

HOUSE BILL REPORT

HB 1280

*As Reported By House Committee on:
Commerce & Labor*

Title: An act relating to industrial insurance permanent partial disability awards.

Brief Description: Increasing industrial insurance partial disability awards.

Sponsor(s): Representatives Heavey, Fuhrman, Cole, R. King, Prentice, O'Brien, Hargrove, Ludwig, Jones, Leonard, Riley, Winsley, Phillips, Jacobsen, Franklin and Dellwo.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 12, 1991, DP.

**HOUSE COMMITTEE ON
COMMERCE & LABOR**

Majority Report: *Do pass.* Signed by 11 members: Representatives Heavey, Chair; Cole, Vice Chair; Fuhrman, Ranking Minority Member; Lisk, Assistant Ranking Minority Member; Franklin; Jones; R. King; O'Brien; Prentice; Vance; and Wilson.

Staff: Chris Cordes (786-7117).

Background: An injured worker receives compensation for a permanent partial disability according to a schedule specifying amounts for amputation of limbs and parts of limbs, as well as for loss of visual acuity and loss of hearing. Compensation amounts range from \$378 for amputation of the tip of a toe to \$54,000 for the amputation of a leg or arm. Compensation amounts for unspecified amputations, hearing, and vision losses are determined based on the relationship they bear to specified injuries. Other unspecified permanent partial disabilities are compensated in amounts representing the proportion the injury bears to total bodily impairment, for which the maximum compensation amount is \$90,000.

Summary of Bill: All compensation amounts listed under the industrial insurance permanent partial disability schedule are doubled. The maximum compensation amount for total bodily impairment is increased from \$90,000 to \$180,000.

Fiscal Note: Available.

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

Testimony For: The amounts awarded to injured workers for permanent disabilities are too low, especially when compared to awards in comparable civil law suits. The cost of living has increased faster than the adjustments in the disability awards. Other workers' compensation systems provide much higher benefits. The current awards in Washington do not compensate workers for the real economic loss they may experience from a workplace injury.

Testimony Against: Although the Legislature should be reviewing adjustments to the award schedule, the increase should be a reasonable one. An increase related to cost of living should be considered.

Witnesses: In favor: Tim Johnson, Teamsters; Jeff Johnson, Washington State Labor Council; Bill Hochford, Washington State Trial Lawyers; Jim Boling; Dick Warbrouck, Seattle Fire Fighters Union; and Joe Schilling.

Opposed to the amount of the increase: Melanie Stewart, Washington Self-Insurers Association; Clif Finch, Association of Washington Business; and Gary Smith, Independent Business Association.