

Commerce & Labor Committee

HB 1455

Brief Description: *Providing a definition of gainful employment.*

Sponsors: *Representatives Conway, Campbell, Wood, Barlean, Kenney, Hunt, Keiser, Hurst and Santos.*

Brief Summary of Bill

- *Defines "gainful employment" for the industrial insurance vocational rehabilitation program as employment in which the worker earns wages that are at least 80 percent of the worker's wages at injury or the minimum wage if greater.*

Hearing Date: *2/14/01*

Staff: *Chris Cordes (786-7103).*

Background:

One of the stated primary purposes of the Washington industrial insurance law is to enable an injured worker to become employable at gainful employment. The Department of Labor and Industries pays, or directs self-insured employers to pay, the costs of vocational rehabilitation services when these services are necessary and likely to enable the injured worker to become employable at gainful employment. The industrial insurance statute does not define "employable" or "gainful employment." Under department rules:

- *An injured worker is employable if the worker has the skills and training necessary in the labor market to be gainfully employed on a reasonably continuous basis, considering age, education, experience, and capabilities due to the industrial injury.*
- *Gainful employment is any occupation, including self-employment, that allows a worker to be compensated with wages or other earnings.*

The department has adopted new rules that take effect June 1, 2001. The new rules repeal the definition of gainful employment and modify the definition of employable by adding a

requirement to consider the worker's capability to perform and obtain gainful employment. The new rules also add that a worker must be found employable if there are no physical or mental limitations caused by the industrial injury or occupational disease.

Summary of Bill:

A definition of "gainful employment" is added to the industrial insurance vocational rehabilitation law. "Gainful employment" is employment or self-employment with monthly wages, including benefits, that are at least 80 percent of the worker's monthly wages at injury or the legal minimum wage, whichever is greater.

Rules Authority: *The bill does not contain provisions addressing the rule-making powers of an agency.*

Appropriation: *None.*

Fiscal Note: *Requested on February 9, 2001.*

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