government and its existing public institutions, and shall take effect April 1, 1982.

Passed the Senate March 26, 1982.
Passed the House March 25, 1982.
Approved by the Governor April 3, 1982, with the exception of the proviso in Section 1, subsection 2(c), which is vetoed.
Filed in Office of Secretary of State April 3, 1982.

Note: Governor's explanation of partial veto is as follows:

'I am returning herewith without my approval as to the proviso contained in Section 1, subsection 2(c) Substitute Senate Bill No. 4285 entitled:

"AN ACT Relating to social and health services"

The intent of this proviso is admirable. It would attempt to establish an equitable distribution of the $500 deductible in the medically indigent program among all providers. In practice, however, the proviso would result in administrative complexity and a slowdown in cash flow to the providers. This would be more detrimental than the marginal benefits which might accrue if the proviso were implemented.

With the exception of the proviso in Section 1, subsection 2(c) which I have vetoed, Substitute Senate Bill No. 4285 is approved.*

CHAPTER 20
[Engrossed Senate Bill No. 4133]
INDUSTRIAL INSURANCE—COMPENSATION ADJUSTMENTS, DEATH BENEFITS

AN ACT Relating to industrial insurance; amending section 2, chapter 286, Laws of 1975 1st ex. sess. as last amended by section 1, chapter 108, Laws of 1979 and RCW 51.32.075; amending section 51.32.080, chapter 23, Laws of 1961 as last amended by section 1, chapter 104, Laws of 1979 and RCW 51.32.080; amending section 47, chapter 289, Laws of 1971 ex. sess. as last amended by section 54, chapter 350, Laws of 1977 ex. sess. and RCW 51.32.190; providing an effective date; and declaring an emergency.

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

Section 1. Section 2, chapter 286, Laws of 1975 1st ex. sess. as last amended by section 1, chapter 108, Laws of 1979 and RCW 51.32.075 are each amended to read as follows:

The compensation or death benefits payable pursuant to the provisions of this chapter for temporary total disability, permanent total disability, or death arising out of injuries or occupational diseases shall be adjusted as follows:

1. On July 1, (1979) 1982, there shall be an adjustment for those whose right to compensation was established on or after July 1, 1971, and before July 1, (1979) 1982. The adjustment shall be determined by multiplying the amount of compensation to which they are entitled by a fraction, the denominator of which shall be the ((maximum amount of compensation payable)) average monthly wage in the state under RCW 51.08.018 for the fiscal year in which such person's right to compensation was
established, and the numerator of which shall be the \( ((\text{maximum amount of compensation payable}) \)\) average monthly wage in the state under RCW 51.08.018 on July 1, \((+1979))\) 1982.

(2) In addition to the adjustment established by subsection (1) of this section, there shall be another adjustment on July 1, \((+1980))\) 1983, for those whose right to compensation was established on or after July 1, 1971, and before July \((+1980))\) 1983, which shall be determined by multiplying the amount of compensation to which they are entitled by a fraction, the denominator of which shall be the \( ((\text{maximum amount of compensation payable}) \)\) average monthly wage in the state under RCW 51.08.018 for the fiscal year in which such person's right to compensation was established, and the numerator of which shall be the \( ((\text{maximum amount of compensation payable}) \)\) average monthly wage in the state under RCW 51.08.018 on July 1, \((+1980))\) 1983.

Sec. 2. Section 51.32.080, chapter 23, Laws of 1961 as last amended by section 1, chapter 104, Laws of 1979 and RCW 51.32.080 are each amended to read as follows:

(1) For the permanent partial disabilities here specified, the injured worker shall receive compensation as follows:

**LOSS BY AMPUTATION**

<table>
<thead>
<tr>
<th>Disability Description</th>
<th>Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss by amputation of leg above the knee joint with short thigh stump (3&quot; or less below</td>
<td>$36,000.00</td>
</tr>
<tr>
<td>the tuberosity of ischium)</td>
<td></td>
</tr>
<tr>
<td>Loss by amputation of leg at or above knee joint with functional stump</td>
<td>$32,400.00</td>
</tr>
<tr>
<td>Loss by amputation of leg below knee joint</td>
<td>$28,800.00</td>
</tr>
<tr>
<td>Loss by amputation of leg at ankle (Syme)</td>
<td>$25,200.00</td>
</tr>
<tr>
<td>Loss by amputation of foot at mid-metatarsals</td>
<td>$12,600.00</td>
</tr>
<tr>
<td>Loss by amputation of great toe with resection of metatarsal bone</td>
<td>$7,560.00</td>
</tr>
<tr>
<td>Loss by amputation of great toe at metatarsophalangeal joint</td>
<td>$4,536.00</td>
</tr>
<tr>
<td>Loss by amputation of great toe at interphalangeal joint</td>
<td>$2,400.00</td>
</tr>
<tr>
<td>Loss by amputation of lesser toe (2nd to 5th) with resection of metatarsal bone</td>
<td>$2,760.00</td>
</tr>
<tr>
<td>Loss by amputation of lesser toe at metatarsophalangeal joint</td>
<td>$1,344.00</td>
</tr>
<tr>
<td>Loss by amputation of lesser toe at proximal interphalangeal joint</td>
<td>$996.00</td>
</tr>
<tr>
<td>Loss by amputation of lesser toe at distal interphalangeal joint</td>
<td>$252.00</td>
</tr>
<tr>
<td>Loss by amputation of arm at or above the deltoid insertion or by disarticulation at</td>
<td>$36,000.00</td>
</tr>
<tr>
<td>the shoulder</td>
<td></td>
</tr>
<tr>
<td>Loss by amputation of arm at any point from below the deltoid insertion to below the</td>
<td>$34,200.00</td>
</tr>
<tr>
<td>elbow joint at the insertion of the biceps tendon</td>
<td></td>
</tr>
</tbody>
</table>
Of arm at any point from below the elbow joint
distal to the insertion of the biceps tendon to
and including mid-metacarpal amputation
of the hand ........................................ 32,400.00

