H-2702.1		

HOUSE BILL 2104

State of Washington 62nd Legislature 2011 Regular Session

By Representatives Ormsby, Liias, Reykdal, Moscoso, Jinkins, Moeller, Hudgins, McCoy, Kirby, Hasegawa, Ryu, Appleton, Kenney, Fitzgibbon, Goodman, Miloscia, and Hunt

Read first time 04/21/11. Referred to Committee on Labor & Workforce Development.

- AN ACT Relating to prohibiting deductions of workers' compensation premiums and other costs from wages and earnings; and amending RCW
- 3 51.16.140, 51.32.073, 51.32.242, and 51.32.370.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 51.16.140 and 1989 c 385 s 3 are each amended to read 6 as follows:
 - (((1) Every employer who is not a self-insurer shall deduct from the pay of each of his or her workers one half of the amount he or she is required to pay, for medical benefits within each risk classification. Such amount shall be periodically determined by the director and reported by him or her to all employers under this title: PROVIDED, That the state governmental unit shall pay the entire amount into the medical aid fund for volunteers, as defined in RCW 51.12.035, and the state apprenticeship council shall pay the entire amount into the medical aid fund for registered apprentices or trainees, for the purposes of RCW 51.12.130. The deduction under this section is not authorized for premiums assessed under RCW 51.16.210.
 - (2))) It shall be unlawful for the employer((, unless specifically authorized by this title,)) to deduct or obtain any part of the premium

p. 1 HB 2104

or other costs required to be by him or her paid from the wages or earnings of any of his or her workers, and the making of or attempt to make any such deduction shall be a gross misdemeanor.

Sec. 2. RCW 51.32.073 and 1989 c 385 s 4 are each amended to read as follows:

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(((1) Except as provided in subsection (2) of this section,)) Each employer shall ((retain from the earnings of each worker)) remit to the department that amount as shall be fixed from time to time by the director, the basis for measuring ((said)) that amount to be determined by the director. ((The money so retained shall be matched in an equal amount by each employer, and all)) Such moneys shall be remitted to the department in such manner and at such intervals as the department directs and shall be placed in the supplemental pension fund((÷ PROVIDED, That the state apprenticeship council shall pay the entire amount into the supplemental pension fund for registered apprentices or trainees during their participation in supplemental and related instruction classes)). The moneys so collected shall be used exclusively for the additional payments from the supplemental pension fund prescribed in this title and for the amount of any increase payable under the provisions of RCW 51.32.075, as now or hereafter amended, and shall be no more than necessary to make such payments on a current basis. The department may require a self-insurer to make any additional payments which are payable from the supplemental pension fund and thereafter such self-insurer shall be reimbursed therefrom.

 $((\frac{2)}{1.0})$ None of the amount assessed for the supplemental pension fund under RCW 51.16.210 may be retained from the earnings of workers covered under RCW 51.16.210.)

- 28 **Sec. 3.** RCW 51.32.242 and 2008 c 280 s 3 are each amended to read 29 as follows:
 - (((1) Except as provided in subsection (2) of this section,)) Each self-insured employer shall ((retain from the earnings of each of its workers)) remit to the department that amount as shall be fixed from time to time by the director, the basis for measuring ((said)) that amount to be determined by the director. These moneys shall only be ((retained from employees and)) remitted to the department in such manner and at such intervals as the department directs and shall be

HB 2104 p. 2

placed in the self-insured employer overpayment reimbursement fund.
The moneys so collected shall be used exclusively for reimbursement to
the reserve fund and to self-insured employers for benefits overpaid
during the pendency of board or court appeals in which the self-insured
employer prevails and has not recovered, and shall be no more than
necessary to make such payments on a current basis.

(((2) None of the amount assessed for the employer overpayment reimbursement fund under this section may be retained from the earnings of workers covered under RCW 51.16.210.))

- Sec. 4. RCW 51.32.370 and 1994 c 265 s 4 are each amended to read as follows:
 - (1) The department shall conduct research on chemically related illnesses, which shall include contracting with recognized medical research institutions. The department shall develop an implementation plan for research based on sound scientific research criteria, such as double blind studies, and shall include adequate provisions for peer review, and submit the plan to the ((worker's [workers'])) workers' compensation advisory committee for review and approval. Following approval of the plan, all specific proposals for projects under the plan shall be submitted for review to a scientific advisory committee, established to provide scientific oversight of research projects, and to the workers' compensation advisory committee. The department shall include a research project that encourages regional cooperation in addressing chemically related illness.
 - (2) Expenditures for research projects shall be within legislative appropriations from the medical aid fund, with self-insured employers and the state fund each paying a pro rata share, based on the number of worker hours, of the authorized expenditures. ((For the purposes of this subsection only, self-insured employers may deduct from the pay of each of their employees one-half of the share charged to the employer for the expenditures from the medical aid fund.))

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p. 3 HB 2104