

SENATE BILL REPORT

SB 6262

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, January 24, 2006

Title: An act relating to establishing a pilot program to allow employers to assist employees in completing applications for industrial insurance benefits.

Brief Description: Establishing a pilot program to allow employers to assist employees in completing applications for industrial insurance benefits.

Sponsors: Senators Kohl-Welles, Parlette, Honeyford, Keiser, Prentice and Kline; by request of Department of Labor & Industries.

Brief History:

Committee Activity: Labor, Commerce, Research & Development: 1/24/06 [DPS]

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 6262 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Parlette, Ranking Minority Member; Brown, Honeyford and Keiser.

Staff: Jennifer Strus (786-7316)

Background: Under SHB 1918 passed during the 2005 legislative session, the Department of Labor and Industries (L&I) was required to develop an initiative to encourage workers to report industrial insurance injuries to the employer and the employer, in turn, to report the injuries to the L&I, including taking steps to educate workers and employers about the benefits of prompt reporting.

By December 1, 2006, SHB 1918 required L&I to develop and make statutory recommendations for an alternative system of reporting injuries under which the worker would report to the employer and the employer would report to the Department.

Summary of Substitute Bill: L&I must develop and implement an initiative to encourage employers to assist the worker in completing a workers' compensation application.

By January 1, 2007, L&I must develop and begin a pilot program to allow employers to assist workers in applying for benefits. The pilot does not replace the current method of reporting workplace injuries through the worker's physician. The department must develop requirements or rules for employers who participate in the pilot program, including provisions to ensure prompt reporting of injuries and communicating a worker's rights and responsibilities under the pilot. The program must include the voluntary participation of employers representing a cross-section of industries, geographic areas, union and nonunion workers, large and small businesses and other criteria established by L&I with input from business and labor leaders.

The department must, to the greatest extent possible, attempt to include in the pilot all employers who volunteer. During the pilot period, L&I must expand the participation of employers and consider steps to address the unique needs and issues of small employers. The pilot program expires July 1, 2009.

Substitute Bill Compared to Original Bill: The requirement that the department develop requirements or rules for employers who participate in the program was added. The requirement that L&I attempt to include all employers who volunteer in the pilot was added.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Testimony For: Although the bill passed last session requiring L&I to study the issue, the feeling is that the study should be of the actual process of employees reporting injuries to their employers, which is why L&I has proposed to start a pilot program. You may want to ask L&I to make recommendations after the pilot program is completed. The biggest problem with delayed benefits is the physicians reporting to L&I and this pilot will not address that problem.

Testimony Against: None.

Testimony Other: There should be more information in the bill about what is to be included in the pilot program; small businesses need to be included. This pilot should look at whether reporting injuries to employers speeds up the claim process. Also, the bill needs to make sure the effect of the pilot is not to dissuade workers from filing workers compensation claims.

Who Testified: PRO: Gary Weeks, L&I Director; Carolyn Logue, NFIB; Rick Slunaker, AGC; Mark Johnson, Washington Retail Association; Gary Smith, Independent Business Assoc. OTHER: Kris Tefft, AWB; Owen Linch, Teamsters; Dan Fazio, Farm Bureau.