

# SENATE BILL REPORT

## SB 5474

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As Reported by Senate Committee On:  
Labor & Commerce, February 20, 2019

**Title:** An act relating to allowing self-insurers to accept certain industrial insurance claims, permitting self-insurers to send duplicates of certain orders made by the department of labor and industries, and establishing a work group to consider whether current penalties on self-insurers are sufficient.

**Brief Description:** Concerning industrial insurance and self-insurers. [**Revised for 1st Substitute:** Permitting self-insurers to send duplicates of certain orders made by the department of labor and industries.]

**Sponsors:** Senator Keiser.

**Brief History:**

**Committee Activity:** Labor & Commerce: 2/07/19, 2/20/19 [DPS].

**Brief Summary of First Substitute Bill**

- Allows self-insured employers to serve certain orders made by the Department of Labor and Industries.

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### SENATE COMMITTEE ON LABOR & COMMERCE

**Majority Report:** That Substitute Senate Bill No. 5474 be substituted therefor, and the substitute bill do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair; King, Ranking Member; Saldaña, Walsh and Wellman.

**Staff:** Susan Jones (786-7404)

**Background:** Whenever the Department of Labor and Industries (L&I) makes any order, decision, or award, it must promptly serve the worker, beneficiary, employer, or other person affected, with a copy of the document by mail. L&I may send correspondence and other legal notices by secure electronic means, except for orders communicating the closure of a claim, if the worker, beneficiary, employer, or other person affected chooses the other means.

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*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.*

A worker, beneficiary, employer, health services provider, or other person aggrieved by an order, decision, or award of L&I must, before appealing to the courts, file with the board and the director, by mail or personally, within 60 days from the day on which a copy of the order, decision, or award was communicated to such person, a notice of appeal to the board.

**Summary of Bill:** The bill as referred to committee not considered.

**Summary of Bill (First Substitute):** In the event L&I makes an order communicating the closure of a claim of a self-insured employer, the self-insured employer may serve the order. The self-insured employer must use a separate, secure, and verifiable nonelectronic means of delivery. The self-insured employer must also include L&I's prescribed notice explaining the contents of the order and any protest or appeal rights.

The service by the self-insured employer is considered a communication for the purpose of the 60 day time period for filing an appeal.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on First Substitute:** PRO: The self-insured community is definitely in support of this bill. It was provided to the claimants' bar. They wanted one word added, which was added. It is a pretty common sense bill. It just gives self-insurers one more way of closing a claim.

**Persons Testifying:** PRO: Senator Karen Keiser, Prime Sponsor; Natalee Fillinger, Fillinger Shima PLLC.

**Persons Signed In To Testify But Not Testifying:** No one.