
Labor & Workplace Standards Committee

SB 5801

Brief Description: Concerning attorney and witness fees in industrial insurance court appeals.

Sponsors: Senators Keiser, Conway, Hasegawa and Nobles; by request of Department of Labor & Industries.

Brief Summary of Bill

- Requires the employer or retrospective rating group to pay the worker's attorneys' fees and costs when the employer or group appeals a Board of Industrial Insurance decision, and the court sustains in full or in part the worker's or beneficiary's right to relief.
- Reorganizes other provisions regarding payment of attorneys' fees and costs in workers' compensation appeals.

Hearing Date: 2/18/22

Staff: Lily Smith (786-7175).

Background:

Workers' Compensation Overview.

Workers who are injured in the course of employment or who are affected by an occupational disease are entitled to workers' compensation benefits, which may include medical, temporary time-loss, and other benefits. The Department of Labor and Industries (L&I) administers the state's workers' compensation system.

To prove an occupational disease, the worker must show the disease arose naturally and

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proximately out of employment. For certain occupations, such as firefighters, there is a presumption that certain medical conditions are occupational diseases.

Fixing the Amount of Worker's Attorneys' and Witness Fees in Court Appeals.

A reasonable fee for the services of the worker's or beneficiary's attorney must be fixed by the court if:

- on appeal to the superior or appellate court from a Board of Industrial Insurance Appeals (BIIA) decision and order, the decision and order is reversed or modified, and additional relief is granted to a worker or beneficiary; or
- in cases where a party other than the worker or beneficiary is the appealing party and the worker's or beneficiary's right to relief is sustained.

In fixing the fee, the court must take into consideration the fee fixed by L&I and BIIA for the attorney's services before L&I and BIIA. If the court finds that the fee fixed by L&I or BIIA is inadequate for such services, or no fee was fixed, then the court shall fix a fee for the attorney's services before L&I or BIIA, in addition to the fee fixed for the services in the court.

Payment of Fees and Costs.

The attorney's fee fixed by the court, for services before the court only, and the fees of medical and other witnesses and the costs, must be paid out of L&I's administrative fund if in:

- a worker or beneficiary appeal, the decision and order of BIIA is reversed or modified and if the L&I accident fund or medical aid fund is affected by the litigation;
- an appeal by L&I or the employer, the worker's or beneficiary's right to relief is sustained; or
- an appeal by a worker involving a state fund employer with 25 employees or less, in which L&I does not appear and defend, and the BIIA order in favor of the employer is sustained.

In the case of self-insured employers, the attorney's fee fixed by the court, for services before the court only, and the fees of medical and other witnesses and the costs, must be paid directly by the self-insured employer.

Attorneys' fees in Appeals—Certain Occupational Disease Presumptions.

In an appeal to the superior or appellate court involving the presumption of occupational diseases related to certain firefighter, fire investigators, and law enforcement officers, the attorney's fee must be paid as provided in the presumption statute.

Summary of Bill:

Attorneys' and Witness Fees in Court Appeals.

An employer or retrospective rating group will pay a worker's or beneficiary's attorneys' fees, fees of medical and other witnesses, and other statutory costs when the employer or retrospective rating group appeals a BIIA decision, and the court sustains in full or in part the worker's or beneficiary's right to relief.

Provisions regarding the payments of attorneys' fees and costs for the following are reorganized:

- appeals by a worker involving a state fund employer with 25 employees or less, in which L&I does not appear and defend, and the BIIA order in favor of the employer is sustained; and
- cases involving self-insured employers.

Attorneys' Fees in Appeals—Certain Occupational Disease Presumptions.

The presumption regarding certain Hanford site workers is added to the provisions requiring attorneys' fees to be paid pursuant to that presumption statute.

Appropriation: None.

Fiscal Note: Available.

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