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SUBSTITUTE HOUSE BILL 1248

State of Washington 53rd Legislature 1993 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives King, Heavey, Franklin, Orr, Jones, G. Cole, Veloria and Johanson)

Read first time 03/03/93.

- 1 AN ACT Relating to increasing industrial insurance death and
- 2 disability benefits; amending RCW 51.32.050, 51.32.060, and 51.32.090;
- 3 creating a new section; providing an effective date; and declaring an
- 4 emergency.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 51.32.050 and 1991 c 88 s 2 are each amended to read 7 as follows:
- 8 (1) Where death results from the injury the expenses of burial not 9 to exceed two thousand dollars shall be paid.
- 10 (2)(a) Where death results from the injury, a surviving spouse of
- 11 a deceased worker eligible for benefits under this title shall receive
- 12 monthly for life or until remarriage payments according to the
- 13 following schedule:
- 14 (i) If there are no children of the deceased worker, sixty percent
- 15 of the wages of the deceased worker but not less than one hundred
- 16 eighty-five dollars;
- 17 (ii) If there is one child of the deceased worker and in the legal
- 18 custody of such spouse, sixty-two percent of the wages of the deceased
- 19 worker but not less than two hundred twenty-two dollars;

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(iii) If there are two children of the deceased worker and in the legal custody of such spouse, sixty-four percent of the wages of the deceased worker but not less than two hundred fifty-three dollars;

- (iv) If there are three children of the deceased worker and in the legal custody of such spouse, sixty-six percent of the wages of the deceased worker but not less than two hundred seventy-six dollars;
- (v) If there are four children of the deceased worker and in the legal custody of such spouse, sixty-eight percent of the wages of the deceased worker but not less than two hundred ninety-nine dollars; or
- (vi) If there are five or more children of the deceased worker and in the legal custody of such spouse, seventy percent of the wages of the deceased worker but not less than three hundred twenty-two dollars.
- (b) Where the surviving spouse does not have legal custody of any child or children of the deceased worker or where after the death of the worker legal custody of such child or children passes from such surviving spouse to another, any payment on account of such child or children not in the legal custody of the surviving spouse shall be made to the person or persons having legal custody of such child or children. The amount of such payments shall be five percent of the monthly benefits payable as a result of the worker's death for each such child but such payments shall not exceed twenty-five percent. Such payments on account of such child or children shall be subtracted from the amount to which such surviving spouse would have been entitled had such surviving spouse had legal custody of all of the children and the surviving spouse shall receive the remainder after such payments on account of such child or children have been subtracted. Such payments on account of a child or children not in the legal custody of such surviving spouse shall be apportioned equally among such children.
- (c) Payments to the surviving spouse of the deceased worker shall cease at the end of the month in which remarriage occurs: PROVIDED, That a monthly payment shall be made to the child or children of the deceased worker from the month following such remarriage in a sum equal to five percent of the wages of the deceased worker for one child and a sum equal to five percent for each additional child up to a maximum of five such children. Payments to such child or children shall be apportioned equally among such children. Such sum shall be in place of any payments theretofore made for the benefit of or on account of any such child or children. If the surviving spouse does not have legal custody of any child or children of the deceased worker, or if after

- the death of the worker, legal custody of such child or children passes from such surviving spouse to another, any payment on account of such child or children not in the legal custody of the surviving spouse shall be made to the person or persons having legal custody of such child or children.
- (d) In no event shall the monthly payments provided in subsection (2) of this section exceed ((one hundred percent)) the applicable percentage of the average monthly wage in the state as computed under P(x) = P(x) + P(x)

10	<u>AFTER</u>	PERCENTAGE
11	<u>June 30, 1993</u>	<u> 105%</u>
12	June 30, 1994	<u>110%</u>

