

SENATE BILL REPORT

SB 6311

AS PASSED SENATE, FEBRUARY 15, 1994

Brief Description: Adjusting permanent partial disability payments using the state average wage.

SPONSORS: Senators Prentice and Pelz; by request of Department of Labor & Industries

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

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

Staff: Dave Cheal (786-7576)

Hearing Dates: January 20, 1994; January 28, 1994

BACKGROUND:

When a worker is permanently or partially disabled as a result of a work-related injury or occupational disease, they are entitled to a sum of money based on a statutory schedule for certain listed injuries, or a percentage of total disability for injuries not listed in the statute.

In 1993, the Legislature adjusted the amounts payable for permanent partial disability. The amount payable for total bodily impairment is \$118,000 as of July 1, 1993. Awards for unspecified disabilities that are less than total are calculated as a percentage of this amount.

Currently, if the award exceeds three times the average monthly wage, payment is made according to the amount the worker would receive under the time loss provisions of the workers' compensation statute, until the full award is paid. Interest is paid at the rate of 8 percent. The first monthly payment equals three times the average monthly wage as computed annually by the Department of Employment Security.

SUMMARY:

Monthly payments of compensation for a permanent partial disability are changed to equal the state average monthly wage as calculated most recently prior to the date the award is made.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

Accelerated payment schedules will save some administrative costs and interest payments. It will encourage some workers to return to work sooner. With accelerated payments, it might help an injured worker start a small business or obtain education or training.

TESTIMONY AGAINST: None

TESTIFIED: Douglas Connell, L&I