

SENATE BILL REPORT

SB 5665

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, March 1, 2005
Ways & Means, March 23, 2005

Title: An act relating to worker accidents reports.

Brief Description: Requiring workers to report accidents.

Sponsors: Senators Parlette, Schoesler, Hewitt, Honeyford and Mulliken.

Brief History:

Committee Activity: Labor, Commerce, Research & Development: 2/7/05, 3/1/05 [DPS-WM].

Ways & Means: 3/22/05, 3/23/05 [DP2S].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5665 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Parlette, Ranking Minority Member; Brown, Honeyford, Keiser and Prentice.

Staff: Alison Mendiola (786-7483)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5665 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Prentice, Chair; Doumit, Vice Chair; Fraser, Vice Chair; Zarelli, Ranking Minority Member; Brandland, Fairley, Hewitt, Parlette, Pflug, Pridemore, Regala, Roach, Rockefeller and Schoesler.

Staff: Paula Faas (786-7449)

Background: Under Washington's workers' compensation program, whenever a worker is injured, the worker, or someone on his or her behalf, is to report that accident, and any ensuing injury, to his or her employer when the worker receives treatment, has been hospitalized, disabled from work, or has died as the apparent result of such accident and injury.

Treatment providers (physicians or advanced registered nurse practitioners) have a duty to report an occupational injury or disease to the Department of Labor & Industries (L&I). Failure to file a claim may result in a fine by L&I.

If an injured worker files a claim accompanied by a doctor's statement granting eligibility for time-loss benefits, L&I must send the first benefit check to the injured worker within 14 days. Employers have two weeks to submit their first response in time-loss cases.

Summary of Second Substitute Bill: Based on a 1998 Joint Legislative Audit and Review Committee (JLARC) performance audit recommendation, L&I is to develop an alternative reporting system where an injured worker reports an accident directly to his or her employer. L&I is also to do an outreach campaign, educating both workers and employers about the importance of prompt reporting of injuries.

L&I is to study: (1) claims that are not reported promptly; (2) the effect of the outreach campaign; (3) the results of the efforts of the centers of occupational health in early reporting and early notification to employers. This report is due to the Legislature by December 1, 2006.

Second Substitute Bill Compared to Substitute Bill: The title is changed from "an act relating to worker accident reports" to "an act relating to implementing recommendation no. 2 of the joint legislative audit and review committee's report no. 98-9 with regard to the reporting of industrial insurance injuries."

Substitute Bill Compared to Original Bill: Under the original bill if a worker or someone on his or her behalf does not report an accident to his or her employer, the director of L&I may impose a fine of up to \$50. Fines collected are deposited into the supplemental pension fund.

Under the original bill, L&I cannot decide the validity of a state fund claim until the worker, employer, and treatment provider have a reasonable opportunity to submit a completed accident report.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Testimony For Original Bill (Labor, Commerce, Research & Development): The provisions of this bill are already the law, compliance is the issue which is why the worker should be assessed a fine, just like medical providers. Imposing a worker fine is about accountability. Often claims are processed without an employer's knowledge, which is a problem especially for small and seasonal employers, as this negatively impacts their experience rating. The sooner an employer has notice of an injury, the employer can create return-to-work options.

Testimony Against Original Bill (Labor, Commerce, Research & Development): Creating a worker fine is punitive. As a recent pilot project shows, the problem is really about the delay of the medical provider filing a claim with L&I and notifying the employer. The proper approach is mentoring and providing incentives for workers to report accidents. Reporting claims to medical providers instead of employers is highly unusual and in 1998, a legislative

report found that an educational campaign should be launched by employers instructing employees on how to file a claim.

Who Testified (Labor, Commerce, Research & Development): PRO: Dan Fazio, WA Farm Bureau; Amy Brackenbush, BIAW; Carolyn Logue, NFIB; Amber Carter, Association of WA Businesses (AWB); and Rick Slunaker, Associated General Contractors.

CON: Owen Linch, Teamsters; Wayne Williams, Trial Lawyer's Association; and Robby Stern, WA State Labor Council (WSLC).

Testimony For Substitute Bill (Ways & Means): Washington State is the only state where workers do not have to tell employers if they have experienced a workplace injury. This bill will help fix that. This bill is identical to HB 1918, which is agreed upon by business and labor, except for the title. We support this bill, but have concerns about the title and prefer the title for HB 1918.

Testimony Against Substitute Bill (Ways & Means): None.

Who Testified (Ways & Means): PRO: Dan Fazio, Washington Farm Bureau; Amber Carter, Association of Washington Business; Carolyn Logue, National Federation of Independent Businesses.