Of all fingers except the thumb at metacarpophalangeal joints ................................... 19,440.00

Of thumb at metacarpophalangeal joint or with
resection of carpometacarpal bone ..................... 12,960.00

Of thumb at interphalangeal joint ...................... 6,480.00

Of index finger at metacarpophalangeal joint or
with resection of metacarpal bone .................... 8,100.00

Of index finger at proximal interphalangeal
joint ............................................ 6,480.00

Of index finger at distal interphalangeal joint .......... 3,564.00

Of middle finger at metacarpophalangeal joint
or with resection of metacarpal bone .................. 6,480.00

Of middle finger at proximal interphalangeal
joint ............................................ 5,184.00

Of middle finger at distal interphalangeal joint .......... 2,916.00

Of ring finger at metacarpophalangeal joint or
with resection of metacarpal bone ..................... 3,240.00

Of ring finger at proximal interphalangeal joint .......... 2,592.00

Of ring finger at distal interphalangeal joint .............. 1,620.00

Of little finger at metacarpophalangeal joint or
with resection of metacarpal bone .................... 1,620.00

Of little finger at proximal interphalangeal
joint ........................................ 1,296.00

Of little finger at distal interphalangeal joint .............. 648.00

MISCELLANEOUS

Loss of one eye by enucleation .................... 14,400.00

Loss of central visual acuity in one eye .............. 12,000.00

Complete loss of hearing in both ears .............. 28,800.00

Complete loss of hearing in one ear ................ 4,800.00

(2) Compensation for amputation of a member or part thereof at a site
other than those above specified, and for loss of central visual acuity and
loss of hearing other than complete, shall be in proportion to that which
such other amputation or partial loss of visual acuity or hearing most closely resembles and approximates. Compensation for any other permanent partial disability not involving amputation 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, compensation for any other unspecified permanent partial disability shall be in an amount as measured and
compared to total bodily impairment: PROVIDED, That in order to reduce litigation and establish more certainty and uniformity in the rating of unspecified permanent partial disabilities, the department shall enact rules having the force of law classifying such disabilities in the proportion which the department shall determine such disabilities reasonably bear to total bodily impairment. In enacting such rules, the department shall give consideration to, but need not necessarily adopt, any nationally recognized medical standards or guides for determining various bodily impairments. For purposes of calculating monetary benefits, the amount payable for total bodily impairment shall be deemed to be sixty thousand dollars: PROVIDED, That compensation for unspecified permanent partial disabilities involving injuries to the back that do not have marked objective clinical findings to substantiate the disability shall be determined at an amount equal to seventy-five percent of the monetary value of such disability as related to total bodily impairment: PROVIDED FURTHER, That the total compensation for all unspecified permanent partial disabilities resulting from the same injury shall not exceed the sum of sixty thousand dollars, except that the total compensation for all unspecified permanent partial disabilities involving injuries to the back that do not have marked objective clinical findings to substantiate the disability and resulting from the same injury shall not exceed the sum of forty-five thousand dollars: 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 worker if permanent total disability compensation had been paid in the first instance, shall be deducted from the pension reserve of such injured worker and his or her monthly compensation payments shall be reduced accordingly.

(3) Should a worker receive an injury to a member or part of his or her 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 worker, his or her 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.

(4) When the compensation provided for in subsections (1) and (2) exceeds three times the average monthly wage in the state as computed under the provisions of RCW 51.08.018, payment shall be made in monthly payments in accordance with the schedule of temporary total disability payments set forth in RCW 51.32.090 until such compensation is paid to the injured worker in full, except that the first monthly payment shall be in an amount equal to three times the average monthly wage in the state as computed under the provisions of RCW 51.08.018, and interest shall be paid at
the rate of ((six)) eight percent on the unpaid balance of such compensation commencing with the second monthly payment: PROVIDED, That upon application of the injured worker or survivor the monthly payment may be converted, in whole or in part, into a lump sum payment, in which event the monthly payment shall cease in whole or in part. Such conversion may be made only upon written application of the injured worker or survivor to the department and shall rest in the discretion of the department depending upon the merits of each individual application: PROVIDED FURTHER, That upon death of a worker all unpaid installments accrued((,less interest,)) shall be paid ((in a lump-sum amount)) according to the payment schedule established prior to the death of the worker to the widow or widower, or if there is no widow or widower surviving, to the dependent children of such claimant, and if there are no such dependent children, then to such other dependents as defined by this title.

