SENATE BILL REPORT

HB 2084

As Reported By Senate Committee On: Commerce & Labor, April 1, 1997

Title: An act relating to vocational rehabilitation.

Brief Description: Regulating vocational rehabilitation benefits.

Sponsors: Representatives Cole and McMorris.

Brief History:

Committee Activity: Commerce & Labor: 3/24/97, 4/1/97 [DPA].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended.

Signed by Senators Schow, Chair; Horn, Vice Chair; Franklin, Fraser, Heavey and Newhouse.

Staff: Jack Brummel (786-7428)

Background: The Department of Labor and Industries is authorized to pay, and may direct self-insured employers to pay, the costs of vocational rehabilitation services for injured workers when these services are necessary and likely to enable the injured worker to become employable at gainful employment. The department's costs are limited to \$3,000 in a 52-week period and include the cost of books, tuition, fees, supplies, equipment, transportation, child or dependent care, and other necessary expenses. The department may extend the period of benefits for an additional 52 weeks.

As part of a vocational rehabilitation plan, a worker may participate in unpaid on-the-job training or transitional return-to-work training. Such activity is not covered under industrial insurance.

Special department rules apply when an injured worker suffers further injury in covered employment. Under these rules, the department may reduce or eliminate premiums or charges against the injured worker's subsequent employer.

Summary of Amended Bill: The amount that the Department of Labor and Industries may spend in a 52-week period for an injured worker's vocational rehabilitation benefits is increased from \$3,000 to \$3,750.

A person who provides on-the-job training or transitional return to work rehabilitation for injured workers may elect to cover these workers under industrial insurance, regardless of whether the person pays a wage to the workers. The department's rules that reduce or eliminate premiums or charges against employers in the case of further injury to injured workers apply to workers for whom coverage has been elected under this new authority.

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Amended Bill Compared to Original Bill: The amendment restores a provision of current law relating to the timing of a decision to pay for vocational rehabilitation services.

Appropriation: None.

Fiscal Note: Requested on February 22, 1997.

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

Testimony For: The increase for vocational rehabilitation services is much needed to match rising costs for training and other costs. The \$3,000 cost was established in 1983 and has not gone up since.

Testimony Against: Claims management should be under better control before the bill is passed. The vocational rehabilitation redesign projects will be coming up with recommendations later this year and we should wait for those.

Testified: PRO: Representative Grace Cole, prime sponsor; Dwight Thompson, National Association of Rehabilitation Professionals; Robby Stern, Washington State Labor Council; Bob Dilger, Washington State Building and Construction Trades Council; CON: Clif Finch, AWB.

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