

CHAPTER 28.

[H. B. 117.]

MEDICAL AID AND COMPENSATION TO INJURED WORKMEN.

AN ACT relating to the compensation and to the medical, surgical and hospital care of injured workmen, creating a medical aid fund by enforced contributions thereto by employers and workmen, providing for the distribution thereof for the expense of such care, making an appropriation out of such fund, providing penalties for the violation of this act, amending sections 6604-5, 6604-7, 6604-8, 6604-13 and 6604-18 of Remington & Ballinger's Codes and Statutes of Washington, and amending section 6604 of Remington & Ballinger's Codes and Statutes of Washington by adding thereto new sections numbered 6604-33, 6604-34, 6604-35, 6604-36, 6604-37, 6604-38, 6604-39, 6604-40, 6604-41, 6604-42, 6604-43, 6604-44, 6604-45 and 6604-46.

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

SECTION 1. That section 6604-5 of Remington & Ballinger's Codes and Statutes of Washington as amended by section 2 of chapter 188 of the Session Laws of 1915 be amended to read as follows:

Section 6604-5. *Schedule of Awards.* — Each workman who shall be injured whether upon the premises or at the plant, or, he being in the course of his employment, away from the plant of his employer, or his family or dependents in case of death of the workman, shall receive out of the accident fund compensation in accordance with the following schedule, and, except as in this act otherwise provided, such payment shall be in lieu of any and all rights of action whatsoever against any person whomsoever.

(a) Where death results from the injury the expenses of burial shall be paid in all cases, not to exceed seventy-five dollars (\$75.00) in any case, and

(1) If the workman leaves a widow or invalid widower, a monthly payment of twenty dollars (\$20.00) shall be made throughout the life of the surviving spouse, to cease at the end of the month in which remarriage shall

Burial expenses.

Pension to widow or widower.

occur, and the surviving spouse shall also receive five dollars (\$5.00) per month for each child of the deceased under the age of sixteen years at the time of the occurrence of the injury until such minor child shall reach the age of sixteen years, but the total monthly payment under this paragraph (1) of subdivision (a) shall not exceed thirty-five dollars (\$35.00). Upon remarriage of a widow she shall receive once and for all, a lump sum equal to twelve times her monthly allowance, viz.: the sum of two hundred forty dollars (\$240.00), but the monthly payment for the child or children shall continue as before.

Remarriage
of widow.

(2) If the workman leaves no wife or husband, but a child or children under the age of sixteen years, a monthly payment of ten dollars (\$10.00) shall be made to each such child until such child shall reach the age of sixteen years, but the total monthly payment shall not exceed thirty-five dollars (\$35.00), and any deficit shall be deducted proportionately among the beneficiaries.

Pension to
minor
children.

(3) If the workman leaves no widow, widower, or child under the age of sixteen years, but leaves a dependent or dependents, a monthly payment shall be made to each dependent equal to fifty per cent 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 twenty dollars (\$20.00) per month. If any dependent is under the age of sixteen years at the time of the occurrence of the injury, the payment to such dependent shall cease when such dependent shall reach the age of sixteen 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.

Payments to
dependents.

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 twenty dollars (\$20.00) per month for each month after his death until

Payment to
parents.

the time at which he would have arrived at the age of twenty-one years.

Payment to minor children on death of surviving spouse.

(4) In the event a surviving spouse receiving monthly payment shall die, leaving a child or children under the age of sixteen years, the sum he or she shall be receiving on account of such child or children shall be thereafter, until such child shall arrive at the age of sixteen years, paid to the child increased 100 per cent, but the total to all children shall not exceed the sum of thirty-five dollars (\$35.00) per month.

Permanent total disability defined.

(b) Permanent total disability means the loss of both legs, or arms, of 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.

When permanent total disability results from the injury, the workman shall receive monthly during the period of such disability:

Awards for permanent total disability.

(1) If unmarried at the time of the injury, the sum of twenty dollars (\$20.00).

(2) If the workman have a wife or invalid husband, but no child under the age of sixteen years, the sum of twenty-five dollars (\$25.00). If the husband is not an invalid, the monthly payment of twenty-five dollars (\$25.00) shall be reduced to fifteen dollars (\$15.00).

