

HOUSE BILL REPORT

HB 1887

As Reported by House Committee On:
Labor & Workforce Development

Title: An act relating to increasing educational options under vocational rehabilitation plans.

Brief Description: Increasing educational options under vocational rehabilitation plans.

Sponsors: Representatives Sawyer, Ryu, Green and Freeman.

Brief History:

Committee Activity:

Labor & Workforce Development: 2/20/13, 2/21/13 [DP].

Brief Summary of Bill

- Provides that obtaining a baccalaureate degree may be considered a priority under an injured worker's vocational rehabilitation plan.
- Allows an injured worker under a plan approved after January 1, 2008, to apply vocational benefits towards paying tuition at a baccalaureate institution under certain circumstances.
- Extends the expiration date of the Vocational Rehabilitation Pilot Program from June 2013 to June 2016.

HOUSE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: Do pass. Signed by 6 members: Representatives Sells, Chair; Reykdal, Vice Chair; Manweller, Ranking Minority Member; Green, Moeller and Ormsby.

Minority Report: Do not pass. Signed by 3 members: Representatives Condotta, Assistant Ranking Minority Member; Holy and Short.

Staff: Trudes Tango (786-7384).

Background:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

One of the primary purposes of the Industrial Insurance Act is to enable injured workers to become employable at gainful employment. The Department of Labor and Industries (Department) pays, or directs self-insurers to pay, the costs of vocational rehabilitation services when these services are necessary and likely to enable the injured worker to become employable at gainful employment.

Vocational rehabilitation generally must be within the allowable plan approved by the Department and based on specific return-to-work priorities listed in statute. The top priorities are to return the worker to his or her previous job with the same employer, or to a modified job with the same employer, or to a new job with the same employer. Priorities after that include modification of the previous job with a new employer, a new job with a new employer, self-employment based on transferable skills, self-employment involving on-the-job training, or short-term retraining and job placement.

In 2007 the Legislature created a Vocational Rehabilitation Pilot Program for vocational rehabilitation plans approved between January 1, 2008, and June 30, 2013. The pilot program, which is scheduled to end June 30, 2013, increases benefits for vocational rehabilitation, extends the length of time for vocational rehabilitation plans, and gives injured workers a choice of either participating in the approved plan or declining participation and receiving six months' worth of time-loss benefits plus access, for a limited time, to vocational benefits to pursue self-directed vocational training.

Summary of Bill:

In the sole discretion of the Department, a priority for the worker's vocational rehabilitation may include the worker obtaining his or her baccalaureate degree if: (1) the degree would make the worker employable; (2) it is consistent with the worker's occupational goals before the worker was injured; and (3) the worker was in a baccalaureate degree program before being injured.

The vocational rehabilitation plan may include provisions allowing the worker to apply vocational benefits towards paying tuition at a baccalaureate institution if the vocational professional determines that the worker has the mental, physical, and financial capability to attend the baccalaureate institution of the worker's choice. If the vocational costs are insufficient to pay for the full cost of tuition, books, and other expenses, the worker must provide documentation showing that he or she has the financial ability to pay the remaining expenses.

These provisions apply retroactively to plans approved after January 1, 2008. Subject to rules adopted by the Department, a worker may request a modification to his or her plan based on the priority established by the bill.

The Vocational Rehabilitation Pilot Program is extended to June 30, 2016.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony:

(In support) The intent of the Department is to get people back to work, but sometimes it makes sense to allow a worker to finish school at a university instead of going to a community college. An injured worker should be allowed to apply vocational rehabilitation funds to a bachelor degree program. The options the Department gives to an injured worker are not always appropriate options.

(With concerns) This bill highlights the challenges with the vocational rehabilitation program. It is disconcerting to consider changes to the vocational rehabilitation program that have not been fully vetted by the Vocational Rehabilitation Subcommittee. The bill changes the goals of vocational rehabilitation from employability to reaching one's educational goals. The bill is retroactive so it will bring in a lot of other cases and that might create liability for the Department. This bill touches on public policy concerns that require further vetting. There is nothing in the bill that requires the worker to pay the remaining tuition. If the worker fails to complete the plan, this could result in an extension of benefits. The subcommittee should look into this issue and analyze the impacts of this proposal.

(Opposed) None.

Persons Testifying: (In support) Representative Sawyer, prime sponsor; and Christian Norris.

(With concerns) Kris Tefft, Association of Washington Business; and Vickie Kennedy, Department of Labor and Industries.

Persons Signed In To Testify But Not Testifying: None.