
SENATE BILL 5361

State of Washington

63rd Legislature

2013 Regular Session

By Senators Holmquist Newbry, Conway, Keiser, Hasegawa, Kohl-Welles, and Kline; by request of Department of Labor & Industries

Read first time 01/28/13. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to payment methods on certain claimants' benefits;
2 and amending RCW 7.68.031, 7.68.033, 7.68.034, 51.04.080, 51.28.060,
3 51.32.040, 51.32.045, and 51.44.110.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 7.68.031 and 2011 c 346 s 201 are each amended to read
6 as follows:

7 On all claims under this chapter, claimants' written or electronic
8 notices, orders, or (~~warrants~~) payments must be forwarded directly to
9 the claimant until such time as there has been entered an order on the
10 claim appealable to the department. Claimants' written or electronic
11 notices, orders, or (~~warrants~~) payments may be forwarded to the
12 claimant in care of a representative before an order has been entered
13 if the claimant sets forth in writing the name and address of the
14 representative to whom the claimant desires this information to be
15 forwarded.

16 **Sec. 2.** RCW 7.68.033 and 2011 c 346 s 203 are each amended to read
17 as follows:

18 (1) Except as provided in RCW 43.20B.720, 72.09.111, 74.20A.260,

1 and 51.32.380, no money paid or payable under this chapter shall,
2 before the issuance and delivery of the (~~check or warrant~~) payment,
3 or disbursement of electronic funds or electronic payment, be assigned,
4 charged, or taken in execution, attached, garnished, or pass or be paid
5 to any other person by operation of law, any form of voluntary
6 assignment, or power of attorney. Any such assignment or charge is
7 void unless the transfer is to a financial institution at the request
8 of a victim or other beneficiary and made in accordance with RCW
9 7.68.034.

10 (2)(a) If any victim suffers an injury and dies from it before he
11 or she receives payment of any monthly installment covering financial
12 support for lost wages for any period of time before his or her death,
13 the amount of the monthly payment shall be paid to the surviving spouse
14 or the child or children if there is no surviving spouse. If there is
15 no surviving spouse and no child or children, the amount of the monthly
16 payment shall be paid by the department and distributed consistent with
17 the terms of the decedent's will or, if the decedent dies intestate,
18 consistent with the terms of RCW 11.04.015.

19 (b) Any application for compensation under this subsection (2)
20 shall be filed with the department within one year of the date of
21 death. The department may satisfy its responsibilities under this
22 subsection (2) by sending any payment due in the name of the decedent
23 and to the last known address of the decedent.

24 (3) Any victim or beneficiary receiving benefits under this chapter
25 who is subsequently confined in, or who subsequently becomes eligible
26 for benefits under this chapter while confined in, any institution
27 under conviction and sentence shall have all payments of the
28 compensation canceled during the period of confinement. After
29 discharge from the institution, payment of benefits due afterward shall
30 be paid if the victim or beneficiary would, except for the provisions
31 of this subsection (3), otherwise be eligible for them.

32 **Sec. 3.** RCW 7.68.034 and 2011 c 346 s 204 are each amended to read
33 as follows:

34 Any victim or other recipient of benefits under this chapter may
35 elect to have any payments due paid by debit card or other electronic
36 means or transferred to such person's account in a financial
37 institution for either: (1) Credit to the recipient's account in such

1 financial institution; or (2) immediate transfer therefrom to the
2 recipient's account in any other financial institution. A single
3 (~~warrant~~) payment may be drawn in favor of such financial
4 institution, for the total amount due the recipients involved, and
5 written directions provided to such financial institution of the amount
6 to be credited to the account of a recipient or to be transferred to an
7 account in another financial institution for such recipient. The
8 issuance and delivery by the disbursing officer of a (~~warrant~~)
9 payment in accordance with the procedure set forth in this section and
10 proper endorsement thereof by the financial institution shall have the
11 same legal effect as payment directly to the recipient.

12 For the purposes of this section, "financial institution" shall
13 have the meaning given in RCW 41.04.240 as now or hereafter amended.

14 **Sec. 4.** RCW 51.04.080 and 2007 c 78 s 1 are each amended to read
15 as follows:

16 On all claims under this title, claimants' written notices, orders,
17 or (~~warrants~~) payments must be forwarded directly to the claimant
18 until such time as there has been entered an order on the claim
19 appealable to the board of industrial insurance appeals. Claimants'
20 written notices, orders, or (~~warrants~~) payments may be forwarded to
21 the claimant in care of a representative before an order has been
22 entered if the claimant sets forth in writing the name and address of
23 the representative to whom the claimant desires this information to be
24 forwarded.

25 **Sec. 5.** RCW 51.28.060 and 1977 ex.s. c 350 s 35 are each amended
26 to read as follows:

27 A dependent shall at all times furnish the department with proof
28 satisfactory to the director of the nature, amount, and extent of the
29 contribution made by the deceased worker.

30 Proof of dependency by any beneficiary residing without the United
31 States shall be made before the nearest United States consul or
32 consular agency, under the seal of such consul or consular agent, and
33 the department may cause any (~~warrant or warrants~~) payments to which
34 such beneficiary is entitled to be transmitted to the beneficiary
35 through the nearest United States consul or consular agent.

