

HOUSE BILL REPORT

HB 2434

*As Reported By House Committee on:
Commerce & Labor*

Title: An act relating to compensation during industrial insurance appeals.

Brief Description: Making technical changes to the statute governing compensation during industrial insurance appeals.

Sponsor(s): Representatives Franklin, Heavey, Prentice, R. King, Jones and G. Cole.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 4, 1992, DPS.

**HOUSE COMMITTEE ON
COMMERCE & LABOR**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 11 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Fuhrman, Ranking Minority Member; Lisk, Assistant Ranking Minority Member; Franklin; Jones; R. King; O'Brien; Prentice; Vance; and Wilson.

Staff: Chris Cordes (786-7117).

Background: It is the policy of the Department of Labor and Industries not to pay benefits to an injured worker while the employer's appeal is pending at the Board of Industrial Insurance Appeals. However, benefits may be paid if the issue under appeal does not involve the payment of benefits or the allowance or reopening of the claim, or if the employer's appeal is unfounded. The department's policy states that is intended to avoid unnecessary department recoupment costs when an appeal is resolved in favor of the employer. If the department pays benefits, all parties to the appeal are notified and the benefits may be subject to recoupment.

Summary of Substitute Bill: If an employer appeals a Department of Labor and Industries' industrial insurance order that grants the injured worker temporary total disability benefits, the worker is entitled to provisional

benefits while the case is on appeal before the Board of Industrial Insurance Appeals.

Technical changes are made and the statute is reorganized.

Substitute Compared to Original Bill: The substitute bill: (1) limits the injured worker's time-loss benefits to the period of time that the appeal is pending before the Board of Industrial Insurance Appeals; and (2) makes a technical correction that clarifies the authority of the board to deny an appeal when the Department of Labor and Industries has reassumed jurisdiction over a case.

Fiscal Note: Available.

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

Testimony For: If the Department of Labor and Industries determines that an injured worker is eligible for time-loss benefits, then the employer should not be able to stop those benefits by filing an appeal. This is unfair to workers and their families who endure hardship without the benefits to which they are entitled. There are technical changes that can clarify the bill's intent.

Testimony Against: None.

Witnesses: (In favor): Bill Hochberg, Washington State Trial Lawyers Association; Jeff Johnson, Washington State Labor Council; and Rick Cloud. (Neutral, with amendments): Mike Watson, Department of Labor and Industries.