(DIGEST AS ENACTED)

Addresses the workers' compensation system relating to: (1) Creating the Washington stay-at-work program;

- (2) Eliminating the cost-of-living adjustment for fiscal year 2012 and delaying the first cost-of-living adjustment;
 - (3) Claim resolution structured settlement agreements;
- (4) Deducting prior permanent partial disability awards from pensions and eliminating interest on unpaid permanent partial disability benefits;
 - (5) Safety and health investment grants; and
 - (6) Worker, employer, and provider fraud.

Requires the joint legislative audit and review committee, in consultation with the department of labor and industries and the workers' compensation advisory committee, to conduct a performance audit of the workers' compensation claims management system. Expires December 31, 2015.

Requires the department of labor and industries to: (1) Create a Washington stay-at-work account; and

(2) Contract with an independent entity with research experience in workers' compensation issues to study occupational disease claims in the workers' compensation system.

Creates an industrial insurance rainy day fund.