

HOUSE BILL REPORT

SHB 2720

As Amended by the Senate

Title: An act relating to longshore and harbor workers' compensation act insurance.

Brief Description: Making workers' compensation coverage available to all longshore and harbor workers.

Sponsor(s): By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives R. Meyers, Paris, Anderson, Hargrove, Miller, H. Sommers, Winsley, Jones, Basich, J. Kohl, Belcher and Orr).

Brief History:

Reported by House Committee on:
Financial Institutions & Insurance, February 7, 1992,
DPS;
Passed House, February 17, 1992, 95-0;
Amended by Senate.

**HOUSE COMMITTEE ON
FINANCIAL INSTITUTIONS & INSURANCE**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 13 members: Representatives Dellwo, Chair; Zellinsky, Vice Chair; Broback, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Anderson; Dorn; Inslee; R. Johnson; R. Meyers; Paris; Schmidt; Scott; and Winsley.

Staff: John Conniff (786-7119).

Background: Federal law requires the employers of longshore and harbor workers to obtain workers' compensation coverage for their employees and maritime employers' liability coverage. Longshore and harbor employees currently are not eligible for coverage under the Washington state workers' compensation insurance program.

In Washington, some employers and employees subject to the federal requirement are unable to obtain insurance through private insurance companies or are unable to self-insure.

Summary of Bill: The insurance commissioner must study methods of establishing a reasonable plan to provide workers' compensation coverage as required by the federal

Longshoreman's and Harbor Workers Compensation Act and must report the findings to the Legislature by January 1, 1993.

EFFECT OF SENATE AMENDMENT(S): The provisions of the House bill are replaced in their entirety by the provisions of ESB 6322 that: amends the exclusion of workers's compensation insurance from the provisions of the Washington Insurance Guarantee Association Act by limiting the exclusion to that industrial insurance issued by the state fund thereby bringing other workers' compensation insurance, such as that issued by private carriers for Longshoremen and Harbor Workers' Act coverage, within the provisions of the guarantee act for orders of liquidation issued on or after July 1, 1992; directs the insurance commissioner to develop a plan to insure employers' obligations under the Longshoremen and Harbor Workers' Act and maritime employers' liability coverage when those employers are unable to obtain coverage in the private market; requires the commissioner's plan to include the participation of all insurers who are authorized to write primary and excess workers' compensation insurance or reinsurance, including the Washington state workers compensation fund; directs the commissioner to appoint an advisory committee by April 15, 1992, consisting of the commissioner, the director of the Department of Labor and Industries, and representatives of insurers writing primary or excess workers' compensation insurance, organized labor, and maritime employers for the purpose of proposing long-term solutions to the longshoremen and harbor workers' insurance availability-affordability problem; and terminates the insurance plan to be established by the insurance commissioner on July 1, 1993.

Fiscal Note: Not requested.

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

Testimony For: None.

Testimony Against: None.

Witnesses: None.

VOTE ON FINAL PASSAGE:

Yeas 95; Excused 3

Excused: Representatives Braddock, Brekke, Hochstatter