

Approved

Arthur Douville 4-6-89  
Date

MINUTES OF THE House COMMITTEE ON Labor and Industry

The meeting was called to order by Representative Arthur Douville at  
Chairperson

9:10 a.m./~~pm~~ on March 28, 1989 in room 526-S of the Capitol.

All members were present except:

Representative Gomez - Excused                      Representative Schauf - Excused  
Representative Lane - Excused  
Representative Lynch - Excused

Committee staff present:

Jerry Donaldson - Legislative Research Department  
Jim Wilson - Revisor of Statutes' Office  
Kay Johnson - Committee Secretary

Conferees appearing before the committee:

Chairman Douville called the meeting to order at 9:10 a.m.

SB 354 - workers compensation, rehabilitation benefits, hearing and award benefits.

Jim Wilson explained SB 354 to the committee. The bill was introduced by the Senate Ways and Means Committee at the request of the Chairman of the Senate Labor, Industry and Small Business Committee by request from the Director of Workers Compensation. Certain matters in the bill are slight modifications to existing statutes and are recommendations from the Director of Workers Compensation. The remainder of the bill is the same as HB 2506, which became Sub. HB 2506, except for the floor amendments. Section 1 deals with rehabilitation and references "comparable wage". Chairman Douville said that this is a technical change to conform with language in the rest of the law. Mr. Wilson responded yes. Jerry Donaldson pointed out that the same language, "comparable wage", appears in section (a), line 26. Section 2 allows the Director of Workers Compensation to appoint a special administrative law judge to hear backlogged cases. Section 3 was amended into the bill and includes group-funded pools under the Workers Compensation Act. Chairman Douville stated that this is a technical change. Mr. Wilson responded yes, there is no policy change. All of Section 3 is in Sub. HB 2506.

Chairman Douville emphasized to the committee that the intent of HB 2506 was to insure that employees received compensation on time and if, for some reason or other, it is determined that some other fund should have paid the compensation, there is a method by which the fund or group that paid it in the first place can be reimbursed by whoever rightfully owes it.

Representative Cribbs said the employee would not be required to make reimbursement. Chairman Douville said that is specifically stated in the law. Representative Green, citing page 14, line 499 ("No worker shall be required to make reimbursement under this subsection or subsection (d)."), asked if the employee can be charged the reimbursed amount at final settlement. Chairman Douville said the employee never has to pay anything back. Representative O'Neal clarified that if there is an overpayment, that amount can be credited toward the final settlement.

Mr. Wilson continued saying that Section 4 is a language change which allows vocational rehabilitation benefits to be reimbursed. Section 5 includes changes contained in HB 2506 and also a new policy, subsection (d), which includes medical benefits, temporary total disability benefits or vocational rehabilitation benefits in compensation. Chairman Douville said this was the intent all along and now the law clears up the meaning of compensation.

Representative Flottman moved that SB 354 be reported favorably for passage. Representative Buehler seconded the motion. The motion carried.

The minutes of February 28, 1989 and March 1, 14, 15, 16, 17, 1989 were presented for approval. Representative Hensley moved that the minutes be approved. Representative Flottman seconded the motion. The motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Labor and Industry,  
room 526-S, Statehouse, at 9:10 a.m./~~p.m.~~ on March 28, 1989.

Representative Hensley, referring to the Howard Case which was discussed in the February 22, 1989 meeting, asked if Director Anderson had conducted an investigation yet and what were his findings. Robert Anderson, Director of Workers Compensation, speaking from the audience, said he does intend to report back to the committee but feels it is premature now. He has reviewed all of the transcripts and has recommended that it needs further investigation. Under the Administrative Procedures Act there is a right to an adjudication hearing. When the hearing is scheduled he will notify committee members. Representative Hensley stressed the importance of the Howard Case as the issues it raises relate to the Vocational Rehabilitation Act. Representative Patrick asked if this case involves misconduct of an attorney, shouldn't it be turned in to the Board of Law Examiners. Mr. Anderson responded that he has only one side of the story at this time but certainly, that is an option he plans to pursue.

The meeting adjourned at 9:31 a.m.