1 **Sec. 6.** RCW 51.32.040 and 2003 c 379 s 27 are each amended to read
2 as follows:

3 (1) Except as provided in RCW 43.20B.720, 72.09.111, 74.20A.260,
4 and 51.32.380, no money paid or payable under this title shall, before
5 the issuance and delivery of the (~~check or warrant~~) payment, be
6 assigned, charged, or taken in execution, attached, garnished, or pass
7 or be paid to any other person by operation of law, any form of
8 voluntary assignment, or power of attorney. Any such assignment or
9 charge is void unless the transfer is to a financial institution at the
10 request of a worker or other beneficiary and made in accordance with
11 RCW 51.32.045.

12 (2)(a) If any worker suffers (i) a permanent partial injury and
13 dies from some other cause than the accident which produced the injury
14 before he or she receives payment of the award for the permanent
15 partial injury or (ii) any other injury before he or she receives
16 payment of any monthly installment covering any period of time before
17 his or her death, the amount of the permanent partial disability award
18 or the monthly payment, or both, shall be paid to the surviving spouse
19 or the child or children if there is no surviving spouse. If there is
20 no surviving spouse and no child or children, the award or the amount
21 of the monthly payment shall be paid by the department or self-insurer
22 and distributed consistent with the terms of the decedent's will or, if
23 the decedent dies intestate, consistent with the terms of RCW
24 11.04.015.

25 (b) If any worker suffers an injury and dies from it before he or
26 she receives payment of any monthly installment covering time loss for
27 any period of time before his or her death, the amount of the monthly
28 payment shall be paid to the surviving spouse or the child or children
29 if there is no surviving spouse. If there is no surviving spouse and
30 no child or children, the amount of the monthly payment shall be paid
31 by the department or self-insurer and distributed consistent with the
32 terms of the decedent's will or, if the decedent dies intestate,
33 consistent with the terms of RCW 11.04.015.

34 (c) Any application for compensation under this subsection (2)
35 shall be filed with the department or self-insuring employer within one
36 year of the date of death. The department or self-insurer may satisfy
37 its responsibilities under this subsection (2) by sending any payment

1 due in the name of the decedent and to the last known address of the
2 decedent.

3 (3)(a) Any worker or beneficiary receiving benefits under this
4 title who is subsequently confined in, or who subsequently becomes
5 eligible for benefits under this title while confined in, any
6 institution under conviction and sentence shall have all payments of
7 the compensation canceled during the period of confinement. After
8 discharge from the institution, payment of benefits due afterward shall
9 be paid if the worker or beneficiary would, except for the provisions
10 of this subsection (3), otherwise be entitled to them.

11 (b) If any prisoner is injured in the course of his or her
12 employment while participating in a work or training release program
13 authorized by chapter 72.65 RCW and is subject to the provisions of
14 this title, he or she is entitled to payments under this title, subject
15 to the requirements of chapter 72.65 RCW, unless his or her
16 participation in the program has been canceled, or unless he or she is
17 returned to a state correctional institution, as defined in RCW
18 72.65.010(3), as a result of revocation of parole or new sentence.

19 (c) If the confined worker has any beneficiaries during the
20 confinement period during which benefits are canceled under (a) or (b)
21 of this subsection, they shall be paid directly the monthly benefits
22 which would have been paid to the worker for himself or herself and the
23 worker's beneficiaries had the worker not been confined.

24 (4) Any lump sum benefits to which a worker would otherwise be
25 entitled but for the provisions of this section shall be paid on a
26 monthly basis to his or her beneficiaries.

27 **Sec. 7.** RCW 51.32.045 and 1982 c 109 s 11 are each amended to read
28 as follows:

29 Any worker or other recipient of benefits under this title may
30 elect to have any payments due paid by debit card or other electronic
31 means or transferred to such person's account in a financial
32 institution for either: (1) Credit to the recipient's account in such
33 financial institution; or (2) immediate transfer therefrom to the
34 recipient's account in any other financial institution. The debit card
35 or other electronic means payment option is available at the discretion
36 of the department or self-insured employer, and the recipient must

1 request in writing on a department-approved form or other department-
2 approved method that the recipient's payments be made through this
3 payment option.

4 A single (~~warrant~~) payment may be drawn in favor of such
5 financial institution, for the total amount due the recipients
6 involved, and written directions provided to such financial institution
7 of the amount to be credited to the account of a recipient or to be
8 transferred to an account in another financial institution for such
9 recipient. The issuance and delivery by the disbursing officer of a
10 (~~warrant~~) payment in accordance with the procedure set forth in this
11 section and proper indorsement thereof by the financial institution
12 shall have the same legal effect as payment directly to the recipient.

13 For the purposes of this section, "financial institution" shall
14 have the meaning given in RCW 41.04.240 as now or hereafter amended.

15 **Sec. 8.** RCW 51.44.110 and 1977 ex.s. c 350 s 68 are each amended
16 to read as follows:

17 Disbursement out of the several funds shall be made only upon
18 warrants or payments drawn by the department. The state treasurer
19 shall pay every warrant or payment out of the fund upon which it is
20 drawn. If, at any time, there shall not be sufficient money in the
21 fund on which any such warrant or payment is drawn wherewith to pay the
22 same, the employer on account of whose worker it was that the warrant
23 or payment was drawn shall pay the same, and he or she shall be
24 credited upon his or her next following contribution to such fund the
25 amount so paid with interest thereon at the legal rate from the date of
26 such payment to the date such next following contribution became
27 payable and, if the amount of the credit shall exceed the amount of the
28 contribution, he or she shall have a warrant or payment upon the same
29 fund for the excess and, if any such warrant or payment shall not be so
30 paid, it shall remain, nevertheless, payable out of the fund.

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