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HOUSE BILL 1468

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State of Washington

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2013 Regular Session

By Representatives Sells, Reykdal, Manweller, Condotta, Ormsby, Van De Wege, Fagan, and Green; by request of Department of Labor & Industries

Read first time 01/28/13. Referred to Committee on Labor & Workforce Development.

1 AN ACT Relating to payment methods on certain claimants' benefits;  
2 and amending RCW 7.68.031, 7.68.033, 7.68.034, 51.04.080, 51.28.060,  
3 51.32.040, 51.32.045, and 51.44.110.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 7.68.031 and 2011 c 346 s 201 are each amended to read  
6 as follows:

7 On all claims under this chapter, claimants' written or electronic  
8 notices, orders, or (~~warrants~~) payments must be forwarded directly to  
9 the claimant until such time as there has been entered an order on the  
10 claim appealable to the department. Claimants' written or electronic  
11 notices, orders, or (~~warrants~~) payments may be forwarded to the  
12 claimant in care of a representative before an order has been entered  
13 if the claimant sets forth in writing the name and address of the  
14 representative to whom the claimant desires this information to be  
15 forwarded.

16 **Sec. 2.** RCW 7.68.033 and 2011 c 346 s 203 are each amended to read  
17 as follows:

18 (1) Except as provided in RCW 43.20B.720, 72.09.111, 74.20A.260,

1 and 51.32.380, no money paid or payable under this chapter shall,  
2 before the issuance and delivery of the (~~check or warrant~~) payment,  
3 or disbursement of electronic funds or electronic payment, be assigned,  
4 charged, or taken in execution, attached, garnished, or pass or be paid  
5 to any other person by operation of law, any form of voluntary  
6 assignment, or power of attorney. Any such assignment or charge is  
7 void unless the transfer is to a financial institution at the request  
8 of a victim or other beneficiary and made in accordance with RCW  
9 7.68.034.

10 (2)(a) If any victim suffers an injury and dies from it before he  
11 or she receives payment of any monthly installment covering financial  
12 support for lost wages for any period of time before his or her death,  
13 the amount of the monthly payment shall be paid to the surviving spouse  
14 or the child or children if there is no surviving spouse. If there is  
15 no surviving spouse and no child or children, the amount of the monthly  
16 payment shall be paid by the department and distributed consistent with  
17 the terms of the decedent's will or, if the decedent dies intestate,  
18 consistent with the terms of RCW 11.04.015.

19 (b) Any application for compensation under this subsection (2)  
20 shall be filed with the department within one year of the date of  
21 death. The department may satisfy its responsibilities under this  
22 subsection (2) by sending any payment due in the name of the decedent  
23 and to the last known address of the decedent.

24 (3) Any victim or beneficiary receiving benefits under this chapter  
25 who is subsequently confined in, or who subsequently becomes eligible  
26 for benefits under this chapter while confined in, any institution  
27 under conviction and sentence shall have all payments of the  
28 compensation canceled during the period of confinement. After  
29 discharge from the institution, payment of benefits due afterward shall  
30 be paid if the victim or beneficiary would, except for the provisions  
31 of this subsection (3), otherwise be eligible for them.

32 **Sec. 3.** RCW 7.68.034 and 2011 c 346 s 204 are each amended to read  
33 as follows:

34 Any victim or other recipient of benefits under this chapter may  
35 elect to have any payments due paid by debit card or other electronic  
36 means or transferred to such person's account in a financial  
37 institution for either: (1) Credit to the recipient's account in such

1 financial institution; or (2) immediate transfer therefrom to the  
2 recipient's account in any other financial institution. A single  
3 (~~warrant~~) payment may be drawn in favor of such financial  
4 institution, for the total amount due the recipients involved, and  
5 written directions provided to such financial institution of the amount  
6 to be credited to the account of a recipient or to be transferred to an  
7 account in another financial institution for such recipient. The  
8 issuance and delivery by the disbursing officer of a (~~warrant~~)  
9 payment in accordance with the procedure set forth in this section and  
10 proper endorsement thereof by the financial institution shall have the  
11 same legal effect as payment directly to the recipient.

12 For the purposes of this section, "financial institution" shall  
13 have the meaning given in RCW 41.04.240 as now or hereafter amended.

14 **Sec. 4.** RCW 51.04.080 and 2007 c 78 s 1 are each amended to read  
15 as follows:

16 On all claims under this title, claimants' written notices, orders,  
17 or (~~warrants~~) payments must be forwarded directly to the claimant  
18 until such time as there has been entered an order on the claim  
19 appealable to the board of industrial insurance appeals. Claimants'  
20 written notices, orders, or (~~warrants~~) payments may be forwarded to  
21 the claimant in care of a representative before an order has been  
22 entered if the claimant sets forth in writing the name and address of  
23 the representative to whom the claimant desires this information to be  
24 forwarded.

25 **Sec. 5.** RCW 51.28.060 and 1977 ex.s. c 350 s 35 are each amended  
26 to read as follows:

27 A dependent shall at all times furnish the department with proof  
28 satisfactory to the director of the nature, amount, and extent of the  
29 contribution made by the deceased worker.

30 Proof of dependency by any beneficiary residing without the United  
31 States shall be made before the nearest United States consul or  
32 consular agency, under the seal of such consul or consular agent, and  
33 the department may cause any (~~warrant or warrants~~) payments to which  
34 such beneficiary is entitled to be transmitted to the beneficiary  
35 through the nearest United States consul or consular agent.

