INDUSTRIAL INSURANCE.  

An Act relating to industrial insurance; amending section 5, chapter 74, Laws of 1911 as last amended by section 8, chapter 74, Laws of 1955, sections 2, 3, and 22, chapter 130, Laws of 1919, section 9, chapter 182, Laws of 1921, section 5, chapter 310, Laws of 1927, section 1, chapter 212, Laws of 1937 and section 1, chapter 169, Laws of 1941 as last amended by sections 1 and 7, chapter 236, Laws of 1951, section 2, chapter 211, Laws of 1937, section 2, chapter 41, Laws of 1939, section 3, chapter 209, Laws of 1941, section 1, chapter 56, Laws of 1947, section 1, chapter 247, Laws of 1947, sections 1 (a through 1), chapter 219, Laws of 1949, section 5, chapter 115, Laws of 1951 and RCW 49.16.010, 51.04.020, 51.04.070, 51.04.080, 51.08.020, 51.08.030, 51.08.050, 51.08.070 through 51.08.190, 51.16.010, 51.16.020, 51.16.060, 51.16.070 through 51.16.080, 51.32.080 through 51.32.100, 51.32.120, 51.32.140, 51.32.150, 51.32.160, 51.44.030, 51.44.050 through 51.44.090; amending section 2, chapter 209, Laws of 1941 and RCW 51.32.130; amending section 4c, chapter 247, Laws of 1947 as last amended by section 4, chapter 236, Laws of 1951 and RCW 51.16.060, 51.16.070, 51.16.090 and 51.16.110; amending section 4, chapter 74, Laws of 1911 as last amended by section 2, chapter 236, Laws of 1951, section 20, chapter 74, Laws of 1911 as last amended by sections 5, 7 through 9, 11, 14, 17 and 19, chapter 225, Laws of 1951, section 7, chapter 136, Laws of 1923, section 1, chapter 247, Laws of 1947, sections 6 and 15, chapter 225, Laws of 1951 and RCW 51.16.010, 51.16.020, 51.52.050 through 51.52.090, 51.52.100, 51.52.110, 51.52.115, 51.52.130 and 51.52.140; and adding a new section to chapter 51.28 RCW.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 5, chapter 74, Laws of 1911 as last amended by section 8, chapter 74, Laws of 1955, sections 2, 3 and 22, chapter 130, Laws of 1919, section 9, chapter 182, Laws of 1921, section 5, chapter 310, Laws of 1927, section 1, chapter 212, Laws of 1937 and section 1, chapter 169, Laws of 1941 as last amended by sections 1 and 7, chapter 236, Laws of 1951, section 2, chapter 211, Laws of 1937, section 2, chapter 41, Laws of 1939, section 3, chapter

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209, Laws of 1941, sections 1, (a through l), chapter 56, Laws of 1947, section 1, chapter 247, Laws of 1947, and section 1, chapter 219, Laws of 1949, section 5, chapter 115, Laws of 1951 (hereafter divided, combined, and codified as RCW 49.16.010, 51.04.020, 51.04.070, 51.04.080, 51.08.020, 51.08.030, 51.08.050, 51.08.070 through 51.08.190, 51.16.130, 51.24.010, 51.24.020, 51.28.060, 51.32.010 through 51.32.060, 51.32.080 through 51.32.100, 51.32.120, 51.32.140, 51.32.150, 51.32.160, 51.44.030, 51.44.050 through 51.44.090) are amended to read as set forth in sections 2 through 44 of this act.

SEC. 2. (RCW 49.16.010) As used in this chapter:

"Department" means the department of labor and industries;

"Director" means the director of labor and industries;

"Supervisor" means the supervisor of safety;

"Educational standard" means such standards as the supervisor shall make for the purpose of educating and training both employer and workman in the appreciation and avoidance of danger, and the maintenance and proper use of safe place and safety device standards;

"Place of work" means every place, whether used permanently or temporarily, where any process or operation is carried on relating either directly or indirectly to any industry, trade, work, or business, including all construction work;

"Safe" and "safety" as applied to an employment or place of work means such freedom from danger to the lives or persons of workmen, as the nature of the case will reasonably permit;

"Safeguard" and "safety device" shall be given a broad interpretation, so as to include any reasonably practical method of mitigating or preventing danger;
“General standards of safety” are standards of safety having uniform application throughout a class or class subdivision;

“Special standards of safety” are those which are not of uniform application to any class or class subdivision.

Sec. 3. (RCW 51.04.020) The director shall:

(1) Establish and promulgate rules governing the administration of this title;

(2) Ascertain and establish the amounts to be paid into and out of the accident fund;

(3) Regulate the proof of accident and extent thereof, the proof of death and the proof of relationship and the extent of dependency;

(4) Supervise the medical, surgical, and hospital treatment to the intent that it may be in all cases efficient and up to the recognized standard of modern surgery;

(5) Issue proper receipts for moneys received and certificates for benefits accrued or accruing;

(6) Investigate the cause of all serious injuries and report to the governor from time to time any violations or laxity in performance of protective statutes or regulations coming under the observation of the department;

(7) Create a division of statistics within which shall be compiled such statistics as will afford reliable information upon which to base operations of all divisions under the department;

(8) Make annual report to the governor (one of them not more than sixty nor less than thirty days prior to each regular session of the legislature) of the workings of the department, and showing the financial status and the outstanding obligations of the accident fund and the statistics aforesaid;

(9) Report to each regular session of the legislature the balance remaining in the catastrophe fund and make recommendations.
Sec. 4. (RCW 51.04.070) A minor working at an age legally permitted under the laws of this state shall be deemed sui juris for the purpose of this title, and no other person shall have any cause of action or right to compensation for an injury to such minor workman, except as expressly provided in this title, but in the event of a lump sum payment becoming due under this title to such minor workman, the management of the sum shall be within the probate jurisdiction of the courts the same as other property of minors and, in the event it is necessary to procure the appointment of a guardian to receive the money to which any minor workman is entitled under the provisions of this title, the director may allow from the accident fund toward the expenses of such guardianship, not to exceed the sum of twenty-five dollars in any one case: Provided, That in case any such minor is awarded a lump sum payment of not more than two hundred fifty dollars, the director may make payment direct to such minor without the necessity of the appointment of a guardian.