(3) If the workman have a wife or husband and a child or children under the age of sixteen years, or, being a widow or widower, having any such child or children, the monthly payment provided in the preceding paragraph shall be increased by five dollars (\$5.00) for each such child until such child shall arrive at the age of sixteen years, but the total monthly payment shall not exceed thirty-five [dollars] (\$35.00).

(4) In case of total permanent disability, if the character of the injury is such as to render the workman so physically helpless as to require the services of a constant attendant, the monthly payment to such workman shall be increased twenty dollars (\$20.00) per month so

long as such requirement shall continue, but such increase shall not obtain or be operative while the workman is receiving care under or pursuant to any of the provisions of sections 6604-33 to 6604-46 inclusive.

(c) If the injured workman die, during the period of permanent total disability, whatever the cause of death, leaving a widow, invalid widower, or child under the age of sixteen years, the surviving widow or invalid widower shall receive twenty dollars (\$20.00) per month until death or remarriage, to be increased five dollars (\$5.00) per month for each child under the age of sixteen years until such child shall arrive at the age of sixteen years; but if such child is or shall be without father or mother, such child shall receive ten dollars (\$10.00) per month until arriving at the age of sixteen years. The total combined monthly payment under this paragraph shall in no case exceed thirty-five dollars (\$35.00). Upon remarriage the payments on account of the child or children shall continue as before to such child or children.

Pensions in case of death during permanent total disability.

(d) When the total disability is only temporary, the schedule of payment contained in paragraphs (1), (2) and (3) of the foregoing subdivision (b) shall apply so long as the total disability shall continue, increased fifty per cent for the first six months of such continuance, but in no case shall the increase operate to make the monthly payment exceed sixty per cent of the monthly wage (the daily wage multiplied by twenty-six) the workman was receiving at the time of his injury. As soon as recovery is so completed 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 per cent.

Temporary total disability payments.

(e) There is hereby created in the office of the state treasurer a fund for each of the classes specified in section

Reserve funds created for each class.

4. to be known and designated as the reserve fund for that class, out of which shall be made the payments specified in this section for all cases of death or permanent total disability arising in that class, including future payments to be made for cases of that character which have heretofore arisen. Into the reserve fund for each class there shall be forthwith placed all unexpended funds, in cash or invested, heretofore set aside for cases in that class. For every case resulting in death or permanent total disability hereafter arising it shall be the duty of the department to forthwith notify the state treasurer and he shall transfer from the accident fund of the proper class to the reserve fund of that class 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 section 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 four (4) per cent per annum. The state treasurer shall invest the reserve for each class in either state capitol building bonds issued to take up capitol building warrants now outstanding, or in the class of securities provided by law for the investment of the permanent school fund, and the interest or other earnings of the reserve fund of each class shall become a part of the reserve fund itself. As soon as possible after October 1st, of each year beginning in the year 1918, the state insurance commissioner shall expert 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 state treasurer. If the report show 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 outstand-

investment
of funds by
state
treasurer.

Insurance
commis-
sioner to
expert re-
serve funds.

ing pension obligations of that class, the surplus shall be forthwith turned over to the accident fund of that class, but if the report show the contrary condition of any class reserve, the deficiency shall be forthwith made good out of the accident fund of that class. The state treasurer shall keep accurate account of each class reserve fund and the investment and earnings thereof, and to meet current demands for pension or lump sum payments may, if necessary, make temporary loans to any class reserve fund out of the accident fund for that class, repaying same from the earnings of that reserve fund or from collections of its investments or, if necessary, sales of the same.

Duties of treasurer.

(f) 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. For the permanent partial disabilities here specifically described, the injured workman shall receive compensation as follows:

Permanent partial disability defined.

Schedule of compensation.

Loss of one leg amputated so near the hip that an artificial limb cannot be worn.....	\$2,000.00
Loss of one leg at or above the knee so that an artificial limb can be worn.....	\$1,900.00
Loss of one leg below the knee.....	\$1,300.00
Loss of the major arm at or above the elbow....	\$1,900.00
Loss of the major hand at wrist.....	\$1,600.00
Loss of one eye by enucleation.....	\$1,200.00
Loss of sight of one eye.....	\$ 900.00
Complete loss of hearing in both ears.....	\$1,900.00
Complete loss of hearing in one ear.....	\$ 500.00

Compensation for any other permanent partial disability shall be in the proportion which the extent of such other disability shall bear to that permanent partial disability 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 two thousand dollars (\$2,000.00). If the injured workman be under the age

Award to parents of minor.

of twenty-one years and unmarried, the parents or parent shall also receive a lump sum payment equal to ten per cent of the amount awarded the minor workman.

