

SENATE BILL REPORT

SB 5374

AS REPORTED BY COMMITTEE ON WAYS & MEANS, MARCH 7, 1991

Brief Description: Establishing the industrial insurance labor-management cooperation program.

SPONSORS: Senators Anderson, Newhouse, Vognild, West, Conner and Thorsness.

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Matson, Chairman; Anderson, Vice Chairman; Bluechel, McCaslin, McMullen, and Murray.

Staff: Jonathan Seib (786-7427)

Hearing Dates: February 12, 1991; February 18, 1991

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5374 be substituted therefor, and the substitute bill do pass.

Signed by Senators McDonald, Chairman; Craswell, Vice Chairman; Bailey, Bauer, Cantu, Gaspard, Hayner, Johnson, L. Kreidler, Matson, Metcalf, Murray, Newhouse, Saling, L. Smith, Talmadge, West, Williams, and Wojahn.

Staff: Judy Fitzgerald (786-7715)

Hearing Dates: March 6, 1991; March 7, 1991

BACKGROUND:

In a rapidly changing economy, cooperation between labor and management is viewed as increasingly crucial to an area's economic health. The United States Department of Labor is making a concerted effort to foster better labor-management relations throughout the country.

Some states, and some areas in Washington State, have formal labor-management cooperation mechanisms in place that have reported successes.

Industrial insurance may be an area for which labor-management committees are particularly suited. Such committees in other states, including Oregon, have allowed labor and management to jointly and effectively address local industrial insurance concerns.

SUMMARY:

The industrial insurance labor-management cooperation program is established in the Department of Labor and Industries. It will promote and assist the establishment of local industrial insurance labor-management committees, gather and disseminate information on industrial insurance and relevant issues to be addressed by local committees, and carry-out educational activities to promote labor-management cooperation.

The program coordinator appointed by the director of the department reports quarterly to the worker's compensation advisory committee on the program.

The director of the department reports annually to the Legislature on the program.

The program terminates June 30, 1992 unless otherwise extended.

EFFECT OF PROPOSED SUBSTITUTE:

The bill is made contingent upon funding in the Omnibus Budget Act.

Appropriation: \$100,000 (1/4 from the medical aid fund, 1/4 from the accident fund, and 1/2 from the self-insurer's administrative fund)

Revenue: none

Fiscal Note: available

TESTIMONY FOR (Commerce & Labor):

The bill would encourage cooperation at the local level, and allow those primarily affected by the industrial insurance system, labor and management, to address their concerns more easily. The bill would be a policy statement indicating legislative support for cooperation in this area.

TESTIMONY AGAINST (Commerce & Labor): None

TESTIFIED (Commerce & Labor): PRO: Bob McAllister, Department of Labor and Industries; George Lewis, Department of Labor and Industries; Clif Finch, Association of Washington Business, Larry Kenney, Washington State Labor Council

TESTIMONY FOR (Ways & Means):

The bill is designed to create a process that would benefit both the employer and employee. The intention is to get injured workers back to work sooner by avoiding problems in industrial insurance.

TESTIMONY AGAINST (Ways & Means): None

TESTIFIED (Ways & Means): Senator Ann Anderson (pro); Bob
McAllister, Dept. of Labor and Industries (pro)