
Commerce & Labor Committee

HB 2536

Brief Description: Allowing an injured worker to change total permanent disability pension options under certain circumstances.

Sponsors: Representatives Conway, McCoy, Condotta, Simpson and B. Sullivan; by request of Department of Labor & Industries.

Brief Summary of Bill

- Allows an injured worker entitled to an industrial insurance permanent total disability pension to change his or her pension option if the worker's designated beneficiary dies or the worker becomes divorced from the designated beneficiary.

Hearing Date: 1/18/06

Staff: Sarah Dylag (786-7109).

Background:

Industrial insurance is a no-fault state workers' compensation program that provides benefits to covered workers who are injured on the job or who develop an occupational disease. Under the industrial insurance program, an injured worker who is totally and permanently disabled as a result of a workplace injury may be entitled to permanent total disability compensation.

There are three pension options available for receiving permanent total disability compensation. The options determine how much a designated beneficiary will continue receive if the injured worker dies from a cause unrelated to the injury. One option allows the injured worker to receive a full monthly benefit each month with no benefits being paid to the worker's designated beneficiary if the worker dies from a cause unrelated to the injury. Two other options allow the injured worker to receive a reduced monthly benefit each month in exchange for a designated beneficiary continuing to collect benefits if the worker dies from a cause unrelated to the injury.

The injured worker must choose one of the three options and cannot change the option after making a choice.

Summary of Bill:

If an injured worker's designated beneficiary dies or if the injured worker becomes divorced from the designated beneficiary, the injured worker may apply to the Department of Labor and Industries (Department) to receive a full monthly benefit instead of a reduced monthly benefit.

The injured worker must apply within one year of the death or dissolution of marriage and must submit documentation of the death or dissolution of marriage to the Department.

This is a one-time adjustment permanent for the life of the worker.

Rules Authority: The bill does not contain provisions addressing the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.