

SENATE BILL REPORT

SB 6409

AS OF FEBRUARY 1, 1994

Brief Description: Modifying rights and duties for actions for injury or death against third persons.

SPONSORS: Senator Hargrove

SENATE COMMITTEE ON LABOR & COMMERCE

Staff: Dave Cheal (786-7576)

Hearing Dates: February 2, 1994

BACKGROUND:

A worker may not sue his or her employer for damages caused by an injury on the job, unless the employer intentionally causes the injury. However, injured workers may have a right to sue third parties. Examples are the employees of another employer working at the job site who caused the injury, or the manufacturer of a defective piece of equipment.

If the injured worker chooses not to sue a responsible third party, the Department of Labor and Industries or a self-insured employer has the right to sue the third party on behalf of the worker. Injuries caused by a third party entitle the worker to industrial insurance benefits and the cost of those benefits may adversely affect the employer.

SUMMARY:

The Department of Labor and Industries or self-insurer is declared to have a fiduciary duty to the injured worker with respect to third party claims. In a case that has been assigned to the department rather than a self insurer, the employer is given a cause of action to enforce the fiduciary duty to the extent the employer's cost experience is adversely affected.

Appropriation: none

Revenue: none

Fiscal Note: requested