

# SENATE BILL REPORT

## SB 5858

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

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

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

**Sponsors:** Senators Prentice, Heavey, Franklin, Wojahn, Fairley, Snyder and McAuliffe.

**Brief History:**

**Committee Activity:** Labor, Commerce & Trade: 2/20/95, 3/1/95 [DPS].

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### SENATE COMMITTEE ON LABOR, COMMERCE & TRADE

**Majority Report:** That Substitute Senate Bill No. 5858 be substituted therefor, and the substitute bill do pass.

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

**Staff:** Jack Brummel (786-7428)

**Background:** The state's industrial insurance statutes do not contain provisions specifying when final compensation orders must be complied with.

**Summary of Substitute Bill:** Final compensation orders must be complied with by the Department of Labor and Industries within sixty days. Individuals entitled to compensation under a final order may institute proceedings to enforce the order and may be awarded \$500 from a court imposed penalty against the non-payor, plus reasonable costs and attorneys' fees, and an additional \$500 for each additional month of noncompliance.

**Substitute Bill Compared to Original Bill:** The substitute bill extends the timeline for compliance from 30 days to 60 days and adds the potential for court imposed costs, attorneys' fees, and an increased penalty for additional months of noncompliance. The original bill applies to self insurers; the substitute does not.

**Appropriation:** None.

**Fiscal Note:** Requested on February 10, 1995.

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

**Testimony For:** It can take eight or nine months to get payment from the department. The penalty for nonpayment should be higher.

**Testimony Against:** Employers or the department shouldn't be penalized if the delay is caused by waiting for workers' documents.

**Testified:** Kate Austin, Daniel Wigdahl, Rebecca Alani, WINS (pro); Wayne Lieb, WSTLA (pro); Clif Finch, AWB (con).