Compensation in case of future accident of injured workman.

(g) Should a further accident occur to a workman already receiving a monthly payment under this section for a temporary disability, or who has been previously the recipient of a lump sum payment under this act, his future compensation shall be adjudged according to the other provisions of this section and with regard to the combined effect of his injuries, and his past receipt of money under this act.

Readjustment of compensation.

(h) 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 department may, upon the application of the beneficiary or upon its 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.

Abandoned spouse not a beneficiary.

(i) 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 under this act.

Removal from state, conversion of payments.

(j) If a beneficiary shall reside or remove out of the state the department may, in its discretion, convert any monthly payments provided for such case 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 \$4,000.00) or, with the consent of the beneficiary, for a smaller sum.

Venue for court review.

(k) Any court review under this section shall be initiated in the county where the workman resides or resided at the time of the injury, or in which the injury occurred.

Compensation for week following injury.

(l) No workman injured after June 30th, 1917, shall receive or be entitled to receive compensation out of the accident fund for or during the day on which his in-

jury was received or the seven days following the same, but if at the end of thirty days following the day of the receipt of his injury his incapacity shall still exist, there shall be included in the next payment to him out of the accident fund compensation for said omitted period.

SEC. 2. That section 6604-8 of Remington & Ballinger's Codes and Statutes of Washington, as amended by section 3 of chapter 188 of the Session Laws of 1915 be amended to read as follows:

Section 6604-8. If any employer shall default in any payment to the accident fund or to the medical aid fund, the sum due shall be collected by action at law in the name of the state as plaintiff. If such default be after demand, there shall also be collected a penalty equal to twenty-five per centum of the amount of the defaulted payment or payments, and the commission may require from the defaulting employer a bond to the state for the benefit of the accident and medical aid funds, with surety to their satisfaction, in the penalty of double the amount of the estimated payments which will be required from such employer into the said funds for and during the ensuing one year, conditioned for the prompt and punctual making of all payments into said funds required during said year period, together with any penalty or penalties incurred. In case of refusal or failure after written demand personally served to furnish such bond, the state in an action brought by the attorney general in its name shall be entitled to an injunction restraining such delinquent from prosecuting any extra hazardous occupation or work until such bond shall be furnished, and any sale, transfer or lease attempted to be made by such delinquent during the period of such default of his works, plant or lease thereto shall be invalid until all past delinquencies are made good and such bond furnished.

Defaults in payment to accident fund.

Security bond may be required.

Injunction against continuing or transferring business.

SEC. 3. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington,

known as the workmen's compensation act, be further amended by adding thereto the following:

Classifica-
tion of
industries by
medical aid
board.

Section 6604-33. It is the intent to require the industries of the state to furnish medical, surgical and hospital care to their injured workmen and to place the expense thereof upon each industry and upon each establishment in each industry as near as may be in the proportion in which it produces injury and creates expense. To this end the state medical aid board hereinafter created shall divide the industries of the state into five classes representing five degrees in the causation of injury and consequent expense for the medical, surgical and hospital care thereof, the said classes to be designated respectively, class A, class B, class C, class D, class E. The industries shall be distributed into these classes as follows: In class C those industries which produce nearest the average degree of causation and expense, in class A, those which produce nearest one-half of such average, in class B those which produce nearest three-fourths of such average, in class D those which produce nearest one and one-fourth times such average, in class E those which produce nearest one and one-half times such average. The state medical aid board shall have the power to make corrections of classifications as between classes of industries if and as experience shall show error or inaccuracy therein, and, under and conformably to the foregoing rule of classification, to lower the classification of any establishment or plant if and as experience shall show it to maintain such a high standing of safety or accident prevention as to differentiate it from other like establishments or plants, or to raise the classification of any establishment or plant if and as experience shall show it to maintain so low a standard of safety or accident prevention as to justly warrant its being subjected to a greater contribution to the medical aid fund. From the original classification or any change made therein any employer or workman claiming to be aggrieved may upon application, have a hearing before the state medical aid board upon notice to the interested

parties and in the manner provided in section 6604-20, a review by the courts. The body of interested workmen may designate in writing in duplicate, one of them to be the recipient of service upon all of them, one copy to be posted for local convenience, and the other to be filed with the secretary of the state medical aid board. In default of any such designation, service upon any one workman other than the one instituting a complaint shall be service upon all.

