FINAL BILL REPORT

SHB 1543

C 177 L 93 Synopsis as Enacted

Brief Description: Insuring longshore and harbor workers.

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Zellinsky, Mielke, Tate, Dellwo, Scott, Sommers, G. Cole, R. Johnson, Dyer, R. Meyers, Jones and Basich).

House Committee on Financial Institutions & Insurance House Committee on Appropriations Senate Committee on Labor & Commerce

Background: Federal law requires the employers of longshore and harbor workers to obtain workers' compensation coverage for their employees. 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. As a result, the Legislature adopted an insurance plan to provide needed insurance for those employers unable to obtain coverage in the private market. Under the plan, all insurers writing primary and excess workers' compensation insurance and the state Department of Labor and Industries' workers' compensation fund participate in underwriting the losses for such coverage in proportion to each entity's share of the workers' compensation market.

The program is scheduled to expire July, 1, 1993.

Summary: Operation of the state longshore and harbor workers' insurance plan is extended until July 1, 1995.

The plan is amended to exclude the participation of excess workers' compensation insurers. Liability for plan losses is split equally between private insurers writing longshore and harbor workers' compensation insurance and the state workers' compensation fund. The state workers' compensation fund is authorized to provide reinsurance of the longshore and harbor workers' plan.

Votes on Final Passage:

House 98 0 Senate 43 0

Effective: April 30, 1993