Sec. 5. (RCW 51.04.080) On all claims under this title, the division of industrial insurance shall not forward claimants' written notices, orders, and warrants to, or in care of, any representative of the claimant, but shall forward such notices, orders and warrants directly to the claimant until such time as the supervisor of industrial insurance shall have entered an order on the claim appealable to the joint board.

Sec. 6. (RCW 51.08.020) “Beneficiary” means a husband, wife, child, or dependent of a workman in whom shall vest a right to receive payment under this title: Provided, That a husband or wife of an injured workman, living in a state of abandonment for more than one year at the time of the injury or subsequently, shall not be a beneficiary. A wife who has lived separate and apart from her husband for
the period of two years and who has not, during that
time, received, or attempted by process of law to
collect, funds for her maintenance, shall be deemed
living in a state of abandonment.

Sec. 7. (RCW 51.08.030) “Child” means every
natural born child, posthumous child, stepchild, child
legally adopted prior to the injury, and illegitimate
child legitimated prior to the injury, all while under
the age of eighteen years and over the age of eigh-
teen years if the child is a dependent invalid child.

Sec. 8. (RCW 51.08.050) “Dependent” means
any of the following named relatives of a workman
whose death results from any injury and who leaves
surviving no widow, widower, or child, viz: father,
mother, grandfather, grandmother, stepfather, step-
mother, grandson, granddaughter, brother, sister,
half-sister, half-brother, niece, nephew, who at the
time of the accident are actually and necessarily
dependent in whole or in part for their support upon
the earnings of the workman: Provided, That unless
otherwise provided by treaty, aliens other than
father or mother, not residing within the United
States at the time of the accident, are not included.

Sec. 9. (RCW 51.08.070) “Employer” means
any person, body of persons, corporate or otherwise,
and the legal representatives of a deceased employer,
all while engaged in this state in any extrahazardous
work, by way of trade or business, or who contracts
with one or more workmen, the essence of which is
the personal labor of such workman or workmen,
in extrahazardous work.

Sec. 10. (RCW 51.08.080) “Engineering work”
means any kind of construction, improvement or
alteration or repair of buildings, structures, streets,
highways, sewers, street railways, railroads, logging
roads, interurban railroads, harbors, docks, canals,
electric steam or water power plants, telegraph and
telephone plants and lines, electric light or power lines, and includes any other works for the construction, alteration, or repair in which machinery driven by mechanical power is used.

**Sec. 11.** (RCW 51.08.090) "Factories" means undertakings in which the business of working at commodities is carried on with power driven machinery, either in manufacture, repair, or change, and includes the premises, yard, and plant of the concern.

**Sec. 12.** (RCW 51.08.100) "Injury" means a sudden and tangible happening, of a traumatic nature, producing an immediate or prompt result, and occurring from without; an occupational disease; and such physical condition as results from either.

**Sec. 13.** (RCW 51.08.110) "Invalid" means one who is physically or mentally incapacitated from earning.

**Sec. 14.** (RCW 51.08.120) "Mill" means any plant, premises, room or place wherein machinery is used, together with the yards and premises which are a part of the plant, including elevators, warehouses, and bunkers.

**Sec. 15.** (RCW 51.08.130) "Mine" means any mine where coal, clay, ore, mineral, gypsum, or rock is dug or mined underground.

**Sec. 16.** (RCW 51.08.140) "Occupational disease" means such disease or infection as arises naturally and proximately out of extrahazardous employment. Such claims to be valid and compensable must be filed within one year following the date claimant has notice from a physician of his occupational disease.

**Sec. 17.** (RCW 51.08.150) "Permanent partial disability" means the loss of either one foot, one leg, one hand, one arm, one eye, one or more fingers, one or more toes, any dislocation where ligaments
were severed where repair is not complete, or any other injury known in surgery to be permanent partial disability.

Sec. 18. (RCW 51.08.160) "Permanent total disability" means loss of both legs, or arms, or one leg and one arm, total loss of eyesight, paralysis or other condition permanently incapacitating the workman from performing any work at any gainful occupation.

Sec. 19. (RCW 51.08.170) "Quarry" means an open cut from which coal is mined, or clay, ore, mineral, gypsum, sand, gravel, or rock is cut or taken for manufacturing, building or construction purposes.

Sec. 20. (RCW 51.08.180) "Workman" means every person in this state who is engaged in the employment of an employer under this title, whether by way of manual labor or otherwise in the course of his employment; also every person in this state who is engaged in the employment of or who is working under an independent contract, the essence of which is his personal labor for an employer under this title, whether by way of manual labor or otherwise, in the course of his employment.

Sec. 21. (RCW 51.08.190) "Workshop" means any plant, yard, premises, room, or place wherein power driven machinery is employed and manual labor is exercised by way of trade for gain or otherwise, over which the employer of the person working therein has the right of access or control.

Sec. 22. (RCW 51.16.130) Whenever there shall occur an accident in which three or more employees are fatally injured or receive injuries consisting of loss of both eyes or sight thereof, or loss of both hands or use thereof, or loss of both feet or use thereof, or loss of one hand and one foot or use thereof, the amount of total costs other than medical
aid costs arising out of this accident that shall be charged to the proper class of the accident fund and to the account of the employer, shall be twice the average cost of pension claims chargeable under RCW 51.16.020, and the balance of costs arising out of the accident shall be charged against and defrayed by the catastrophe injury account.

Sec. 23. (RCW 51.24.010) If the injury to a workman is due to negligence or wrong of another not in the same employ, the injured workman or, if death results from the injury, his widow, children, or dependents, as the case may be, shall elect whether to take under this title or seek a remedy against such other, such election to be in advance of any suit under this section and, if he takes under this title, the cause of action against such other shall be assigned to the state for the benefit of the accident fund and the medical aid fund; if the other choice is made, the accident fund shall contribute only the deficiency, if any, between the amount of recovery against such third person actually collected and the compensation provided or estimated by this title for such case: Provided, That the injured workman or if death results from his injury, his widow, children or dependents as the case may be, electing to seek a remedy against such other person, shall receive benefits payable under this title as if such election had not been made, and the department for the benefit of the accident fund and the medical aid fund to the extent of such payments having been made by the department to the injured workman or if death results from his injury, his widow, children or dependents as the case may be shall be subrogated to the rights of such person or persons against the recovery had from such third party and shall have a lien thereupon. Any such cause of action assigned to the state may be prosecuted or compromised by the department in its discretion in the name of the
workman, beneficiaries, or legal representative. Any compromise by the workman of any such suit, which would leave a deficiency to be made good out of the accident fund may be made only with the written approval of the department.

SEC. 24. (RCW 51.24.020) If injury or death results to a workman from the deliberate intention of his employer to produce such injury or death, the workman, the widow, widower, child, or dependent of the workman shall have the privilege to take under this title and also have cause of action against the employer as if this title had not been enacted, for any excess of damages over the amount received or receivable under this title.

SEC. 25. (RCW 51.28.060) A dependent shall at all times furnish the department with proof satisfactory to the director of the nature, amount and extent of the contribution made by the deceased workman.

Proof of dependency by any beneficiary residing without the United States shall be made before the nearest United States consul or consular agent, under the seal of such consul or consular agent, and the department may cause any warrant or warrants to which such beneficiary is entitled to be transmitted to the beneficiary through the nearest United States consul or consular agent.

SEC. 26. (RCW 51.32.010) Each workman injured in the course of his employment, or his family or dependents in case of death of the workman, shall receive out of the accident fund compensation in accordance with this chapter, and, except as in this title otherwise provided, such payment shall be in lieu of any and all rights of action whatsoever against any person whomsoever: Provided, That if an injured workman, or the surviving spouse of an injured workman shall not have the custody of a
child for, or on account of whom payments are required to be made under this chapter, such payment or payments shall be made to the person having the lawful custody of such child.

Sec. 27. (RCW 51.32.020) If injury or death results to a workman from the deliberate intention of the workman himself to produce such injury or death, or while the workman is engaged in the attempt to commit, or the commission of, a crime, neither the workman nor the widow, widower, child, or dependent of the workman shall receive any payment whatsoever out of the accident fund.

An invalid child, while being supported and cared for in a state institution, shall not receive compensation under this chapter.

No payment shall be made to or for a natural child of a deceased workman and, at the same time, as the stepchild of a deceased workman.

Sec. 28. (RCW 51.32.030) Any individual employer or any member or officer of any corporate employer who is carried upon the payroll at a salary or wage not less than the average salary or wage named in such payroll and who shall be injured, shall be entitled to the benefit of this title, as and under the same circumstances and subject to the same obligations as a workman: Provided, That no such employer or the beneficiaries of such employer shall be entitled to benefits under this title unless the director, prior to the date of the injury, has received notice in writing of the fact that such employer is being carried upon the payroll prior to the date of the injury as the result of which claims for a compensation are made.

Sec. 29. (RCW 51.32.040) No money paid or payable under this title out of the accident fund or out of the medical aid fund shall, prior to the issuance and delivery of the warrant therefor, be
capable of being assigned, charged, or ever be taken in execution or attached or garnished, nor shall the same pass, or be paid, to any other person by operation of law, or by any form of voluntary assignment, or power of attorney. Any such assignment or charge shall be void: Provided, That if any workman suffers a permanent partial injury, and dies from some other cause than the accident which produced such injury before he shall have received payment of his award for such permanent partial injury, or if any workman suffers any other injury and dies from some other cause than the accident which produced such injury before he shall have received payment of any monthly installment covering any period of time prior to his death, the amount of such permanent partial award, or of such monthly payment or both, shall be paid to his widow, if he leaves a widow, or to his child or children, if he leaves a child or children and does not leave a widow: Provided further, That, if any workman suffers an injury and dies therefrom before he shall have received payment of any monthly installment covering time loss for any period of time prior to his death, the amount of such monthly payment shall be paid to his widow, if he leaves a widow, or to his child or children, if he leaves a child or children and does not leave a widow: Provided further, That if the injured workman resided in the United States as long as three years prior to the date of the injury, such payment shall not be made to any widow or child who was at the time of the injury a nonresident of the United States.

Scc. 30. (RCW 51.32.050) (1) Where death results from the injury the expenses of burial not to exceed five hundred dollars shall be paid to the undertaker conducting the funeral.

(2) If the workman leaves a widow or invalid widower, a monthly payment of one hundred twenty-
five dollars shall be made throughout the life of the surviving spouse, to cease at the end of the month in which remarriage occurs, and the surviving spouse shall also receive per month for each child of the deceased at the time any monthly payment is due the following payments: For the youngest or only child, thirty dollars, for the next or second youngest child, twenty-five dollars, and for each additional child, twelve dollars, but the total monthly payments shall not exceed two hundred sixteen dollars and any deficit shall be deducted proportionately among the beneficiaries. In addition to the monthly payments above provided for, a surviving widow, or parent or parents, if there is no surviving widow of any such deceased workman shall be forthwith paid the sum of three hundred fifty dollars.

Upon remarriage of a widow she shall receive, once and for all, a lump sum of one thousand five hundred dollars, and the monthly payments to such widow shall cease at the end of the month in which remarriage occurs, but the monthly payments for the child or children shall continue as before.

(3) If the workman leaves no wife or husband, but an orphan child or children a monthly payment of fifty dollars shall be paid to each such child, but the total monthly payments shall not exceed two hundred dollars and any deficit shall be deducted proportionately among the beneficiaries.

(4) In the event a surviving spouse receiving monthly payments dies, leaving a child or children, each shall receive the sum of fifty dollars per month, but the total monthly payment shall not exceed two hundred dollars and any deficit shall be deducted proportionately among the beneficiaries.

(5) If the workman is under the age of twenty-one years and unmarried at the time of his death, the parents or parent of the workman shall receive forty dollars for each month after his death until
the time at which he would have arrived at the age of twenty-one years.

(6) If the workman leaves no widow, widower or child, but leaves a dependent or dependents, a monthly payment shall be made to each dependent equal to fifty percent of the average monthly support actually received by such dependent from the workman during the twelve months next preceding the occurrence of the injury, but the total payment to all dependents in any case shall not exceed seventy-five dollars per month. If any dependent is under the age of eighteen years at the time of the occurrence of the injury, the payment to such dependent shall cease when such dependent reaches the age of eighteen years. The payment to any dependent shall cease if and when, under the same circumstances, the necessity creating the dependency would have ceased if the injury had not happened.

(7) If the injured workman dies during the period of permanent total disability, whatever the cause of death, leaving a widow, invalid widower, or child, or children, the surviving widow or invalid widower shall receive one hundred twenty-five dollars per month until death or remarriage, to be increased per month for each child of the deceased, as follows: For the youngest or only child, thirty dollars, for the next or second youngest child, twenty-five dollars, and for each additional child, twelve dollars: Provided, That the total monthly payments shall not exceed two hundred sixteen dollars and any deficit shall be deducted proportionately among the beneficiaries; but if such child is or shall be without father or mother, such child shall receive fifty dollars per month, but the total monthly payment to such children shall not exceed two hundred dollars, and any deficit shall be deducted proportionately among the children. Upon remarriage the
payments on account of the child or children shall continue as before to such child or children.

Sec. 31. (RCW 51.32.060) When the supervisor of industrial insurance shall determine that permanent total disability results from the injury, the workman shall receive monthly during the period of such disability:

(1) If unmarried at the time of the injury, the sum of one hundred twenty-five dollars.

(2) If the workman has a wife or husband, but no child, the sum of one hundred fifty-five dollars.

(3) If the workman has a wife or husband and a child or children, or, being a widow or widower having any such child or children, the monthly payment in subdivision (2) shall be increased by thirty dollars for the youngest or only child, twenty-five dollars for the next or second youngest child, and twelve dollars for each additional child, but the total monthly payments shall not exceed two hundred forty-six dollars and any deficit shall be deducted proportionately among the beneficiaries.

(4) In case of permanent total disability, if the character of the injury is such as to render the workman so physically helpless as to require the services of an attendant, the monthly payment to such workman shall be increased seventy-five dollars per month as long as such requirement continues, but such increases shall not obtain or be operative while the workman is receiving care under or pursuant to any of the provisions of chapters 51.36 and 51.40.

(5) Should any further accident result in the permanent total disability of an injured workman, he shall receive the pension to which he would be entitled, notwithstanding the payment of a lump sum for his prior injury.

Sec. 32. (RCW 51.32.080) (1) For the permanent partial disabilities here specifically described, the
injured workman shall receive compensation as follows:

LOSS BY AMPUTATION

Of one leg so near the hip that an artificial limb cannot be worn ................ $7500.00
Of one leg at or above the knee so that an artificial limb can be worn .......... 6375.00
Of one leg below the knee .................. 4000.00
Of great toe with metatarsal bone thereof .. 1125.00
Of great toe at the proximal joint .......... 750.00
Of great toe at the second joint .......... 225.00
Of one other toe other than the great toe with the metatarsal bone thereof .... 750.00
Of second toe at proximal joint .......... 225.00
Of third toe at proximal joint .......... 225.00
Of fourth toe at proximal joint .......... 225.00
Of fifth toe at proximal joint .......... 150.00
Of one metatarsal bone on toe other than great toe ............................. 375.00
Of one arm so near the shoulder that an artificial arm cannot be worn .......... 7500.00
Of the major arm at or above the elbow .. 6375.00
Of forearm at upper third ................ 5250.00
Of the major hand at wrist ................. 4875.00
Of thumb with metacarpal bone thereof .. 1875.00
Of thumb with proximal joint ............. 1500.00
Of thumb at second joint ................ 375.00
Of index or first finger at proximal joint 1125.00
Of index or first finger at second joint 750.00
Of index or first finger at distal joint 375.00
Of middle or second finger at proximal joint 675.00
Of middle or second finger at second joint 600.00
Of middle or second finger at distal joint 300.00
Of ring or third finger at proximal joint 600.00
Of ring or third finger at second joint 450.00
Of ring or third finger at distal joint 300.00
Of little or fourth finger at proximal joint .. 375.00
Of little or fourth finger at second joint... 225.00
Of little or fourth finger at distal joint... 150.00
Of metacarpal bone in finger except thumb. 225.00

MISCELLANEOUS

Loss of one eye by enucleation......... $3750.00
Loss of sight of one eye................ 3000.00
Complete loss of hearing in both ears..... 5250.00
Complete loss of hearing in one ear....... 1500.00
Complete broken arch in foot............ 1500.00

(2) Compensation for any other permanent partial disability shall be in the proportion which the extent of such other disability, called unspecified disability, shall bear to that above specified, which most closely resembles and approximates in degree of disability such other disability, but not in any case to exceed the sum of seven thousand five hundred dollars: Provided, That the total compensation for all unspecified permanent partial disabilities resulting from the same injury shall not exceed the sum of seven thousand five hundred dollars. For disability to a member not involving amputation, not more than nine-tenths of the foregoing respective specified sums shall be paid: Provided further, That payment for any injury to minor hand or arm or any part thereof, shall not exceed ninety-five percent of the amounts hereinbefore numerated: Provided further, That in case permanent partial disability compensation is followed by permanent total disability compensation, any portion of the permanent partial disability compensation which exceeds the amount that would have been paid the injured workman if permanent total disability compensation had been paid in the first instance, shall be deducted from the pension reserve of such injured workman and his monthly compensation payments shall be reduced accordingly.
(3) If the injured workman is under the age of twenty-one years and unmarried, the parents or parent shall also receive a lump sum payment equal to ten percent of the amount awarded to the minor workman.

(4) Should a workman receive an injury to a member or part of his body already, from whatever cause, permanently partially disabled, resulting in the amputation thereof or in an aggravation or increase in such permanent partial disability but not resulting in the permanent total disability of such workman, his compensation for such partial disability shall be adjudged with regard to the previous disability of the injured member or part and the degree or extent of the aggravation or increase of disability thereof.

SEC. 33. (RCW 51.32.090) (1) When the total disability is only temporary, the schedule of payments contained in subdivisions (1), (2), and (3) of RCW 51.32.060 shall apply, so long as the total disability continues.

(2) But if the injured workman has a wife or husband and has no child or has a wife or husband or, being a widow or widower, with one or more children, the compensation for the case during such period of time as the total temporary disability continues, shall be per month as follows, to wit:

(a) Injured workman with wife or husband and no child, one hundred fifty-five dollars; injured workman with wife or husband and one child, or being a widow or widower and having one child, one hundred eighty-five dollars;

(b) injured workman with wife or invalid husband and two children, or being a widow or widower and having two children, two hundred ten dollars and twelve dollars for each additional child, but the total monthly payments shall not exceed two hundred forty-six dollars and
any deficit shall be deducted proportionately among the beneficiaries.

Any compensation payable under this section for children not in the custody of the injured workman as of the date of injury shall be payable only to such person as actually is providing the support for such child or children pursuant to the order of a court of record providing for support of such child or children.

(3) As soon as recovery is so complete that the present earning power of the workman, at any kind of work, is restored to that existing at the time of the occurrence of the injury, the payments shall cease. If and so long as the present earning power is only partially restored, the payments shall continue in the proportion which the new earning power shall bear to the old. No compensation shall be payable out of the accident fund unless the loss of earning power shall exceed five percent.

(4) No workman shall receive compensation out of the accident fund for or during the day on which injury was received or the three days following the same, unless his disability shall continue for a period of thirty consecutive calendar days from date of injury.

(5) Should a workman suffer a temporary total disability and should his employer at the time of the injury continue to pay him the wages which he was earning at the time of such injury, such injured workman shall not receive any payment provided in subsection (1) of this section from the accident fund during the period his employer shall so pay such wages.

Sec. 34. (RCW 51.32.100) If it is determined by the department that an injured workman had, at the time of his injury, a pre-existing disease and that such disease delays or prevents complete recovery from such injury, the said department shall
ascertain, as nearly as possible, the period over which the injury would have caused disability were it not for the diseased condition and the extent of permanent partial disability which the injury would have caused were it not for the disease, and award compensation only therefor.

Sec. 35. (RCW 51.32.120) Should a further accident occur to a workman who has been previously the recipient of a lump sum payment under this title, his future compensation shall be adjusted according to the other provisions of this chapter and with regard to the combined effect of his injuries and his past receipt of money under this title.

Sec. 36. (RCW 51.32.140) Except as otherwise provided by treaty, whenever compensation is payable to a beneficiary who is an alien not residing in the United States, the department shall pay fifty percent of the compensation herein otherwise provided to such beneficiary. But if a nonresident alien beneficiary is a citizen of a government having a compensation law which excludes citizens of the United States, either resident or nonresident, from partaking of the benefit of such law in as favorable a degree as herein extended to nonresident aliens, he shall receive no compensation. No payment shall be made to any beneficiary residing in any country with which the United States does not maintain diplomatic relations when such payment is due.

Sec. 37. (RCW 51.32.150) If a beneficiary shall reside or remove out of the state, the department may, with the written consent of the beneficiary, convert any monthly payments provided for such cases into a lump sum payment (not in any case to exceed the value of the annuity then remaining, to be fixed and certified by the state insurance commissioner, but in no case to exceed the sum of five thousand dollars).
SEC. 38. (RCW 51.32.160) If aggravation, diminution, or termination of disability takes place or be discovered after the rate of compensation shall have been established or compensation terminated, in any case the director, through and by means of the division of industrial insurance, may, upon the application of the beneficiary, made within five years after the establishment or termination of such compensation, or upon his own motion, readjust for further application the rate of compensation in accordance with the rules in this section provided for the same, or in a proper case terminate the payment.

No act done or ordered to be done by the director, or the department prior to the signing and filing in the matter of a written order for such readjustment shall be ground for such readjustment.

SEC. 39. (RCW 51.44.030) There shall be, in the office of the state treasurer, a fund to be known and designated as the “reserve fund.”

SEC. 40. (RCW 51.44.050) There shall be a special fund to be known as the “catastrophe fund,” which shall be used only for the purpose of defraying charges against it as provided in RCW 51.16.130.

SEC. 41. (RCW 51.44.060) The transfer of funds from the accident fund to the catastrophe fund shall be from each class of the accident fund in the proportion that each class balance is to the total of the accident fund on April 1st of each odd-numbered year, and the reversion of the unexpended balance to the accident fund shall be based upon the same proportion.

SEC. 42. (RCW 51.44.070) For every case resulting in death or permanent total disability the department shall transfer on its books from the accident fund of the proper class to the “reserve fund” a sum of money for that case equal to the estimated present cash value of the monthly payments provided
for it, to be calculated upon the basis of an annuity covering the payments in this title provided to be made for the case. Such annuities shall be based upon tables to be prepared for that purpose by the state insurance commissioner and by him furnished to the state treasurer, calculated upon standard mortality tables with an interest assumption of two percent per annum.

SEC. 43. (RCW 51.44.080) The department shall notify the state treasurer from time to time, of such transfers as a whole from the accident fund to the reserve fund and the interest or other earnings of the reserve fund shall become a part of the reserve fund itself. The department shall, on October 1st of each year, apportion the interest or other earnings of the reserve fund, as certified to it by the state treasurer, to the various class reserve funds according to the average class balance for the preceding year. As soon as possible after October 1st of each year the state insurance commissioner shall examine the reserve fund of each class to ascertain its standing as of October 1st of that year and the relation of its outstanding annuities at their then value to the cash on hand or at interest belonging to that fund. He shall promptly report the result of his examination to the department and to the state treasurer in writing not later than December 31st following. If the report shows that there was on said October 1st, in the reserve fund of any class in cash or at interest, a greater sum than the then annuity value of the outstanding pension obligations of that class, the surplus shall be forthwith turned over to the accident fund of that class but, if the report shows the contrary condition of any class reserve, the deficiency shall be forthwith made good out of the accident fund of that class.

SEC. 44. (RCW 51.44.090) The state treasurer shall keep accurate accounts of the reserve fund and
the investment and earnings thereof, to the end that the total reserve fund shall at all times, as nearly as may be, be properly and fully invested and, to meet current demands for pension or lump sum payments, may, if necessary, make temporary loans to the reserve fund out of the accident fund for that class, repaying the same from the earnings of that reserve fund or from collections of its investments or, if necessary, sales of the same.

Sec. 45. Section 2, chapter 209, Laws of 1941 and RCW 51.32.130 are each amended to read as follows:

In case of death or permanent total disability, the monthly payment provided may be converted, in whole or in part, into a lump sum payment, not in any case to exceed eight thousand five hundred dollars, equal or proportionate, as the case may be, to the value of the annuity then remaining, to be fixed and certified by the state insurance commissioner, in which event the monthly payments shall cease in whole or in part accordingly or proportionately. Such conversion may be made only upon written application (in case of minor children the application may be by either parent) to the department and shall rest in the discretion of the department. Within the rule aforesaid the amount and value of the lump sum payment may be agreed upon between the department and applicant. In the event any payment shall be due to an alien residing in a foreign country, the department may settle the same by making a lump sum payment in such amount as may be agreed to by such alien, not to exceed fifty percent of the value of the annuity then remaining.

Nothing herein shall preclude the department from making, and authority is hereby given it to make, on its own motion, lump sum payments equal or proportionate, as the case may be, to the value
of the annuity then remaining, in full satisfaction of claims due to dependents.

Sec. 46. Section 1, chapter 247, Laws of 1947 as last amended by section 4, chapter 236, Laws of 1951 (heretofore codified as RCW 51.16.060, 51.16-.070, 51.16.090 and 51.16.110) is divided and amended as set forth in sections 47 through 50 of this amendatory act.

Sec. 47. (RCW 51.16.060) Every employer shall, on or before the twenty-fifth day of January, April, July and October of each year hereafter, furnish the department with a true and accurate payroll and the aggregate number of workmen hours, during which workmen were employed by him during the preceding calendar quarter, the total amount paid to such workmen during such preceding calendar quarter, and a segregation of employment in the different classes provided in this title, and shall pay his premium thereon to the accident fund and medical aid fund. The sufficiency of such statement shall be subject to the approval of the director.

Sec. 48. (RCW 51.16.070) Every employer shall keep at his place of business a record of his employment from which the information needed by the department may be obtained and such record shall at all times be open to the inspection of the director, supervisor of industrial insurance, or the traveling auditors, agents, or assistants of the department, as provided in RCW 51.48.040.

Information obtained from employing unit records under the provisions of this title shall be deemed confidential and shall not be open to public inspection (other than to public employees in the performance of their official duties), but any interested party shall be supplied with information from such records to the extent necessary for the proper presentation of the case in question: Provided, That any
employing unit may authorize inspection of its records by written consent.

**Sec. 49.** (RCW 51.16.090) To the end that no employer shall evade the burdens imposed by an unfavorable or high cost experience, the director may determine whether or not an increase, decrease, or change (1) of operating property; (2) of interest in operating property; (3) of employer; (4) of personnel or interest in employer is sufficient to show a bona fide change which would make inoperative any high cost experience.

**Sec. 50.** (RCW 51.16.110) Every employer who shall enter into any business, or who shall resume operations in any work or plant after the final adjustment of his payroll in connection therewith, shall, before so commencing or resuming operations, as the case may be, notify the director of such fact, accompanying such notification with an estimate of his payroll and workmen hours for the first calendar month of his proposed operations, and shall make payment of the premiums on such estimate. Every such employer shall be liable for a premium of at least such estimate. Every such employer shall pay the full basic rate until such time as an experience rating in excess of a one, two, three, or four year period may be computed as of a first succeeding July 1st date, and shall be liable for a premium of at least one dollar per month irrespective of the amount of his workmen hours reported during said month to the department.

**Sec. 51.** There is added to chapter 51.28 RCW a new section to read as follows:

Information contained in the claim files and records of injured workmen, under the provisions of this title, shall be deemed confidential and shall not be open to public inspection (other than to public employees in the performance of their official
duties), but representatives of a claimant, be it an individual or an organization, may review a claim file or receive specific information therefrom upon the presentation of the signed authorization of the claimant. Employers or their duly authorized representatives may review the files of their own injured workmen.

SEC. 52. Section 4, chapter 74, Laws of 1911 as last amended by section 2, chapter 236, Laws of 1951, section 20, chapter 74, Laws of 1911 as last amended by sections 5, 7 through 9, 11, 14, 17 and 19, chapter 225, Laws of 1951, section 7, chapter 136, Laws of 1923, section 1, chapter 247, Laws of 1947, sections 6 and 15, chapter 225, Laws of 1951 (hereafter divided, combined, and codified as RCW 51.16-.010, 51.16.020, 51.52.050 through 51.52.090, 51.52.100, 51.52.110, 51.52.115, 51.52.130 and 51.52.140) is amended to read as set forth in sections 53 through 64 of this amendatory act.

SEC. 53. (RCW 51.16.010) Inasmuch as industry should bear the greater portion of the cost of its accidents and occupational diseases and furnish medical, surgical and hospital care and treatment to its injured workmen in the proportion in which it produces injury and creates expense, each employer shall, prior to the twenty-fifth day of January, April, July and October of each year, pay into the state treasury (1) for the accident fund and (2) for the medical aid fund, a certain number of cents for each man hour worked by the workmen in his employ, engaged in extrahazardous employment; if, however, there should be a deficit in any class or subclass, the director, through the supervisor of industrial insurance, shall assess the same against all the contributors to such class or subclass during the calendar year or fraction thereof in which said deficit was incurred or created. The director may promulgate, change, and revise such rates according to the
condition of the accident and medical aid funds, and establish rates for industries to be hereafter declared extrahazardous and which voluntarily seek coverage under the elective adoption provisions.

**SEC. 54. (RCW 51.16.020)** The amounts to be paid into the accident fund shall be determined as follows: The department shall, prior to the first day of January of each year, determine for each class and subclass, a basic premium rate for the ensuing calendar year and, in so doing, shall take into consideration: First, that no class shall be liable for the depletion of the accident fund for accidents happening in any other class; second, that each class shall meet and be liable for its own accidents; third, the cost experience of each class and subclass over the two year period immediately preceding July 1st of the year in which the basic rate is being fixed; fourth, the then condition of each class and subclass account.

The department shall also, prior to the first day of January of each year, determine the premium rate to be paid into said accident fund during the ensuing year by each employer to be credited to each class and subclass account, applicable to the employer's operations or business and, in so doing, shall take into consideration the average cost experience of each employer for each workman hour reported by him during each fiscal year in each such class or subclass over the five year period immediately preceding July 1st of the year in which the rate is being determined and, in so computing the cost experience of any employer, seventy-five percent of the average cost of pension claims shall be charged against his experience for each injury resulting in death or total permanent disability of a workman instead of the actual cost to the accident fund of such injury. The actual premium rate which any employer shall be required to pay for the accident
fund shall be forty percent of the basic rate, plus sixty percent of the employer's cost rate for each workman hour reported by him during each fiscal year over the five year period next preceding the then last July 1st, but in no case shall the total rate exceed one hundred sixty percent of the basic rate.

Sec. 55. (RCW 51.52.050) Whenever the department of labor and industries, hereinafter called the "department," has made any order, decision, or award, it shall promptly serve the workman, beneficiary, employer, or other person affected thereby, with a copy thereof by mail, which shall be addressed to such person at his last known address as shown by the records of the department. The copy, in case the same is a final order, decision, or award, shall bear on the same side of the same page on which is found the amount of the award, a statement, set in black faced type of at least ten point body or size, that such final order, decision, or award must be appealed to the board of industrial insurance appeals, Olympia, within sixty days, or the same shall become final.

Whenever the department has taken any action or made any decision relating to any phase of the administration of this title the workman, beneficiary, employer, or other person aggrieved thereby may appeal to the board and any such person aggrieved by the decision and order of the board may thereafter appeal to the superior court, as prescribed in this chapter.

Sec. 56. (RCW 51.52.060) Any workman, beneficiary, employer, or other person aggrieved by an order, decision, or award of the department must, before he appeals to the courts, file with the board and the director of labor and industries, by mail or personally, within sixty days from the day on which such copy of such order, decision, or award was communicated to such person, a notice of appeal to the
board: *Provided*, That failure to file notice of appeal with both the board and the department shall not be ground for denying the appeal if the notice of appeal is filed with either the board or the department: *And provided*, That, if within the time limited for filing a notice of appeal to the board from an order, decision, or award of the department, the department shall direct the submission of further evidence or the investigation of any further fact, the time for filing such notice of appeal shall not commence to run until such person shall have been advised in writing of the final decision of the department in the matter: *Provided, further*, That the department, either before receiving a notice of appeal, or within thirty days thereafter, may modify, reverse or change any order, decision, or award, and the board shall thereupon deny the appeal.

**Sec. 57.** (RCW 51.52.070) The notice of appeal to the board shall set forth in full detail the grounds upon which the person appealing considers such order, decision, or award is unjust or unlawful, and shall include every issue to be considered by the board, and it must contain a detailed statement of facts upon which such workman, beneficiary, employer, or other person relies in support thereof. The workman, beneficiary, employer, or other person shall be deemed to have waived all objections or irregularities concerning the matter on which such appeal is taken other than those specifically set forth in such notice of appeal or appearing in the records of the department. The department shall promptly transmit its original record in such matter to the board.

**Sec. 58.** (RCW 51.52.080) If the board finds that the department properly and lawfully decided all matters raised by such appeal it may, without further hearing, deny the same and confirm the department's decision or award, or if the department's
record sustains the contention of the person appealing to the board, it may, without further hearing, allow the relief asked in such appeal; otherwise, it shall grant the appeal and order a hearing to decide the issues raised.

Sec. 59. (RCW 51.52.090) If the appeal is not granted within thirty days after the notice is filed with the board, the appeal shall be deemed to have been denied: Provided, That the board may extend the time within which it may act upon such appeal, not exceeding thirty days.

Sec. 60. (RCW 51.52.100) Hearings shall be held in the county of the residence of the workman or beneficiary, or in the county where the injury occurred, at a place designated by the board. Such hearing shall be de novo and summary, but no witness’ testimony shall be received unless he shall first have been sworn to testify the truth, the whole truth and nothing but the truth in the matter being heard, or unless his testimony shall have been taken by deposition according to the statutes relating to superior courts of this state. The department shall be entitled to appear in all proceedings before the board and introduce testimony in support of its order. The board shall cause all oral testimony to be stenographically reported and thereafter transcribed, and when transcribed, the same, with all depositions, shall be filed in, and remain a part of, the record on the appeal. Such hearings on appeal to the board may be conducted by one or more of its members, or a duly authorized representative, and depositions may be taken by a person duly commissioned for the purpose by the board.

Members of the board, its duly authorized representatives, and all persons duly commissioned by it for the purpose of taking depositions, shall have power to administer oaths; to preserve and enforce order during such hearings; to issue subpoenas for,
and to compel the attendance and testimony of, witnesses, or the production of books, papers, documents, and other evidence, or the taking of depositions before any designated individual competent to administer oaths, and it shall be their duty so to do to examine witnesses; and to do all things conformable to law which may be necessary to enable them, or any of them, effectively to discharge the duties of his office.

If any person in proceedings before the board disobeys or resists any lawful order or process, or misbehaves during a hearing or so near the place thereof as to obstruct the same, or neglects to produce, after having been ordered so to do, any pertinent book, paper, or document, or refuses to appear after having been subpoenaed, or upon appearing refuses to take oath as a witness, or after having the oath refuses to be examined according to law, the board or any member or duly authorized representative thereof shall certify the facts to the superior court having jurisdiction in the place in which said board or member or duly authorized representative thereof is sitting; the court shall thereupon, in a summary manner, hear the evidence as to the acts complained of, and, if the evidence so warrants, punish such person in the same manner and to the same extent as for a contempt committed before the court, or commit such person upon the same conditions as if the doing of the forbidden act had occurred with reference to the proceedings, or in the presence, of the court.

Sec. 61. (RCW 51.52.110) Within thirty days after the final decision and order of the board upon such appeal has been communicated to such workman, beneficiary, employer or other person, or within thirty days after the appeal is deemed denied as herein provided, such workman, beneficiary, em-
Court appeal — Taking the appeal.

In cases involving injured workmen such appeal shall be to the superior court of the county of residence of the workman or beneficiary, as shown by the department's records, the superior court for Thurston county, or to the superior court of the county wherein the injury occurred. In all other cases the appeal shall be to the superior court of Thurston county. Such appeal shall be perfected by filing with the clerk of the court a notice of appeal and by serving a copy thereof by mail, or personally, on the director of labor and industries and on the board. The department shall, within twenty days after the receipt of such notice of appeal, serve and file its notice of appearance and such appeal shall thereupon be deemed at issue. The board shall serve upon the appealing party, the director of labor and industries and any other party appearing at the board's proceeding, and file with the clerk of the court before trial, a certified copy of the board's official record which shall include the notice of appeal and other pleadings, testimony and exhibits, and the board's decision and order, which shall become the record in such case. No bond shall be required on appeals to the superior court or on appeals to the supreme court, except that an appeal by the employer from a decision and order of the board under RCW 51.48.070, shall be ineffectual unless, within five days following the service of notice thereof, a bond, with surety satisfactory to the court, shall be filed, conditioned to perform the judgment of the court. Except in the case last named an appeal shall not be a stay: Provided, however, That whenever the board has made any decision and order reversing an order of the supervisor of industrial insurance on questions of law or mandatory administrative actions of the director, the department of labor and...
industries shall have the right of appeal to the superior court.

Sec. 62. (RCW 51.52.115) Upon appeals to the superior court only such issues of law or fact may be raised as were properly included in the notice of appeal to the board, or in the complete record of the proceedings before the board. The hearing in the superior court shall be de novo, but the court shall not receive evidence or testimony other than, or in addition to, that offered before the board or included in the record filed by the board in the superior court as provided in RCW 51.52.110: Provided, That in cases of alleged irregularities in procedure before the board, not shown in said record, testimony thereon may be taken in the superior court. The proceedings in every such appeal shall be informal and summary, but full opportunity to be heard shall be had before judgment is pronounced. In all court proceedings under or pursuant to this title the findings and decision of the board shall be prima facie correct and the burden of proof shall be upon the party attacking the same. If the court shall determine that the board has acted within its power and has correctly construed the law and found the facts, the decision of the board shall be confirmed; otherwise, it shall be reversed or modified. In case of a modification or reversal the superior court shall refer the same to the department with an order directing it to proceed in accordance with the findings of the court: Provided, That any award shall be in accordance with the schedule of compensation set forth in this title. In appeals to the superior court hereunder, either party shall be entitled to a trial by jury upon demand, and the jury's verdict shall have the same force and effect as in actions at law. Where the court submits a case to the jury, the court shall by instruction advise the jury of the exact findings of the board on each material issue before the court.

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SEC. 63. (RCW 51.52.130) If, on appeal to the court from the decision and order of the board, said decision and order is reversed or modified and additional relief is granted to a workman or beneficiary, or in cases where a party other than the workman or beneficiary is the appealing party and the workman’s or beneficiary’s right to relief is sustained by the court, a reasonable fee for the services of the workman’s or beneficiary’s attorney shall be fixed by the court. In fixing the fee the court shall take into consideration the fee or fees, if any, fixed by the director of labor and industries and the board for such attorney’s services before the department and the board. If the court finds that the fee fixed by the director of labor and industries or by the board is inadequate for services performed before the department or board, or if the director of labor and industries or the board has fixed no fee for such services, then the court shall fix a fee for the attorney’s services before the department, or the board, as the case may be, in addition to the fee fixed for the services in the court. If the decision and order of the board is reversed or modified and if the accident fund is affected by the litigation then 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 shall be payable out of the administrative fund of the department.

SEC. 64. (RCW 51.52.140) Except as otherwise provided in this chapter, the practice in civil cases shall apply to appeals prescribed in this chapter. Appeal shall lie from the judgment of the superior court as in other civil cases. The attorney general shall be the legal advisor of the department and the board.

Passed the House February 13, 1957.
Passed the Senate March 6, 1957.
Approved by the Governor March 11, 1957.