SEC. 4. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington shall be further amended by adding thereto the following:

Section 6604-34. A fund is hereby created in the state treasury to be known as the medical aid fund. Into it shall be paid by each employer on or before the 15th day of June, 1917, and on or before the fifteenth day of each month thereafter for each day's work or fraction thereof done for him in extra hazardous employment in or during the preceding calendar month the following amount, towit: In class A one cent, in class B one and one-half cents, in class C two cents, in class D two and one-half cents and in class E three cents. Such monthly payments may be omitted for and during any month or months if the state medical aid board shall certify that the accumulated fund is sufficient to permit such omission. Any monthly payment may be increased by the state medical aid board if they find, and to the extent to which they find the fund on hand, together with the current payments, will be insufficient to meet the anticipated demands thereon for the ensuing month. Notice of any such increase shall be mailed to each employer at least twenty days prior to the due date of payment, and shall be communicated by the employer to his employees. The employer shall deduct from the pay of each of his workmen engaged in extra hazardous work one-half of the amount the employer is required by the foregoing provision of this section to pay into said fund for or on account of the employment of such workman. The collection of the payments in this sec-

Medical aid
fund
created.

Rate of
payments
into fund.

tion provided for, and the keeping of accounts of collection and disbursement, and the machinery of disbursement, shall be in the hands and within the powers and duties of the state industrial insurance commission, and the expense of such bookkeeping, collection, necessary auditing and investigation of payrolls, and of the machinery of actual disbursement of money out of said medical aid fund, including the printing expenses of the state medical aid board, shall be paid out of the administration fund of said commission. The files and records of the industrial insurance department and those of the state medical aid board shall be subject to the reasonable use thereof by the other body, and the industrial insurance department shall furnish the state medical aid board all data available to the department required by the state board.

SEC. 5. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-35. Upon the occurrence, after June 30, 1917, of any injury to a workman entitled to compensation under the provisions of said section 6604, other than section 6604-19, thereof, he shall receive in addition to such compensation, and out of the medical aid fund, proper and necessary medical and surgical services, at the hands of a physician of his own choice if conveniently located and proper and necessary hospital care and services during the period of his disability from such injury, but the same shall be limited in point of duration as follows: In case of permanent partial disability not to extend beyond the date when compensation shall be awarded him out of the accident fund, in case of temporary disability not to extend beyond the time when the monthly allowances to him out of the accident fund shall cease, in case of a permanent total disability not to extend beyond the date on which a lump sum settlement is made with him or he is placed upon the permanent pension roll. When the injury to any workman is so serious as to require his being taken from the place of injury to a place of treatment, his employer shall

Medical and surgical aid, hospital care and transportation.

at his own expense and without charge against the medical aid fund, furnish transportation to the nearest place of proper treatment. A workman whose injury is of such short duration as to bring him within the provisions of subdivision 1 of section 6604-5 shall nevertheless receive during the omitted period medical, surgical and hospital care and service and transportation under the provisions of this section.

SEC. 6. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-36. A board is hereby created to be known as the state medical aid board, hereinafter designated as the state board, which shall have power and whose duty it shall be to from time to time establish and promulgate printed forms, rules, regulations and practices for the furnishing of such care, treatment and services to workmen. Such rules, regulations and practices may vary between the different localities and industries, but shall be in accordance with the rule established in section 6604-33, and with the principle that the injured workman shall have the most prompt and efficient care and treatment at the least cost consistent with promptness and efficiency, without discrimination or favoritism, and with as great uniformity as the various and diverse [divers] surrounding circumstances and locations of industries will permit. The state board shall make and from time to time change as may be, and shall promulgate a fee bill of the maximum charges to be made by any physician, surgeon, hospital, druggist or other agency or person rendering services to injured workmen. No service covered by such fee bill shall be charged for or paid out of the medical aid fund at a rate or rates exceeding those specified in such fee bill, and no contract providing for greater fees shall be valid as to the excess. Any interested employer or workman may complain to the state board against any such rule or regulation. A hearing shall be had on such complaint upon notice to the employer, and upon the employees in the

State
medical
aid board
created.