- (e) In addition to the monthly payments provided for in (2)(a) through (2)(c) of this section, a surviving spouse or child or children of such worker if there is no surviving spouse, or dependent parent or parents, if there is no surviving spouse or child or children of any such deceased worker shall be forthwith paid the sum of one thousand six hundred dollars, any such children, or parents to share and share alike in said sum.
 - (f) Upon remarriage of a surviving spouse the monthly payments for the child or children shall continue as provided in this section, but the monthly payments to such surviving spouse shall cease at the end of the month during which remarriage occurs. However, after September 8, 1975, an otherwise eligible surviving spouse of a worker who died at any time prior to or after September 8, 1975, shall have an option of:
 - (i) Receiving, once and for all, a lump sum of twenty-four times the monthly compensation rate in effect on the date of remarriage allocable to the spouse for himself or herself pursuant to (2)(a)(i) of this section and subject to any modifications specified under (2)(d) of this section and RCW 51.32.075(3) or fifty percent of the then remaining annuity value of his or her pension, whichever is the lesser: PROVIDED, That if the injury occurred prior to July 28, 1991, the remarriage benefit lump sum available shall be as provided in the remarriage benefit schedules then in effect; or
 - (ii) If a surviving spouse does not choose the option specified in (2)(f)(i) of this section to accept the lump sum payment, the remarriage of the surviving spouse of a worker shall not bar him or her from claiming the lump sum payment authorized in (2)(f)(i) of this

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section during the life of the remarriage, or shall not prevent subsequent monthly payments to him or to her if the remarriage has been terminated by death or has been dissolved or annulled by valid court decree provided he or she has not previously accepted the lump sum payment.

- (g) If the surviving spouse during the remarriage should die without having previously received the lump sum payment provided in (2)(f)(i) of this section, his or her estate shall be entitled to receive the sum specified under subsection (2)(f)(i) of this section or fifty percent of the then remaining annuity value of his or her pension whichever is the lesser.
- (h) The effective date of resumption of payments under (2)(f)(ii) of this section to a surviving spouse based upon termination of a remarriage by death, annulment, or dissolution shall be the date of the death or the date the judicial decree of annulment or dissolution becomes final and when application for the payments has been received.
- (i) If it should be necessary to increase the reserves in the reserve fund or to create a new pension reserve fund as a result of the amendments in chapter 45, Laws of 1975-'76 2nd ex. sess., the amount of such increase in pension reserve in any such case shall be transferred to the reserve fund from the supplemental pension fund.
- (3) If there is a child or children and no surviving spouse of the deceased worker or the surviving spouse is not eligible for benefits under this title, a sum equal to thirty-five percent of the wages of the deceased worker shall be paid monthly for one child and a sum equivalent to fifteen percent of such wage shall be paid monthly for each additional child, the total of such sum to be divided among such children, share and share alike: PROVIDED, That benefits under this subsection or subsection (4) of this section shall not exceed the lesser of sixty-five percent of the wages of the deceased worker at the time of his or her death or ((one hundred percent)) the applicable percentage of the average monthly wage in the state as defined in RCW 51.08.018, ((whichever is the lesser of the two sums.)) as follows:

34	<u>AFTER</u>	<u>PERCENTAGE</u>
35	June 30, 1993	105%
36	<u>June 30, 1994</u>	<u>110%</u>

- (4) In the event a surviving spouse receiving monthly payments dies, the child or children of the deceased worker shall receive the same payment as provided in subsection (3) of this section.
- (5) If the worker leaves no surviving spouse or child, but leaves a dependent or dependents, a monthly payment shall be made to each dependent equal to fifty percent of the average monthly support actually received by such dependent from the worker during the twelve months next preceding the occurrence of the injury, but the total payment to all dependents in any case shall not exceed the lesser of sixty-five percent of the wages of the deceased worker at the time of ((the)) his or her death or ((one hundred percent)) the applicable percentage of the average monthly wage in the state as defined in RCW 51.08.018((, whichever is the lesser of the two sums.)) as follows:

14	<u>AFTER</u>	PERCENTAGE
15	June 30, 1993	105%
16	<u>June 30, 1994</u>	<u>110%</u>

If any dependent is under the age of eighteen years at the time of the occurrence of the injury, the payment to such dependent shall cease when such dependent reaches the age of eighteen years except such payments shall continue until the dependent reaches age twenty-three while permanently enrolled at a full time course in an accredited school. The payment to any dependent shall cease if and when, under the same circumstances, the necessity creating the dependency would have ceased if the injury had not happened.