1       **Sec. 6.** RCW 51.32.040 and 2003 c 379 s 27 are each amended to read  
2 as follows:

3       (1) Except as provided in RCW 43.20B.720, 72.09.111, 74.20A.260,  
4 and 51.32.380, no money paid or payable under this title shall, before  
5 the issuance and delivery of the (~~check or warrant~~) payment, be  
6 assigned, charged, or taken in execution, attached, garnished, or pass  
7 or be paid to any other person by operation of law, any form of  
8 voluntary assignment, or power of attorney. Any such assignment or  
9 charge is void unless the transfer is to a financial institution at the  
10 request of a worker or other beneficiary and made in accordance with  
11 RCW 51.32.045.

12       (2)(a) If any worker suffers (i) a permanent partial injury and  
13 dies from some other cause than the accident which produced the injury  
14 before he or she receives payment of the award for the permanent  
15 partial injury or (ii) any other injury before he or she receives  
16 payment of any monthly installment covering any period of time before  
17 his or her death, the amount of the permanent partial disability award  
18 or the monthly payment, or both, shall be paid to the surviving spouse  
19 or the child or children if there is no surviving spouse. If there is  
20 no surviving spouse and no child or children, the award or the amount  
21 of the monthly payment shall be paid by the department or self-insurer  
22 and distributed consistent with the terms of the decedent's will or, if  
23 the decedent dies intestate, consistent with the terms of RCW  
24 11.04.015.

25       (b) If any worker suffers an injury and dies from it before he or  
26 she receives payment of any monthly installment covering time loss for  
27 any period of time before his or her death, the amount of the monthly  
28 payment shall be paid to the surviving spouse or the child or children  
29 if there is no surviving spouse. If there is no surviving spouse and  
30 no child or children, the amount of the monthly payment shall be paid  
31 by the department or self-insurer and distributed consistent with the  
32 terms of the decedent's will or, if the decedent dies intestate,  
33 consistent with the terms of RCW 11.04.015.

34       (c) Any application for compensation under this subsection (2)  
35 shall be filed with the department or self-insuring employer within one  
36 year of the date of death. The department or self-insurer may satisfy  
37 its responsibilities under this subsection (2) by sending any payment

1 due in the name of the decedent and to the last known address of the  
2 decedent.

3 (3)(a) Any worker or beneficiary receiving benefits under this  
4 title who is subsequently confined in, or who subsequently becomes  
5 eligible for benefits under this title while confined in, any  
6 institution under conviction and sentence shall have all payments of  
7 the compensation canceled during the period of confinement. After  
8 discharge from the institution, payment of benefits due afterward shall  
9 be paid if the worker or beneficiary would, except for the provisions  
10 of this subsection (3), otherwise be entitled to them.

11 (b) If any prisoner is injured in the course of his or her  
12 employment while participating in a work or training release program  
13 authorized by chapter 72.65 RCW and is subject to the provisions of  
14 this title, he or she is entitled to payments under this title, subject  
15 to the requirements of chapter 72.65 RCW, unless his or her  
16 participation in the program has been canceled, or unless he or she is  
17 returned to a state correctional institution, as defined in RCW  
18 72.65.010(3), as a result of revocation of parole or new sentence.

19 (c) If the confined worker has any beneficiaries during the  
20 confinement period during which benefits are canceled under (a) or (b)  
21 of this subsection, they shall be paid directly the monthly benefits  
22 which would have been paid to the worker for himself or herself and the  
23 worker's beneficiaries had the worker not been confined.

24 (4) Any lump sum benefits to which a worker would otherwise be  
25 entitled but for the provisions of this section shall be paid on a  
26 monthly basis to his or her beneficiaries.

27 **Sec. 7.** RCW 51.32.045 and 1982 c 109 s 11 are each amended to read  
28 as follows:

29 Any worker or other recipient of benefits under this title may  
30 elect to have any payments due paid by debit card or other electronic  
31 means or transferred to such person's account in a financial  
32 institution for either: (1) Credit to the recipient's account in such  
33 financial institution; or (2) immediate transfer therefrom to the  
34 recipient's account in any other financial institution. The debit card  
35 or other electronic means payment option is available at the discretion  
36 of the department or self-insured employer, and the recipient must

1 request in writing on a department-approved form or other department-  
2 approved method that the recipient's payments be made through this  
3 payment option.

4 A single (~~warrant~~) payment may be drawn in favor of such  
5 financial institution, for the total amount due the recipients  
6 involved, and written directions provided to such financial institution  
7 of the amount to be credited to the account of a recipient or to be  
8 transferred to an account in another financial institution for such  
9 recipient. The issuance and delivery by the disbursing officer of a  
10 (~~warrant~~) payment in accordance with the procedure set forth in this  
11 section and proper indorsement thereof by the financial institution  
12 shall have the same legal effect as payment directly to the recipient.

13 For the purposes of this section, "financial institution" shall  
14 have the meaning given in RCW 41.04.240 as now or hereafter amended.

15 **Sec. 8.** RCW 51.44.110 and 1977 ex.s. c 350 s 68 are each amended  
16 to read as follows:

17 Disbursement out of the several funds shall be made only upon  
18 warrants or payments drawn by the department. The state treasurer  
19 shall pay every warrant or payment out of the fund upon which it is  
20 drawn. If, at any time, there shall not be sufficient money in the  
21 fund on which any such warrant or payment is drawn wherewith to pay the  
22 same, the employer on account of whose worker it was that the warrant  
23 or payment was drawn shall pay the same, and he or she shall be  
24 credited upon his or her next following contribution to such fund the  
25 amount so paid with interest thereon at the legal rate from the date of  
26 such payment to the date such next following contribution became  
27 payable and, if the amount of the credit shall exceed the amount of the  
28 contribution, he or she shall have a warrant or payment upon the same  
29 fund for the excess and, if any such warrant or payment shall not be so  
30 paid, it shall remain, nevertheless, payable out of the fund.

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