

SENATE BILL REPORT

SB 5516

As Reported By Senate Committee On:
Labor, Commerce & Trade, March 1, 1995

Title: An act relating to providing for drug-free workplaces.

Brief Description: Providing for drug-free workplaces.

Sponsors: Senators Owen, Prentice, Deccio, Palmer, Sutherland, McDonald, Rinehart, Haugen, Sheldon, Heavey, Fraser, Franklin, Bauer, Roach and Rasmussen.

Brief History:

Committee Activity: Labor, Commerce & Trade: 2/2/95, 3/1/95 [DPS, DNPS].

SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

Majority Report: That Substitute Senate Bill No. 5516 be substituted therefor, and the substitute bill do pass.

Signed by Senators Pelz, Chair; Deccio, Fraser, Hale, Newhouse and Palmer.

Minority Report: Do not pass substitute.

Signed by Senator Heavey, Vice Chair.

Staff: Jack Brummel (786-7428)

Background: Advocates for the implementation of alcohol and drug-free workplace programs believe that such programs can lower workers' compensation costs by reducing substance abuse. Two states, Florida and Georgia, allow a discount on workers' compensation premiums for employers that implement certified drug-free programs.

Summary of Substitute Bill: Employers that implement drug-free workplace programs may receive a 5 percent premium discount on their workers' compensation payments. A drug-free workplace program must provide notice to employees and job applicants on the nature of the program. It must also require that job applicants and employees involved in work-related injuries submit to a substance abuse test. Other requirements of the program include the provision of an employee assistance program, employee education and supervisor training.

Rehabilitation is the primary focus of the employee assistance program and an employer may not use a first-time positive abuse test as the basis for termination of an employee.

The Department of Social and Health Services is to adopt rules for the implementation of the act, including rules regarding certification and decertification of employers operating drug-free workplace programs. The department may charge a fee that approximates the costs of certification.

Substitute Bill Compared to Original Bill: The substitute bill adds language which limits total premium discounts to \$5 million per year, requires three-year evaluations by the Department of Labor and Industries and the Department of Social and Health Services, and terminates the program on January 1, 2001. The substitute bill also changes certification authority from the Department of Labor and Industries to the Department of Social and Health Services, and allows employees eligible for more than one workers' compensation premium discount program to receive only one premium discount. The substitute requires self-insured employers to implement a drug-free workplace program.

Appropriation: None.

Fiscal Note: Requested on January 27, 1995.

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

Testimony For: The bill provides an incentive for increased drug and alcohol treatment and will cut down on the number of accidents in the workplace. One company had an 80 percent reduction in workers' compensation costs after a drug-free workplace policy was adopted.

Testimony Against: The bill applies only to the private sector. It would require drug testing after minor accidents like a wood chip in the eye. Clarification is needed that it will not subvert collective bargaining agreements.

Testified: PRO: Senator Brad Owen, prime sponsor; John Fenton, WA Drug Free Business; Clif Finch, AWB; Winlock Pickering, King County Medical; Cynthia Moreau, Nat. Association of Alcohol and Drug Abuse Counselors; Rick Slunaker, Associated General Contractors of WA; Patty Ima; Bob Roth; Bill Vogel, Lake Union Dry Dock Co.; CON: Chuck Bailey, Allan Darr, WA State Labor Council.