

# SENATE BILL REPORT

## SB 5728

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As Reported By Senate Committee On:  
Labor, Commerce & Financial Institutions, January 29, 2002

**Title:** An act relating to industrial insurance benefits paid during appeal.

**Brief Description:** Providing for temporary total disability compensation or medical aid benefits to be paid during appeal before the board of industrial insurance appeals.

**Sponsors:** Senators Eide, Winsley, Prentice and Rasmussen.

**Brief History:**

**Committee Activity:** Labor, Commerce & Financial Institutions: 2/13/01, 2/20/01 [DP, DNP]; 1/15/02, 1/29/02 [DP, DNP].

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### SENATE COMMITTEE ON LABOR, COMMERCE & FINANCIAL INSTITUTIONS

**Majority Report:** Do pass.

Signed by Senators Prentice, Chair; Keiser, Vice Chair; Benton, Fairley, Franklin, Gardner, Rasmussen, Regala and Winsley.

**Minority Report:** Do not pass.

Signed by Senators Hochstatter and Honeyford.

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

**Background:** Workers, employers, and other parties aggrieved by industrial insurance orders of the Department of Labor and Industries may request the department to reconsider such orders or may appeal to the Board of Industrial Insurance Appeals. The department does not pay benefits to an injured worker while the employer's appeal is pending at the board unless the issue under appeal does not involve the payment of benefits or the allowance or reopening of the claim, or if the employer's appeal is unfounded. The department's policy states that it is intended to avoid unnecessary department recoupment costs when an appeal is resolved in favor of the employer. If the department pays benefits, all parties to the appeal are notified and the benefits are subject to recoupment.

**Summary of Bill:** If an employer requests reconsideration or appeals a Department of Labor and Industries' industrial insurance order that grants the injured worker temporary total disability benefits or medical aid, the benefits must continue while the order granting such benefits is being reconsidered or appealed, subject to repayment or recoupment of the benefits.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** For injured workers, nothing is more traumatic than having your benefits stopped when an employer appeals. This does not impact a large number of workers, but it is a small step toward equity.

**Testimony Against:** The bill takes away the balance in the process. It may increase the employee filing of claims and would worsen employer relations with employees. Employers may pay out large amounts and not get all the money back when they prevail.

**Testified:** PRO: Dan Sexton, WA St. Assoc. of Plumbers and Pipefitters; Robert Stern, WA St. Labor Council; Michael Temple, WSTLA; CON: Clif Finch, AWB; Tina Coakley, WA Self-insurers Assoc., Boeing.