

SENATE BILL REPORT

SHB 1250

As Reported By Senate Committee On:
Labor, Commerce & Trade, March 30, 1995

Title: An act relating to prompt payment of industrial insurance awards.

Brief Description: Providing for prompt payment of industrial insurance awards.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Cole, Cody, Conway, Basich, Scott, Costa and Chopp).

Brief History:

Committee Activity: Labor, Commerce & Trade: 3/27/95, 3/30/95 [DPA].

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: Do pass as amended.

Signed by Senators Pelz, Chair; Heavey, Vice Chair; Deccio, Franklin, Fraser, Hale, Newhouse, Palmer and Wojahn.

Staff: Jack Brummel (786-7428)

Background: If a self-insurer refuses or neglects to comply with an industrial insurance compensation order which has become final, the Department of Labor and Industries or the person entitled to relief may begin court proceedings for enforcement of the order. These provisions do not establish any time limits for compliance with the order. There are no comparable provisions in statute that apply to the department's failure to pay compensation under a final order.

Summary of Amended Bill: Compensation orders must be complied with by the Department of Labor and Industries within 60 days of the time they are entered. If documents necessary to make payments have been requested from the injured worker, compensation orders that have been entered must be complied with within 60 days after the documents have been returned by the injured worker. The department may extend the 60-day time period an additional 30 days for good cause.

Individuals may institute court proceedings against the department if the department fails to comply with an order. The court may order a penalty of up to \$500 plus costs and attorneys' fees to the person entitled to relief and another \$500 for each additional month of noncompliance.

Amended Bill Compared to Substitute Bill: The amended bill provides for costs, attorneys' fees and an additional penalty if individuals must institute court proceedings to collect.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Injured workers deserve prompt payment of awards by the department. This bill will ensure prompt payment by the department.

Testimony Against: None.

Testified: Representative Cole, original prime sponsor (pro); Wayne Lieb, WSTLA (pro); Kate Austin (pro).