

# SENATE BILL REPORT

## HB 2314

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As Reported By Senate Committee On:  
Commerce & Labor, February 27, 1998

**Title:** An act relating to the statute of limitations for the repayment or recoupment of industrial insurance benefits induced by claimant fraud.

**Brief Description:** Recovering industrial insurance benefit payments.

**Sponsors:** Representatives Hatfield, Honeyford and Conway; by request of Department of Labor & Industries.

**Brief History:**

**Committee Activity:** Commerce & Labor: 2/26/98, 2/27/98 [DP].

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### SENATE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** Do pass.

Signed by Senators Schow, Chair; Horn, Vice Chair; Anderson, Franklin, Fraser, Heavey and Newhouse.

**Staff:** Jack Brummel (786-7428)

**Background:** Under current law, when there is worker fraud in the receipt of industrial insurance benefits, the Department of Labor and Industries must demand or order recovery from a worker within one year of the discovery of the fraud. Because fraud cases must be well investigated and documented, they can be time consuming. The office of the Attorney General and the department believe a three-year period would lead to the recovery of more money.

**Summary of Bill:** The repayment or recoupment of industrial insurance payments induced by fraud must be demanded or ordered within three years of the discovery of the fraud.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This bill will increase the amount of money the department can collect for worker fraud.

**Testimony With Concerns:** The statute of limitations should be the same for all parties.

**Testified:** Representative Brian Hatfield, prime sponsor (pro); Doug Connel, L&I (pro); Robby Stern, WA State Labor Council (pro); Rick Slunaker, AGC (concerns).