Power to
make rules.

Appeals.

manner provided in section 6604-33, and from the decision an appeal will lie to the courts in the manner provided in section 6604-20.

SEC. 7. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-37. It shall not be the duty of the state board to administer said rules, regulations or practices, or the details thereof, and it shall have no supervisory power over such administration or details except as provided in section 6604-41. It shall be the duty of the chairman to certify all bills payable out of the medical aid fund, and he shall have power, subject to appeal to the courts in the manner provided in section 6604-20, to reject any bill or item incurred in violation of the principle laid down in section 6604-36, or of section 6604-39 relating to compensation and traveling expenses of members of local boards.

SEC. 8. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-38. The state board shall consist of three members as follows: The chief medical advisor of the state industrial insurance commission shall be *ex-officio* a member and chairman thereof. He shall be paid out of the medical aid fund a salary of one hundred and fifty dollars (\$150.00) per month and also his traveling expenses necessarily incurred in the performance of his duties. The other two members shall be appointed by the governor. Any state wide association of workmen whose organization purposes shall first include or be made to include the making of such nominations and whose membership is open to all classes of workmen engaged in extra hazardous work, may nominate to the governor two of its members, and one of said nominees shall be appointed by the governor, and his term of office shall be six years. Any association of employers, whose organization purposes shall include

Rules administered by local boards.

Membership of state board.

Ex-officio chairman.

Appointment of other members.

or be made to include the making of such nominations, and whose membership is open to employers of all classes engaged in extra hazardous work, or if there be more than one such association, a combination of them may nominate to the governor two of their members, and one of said nominees shall be appointed by the governor and his term of office shall be three years. After the expiration of said terms, and to fill vacancies, the same method of nomination and appointment shall obtain. After the expiration of said terms the term of office of each of the members, other than the *ex-officio* member, shall be six years. The governor shall notify the proper organizations in advance of any appointment. If nominations are not made within thirty days following such notification, the governor shall be free to make his own selection for the office, except that if there is a member other than the *ex-officio* member, who was appointed without precedent nomination, the new appointee must be of a political party other than that of the governor. Every member shall serve until his successor is appointed and qualified. Each member, other than the *ex-officio* member, shall receive as compensation the sum of ten dollars (\$10) for each day or part thereof not to exceed one hundred days in any calendar year on which he shall attend a meeting of the state board, and shall also receive his traveling expenses, all to be paid out of the medical aid fund upon voucher and audit, as required for other payments out of said fund. The action of a majority of the members shall be the action of the state board. The state board shall execute its powers in sessions to be held at the state capitol or at such other place or places as it may select and so often as it shall determine. Meetings may be called by any member upon not less than five days' notice given in writing to the other members, but previous notice of any meeting attended by all three members may be dispensed with.

Compensation.

Sessions of board.

The state board may employ and at will discharge, a secretary at a monthly salary to be fixed by them not exceeding two hundred (\$200.00) dollars, to be paid from

Secretary.

Salary and
duties.

the medical aid fund on voucher and audit. It shall be his duty to attend their meetings, keep a record of the proceedings thereat, keep on separate file all reports made to the board, and perform such other services as may be required by the rules or regulations or by directions given him. He shall keep his office in the office of the state industrial insurance commission. The absence of any member of the state board from any three consecutive regularly called meetings shall forthwith terminate his term of office and create a vacancy therein, unless such absence shall be due to his illness or shall be excused by resolution of the state board passed and entered of record at one of said three meetings.

Assistant to
chairman.

