

HOUSE BILL REPORT

SB 6839

As Reported by House Committee On:
Commerce & Labor

Title: An act relating to workers' compensation coverage for work performed outside the state of Washington.

Brief Description: Regarding workers' compensation coverage for work performed outside Washington.

Sponsors: Senators Marr and Kohl-Welles; by request of Department of Labor & Industries.

Brief History:

Committee Activity:

Commerce & Labor: 2/21/08, 2/26/08 [DPA].

Brief Summary of Bill
(As Amended by House Committee)

- Requires Washington employers to obtain industrial insurance coverage for temporary and incidental work outside Washington and authorizes the Department of Labor and Industries to adopt rules for work in excess of temporary and incidental.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Crouse, Green, Moeller and Williams.

Staff: Joan Elgee (786-7106).

Background:

A worker who suffers an industrial injury outside Washington is entitled to compensation under the Industrial Insurance Act if the employment was principally localized in Washington and in certain other cases. The Director of the Department of Labor and Industries (Department) may enter into agreements with other states and Canadian provinces regarding

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conflicts of jurisdiction where the contract of employment is in one state and the injury occurs in another.

In some cases, employers pay premiums in both Washington and another state for the same work.

The Workers' Compensation Advisory Committee (Committee) is a statutory committee that studies any aspects of workers' compensation that the Committee decides requires its consideration.

Summary of Amended Bill:

Washington employers who are not self-insured must cover Washington workers for temporary and incidental work performed on jobs or at job sites in another state. For work in excess of temporary and incidental, the Department may adopt rules governing premium liability and reporting requirements.

"Temporary and incidental" is defined as work by Washington employers on jobs or at job sites in another state for 30 or fewer consecutive or non-consecutive full or partial days within a calendar year. Temporary and incidental days are considered on a per-state basis.

The Department must report to the Committee on the effect of the new provisions on the revenue and costs to the state fund by December 1, 2011.

Amended Bill Compared to Original Bill:

The amended bill corrects a grammatical error and simplifies the language of the reporting requirement.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) This bill simplifies regulations for businesses that operate in border areas and lowers costs. Business, labor, and the Department of Labor and Industries collaboratively worked on this agency request legislation. The bill affects employers beyond construction. Employees are not going to be affected but the bill does give some relief to employers who must pay double premiums.

(Opposed) None.

Persons Testifying: Senator Marr, prime sponsor; Mike Ratko, Department of Labor and Industries; and Rick Slunaker, Associated General Contractors of Washington.

Persons Signed In To Testify But Not Testifying: None.