
SUBSTITUTE HOUSE BILL 2513

State of Washington

54th Legislature

1996 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Lisk, Hargrove and McMorris)

Read first time 02/02/96.

1 AN ACT Relating to employers' failure to pay industrial insurance
2 premiums; creating a new section; and providing an expiration date.

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

4 NEW SECTION. **Sec. 1.** (1) The legislature finds that there is a
5 continuing problem of employers illegally failing to pay industrial
6 insurance premiums. When an employee of an illegally uninsured
7 employer files a claim for benefits, the department of labor and
8 industries is forced to pass on the cost of the benefits provided to
9 other legally insured employers in the same risk classification. It is
10 the intent of the legislature that a method should be devised to place
11 the financial burden of paying for the industrial insurance benefits
12 provided to the injured employee on the illegally uninsured employer.

13 (2) To find a method for placing the financial burden more fairly,
14 a legislative joint task force shall review and make recommendations
15 for legislation. Issues that should be reviewed include: (a) The
16 number of employers who fail to obtain industrial insurance for their
17 workers and the resulting cost to other employers in the state fund;
18 (b) the number of these employers who also fail to pay other state
19 taxes generally required of employers and the resulting cost to the

1 state for failure to pay; (c) methods of improving compliance with
2 industrial insurance and other employer responsibilities under state
3 law; and (d) any other issues considered relevant by the task force.

4 (3) The joint task force shall consist of eight members, one member
5 from each caucus of the senate labor, commerce, and trade committee,
6 appointed by the chair of the committee; one member from each caucus of
7 the house of representatives commerce and labor committee, appointed by
8 the chair of the committee; two members representing business,
9 appointed jointly by the two committee chairs; and two members
10 representing labor, appointed jointly by the two committee chairs. In
11 addition, the department of labor and industries shall cooperate with
12 the task force and maintain a liaison with the task force. The task
13 force shall choose its chair from among its membership.

14 (4) The task force shall report its findings and recommendations to
15 the appropriate committees of the legislature by December 1, 1996.

16 (5) This section shall expire June 1, 1997.

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