The state board may employ and at will discharge an assistant to the chairman who shall be a physician qualified to practice under the laws of the state. His duties shall be prescribed by the state board, and in addition to the duties so prescribed, he shall perform such other duties not inconsistent therewith as may be prescribed by the chairman of the state board. He shall devote to the performance of his said duties all of his time and attention each day during the office hours of the state industrial insurance department. He shall be paid out of the medical aid fund a monthly salary of two hundred and fifty dollars (\$250.00), together with his traveling expenses necessarily incurred in the performance of his duties. The state board shall have power to incur such expense, payable out of the medical aid fund for clerical assistance as they shall deem necessary, not to exceed the sum of three hundred fifty dollars (\$350.00) a month.

Salary.

SEC. 9. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Local aid
boards.

Section 6604-39. Subject always to the rules and regulations established and promulgated by the state board the administration of, care, treatment and services to injured workmen shall be in the hands of local boards to be designated by the name "local aid boards," and by con-

secutive numbers, each to have two members, one to be selected and removed at pleasure by a majority of the workmen coming under its jurisdiction, and one by a majority of the employers coming under its jurisdiction. In case of disagreement between the two the decision shall be made by the chairman of the state board or his assistant. The several local aid boards shall be distributed throughout the state by reference to such localities or industries as may be determined from time to time by the state board, such distribution to be made in conformity with the principles set forth in section 6604-36, and there shall be as many of them as experience shall show to be necessary or advisable for the proper and economical administration of the service. The third member shall act without added compensation. The other members shall serve without compensation out of any public fund so long as their pay continues from their employer. Otherwise each shall be paid out of the medical aid fund the sum of three dollars (\$3.00) per day or the fraction thereof spent by him in the performance of his duties under this section, and in addition thereto and in any event shall receive his traveling expenses, to be paid out of the medical aid fund upon voucher and audit. Any vacancy in any local board may be filled by the chairman of the state board, and such appointee shall hold office until his successor shall be elected in the manner provided in this section.

Selection of
members.

Compensa-
tion.

Vacancies.

SEC. 10. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-40. It shall be the duty of each local aid board to provide care and treatment for each workman injured after June 30, 1917, in extra hazardous employment, to report to the secretary of the state board the commencement of every disability, the termination of the same, the cause of the same, with recommendations for the improvement of the service and of the administration, and also, subject to the provisions of section 6604-37, certify to the state board all bills rendered for care or treatment

Duties of
local board.

of injured workmen, with power to reject any bill or item thereof incurred in violation of the principle laid down in section 6604-36.

SEC. 11. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Appeal from local to state board.

Section 6604-41. The injured workman, or anyone connected with his treatment, or any interested employer, may appeal from any contract made by, and decision rendered by or any practice or act of the local aid board to the state board. Any such appeal may be effected by written or telegraphic notice to the secretary of the state board. Except in cases of medical or surgical emergency, the hearing of such appeal shall be upon notice given by the secretary or any member of the state board to the workman under treatment, if there be one, or to some member of his family, to the employer or employers and employees interested. The notice to the employees may be given in the manner provided in section 6604-33. From a decision of the state board an appeal will lie to the courts as provided in section 6604-20, except that if the appellant prevails, the fees and costs allowed him in his favor shall be payable out of the medical aid fund. The question for decision by the state board or the courts shall be whether or not the matter complained of is violative of the principle laid down in section 6604-36.

Appeal to courts.

SEC. 12. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Liability of employer for misrepresentation.

Section 6604-42. Any employer who shall knowingly misrepresent the amount of contribution due from him to, or collected by him for the medical aid fund shall be liable to the state in civil action for the benefit of said fund in ten times the amount attempted to be concealed or withheld by such misrepresentation, and shall be also guilty of a misdemeanor.

Employer failing to report new works.

Any person, firm or corporation who not having previously reported to the secretary of the state board, shall

establish any new plant, or works, or enter upon the performance of any new building contract or construction contract and who shall fail to send written notice thereof to said secretary within five days after such establishing or entering shall be guilty of a misdemeanor.

SEC. 13. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-43. Where the state, county or municipality is employer or contractor for work, and in all cases of work done by private contract or subcontract, the amounts due the medical aid fund shall so far as practicable, be collectible by the method provided in section 6604-17.

Collection
against
state,
county, or
municipality.

