

SENATE BILL REPORT

ESHB 1249

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, APRIL 1, 1993

Brief Description: Increasing industrial insurance partial disability awards.

SPONSORS: House Committee on Appropriations (originally sponsored by Representatives Heavey, King, Franklin, Orr, G. Cole, Jones, Veloria, Johanson and R. Meyers)

HOUSE COMMITTEE ON COMMERCE & LABOR

HOUSE COMMITTEE ON APPROPRIATIONS

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass as amended.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Amondson, Fraser, McAuliffe, Pelz, Sutherland, Vognild, and Wojahn.

Staff: Dave Cheal (786-7576)

Hearing Dates: March 30, 1993; April 1, 1993

BACKGROUND:

Under the state's industrial insurance system, an injured worker with a permanent partial disability receives compensation for the disability according to a statutory schedule. The schedule specifies the amount of the award for amputation of limbs and parts of limbs, as well as for loss of visual acuity and loss of hearing. Compensation amounts range from \$378 for amputation of the tip of a toe to \$54,000 for the amputation of an arm or leg.

The awards for unspecified amputations and hearing or vision losses are determined based on the relationship the disability bears to the disabilities specified in the award schedule. Other permanent partial disabilities that are not specified in the schedule are compensated by awards representing the proportion that the disability bears to total bodily impairment, for which the maximum compensation is \$90,000.

SUMMARY:

All compensation amounts listed under the industrial insurance permanent partial disability schedule are increased by 35 percent beginning July 1, 1993. The maximum compensation for total bodily impairment is increased from \$90,000 to \$121,500. Beginning on July 1, 1994, and on each July 1 after that, these amounts are adjusted based on the National Consumer Price Index.

SUMMARY OF PROPOSED SENATE AMENDMENT:

The index language is clarified. Awards are based on the schedule in effect at the time of injury.

Appropriation: none

Revenue: none

Fiscal Note: available

Effective Date: The bill contains an emergency clause and takes effect immediately.

TESTIMONY FOR:

These awards have eroded since 1986 when they were adopted. The bill restores these awards to the purchasing power they had in 1986.

TESTIMONY AGAINST:

While some inflationary adjustment might be justified, 35 percent is more than is appropriate. The combined effect of this and other industrial insurance increases will have a serious adverse impact on employees.

TESTIFIED: Jeff Johnson (pro); Rick Bender (pro); Robert Dilger (pro); Bill Hochberg (pro); Clif Finch, Gary Smith, Carolyn Logue