
**Labor & Workplace Standards
Committee**

HB 1336

Brief Description: Restricting the social security offset to disability compensation.

Sponsors: Representatives Kirby, Sells and Appleton.

Brief Summary of Bill

- Eliminates the Social Security retirement offset for injured workers who either were receiving or had applied to receive Social Security benefits before being injured.

Hearing Date: 1/23/17

Staff: Joan Elgee (786-7106).

Background:

Under the state's industrial insurance laws, injured workers are entitled to various benefits. Temporary time-loss benefits provide partial wage replacement for the time period in which a worker is totally disabled. If a worker becomes totally permanently disabled or suffers specified catastrophic injuries, the worker is entitled to total permanent disability benefits, also referred to as a pension.

Federal and state laws address the coordination of benefits under Social Security disability benefits and industrial insurance. Federal law limits the combined total of Social Security disability and industrial insurance benefits to 80 percent of the worker's average current earnings before disability. In 1986 legislation was enacted requiring an offset of Social Security retirement benefits. The offset formula is very similar to the formula for combined Social Security disability and industrial insurance benefits.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill:

The Social Security retirement offset from industrial insurance benefits does not apply to workers who either were receiving or had applied to receive Social Security retirement benefits before being injured. The change applies to future claims, that is, those of workers with dates of injury on or after the effective date.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.