

# FINAL BILL REPORT

## SHB 2513

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C 85 L 96  
Synopsis as Enacted

**Brief Description:** Concerning industrial insurance benefits.

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

**House Committee on Commerce & Labor**  
**Senate Committee on Labor, Commerce & Trade**

**Background:** The industrial insurance law provides medical benefits, compensation for lost wages, and vocational services, as appropriate, to any worker in a covered occupation who is injured in the course of his or her employment or who incurs an occupational disease.

Covered employers must either be insured with the state fund administered by the Department of Labor and Industries or be self-insured. Employers who do not insure their workers are subject to civil penalties or, if the failure to obtain coverage is willful, may be guilty of a misdemeanor. An employer is also liable for a penalty of 50 percent to 100 percent of the cost of benefits paid to a worker who is injured before coverage is obtained.

When a worker is injured on the job, the worker receives benefits even though the employer has not obtained industrial insurance. The department attempts to secure premiums and penalties from the employer. Any costs not recovered become a cost to all employers in the injured worker's risk classification.

**Summary:** The Legislature finds a continuing problem with employers who illegally fail to pay industrial insurance premiums. This problem results in passing the cost of injured workers' benefits from these uninsured employers to insured employers in the risk classification. The Legislature intends that a method be devised to place this financial burden on the illegally uninsured employer.

To find a method, a legislative joint task force is created to review and make recommendations. The task force is composed of eight members, one legislator from each caucus of the Senate Labor, Commerce & Trade Committee, one legislator from each caucus of the House Commerce & Labor Committee, two representatives of business, and two representatives of labor. The Department of Labor and Industries is directed to cooperate with the task force and maintain a liaison.

The task force must report its findings and recommendations to the appropriate legislative committees by December 1, 1996. The task force expires June 1, 1997.

**Votes on Final Passage:**

House	94	0
Senate	49	0

**Effective:** June 6, 1996