

1 **SHB 2705 - H AMD 975 FAILED 2-16-98**

2 By Representative Conway

3 On page 3, after line 10, insert the following:

4 "(5)(a) A self-insurance group formed under this section, the
5 employers participating in the group, and the group's and employers'
6 claims administrators have a duty of good faith and fair dealing
7 towards claimants. Violations of these good faith duties shall
8 include, but not be limited to: (i) Attempting to close a valid claim
9 under this section that the group or employer, or group's or employer's
10 claims administrator, knew or should have known was closed
11 inappropriately; (ii) interfering with a worker's right to file a claim
12 under this title; or (iii) having a history or pattern of repeated
13 unfair claims practices. The department shall adopt rules on unfair
14 claims practices.

15 (b) A worker of an employer participating in a self-insurance
16 group formed under this section, or the beneficiary of such worker, who
17 is injured or damaged because of a violation of (a) of this subsection
18 or violation of a rule adopted by the director under (a) of this
19 subsection may bring a civil action against the self-insurance group,
20 the participating employer, and/or the group's or employer's claims
21 administrator in superior court to enjoin further violations and to
22 recover reasonable damages sustained by him or her, together with the
23 cost of the suit including reasonable attorneys' fees to be set by the
24 court."

EFFECT: Adds that self-insurance groups in the logging industry, the participating employers, and their claims administrators have a duty of good faith and fair dealing towards claimants. Violations of the duty include inappropriately closing claims, interfering with rights to file a claim, or a pattern of repeated unfair practices. A worker or beneficiary may file a civil action against the group, employer, or claims administrator to enjoin violations and to recover damages, including costs and attorneys' fees.