

higher education, entitled to accumulate sick leave and for whom accurate sick leave records have been maintained: PROVIDED, That no employee may receive compensation under this section for any portion of sick leave accumulated at a rate in excess of one day per month.

An attendance incentive program is established for all eligible employees. In January of the year following any year in which a minimum of sixty days of sick leave is accrued, and each January thereafter, any eligible employee may receive remuneration for unused sick leave accumulated in the previous year at a rate equal to one day's monetary compensation of the employee for each four full days of accrued sick leave in excess of sixty days. Sick leave for which compensation has been received shall be deducted from accrued sick leave at the rate of four days for every one day's monetary compensation.

At the time of retirement from state service or death, an eligible employee shall receive remuneration at a rate equal to one day's current monetary compensation of the employee for each four full days of accrued sick leave.

Moneys received under this section shall not be included for the purpose of computing a retirement allowance under any public retirement system in this state.

This section shall be administered, and rules shall be promulgated to carry out its purposes, by the state personnel board and the higher education personnel board for persons subject to chapters 41.06 and 28B.16 RCW, respectively, and by their respective personnel authorities for other eligible employees: PROVIDED, That determination of classes of eligible employees shall be subject to approval by the office of financial management.

Should the legislature revoke any benefits granted under this section, no affected employee shall be entitled thereafter to receive such benefits as a matter of contractual right.

Passed the Senate April 28, 1979.

Passed the House April 25, 1979.

Approved by the Governor May 10, 1979.

Filed in Office of Secretary of State May 10, 1979.

CHAPTER 151

[Engrossed Substitute Senate Bill No. 2317]

WORKERS' COMPENSATION—REDUCTIONS BASED ON RECEIPT OF FEDERAL BENEFITS—OVERPAYMENT RECOVERY

AN ACT Relating to reductions in workers' compensation based on receipt of federal benefits; amending section 3, chapter 286, Laws of 1975 1st ex. sess. as amended by section 19, chapter 323, Laws of 1977 ex. sess. and RCW 51.32.220; adding a new section to chapter 51.32 RCW; creating a new section; and declaring an emergency.

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

Section 1. Section 3, chapter 286, Laws of 1975 1st ex. sess. as amended by section 19, chapter 323, Laws of 1977 ex. sess. and RCW 51.32.220 are each amended to read as follows:

(1) For persons under the age of sixty-two receiving compensation for temporary or permanent total disability pursuant to the provisions of chapter 51.32 RCW, such compensation shall be reduced by an amount equal to the benefits payable under the federal old-age, survivors and disability insurance act as now or hereafter amended not to exceed the amount of the reduction established pursuant to 42 USC 424a. However, such reduction shall not apply when the combined compensation provided pursuant to chapter 51.32 RCW and the federal old-age, survivors and disability insurance act is less than the total benefits to which the federal reduction would apply, pursuant to 42 USC 424a. Where any person described in this section refuses to authorize the release of information concerning the amount of benefits payable under said federal act the department's estimate of said amount shall be deemed to be correct unless and until the actual amount is established and no adjustment shall be made for any period of time covered by any such refusal.

(2) Any reduction under subsection (1) of this section shall be effective the month following the month in which the department or self-insurer is notified by the federal social security administration that the person is receiving disability benefits under the federal old-age, survivors and disability insurance act: PROVIDED, That in the event of an overpayment of benefits the department or self-insurer may not recover more than the overpayments for the six months immediately preceding the date the department or self-insurer notifies the worker that an overpayment has occurred: PROVIDED FURTHER, That upon determining that there has been an overpayment, the department or self-insurer shall immediately notify the person who received the overpayment that he or she shall be required to make repayment pursuant to this act.

(3) Recovery of any overpayment must be taken from future monthly temporary or permanent total disability benefits provided by this title and may not exceed twenty-five percent of the monthly amount due from the department or self-insurer or one-sixth of the total overpayment, whichever is the lesser.

(4) No reduction may be made unless the worker receives notice of the reduction prior to the month in which the reduction is made.

(5) In no event shall the reduction reduce total benefits to less than the greater amount the worker may be entitled to under this title or the federal old-age, survivors and disability insurance act.

(6) The director, pursuant to rules adopted in accordance with the procedures provided in the administrative procedure act, chapter 34.04 RCW, may exercise his discretion to waive, in whole or in part, the amount of any

overpayment where the recovery would be against equity and good conscience.

NEW SECTION. Sec. 2. There is added to chapter 51.32 RCW a new section to read as follows:

Notwithstanding any other provisions of law, any overpayments previously recovered under the provisions of RCW 51.32.220 as now or hereafter amended shall be limited to six months' overpayments. Where greater recovery has already been made, the director, in his discretion, may make restitution in those cases where an extraordinary hardship has been created.

NEW SECTION. Sec. 3. This 1979 act applies to all cases in which notification of the first reduction in compensation pursuant to RCW 51.32.220 is mailed after the effective date of this 1979 act, regardless of when the basis, authority, or cause for such reduction may have arisen. To such extent, this 1979 act applies retrospectively, but in all other respects it applies prospectively.

NEW SECTION. Sec. 4. If any provision of this 1979 act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 5. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate April 28, 1979.

Passed the House April 9, 1979.

Approved by the Governor May 10, 1979.

Filed in Office of Secretary of State May 10, 1979.

CHAPTER 152

[Engrossed Substitute Senate Bill No. 2337]

PUBLIC ASSISTANCE, MEDICAL CARE SERVICES—IMPROPER, ILLEGAL RECEIPT OF BENEFIT PAYMENTS—CIVIL, CRIMINAL PENALTIES

AN ACT Relating to medical care; adding new sections to chapter 74.09 RCW; defining crimes; and prescribing penalties.

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

NEW SECTION. Section 1. There is added to chapter 74.09 RCW a new section to read as follows:

The legislature finds and declares it to be in the public interest and for the protection of the health and welfare of the residents of the state of Washington that a proper regulatory and inspection program be instituted in connection with the providing of medical, dental, and other health services to recipients of public assistance and medically indigent persons. In