SEC. 14. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-44. The state treasurer shall be liable on his official bond for the safe custody of the moneys of the medical aid fund. All the provisions of the act referred to in section 6604-26 shall be applied to said moneys and the handling thereof by the state treasurer.

Liability
of state
treasurer.

SEC. 15. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-45. Any contract made in violation of this act shall be invalid, except that any employer engaged in extra hazardous work may with the consent of a majority of his workmen, enter into written contracts for medical, surgical and hospital care to workmen injured in such employment by and under the control and administration of and at the direct expense of the employer and his workmen. Before any such contract shall go into effect it shall be submitted to the state board, and may be disapproved by the state board when found not to provide for such care of injured workmen as is contemplated by the provisions of section 6604-36. If so disapproved it shall not be valid. Otherwise it shall be approved and take and

Lieu
contracts
between em-
ployer and
workmen.

continue in effect for any period of time specified therein, not exceeding three years from the date of such approval. Every such contract to be valid must provide that the expenses incident to it shall be borne one-half by the employer and one-half by such employees, and that it shall be administered by the two interests jointly and equally. So long as such contract shall be in effect the subject matter of the contract shall (except as in this section otherwise provided) be outside of and not affected by the provisions of sections 6604-33 to 6604-44, inclusive, and 6604-46, and the employer shall not be required to make the payments specified in section 6604-34, except that the employer shall pay monthly into the medical aid fund ten per centum of the amount he would have been required to pay in that month if such contract had not been made, and of that ten per centum he shall collect one-half from his said workmen by proper deduction from the daily wage of each. During the operation of any such contract any interested workman may complain to the state board that the service and care actually rendered thereunder are not up to the standard provided in section 6604-36, and if upon a hearing had upon notice to the employer and workmen interested thereunder, the state board shall sustain the complaint, it may make an order that the contract shall terminate unless the defect or deficiency complained of shall be remedied to its satisfaction within a period of time to be fixed in such order. Notice to the workmen may be effected in the manner provided in section 6604-33. The employer or any interested workman may appeal from such decision to the courts in the manner provided in section 6604-20. During the appeal the contract shall remain in force and operation, but the costs of the appeal shall be paid out of the medical aid fund only in case the decision of the state board is reversed by the court. The acceptance of employment by any workman shall be and be held to be an acceptance of any existing contract made under this section to which his employer is a party, or to the choice of any member of the local board having juris-

Complaints
by workmen,
hearings.

Assent to
contracts.

diction of the workmen in such employment, and of any contract then existing entered into by such local board.

SEC. 16. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-46. The provisions of section 6604-1 to 6604-32, inclusive, shall be applicable to the collection and disbursement of the medical aid fund, to the powers and duties of the state and local boards, and to the medical, surgical and hospital care of injured workmen only so far as they are not inconsistent with the provisions of the foregoing sections 6604-33 to 6604-45, inclusive.

Applicability
of compen-
sation act.

SEC. 17. That section 6604 [6604-1 *et seq.*] of Remington & Ballinger's Codes and Statutes of Washington be further amended by adding thereto the following:

Section 6604-47. It shall be unlawful for any employer to directly or indirectly demand or collect from any of his workmen any sum of money whatsoever for or on account of medical, surgical, hospital, or other treatment or transportation of injured workmen other than as specified in sections 6604-34 and 6604-45, and any employer who shall directly or indirectly violate the foregoing provisions of this section shall be liable to the state in civil action for the benefit of the medical aid fund in ten times the amount so demanded or collected, and such employer and every officer, agent, or servant of such employer knowingly participating therein shall also be guilty of a misdemeanor.

Liability for
illegal col-
lections for
medical aid.

SEC. 18. That section 6604-13 of Remington & Ballinger's Codes and Statutes of Washington, as amended by section 5 of chapter 188 of the Session Laws of 1915, be amended to read as follows:

Section 6604-13. Any workmen entitled to receive compensation under this act is required, if requested by the department, to submit himself for medical examination at a time and from time to time at a place reasonably convenient for the workman and as may be provided by the rules of the department. If the workman refuses to sub-

Medical
examination
of workman.

