

# SENATE BILL REPORT

## HB 3044

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As Reported By Senate Committee On:  
Commerce & Labor, February 26, 1998

**Title:** An act relating to determining an injured worker's wages for purposes of eligibility for temporary total disability compensation.

**Brief Description:** Determining an injured worker's wages for temporary total disability compensation eligibility.

**Sponsors:** Representative McMorris.

**Brief History:**

**Committee Activity:** Commerce & Labor: 2/24/98, 2/26/98 [DP, DNP].

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### SENATE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson and Newhouse.

**Minority Report:** Do not pass.

Signed by Senators Franklin, Fraser and Heavey.

**Staff:** Jack Brummel (786-7428)

**Background:** The industrial insurance law authorizes compensation for injured workers for the time lost from work because of an on-the-job injury or an occupational illness. The amount of compensation usually is based on the worker's monthly wages from all employment at the time of injury. For seasonal workers and workers whose current employment is intermittent or part-time, the worker's monthly wage is determined by dividing by 12 the worker's total wages, including overtime, earned in all employment in any 12 consecutive months preceding the injury that fairly represents the worker's employment pattern.

If an injured worker is paid the same wages during a period of temporary total disability that the worker was earning at the time of injury, the worker is not entitled to time-loss compensation for that period.

**Summary of Bill:** Seasonal, intermittent, or part-time workers whose employers continue to pay wages based on 12-month wage averaging are not eligible for time-loss compensation during the period that wages are paid.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** This would allow the employer to pay the L&I established wage. Lower premiums will lower workers' contributions. It is possible to get more benefits through averaging. Wages paid mean 25 to 40 percent more for workers.

Keeping the employer and employee in close communication is better for both employers and employees. The employers want to pay on the same basis as the Department of Labor and Industries pays.

**Testimony Against:** Experience rating is not affected if there is no time loss paid. This bill will reduce the kept-on salary. This is a significant hit on the poorest population in the state.

**Testified:** PRO: Representative McMorris, prime sponsor; Steven George, Hop Growers of Washington; Vern Parks, Penser International; Chris Cheney, Washington Growers League; CON: Jeff Johnson, Robby Stern, Washington State Labor Council; Michael Temple, Washington Trial Lawyers.