

# SENATE BILL REPORT

## SB 5825

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As of February 28, 2005

**Title:** An act relating to repealing authority to request increased compensation due to a change of circumstances.

**Brief Description:** Repealing authority to request increased compensation due to a change of circumstances.

**Sponsors:** Senators Parlette, Hewitt and Honeyford.

**Brief History:**

**Committee Activity:** Labor, Commerce, Research & Development: 2/28/05.

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### SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

**Staff:** Jennifer Strus (786-7316)

**Background:** The general rule is that an injured worker may not challenge his or her rate of time-loss compensation after the Department of Labor and Industries (L&I) issues a final order establishing the basis for calculation of the worker's rate of time loss compensation.

Two exceptions allow an injured worker to challenge his or her rate of time loss compensation after a final order is issued. First, a worker may apply for an increase in time loss or pension benefits if a "change of circumstances" warrants it. Second, a worker may apply to reopen a claim if the worker's condition has worsened within seven years after the claim's closure (or within 10 years if the claim involved loss of vision). If either application is granted, L&I allows compensation for periods up to 60 days before the application was received.

Applications for increased compensation due to a "change of circumstances" were relatively infrequent from 1911, when the Legislature enacted the Industrial Insurance Act and the "change of circumstances" provision, until 2001. Applications for increased compensation due to a "change of circumstances" became more frequent, however, beginning in 2001 when the Supreme Court issued its decision in *Cockle v. Department of Labor and Industries* (2001). Examples of facts found by the BIIA to be a change of circumstances beginning in 2001 include an employer's termination of an injured worker's health insurance benefits after L&I issues a final wage order.

**Summary of Bill:** The authority to apply for an increase in compensation because of a "change of circumstances" is deleted.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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