

SENATE BILL REPORT

SB 5492

AS OF FEBRUARY 15, 1991

Brief Description: Authorizing employers to purchase workers' compensation insurance from private insurance providers.

SPONSORS: Senators Matson, Owen, West, L. Smith and Amondson.

SENATE COMMITTEE ON COMMERCE & LABOR

Staff: Dave Cheal (786-7576)

Hearing Dates: February 18, 1991

BACKGROUND:

Currently employers in Washington State are required to purchase industrial insurance from the Washington State fund administered by the Department of Labor and Industries. The only exception to this requirement is that some employers who meet the statutory qualifications may self-insure this obligation. Private insurance carriers are not allowed to issue industrial insurance policies in this state. Washington is one of six exclusive state-fund states.

SUMMARY:

Beginning January 1, 1993 employers are allowed to purchase workers' compensation insurance from any insurer authorized to do business in the state and certified by the Department of Labor and Industries. A committee to develop implementing legislation is established consisting of two members of the Senate, one from each caucus, two members of the House of Representatives, one from each caucus, one member each representing employers, workers, the insurance industry, the Washington State Bar Association, and the Washington State Medical Association.

The committee may add up to three members, ex officio, who may participate but not vote. The committee is given authority to hire staff. The committee members serve without compensation, and are to report their recommendations to the Legislature by January 1, 1992.

Appropriation: none

Revenue: none

Fiscal Note: requested February 15, 1991

