed one hundred percent of the entitlement as computed under subsection (1) of this section; and (C) the payments may not be less than the worker would have received if (a)(i) of this subsection had been applicable to the worker's claim.
  - (b) No compensation shall be payable under this subsection (3) unless the loss of earning power shall exceed five percent.
  - (4)(a) Whenever the employer of injury requests that a worker who is entitled to temporary total disability under this chapter be certified by a physician as able to perform available work other than his or her usual work, the employer shall furnish to the physician, with a copy to the worker, a statement describing the work available with the employer of injury in terms that will enable the physician to relate the physician activities of the job to the worker's disability. The physician shall then determine whether the worker is physically

p. 9 ESB 5675

- able to perform the work described. The worker's temporary total 1 2 disability payments shall continue until the worker is released by his or her physician for the work, and begins the work with the employer of 3 injury. If the work thereafter comes to an end before the worker's 4 recovery is sufficient in the judgment of his or her physician to 5 permit him or her to return to his or her usual job, or to perform 6 7 other available work offered by the employer of injury, the worker's temporary total disability payments shall be resumed. Should the 8 9 available work described, once undertaken by the worker, impede his or her recovery to the extent that in the judgment of his or her physician 10 he or she should not continue to work, the worker's temporary total 11 12 disability payments shall be resumed when the worker ceases such work.
  - (b) Once the worker returns to work under the terms of this subsection (4), he or she shall not be assigned by the employer to work other than the available work described without the worker's written consent, or without prior review and approval by the worker's physician.
  - (c) If the worker returns to work under this subsection (4), any employee health and welfare benefits that the worker was receiving at the time of injury shall continue or be resumed at the level provided at the time of injury. Such benefits shall not be continued or resumed if to do so is inconsistent with the terms of the benefit program, or with the terms of the collective bargaining agreement currently in force.
  - (d) In the event of any dispute as to the worker's ability to perform the available work offered by the employer, the department shall make the final determination.
  - (5) No worker shall receive compensation for or during the day on which injury was received or the three days following the same, unless his or her disability shall continue for a period of fourteen consecutive calendar days from date of injury: PROVIDED, That attempts to return to work in the first fourteen days following the injury shall not serve to break the continuity of the period of disability if the disability continues fourteen days after the injury occurs.
- 35 (6) Should a worker suffer a temporary total disability and should 36 his or her employer at the time of the injury continue to pay him or 37 her the wages which he or she was earning at the time of such injury,

ESB 5675 p. 10

13

14

15 16

17

18

19

20

2122

2324

25

2627

28

29

3031

32

33

34

- such injured worker shall not receive any payment provided in subsection (1) of this section during the period his or her employer shall so pay such wages.
- 4 (7) In no event shall the monthly payments provided in this section:
  - (a) Exceed the applicable percentage of the average monthly wage in the state as computed under the provisions of RCW 51.08.018 as follows:

8	AFTER	PERCENTAGE
9	June 30, 1993	105%
10	June 30, 1994	110%
11	June 30, 1995	115%
12	June 30, 1996	120%

1 2

3

6 7

13

14

15

16

1718

19

2021

22

- (b) For dates of injury or disease manifestation after July 1, 2008, be less than fifteen percent of the average monthly wage in the state as computed under RCW 51.08.018 plus an additional ten dollars per month if the worker is married and an additional ten dollars per month for each child of the worker up to a maximum of five children. However, if the monthly payment computed under this subsection (7)(b) is greater than one hundred percent of the wages of the worker as determined under RCW 51.08.178, the monthly payment due to the worker shall be equal to the greater of the monthly wages of the worker or the minimum benefit set forth in this section on June 30, 2008.
- 23 (8) If the supervisor of industrial insurance determines that the 24 worker is voluntarily retired and is no longer attached to the work 25 force, benefits shall not be paid under this section.
- 26 NEW SECTION. Sec. 4. This act takes effect July 1, 2008.

--- END ---

p. 11 ESB 5675