Effect of refusal to submit.

mit to any such examination, or obstructs the same, his rights to monthly payments shall be suspended until such examination has taken place, and no compensation shall be payable during or for account of such period; or, if any injured workman shall persist in unsanitary or injurious practices, which tend to imperil or retard his recovery, or shall refuse to submit to such medical or surgical treatment as is reasonably essential to his recovery, the commission may reduce or suspend the compensation of such workman. If the workman necessarily incurs traveling expenses in attending for examination pursuant to the request of the department, such traveling expenses shall be repaid to him out of the accident fund upon proper voucher and audit.

Traveling expenses of workman.

SEC. 19. That section 6604-18 of Remington & Ballinger's Annotated Codes and Statutes of Washington be amended to read as follows:

Act not applicable to interstate railroads.

Section 6604-18. Inasmuch as it has proved impossible in the case of employe[e]s engaged in maintenance and operation of railways doing interstate, foreign and intrastate commerce, and in maintenance and construction of their equipment, to separate and distinguish the connection of such employe[e]s with interests or foreign commerce from their connection with intrastate commerce, and such employe[e]s have, in fact, received no compensation under this act, the provisions of this act shall not apply to work performed in the maintenance and operation of such railroads or performed in the maintenance or construction of their equipment, or to the employe[e]s engaged therein, but nothing herein shall be construed as excluding from the operation of this act railroad construction work, or the employe[e]s engaged thereon: *Provided, however,* That common carriers by railroad engaged in such interstate or foreign commerce and in intrastate commerce shall, in all cases where liability does not exist under the laws of the United States, be liable in damages to any person suffering injury while employed by such carrier, or in case of the

Recovery of damages for injuries.

death of such employe[e] to his surviving wife and child, or children, and if no surviving wife or child or children, then to the parents, sisters, or minor brothers, residents of the United States at the time of such death and who were dependent upon such deceased for support, to the same extent and subject to the same limitations as the liability now existing, or hereafter created, by the laws of the United States governing recoveries by railroad employe[e]s injured while engaged in interstate commerce.

SEC. 20. If for any reason or for any cause the going of this act into effect or into actual operation shall be delayed or postponed beyond the 15th day of June, 1917, the dates in June, 1917, specified in section 6604-5, subdivision (1), 6604-34, 6604-35, 6604-40 and in section 21 shall be respectively read as and be of effect on the corresponding dates in the calendar month which is six months later than the calendar month in which occurs the removal or extinguishment of the reason or cause of such delay or postponement.

Postponing
time of
taking effect.

SEC. 21. The foregoing amendment of subdivision "f" of section 6604-5 shall apply only to permanent partial disabilities resulting from injuries, which injuries shall occur after June 30th, 1917.

When
amendment
applicable to
permanent
partial
disabilities.

SEC. 22. That section 6604-7 of Remington & Balinger's Annotated Codes and Statutes of Washington be amended to read as follows:

Section 6604-7. 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 \$4,000.00) 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 payment shall cease in whole or in part accordingly or proportionately. Such conversions may only be made after the happening of the injury and upon the written application of the beneficiary

Conversion
into lump
sum
payment.

(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 the beneficiary.

Passed the House February 15, 1917.

Passed the Senate February 21, 1917.

Approved by the Governor, March 1, 1917.

CHAPTER 29.

[H. B. 1.]

WOMEN AND MINORS EMPLOYED IN TELEPHONE AND TELEGRAPH INDUSTRIES.

AN ACT relating to the hours and wages of minors in the telephone and telegraph industries in rural communities and cities of less than three thousand population, and amending chapter 68 of the Laws of 1915.

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

SECTION 1. That section 1 of chapter 68 of the Session Laws of 1915 be amended to read as follows:

Section 1. The industrial welfare commission is hereby authorized, in such manner as it shall deem advisable and upon notice and hearing to parties directly affected thereby, to ascertain and establish such standard of wages, hours of work, and conditions of labor of women and minors, employed in telephone and telegraph industries in rural communities and in cities of less than three thousand (3,000) population, as shall be found reasonable and not detrimental to the health and morals of such women and minors and which shall be sufficient for the decent maintenance of such women and minors, and notwithstanding any statute heretofore passed or regulation of such commission heretofore made relative thereto: *Provided*, That nothing in this act contained shall be construed to amend or repeal any law or any regulation relating to

Standard of
wages and
hours of
work.

Scope of act.