

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE HOUSE BILL 2513**

Chapter 85, Laws of 1996

54th Legislature  
1996 Regular Session

INDUSTRIAL INSURANCE PREMIUMS--FAILURE TO PAY

EFFECTIVE DATE: 6/6/96

Passed by the House February 9, 1996  
Yeas 94 Nays 0

CLYDE BALLARD  
**Speaker of the  
House of Representatives**

Passed by the Senate February 28, 1996  
Yeas 49 Nays 0

JOEL PRITCHARD  
**President of the Senate**

Approved March 15, 1996

MIKE LOWRY  
**Governor of the State of Washington**

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2513** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN  
**Chief Clerk**

FILED

March 15, 1996 - 3:16 p.m.

**Secretary of State  
State of Washington**

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**SUBSTITUTE HOUSE BILL 2513**

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Passed Legislature - 1996 Regular Session

**State of Washington**

**54th Legislature**

**1996 Regular Session**

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

Read first time 02/02/96.

1       AN ACT Relating to employers' failure to pay industrial insurance  
2 premiums; creating a new section; and providing an expiration date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4       NEW SECTION.   **Sec. 1.** (1) The legislature finds that there is a  
5 continuing problem of employers illegally failing to pay industrial  
6 insurance premiums. When an employee of an illegally uninsured  
7 employer files a claim for benefits, the department of labor and  
8 industries is forced to pass on the cost of the benefits provided to  
9 other legally insured employers in the same risk classification. It is  
10 the intent of the legislature that a method should be devised to place  
11 the financial burden of paying for the industrial insurance benefits  
12 provided to the injured employee on the illegally uninsured employer.

13       (2) To find a method for placing the financial burden more fairly,  
14 a legislative joint task force shall review and make recommendations  
15 for legislation. Issues that should be reviewed include: (a) The  
16 number of employers who fail to obtain industrial insurance for their  
17 workers and the resulting cost to other employers in the state fund;  
18 (b) the number of these employers who also fail to pay other state  
19 taxes generally required of employers and the resulting cost to the

1 state for failure to pay; (c) methods of improving compliance with  
2 industrial insurance and other employer responsibilities under state  
3 law; and (d) any other issues considered relevant by the task force.

4 (3) The joint task force shall consist of eight members, one member  
5 from each caucus of the senate labor, commerce, and trade committee,  
6 appointed by the chair of the committee; one member from each caucus of  
7 the house of representatives commerce and labor committee, appointed by  
8 the chair of the committee; two members representing business,  
9 appointed jointly by the two committee chairs; and two members  
10 representing labor, appointed jointly by the two committee chairs. In  
11 addition, the department of labor and industries shall cooperate with  
12 the task force and maintain a liaison with the task force. The task  
13 force shall choose its chair from among its membership.

14 (4) The task force shall report its findings and recommendations to  
15 the appropriate committees of the legislature by December 1, 1996.

16 (5) This section shall expire June 1, 1997.

Passed the House February 9, 1996.

Passed the Senate February 28, 1996.

Approved by the Governor March 15, 1996.

Filed in Office of Secretary of State March 15, 1996.