- (6) For claims filed prior to July 1, 1986, if the injured worker dies during the period of permanent total disability, whatever the cause of death, leaving a surviving spouse, or child, or children, the surviving spouse or child or children shall receive benefits as if death resulted from the injury as provided in subsections (2) through (4) of this section. Upon remarriage or death of such surviving spouse, the payments to such child or children shall be made as provided in subsection (2) of this section when the surviving spouse of a deceased worker remarries.
- 34 (7) For claims filed on or after July 1, 1986, every worker who 35 becomes eligible for permanent total disability benefits shall elect an 36 option as provided in RCW 51.32.067.

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- Sec. 2. RCW 51.32.060 and 1988 c 161 s 1 are each amended to read as follows:
- 3 (1) When the supervisor of industrial insurance shall determine 4 that permanent total disability results from the injury, the worker 5 shall receive monthly during the period of such disability:
- 6 (a) If married at the time of injury, sixty-five percent of his or 7 her wages but not less than two hundred fifteen dollars per month.
- 8 (b) If married with one child at the time of injury, sixty-seven 9 percent of his or her wages but not less than two hundred fifty-two 10 dollars per month.
- 11 (c) If married with two children at the time of injury, sixty-nine 12 percent of his or her wages but not less than two hundred eighty-three 13 dollars.
- 14 (d) If married with three children at the time of injury, 15 seventy-one percent of his or her wages but not less than three hundred 16 six dollars per month.
- (e) If married with four children at the time of injury, seventythree percent of his or her wages but not less than three hundred twenty-nine dollars per month.
- 20 (f) If married with five or more children at the time of injury, 21 seventy-five percent of his or her wages but not less than three 22 hundred fifty-two dollars per month.
- 23 (g) If unmarried at the time of the injury, sixty percent of his or 24 her wages but not less than one hundred eighty-five dollars per month.
- (h) If unmarried with one child at the time of injury, sixty-two percent of his or her wages but not less than two hundred twenty-two dollars per month.
- (i) If unmarried with two children at the time of injury, sixtyfour percent of his or her wages but not less than two hundred
 fifty-three dollars per month.
- 31 (j) If unmarried with three children at the time of injury, 32 sixty-six percent of his or her wages but not less than two hundred 33 seventy-six dollars per month.
- 34 (k) If unmarried with four children at the time of injury, 35 sixty-eight percent of his or her wages but not less than two hundred 36 ninety-nine dollars per month.
- 37 (1) If unmarried with five or more children at the time of injury, 38 seventy percent of his or her wages but not less than three hundred 39 twenty-two dollars per month.

- 1 (2) For any period of time where both husband and wife are entitled 2 to compensation as temporarily or totally disabled workers, only that 3 spouse having the higher wages of the two shall be entitled to claim 4 their child or children for compensation purposes.
 - (3) In case of permanent total disability, if the character of the injury is such as to render the worker so physically helpless as to require the hiring of the services of an attendant, the department shall make monthly payments to such attendant for such services as long as such requirement continues, but such payments shall not obtain or be operative while the worker is receiving care under or pursuant to the provisions of chapter 51.36 RCW and RCW 51.04.105.
- (4) Should any further accident result in the permanent total disability of an injured worker, he or she shall receive the pension to which he or she would be entitled, notwithstanding the payment of a lump sum for his or her prior injury.
- (5) In no event shall the monthly payments provided in this section exceed ((one hundred percent)) the applicable percentage of the average monthly wage in the state as computed under the provisions of RCW 51.08.018((, except that this)) as follows:

20	<u>AFTER</u>	PERCENTAGE
21	<u>June 30, 1993</u>	<u> 105%</u>
22	June 30, 1994	110%

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- 23 <u>The limitations under this subsection</u> shall not apply to the 24 payments provided for in subsection (3) of this section.
- 25 (6) In the case of new or reopened claims, if the supervisor of 26 industrial insurance determines that, at the time of filing or 27 reopening, the worker is voluntarily retired and is no longer attached 28 to the work force, benefits shall not be paid under this section.
- 29 (7) The benefits provided by this section are subject to 30 modification under RCW 51.32.067.
- 31 **Sec. 3.** RCW 51.32.090 and 1988 c 161 s 4 are each amended to read 32 as follows:
- 33 (1) When the total disability is only temporary, the schedule of 34 payments contained in RCW 51.32.060 (1) and (2) shall apply, so long as 35 the total disability continues.
- 36 (2) Any compensation payable under this section for children not in 37 the custody of the injured worker as of the date of injury shall be

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payable only to such person as actually is providing the support for such child or children pursuant to the order of a court of record providing for support of such child or children.

