

HOUSE BILL REPORT

SSB 5773

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to charges against industrial insurance awards.

Brief Description: Revising provision relating to charges against industrial insurance awards.

Sponsors: Senate Committee on Labor, Commerce & Trade (originally sponsored by Senators Pelz, Newhouse and Deccio; by request of Employment Security Department).

Brief History:

Committee Activity:

Commerce & Labor: 3/29/95 [DPA].

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 10 members: Representatives Lisk, Chairman; Hargrove, Vice Chairman; Thompson, Vice Chairman; Romero, Ranking Minority Member; Conway, Assistant Ranking Minority Member; Cairnes; Cody; Cole; Fuhrman and Goldsmith.

Staff: Chris Cordes (786-7117).

Background: Under the unemployment insurance law, a person is disqualified from receiving benefits if he or she is also receiving industrial insurance permanent total disability benefits or temporary total disability benefits during the same period.

The industrial insurance law does not permit assignment or attachment of industrial insurance benefits except for collection actions for child support payments and when reimbursement is required because the claimant received public assistance benefits and industrial insurance temporary total disability benefits during the same period.

Summary of Amended Bill: The provision prohibiting assignment or attachment of industrial insurance benefits is modified to permit assignment or attachment when the industrial insurance claimant is disqualified from receiving unemployment compensation because he or she was also receiving industrial insurance permanent or temporary total disability benefits.

Procedures are established for the Employment Security Department to enforce the lien against the industrial insurance benefits to secure reimbursement of unemployment compensation to the extent of the unemployment compensation or industrial insurance benefits, whichever is less, that were provided to the claimant during the same period. The Employment Security Department's lien is effective on the day that notice to withhold and deliver is received by the Department of Labor and Industries or the self insured employer. A copy of the lien notice must be sent by certified mail to the claimant no later than the next business day after delivery to the Department of Labor and Industries or the self insured employer.

Amended Bill Compared to Substitute Bill: The amendment allows the Employment Security Department's lien to be enforced against permanent total disability benefits, as well as temporary total disability benefits, when the injured worker has received these benefits at the same time as unemployment benefits.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect January 1, 1996.

Testimony For: The bill will assist the agency in collecting overpayments. The amendment is acceptable as conforming the bill to the current statute.

Testimony Against: None.

Testified: Graeme Sackrison, Employment Security Department.