

SENATE BILL REPORT

SB 5581

As Reported By Senate Committee On:
Labor & Workforce Development, March 2, 1999

Title: An act relating to reopening workers' compensation claims.

Brief Description: Reopening workers' compensation claims.

Sponsors: Senators Franklin, Roach, Fairley, Thibaudeau, Prentice and Kohl-Welles.

Brief History:

Committee Activity: Labor & Workforce Development: 2/16/99, 3/2/99 [DPS, DNPS].

SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5581 be substituted therefor, and the substitute bill do pass.

Signed by Senators Fairley, Chair; Franklin, Vice Chair; Kline and Wojahn.

Minority Report: Do not pass substitute.

Signed by Senator Hochstatter.

Staff: David Pringle (786-7448)

Background: Workers' compensation benefits may be adjusted if an injury becomes better, worse, or disappears altogether. These adjustments may be made either upon application by a beneficiary until seven years from the date a file is first ordered closed, or at any time upon the motion of the director of the Department of Labor and Industries.

Summary of Substitute Bill: For claims filed after January 1, 1999, the seven-year limitation on a beneficiary's application period for adjustment of benefits is removed. References to closing orders are deleted.

Substitute Bill Compared to Original Bill: The substitute bill narrows the claims not subject to the seven-year limit on benefits readjustment to those filed after January 1, 1999.

Appropriation: None.

Fiscal Note: Requested February 15, 1999.

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

Testimony For: Long-term damage is not always evident in the short term. This bill tries to put in the director's discretion the decision to re-open the benefits part of claims.

Testimony Against: This bill allows attorneys to file applications at any time after a claim has been determined, including claims for time loss. Many years later the cumulative effect could be enormous. To have claims left open indefinitely would cause increased costs and also lingering uncertainty. Many states have readjustment periods even shorter than seven years.

Testified: PRO: Randy Loomans, Washington State Labor Council; Robby Stern, Washington State Labor Council; CON: Elizabeth Reeve, Washington Self-Insurers' Association; Clif Finch, Association of Washington Business; Julie Murray, Farm Bureau, Association of Washington Retrospective Employers.