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- (3) As soon as recovery is so complete that the present earning power of the worker, at any kind of work, is restored to that existing at the time of the occurrence of the injury, the payments shall cease. If and so long as the present earning power is only partially restored, the payments shall continue in the proportion which the new earning power shall bear to the old. No compensation shall be payable unless the loss of earning power shall exceed five percent.
- 11 (4) Whenever an employer requests that a worker who is entitled to temporary total disability under this chapter be certified by a 12 physician as able to perform available work other than his or her usual 13 work, the employer shall furnish to the physician, with a copy to the 14 15 worker, a statement describing the available work in terms that will 16 enable the physician to relate the physical activities of the job to 17 the worker's disability. The physician shall then determine whether the worker is physically able to perform the work described. 18 19 worker is released by his or her physician for said work, and the work 20 thereafter comes to an end before the worker's recovery is sufficient in the judgment of his or her physician to permit him or her to return 21 22 to his or her usual job, or to perform other available work, the 23 worker's temporary total disability payments shall be resumed. 24 the available work described, once undertaken by the worker, impede his 25 or her recovery to the extent that in the judgment of his or her 26 physician he or she should not continue to work, the worker's temporary 27 total disability payments shall be resumed when the worker ceases such 28 work.

Once the worker returns to work under the terms of this subsection, he or she shall not be assigned by the employer to work other than the available work described without the worker's written consent, or without prior review and approval by the worker's physician.

In the event of any dispute as to the worker's ability to perform the available work offered by the employer, the department shall make the final determination.

(5) No worker shall receive compensation for or during the day on which injury was received or the three days following the same, unless his or her disability shall continue for a period of fourteen consecutive calendar days from date of injury: PROVIDED, That attempts

- to return to work in the first fourteen days following the injury shall not serve to break the continuity of the period of disability if the disability continues fourteen days after the injury occurs.
- 4 (6) Should a worker suffer a temporary total disability and should 5 his or her employer at the time of the injury continue to pay him or 6 her the wages which he or she was earning at the time of such injury, 7 such injured worker shall not receive any payment provided in 8 subsection (1) of this section during the period his or her employer 9 shall so pay such wages.
- 10 (7) In no event shall the monthly payments provided in this section 11 exceed ((one hundred percent)) the applicable percentage of the average 12 monthly wage in the state as computed under the provisions of RCW 13 $51.08.018((\cdot))$ as follows:

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- 17 (8) If the supervisor of industrial insurance determines that the 18 worker is voluntarily retired and is no longer attached to the work 19 force, benefits shall not be paid under this section.
- NEW SECTION. Sec. 4. (1) There is hereby created a legislative task force on workers' compensation to review the state's industrial insurance system and make recommendations on the following issues: The adequacy and equity of the industrial insurance benefit structure with regard to death and disability benefit increases and the determination of benefits based on spendable income.
- The task force consists of up to twenty-five voting members, as follows:
- (a) Three members from each caucus of the senate, appointed by the president of the senate, with at least two members from the membership of the labor and commerce committee;
- 31 (b) Three members from each caucus of the house of representatives, 32 appointed by the speaker of the house of representatives, with at least 33 two members from the membership of the commerce and labor committee; 34 and
- 35 (c) Up to thirteen members appointed jointly by the president of 36 the senate and the speaker of the house of representatives to include 37 geographic representation and to fairly represent the following:

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- 1 Injured workers; labor; the legal profession; business including self-2 insurers; and self-insured public employers.
- 3 (2) The department of labor and industries shall cooperate with the 4 task force and maintain a liaison representative, who shall be a 5 nonvoting member.
- 6 (3) The task force shall use legislative staff and facilities, but
 7 may hire additional staff with specific technical expertise if such
 8 expertise is necessary to carry out the mandates of this section. All
 9 expenses of the task force, including travel, shall be paid jointly by
 10 the senate and the house of representatives.
- 11 (4) The task force shall report its findings and recommendations to 12 the appropriate legislative committees by December 1, 1994. The task 13 force shall expire July 1, 1995.
- NEW SECTION. Sec. 5. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect July 1, 1993.

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