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## SUBSTITUTE HOUSE BILL 1611

State of Washington 64th Legislature 2015 Regular Session

By House Labor (originally sponsored by Representatives Reykdal, Dunshee, Sells, and Pollet)

READ FIRST TIME 02/16/15.

- AN ACT Relating to claims and compensation under the industrial
- 2 insurance laws; and amending RCW 51.52.120.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 51.52.120 and 2011 1st sp.s. c 37 s 304 are each 5 amended to read as follows:
  - (1) Except for claim resolution structured settlement agreements, it shall be unlawful for an attorney engaged in the representation of any worker or beneficiary to charge for services in the department any fee in excess of a reasonable fee, of not more than thirty percent of the increase in the award secured by the attorney's services. Such reasonable fee shall be fixed by the director or the director's designee for services performed by an attorney for such worker or beneficiary, if written application therefor is made by the attorney, worker, or beneficiary within one year from the date the final decision and order of the department is communicated to the party making the application.
- 17 (2) <u>Subject to subsection (3) of this section, if</u>, on appeal to 18 the board, the order, decision, or award of the department is 19 reversed or modified and additional relief is granted to a worker or 20 beneficiary, or in cases where a party other than the worker or 21 beneficiary is the appealing party and the worker's or beneficiary's

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right to relief is sustained by the board, the board shall fix a reasonable fee for the services of his or her attorney in proceedings before the board if written application therefor is made by the attorney, worker, or beneficiary within one year from the date the final decision and order of the board is communicated to the party making the application. In fixing the amount of such attorney's fee, the board shall take into consideration the fee allowed, if any, by the director, for services before the department, and the board may review the fee fixed by the director. Any attorney's fee set by the department or the board may be reviewed by the superior court upon application of such attorney, worker, or beneficiary. The department or self-insured employer, as the case may be, shall be served a copy of the application and shall be entitled to appear and take part in the proceedings. Where the board, pursuant to this section, fixes the attorney's fee, it shall be unlawful for an attorney to charge or receive any fee for services before the board in excess of that fee fixed by the board.

(3)(a) If, on appeal to the board, an order, decision, or award of the department denying treatment or payment for treatment is reversed or modified and the treatment is ordered to be allowed or paid for, or in cases where the employer is the appealing party and an order, decision, or award of the department allowing treatment or paying for treatment is affirmed in whole or part, the board shall fix a reasonable fee for the services of the worker's attorney before the board and the board shall order reimbursement to the claimant for all reasonable costs incurred before the board including fees of medical and other witnesses. The fees and costs shall be payable directly by the state fund or self-insured employer, as appropriate.

- within sixty days of the date the board's order becomes final. If the fees and costs are not paid within sixty days, interest shall be payable on such fees and costs at a rate of twelve percent per annum. If such fees and costs are not paid within sixty days, the claimant may enforce the board's order pursuant to RCW 51.32.200 or 51.32.215. In such instances, the superior court may award reasonable attorneys' fees and reasonable costs associated with the proceedings before the superior court. The fees and costs shall be payable directly by the state fund or self-insured employer, as appropriate.
- 39 <u>(4)</u> For claim resolution structured settlement agreements, fees 40 for attorney services are limited to fifteen percent of the total

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amount to be paid to the worker after the agreement becomes final. The board will also decide on any disputes as to attorneys' fees for services related to claim resolution structured settlement agreements consistent with the procedures in subsection (2) of this section.

((+4))) (5) In an appeal to the board involving the presumption established under RCW 51.32.185, the attorney's fee shall be payable as set forth under RCW 51.32.185.

(((5))) (6) Any person who violates this section is guilty of a 9 misdemeanor.

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