Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Commerce & Labor Committee

HB 1726

Brief Description: Changing provisions relating to an employer's indebtedness to a deceased person for unpaid wages, labor, or services performed.

Sponsors: Representatives Haigh and Armstrong; by request of Office of Financial Management.

Brief Summary of Bill

· Increases the maximum amount that the state of Washington, as a decedent's employer, may be required to pay the decedent's survivors for the decedent's work.

Hearing Date: 2/19/03

Staff: Jill Reinmuth (786-7134).

Background:

Following an employee's death, the decedent's employer may be required to pay the decedent's survivors an amount due to the decedent. This requirement applies if:

- The amount is owed for the decedent's work:
- · The surviving spouse requests payment of the amount due; and
- · No executor or administrator of the decedent's estate has been appointed.

The employer is required to pay the amount due, but not an amount exceeding \$2,500.

If the decedent's estate is subsequently probated, the amount exceeding \$2,500 is released to the executor and distributed according to the order of distribution entered by the court.

Summary of Bill:

The maximum amount that the state of Washington, as a decedent's employer, may be required to pay the decedent's survivors for the decedent's work is increased. Initially, the maximum amount is increased from \$2,500 to \$10,000. In subsequent biennia, the director of the Office of Financial Management is permitted to adjust the maximum amount to levels not to exceed the percentage increase in the Seattle consumer price index. Adjusted amounts

must be rounded to the nearest \$500 increment.

Other technical changes are made.

Rules Authority: The bill addresses administrative policies established by an agency director, but not the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Requested on February 11, 2003.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed.