AN ACT Relating to payment methods on certain claimants' benefits; and amending RCW 7.68.031, 7.68.033, 7.68.034, 51.04.080, 51.28.060, 51.32.040, 51.32.045, and 51.44.110.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 7.68.031 and 2011 c 346 s 201 are each amended to read as follows:

On all claims under this chapter, claimants' written or electronic notices, orders, or ((warrants)) payments must be forwarded directly to the claimant until such time as there has been entered an order on the claim appealable to the department. Claimants' written or electronic notices, orders, or ((warrants)) payments may be forwarded to the claimant in care of a representative before an order has been entered if the claimant sets forth in writing the name and address of the representative to whom the claimant desires this information to be forwarded.

Sec. 2. RCW 7.68.033 and 2011 c 346 s 203 are each amended to read as follows:

(1) Except as provided in RCW 43.20B.720, 72.09.111, 74.20A.260,
and 51.32.380, no money paid or payable under this chapter shall, before the issuance and delivery of the ((check or warrant)) payment, or disbursement of electronic funds or electronic payment, be assigned, charged, or taken in execution, attached, garnished, or pass or be paid to any other person by operation of law, any form of voluntary assignment, or power of attorney. Any such assignment or charge is void unless the transfer is to a financial institution at the request of a victim or other beneficiary and made in accordance with RCW 7.68.034.

(2)(a) If any victim suffers an injury and dies from it before he or she receives payment of any monthly installment covering financial support for lost wages for any period of time before his or her death, the amount of the monthly payment shall be paid to the surviving spouse or the child or children if there is no surviving spouse. If there is no surviving spouse and no child or children, the amount of the monthly payment shall be paid by the department and distributed consistent with the terms of the decedent's will or, if the decedent dies intestate, consistent with the terms of RCW 11.04.015.

(b) Any application for compensation under this subsection (2) shall be filed with the department within one year of the date of death. The department may satisfy its responsibilities under this subsection (2) by sending any payment due in the name of the decedent and to the last known address of the decedent.

(3) Any victim or beneficiary receiving benefits under this chapter who is subsequently confined in, or who subsequently becomes eligible for benefits under this chapter while confined in, any institution under conviction and sentence shall have all payments of the compensation canceled during the period of confinement. After discharge from the institution, payment of benefits due afterward shall be paid if the victim or beneficiary would, except for the provisions of this subsection (3), otherwise be eligible for them.

Sec. 3. RCW 7.68.034 and 2011 c 346 s 204 are each amended to read as follows:

Any victim or other recipient of benefits under this chapter may elect to have any payments due paid by debit card or other electronic means or transferred to such person's account in a financial institution for either: (1) Credit to the recipient's account in such
financial institution; or (2) immediate transfer therefrom to the
recipient's account in any other financial institution. A single
warrant payment may be drawn in favor of such financial
institution, for the total amount due the recipients involved, and
written directions provided to such financial institution of the amount
to be credited to the account of a recipient or to be transferred to an
account in another financial institution for such recipient. The
issuance and delivery by the disbursing officer of a warrant payment in accordance with the procedure set forth in this section and
proper endorsement thereof by the financial institution shall have the
same legal effect as payment directly to the recipient.

For the purposes of this section, "financial institution" shall have the meaning given in RCW 41.04.240 as now or hereafter amended.

Sec. 4. RCW 51.04.080 and 2007 c 78 s 1 are each amended to read
as follows:

On all claims under this title, claimants' written notices, orders, or warrant payments must be forwarded directly to the claimant
until such time as there has been entered an order on the claim
appealable to the board of industrial insurance appeals. Claimants' written notices, orders, or warrant payments may be forwarded to
the claimant in care of a representative before an order has been
entered if the claimant sets forth in writing the name and address of
the representative to whom the claimant desires this information to be forwarded.

Sec. 5. RCW 51.28.060 and 1977 ex.s. c 350 s 35 are each amended
to read as follows:

A dependent shall at all times furnish the department with proof satisfactory to the director of the nature, amount and extent of the
contribution made by the deceased worker.

Proof of dependency by any beneficiary residing without the United States shall be made before the nearest United States consul or
consular agency, under the seal of such consul or consular agent, and
the department may cause any warrant or warrants payments to which
such beneficiary is entitled to be transmitted to the beneficiary
through the nearest United States consul or consular agent.
Sec. 6. RCW 51.32.040 and 2003 c 379 s 27 are each amended to read as follows:

(1) Except as provided in RCW 43.20B.720, 72.09.111, 74.20A.260, and 51.32.380, no money paid or payable under this title shall, before the issuance and delivery of the payment, be assigned, charged, or taken in execution, attached, garnished, or pass or be paid to any other person by operation of law, any form of voluntary assignment, or power of attorney. Any such assignment or charge is void unless the transfer is to a financial institution at the request of a worker or other beneficiary and made in accordance with RCW 51.32.045.

(2) (a) If any worker suffers (i) a permanent partial injury and dies from some other cause than the accident which produced the injury before he or she receives payment of the award for the permanent partial injury or (ii) any other injury before he or she receives payment of any monthly installment covering any period of time before his or her death, the amount of the permanent partial disability award or the monthly payment, or both, shall be paid to the surviving spouse or the child or children if there is no surviving spouse. If there is no surviving spouse and no child or children, the award or the amount of the monthly payment shall be paid by the department or self-insurer and distributed consistent with the terms of the decedent's will or, if the decedent dies intestate, consistent with the terms of RCW 11.04.015.

(b) If any worker suffers an injury and dies from it before he or she receives payment of any monthly installment covering time loss for any period of time before his or her death, the amount of the monthly payment shall be paid to the surviving spouse or the child or children if there is no surviving spouse. If there is no surviving spouse and no child or children, the amount of the monthly payment shall be paid by the department or self-insurer and distributed consistent with the terms of the decedent's will or, if the decedent dies intestate, consistent with the terms of RCW 11.04.015.

(c) Any application for compensation under this subsection (2) shall be filed with the department or self-insuring employer within one year of the date of death. The department or self-insurer may satisfy its responsibilities under this subsection (2) by sending any payment
due in the name of the decedent and to the last known address of the
decedent.

(3)(a) Any worker or beneficiary receiving benefits under this
title who is subsequently confined in, or who subsequently becomes
eligible for benefits under this title while confined in, any
institution under conviction and sentence shall have all payments of
the compensation canceled during the period of confinement. After
discharge from the institution, payment of benefits due afterward shall
be paid if the worker or beneficiary would, except for the provisions
of this subsection (3), otherwise be entitled to them.

(b) If any prisoner is injured in the course of his or her
employment while participating in a work or training release program
authorized by chapter 72.65 RCW and is subject to the provisions of
this title, he or she is entitled to payments under this title, subject
to the requirements of chapter 72.65 RCW, unless his or her
participation in the program has been canceled, or unless he or she is
returned to a state correctional institution, as defined in RCW
72.65.010(3), as a result of revocation of parole or new sentence.

(c) If the confined worker has any beneficiaries during the
confinement period during which benefits are canceled under (a) or (b)
of this subsection, they shall be paid directly the monthly benefits
which would have been paid to the worker for himself or herself and the
worker's beneficiaries had the worker not been confined.

(4) Any lump sum benefits to which a worker would otherwise be
entitled but for the provisions of this section shall be paid on a
monthly basis to his or her beneficiaries.

Sec. 7. RCW 51.32.045 and 1982 c 109 s 11 are each amended to read
as follows:

Any worker or other recipient of benefits under this title may
elect to have any payments due paid by debit card or other electronic
means or transferred to such person's account in a financial
institution for either: (1) Credit to the recipient's account in such
financial institution; or (2) immediate transfer therefrom to the
recipient's account in any other financial institution. The debit card
or other electronic means payment option is available at the discretion
of the department or self-insured employer, and the recipient must
request in writing on a department-approved form or other department-
approved method that the recipient's payments be made through this 
payment option.
A single ((warrant)) payment may be drawn in favor of such 
financial institution, for the total amount due the recipients 
involved, and written directions provided to such financial institution 
of the amount to be credited to the account of a recipient or to be 
transferred to an account in another financial institution for such 
recipient. The issuance and delivery by the disbursing officer of a 
((warrant)) payment in accordance with the procedure set forth in this 
section and proper indorsement thereof by the financial institution 
shall have the same legal effect as payment directly to the recipient.
For the purposes of this section, "financial institution" shall 
have the meaning given in RCW 41.04.240 as now or hereafter amended.

Sec. 8. RCW 51.44.110 and 1977 ex.s. c 350 s 68 are each amended 
to read as follows:
Disbursement out of the several funds shall be made only upon 
warrants or payments drawn by the department. The state treasurer 
shall pay every warrant or payment out of the fund upon which it is 
drawn. If, at any time, there shall not be sufficient money in the 
fund on which any such warrant or payment is drawn wherewith to pay the 
same, the employer on account of whose worker it was that the warrant 
or payment was drawn shall pay the same, and he or she shall be 
credited upon his or her next following contribution to such fund the 
amount so paid with interest thereon at the legal rate from the date of 
such payment to the date such next following contribution became 
payable and, if the amount of the credit shall exceed the amount of the 
contribution, he or she shall have a warrant or payment upon the same 
fund for the excess and, if any such warrant or payment shall not be so 
paid, it shall remain, nevertheless, payable out of the fund.

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