

SENATE BILL REPORT

HB 1524

As Reported By Senate Committee On:
Labor & Workforce Development, March 30, 1999

Title: An act relating to the workers' compensation obligation of employers not domiciled in Washington.

Brief Description: Expanding the workers' compensation obligation of out-of-state employers.

Sponsors: Representatives Doumit, Pennington, Conway, Clements, Alexander, Cooper, Hatfield, Mielke, Carlson, Poulsen, Mulliken, Scott and Rockefeller.

Brief History:

Committee Activity: Labor & Workforce Development: 3/25/99, 3/30/99 [DPA].

SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: Do pass as amended.

Signed by Senators Fairley, Chair; Franklin, Vice Chair; Hochstatter, Kline, Oke and Wojahn.

Staff: Jill Reinmuth (786-7452)

Background: The Industrial Insurance Act authorizes the director of the Department of Labor and Industries to enter into reciprocal agreements with other states and Canadian provinces. The agreements govern jurisdiction over claims that involve a contract of employment in one jurisdiction and an injury in another.

In 1998, the director's authority to enter into reciprocal agreements was modified. If the other jurisdiction's law requires Washington employers to provide coverage under the other jurisdiction's workers' compensation law for work that in Washington would require the employer to be a registered contractor or licensed electrical contractor, or be prequalified for transportation projects, then employers domiciled in that other jurisdiction must provide coverage under Washington's law for the same work performed in Washington. The Workers' Compensation Advisory Committee was required to review and make recommendations regarding the director's authority by January 15, 1999.

Summary of Amended Bill: The authority to enter into reciprocal agreements is further modified in a manner consistent with the advisory committee's recommendations. If Washington employers must provide coverage under another jurisdiction's workers' compensation law for work performed in that other jurisdiction, then employers domiciled in that other jurisdiction must provide coverage under Washington's law for work performed in Washington.

Amended Bill Compared to Original Bill: The amended bill makes a technical correction to the original bill.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Recent legislation established a level playing field for businesses in the construction industry. There should be a level playing field for businesses in all industries.

Testimony Against: None.

Testified: PRO: Representative Mark Doumit, prime sponsor; Tom Kwieciak, Building Industry Association of Washington, Association of Washington Business; Dan Sexton, Washington State Association of Plumbers and Pipefitters, Washington State Building and Construction Trades Council.