<u>SB 5801</u> - H AMD 1343 By Representative Sells

1 Strike everything after the enacting clause and insert the 2 following:

3 "Sec. 1. RCW 51.52.130 and 2007 c 490 s 4 are each amended to 4 read as follows:

5 (1) ((If, on appeal to the superior or appellate court from the 6 decision and order of the board, said decision and order is reversed or modified and additional relief is granted to a worker or 7 beneficiary, or in cases where a party other than the worker or 8 beneficiary is the appealing party and the worker's or beneficiary's 9 right to relief is sustained, a reasonable fee for the services of 10 11 the worker's or beneficiary's attorney shall be fixed by the court.)) 12 (a) The department will pay a worker's or beneficiary's attorneys' fees, fees of medical and other witnesses, and other statutory costs 13 out of the department's administrative fund when the worker or 14 beneficiary appeals a decision of the board, and the court reverses 15 or modifies the board's order and grants additional relief. 16

17 (b) (i) Except as provided in (b) (ii) of this subsection, the 18 employer or retrospective rating group will pay a worker's or beneficiary's attorneys' fees, fees of medical and other witnesses, 19 and other statutory costs when the employer or retrospective rating 20 21 group appeals a decision of the board, and the court sustains in full the worker's or beneficiary's right to contested benefits. If the 22 court sustains only a part of the worker's or beneficiary's right to 23 contested benefits, then the department will pay the worker's or 24 25 beneficiary's costs and fees out of the department's administrative 26 fund.

27 (ii) If the employer has 25 or fewer employees, the department 28 will pay the worker's or beneficiary's costs and fees out of the 29 department's administrative fund.

30 (c) In fixing the ((fee)) worker's or beneficiary's attorney fees 31 under (a) and (b) of this subsection, the court ((shall)) will take 32 into consideration the ((fee or)) fees((, if any,)) fixed ((by the

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1 director and the board)) for such attorney's services before the department and the board. If the court finds ((that the fee fixed by 2 the director or by the board is)) the fees inadequate for services 3 performed ((before the department or board)), or if the director or 4 the board ((has)) fixed no fee ((for such services)), then the court 5 6 ((shall)) will fix a fee for the attorney's services before the department, or the board, as the case may be, in addition to the fees 7 fixed for the services in the court. ((If in a worker or beneficiary 8 appeal the decision and order of the board is reversed or modified 9 and if the accident fund or medical aid fund is affected by the 10 litigation, or if in an appeal by the department or employer the 11 worker or beneficiary's right to relief is sustained, or in an appeal 12 by a worker involving a state fund employer with twenty-five 13 employees or less, in which the department does not appear and 14 defend, and the board order in favor of the employer is sustained, 15 16 the attorney's fee fixed by the court, for services before the court 17 only, and the fees of medical and other witnesses and the costs shall 18 be payable out of the administrative fund of the department.))

19 <u>(d) The department will pay a state fund employer's attorneys'</u> 20 <u>fees out of the department's administrative fund when the employer</u> 21 <u>has 25 employees or less and when a worker appeals the board</u> 22 <u>decision, and the department does not appear and defend, and the</u> 23 <u>board order in favor of the employer is sustained.</u>

24 (e) In the case of self-insured employers, the attorney fees 25 fixed by the court, for services before the court only, and the fees 26 of medical and other witnesses and the costs shall be payable 27 directly by the self-insured employer.

(2) In an appeal to the superior or appellate court involving the presumption established under RCW 51.32.185 or 51.32.187, the attorney's fee shall be payable as set forth under RCW 51.32.185 or 51.32.187."

32 Correct the title.

EFFECT: (1) Specifies that the responsibility of the employer or retrospective rating (retro) group for fees and costs incurred by the worker or beneficiary on an unsuccessful appeal brought by the employer or retro group applies when the court fully sustains the right to contested benefits, rather than when the court sustains in full or in part the right to relief.

(2) Provides for payment of the worker's or beneficiary's fees and costs from the Department of Labor and Industries' administrative fund after an appeal by an employer or retro group when:

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(a) The court sustains only a part of the right to contested benefits; or

(b) The employer has 25 or fewer employees.

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