Sec. 3. Section 47, chapter 289, Laws of 1971 ex. sess. as last amended by section 54, chapter 350, Laws of 1977 ex. sess. and RCW 51.32.190 are each amended to read as follows:

(1) If the self-insurer denies a claim for compensation, written notice of such denial, clearly informing the claimant of the reasons therefor and that the director will rule on the matter shall be mailed or given to the claimant and the director within ((seven)) thirty days after the self-insurer has notice of the claim.

(2) Until such time as the department has entered an order in a disputed case acceptance of compensation by the claimant shall not be considered a binding determination of his or her rights under this title. Likewise the payment of compensation shall not be considered a binding determination of the obligations of the self-insurer as to future compensation payments.

(3) Upon making the first payment of income benefits, and upon stopping or changing of such benefits except where a determination of the permanent disability has been made as elsewhere provided in this title, the self-insurer shall immediately notify the director in accordance with a form to be prescribed by the director that the payment of income benefits has begun or has been stopped or changed. Where temporary disability compensation is payable, the first payment thereof shall be made within fourteen days after notice of claim and shall continue at regular semimonthly or biweekly intervals.

(4) If, after the payment of compensation without an award, the self-insurer elects to controvert the right to compensation, the payment of compensation shall not be considered a binding determination of the obligations of the self-insurer as to future compensation payments. The acceptance of compensation by the worker or his or her beneficiaries shall not be considered a binding determination of their rights under this title.

(5) The director (a) may, upon his or her own initiative at any time in a case in which payments are being made without an award, and (b) shall,
upon receipt of information from any person claiming to be entitled to compensation, from the self-insurer, or otherwise that the right to compensation is controverted, or that payment of compensation has been opposed, stopped or changed, whether or not claim has been filed, promptly make such inquiry as circumstances require, cause such medical examinations to be made, hold such hearings, require the submission of further information, make such orders, decisions or awards, and take such further action as he or she considers will properly determine the matter and protect the rights of all parties.

(6) The director, upon his or her own initiative, may make such inquiry as circumstances require or is necessary to protect the rights of all the parties and he or she may enact rules and regulations providing for procedures to ensure fair and prompt handling by self-insurers of the claims of workers and beneficiaries.

NEW SECTION. Sec. 4. 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 July 1, 1982.

Passed the Senate March 26, 1982.
Passed the House March 25, 1982.
Approved by the Governor April 3, 1982.
Filed in Office of Secretary of State April 3, 1982.

CHAPTER 21
[Engrossed Substitute Senate Bill No. 4824]
AQUATIC LANDS

AN ACT Relating to aquatic lands; amending section 9, chapter 255, Laws of 1927 as amended by section 1, chapter 109, Laws of 1979 ex. sess. and RCW 79.01.036; amending section 1, chapter 257, Laws of 1959 and RCW 79.01.038; amending section 13, chapter 255, Laws of 1927 and RCW 79.01.052; amending section 21, chapter 255, Laws of 1927 as amended by section 2, chapter 257, Laws of 1959 and RCW 79.01.084; amending section 22, chapter 255, Laws of 1927 as last amended by section 2, chapter 109, Laws of 1979 ex. sess. and RCW 79.01.088; amending section 1, chapter 55, Laws of 1935 as amended by section 10, chapter 257, Laws of 1959 and RCW 79.01.116; amending section 30, chapter 255, Laws of 1927 as amended by section 11, chapter 257, Laws of 1959 and RCW 79.01.120; amending section 31, chapter 255, Laws of 1927 as last amended by section 12, chapter 257, Laws of 1959 and RCW 79.01.124; amending section 44, chapter 255, Laws of 1927 and RCW 79.01.176; amending section 46, chapter 255, Laws of 1927 as last amended by section 2, chapter 123, Laws of 1971 ex. sess. and RCW 79.01.184; amending section 47, chapter 255, Laws of 1927 as amended by section 19, chapter 257, Laws of 1959 and RCW 79.01.188; amending section 53, chapter 255, Laws of 1927 as amended by section 23, chapter 257, Laws of 1959 and RCW 79.01.212; amending section 54, chapter 255, Laws of 1927 as last amended by section 1, chapter 267, Laws of 1969 ex. sess. and RCW 79.01.216; amending section 55, chapter 255, Laws of 1927 as amended by section 25, chapter 257, Laws of 1959 and RCW 79.01.220; amending section 56, chapter 255, Laws of 1927 and RCW 79.01.224; amending section 57, chapter 255, Laws of 1927 as amended by section 26, chapter 257, Laws of 1959 and RCW 79.01.228; amending section 59, chapter 255, Laws of 1927 as last amended by section 8, chapter 109, Laws of 1979 ex. sess. and RCW 79.01.236; amending section 60, chapter