

Assisting other agencies authorized.

public agencies shall be consistent with project plans recommended by the division of vocational rehabilitation and approved by the state board for vocational education. The length of time state funds shall be available to any non-sectarian private or public agency for any such project plan shall be determined by the state board for vocational education, but no state funds shall be granted for any one project for a period in excess of thirty-six months.

Passed the House March 1, 1959.

Passed the Senate March 9, 1959.

Approved by the Governor March 24, 1959.

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CHAPTER 308.

[ H. B. 44. ]

INDUSTRIAL INSURANCE.

AN ACT relating to industrial insurance; amending section 4, chapter 70, Laws of 1957 and RCW 51.04.070; amending section 5, chapter 70, Laws of 1957 and RCW 51.04.080; amending section 12, chapter 70, Laws of 1957 and RCW 51.08.100; amending section 16, chapter 70, Laws of 1957 and RCW 51.08.140; amending section 37, chapter 70, Laws of 1957 and RCW 51.32.150; amending section 40, chapter 70, Laws of 1957 and RCW 51.44.050; amending section 41, chapter 70, Laws of 1957 and RCW 51.44.060; amending section 42, chapter 70, Laws of 1957 and RCW 51.44.070; amending section 2, chapter 74, Laws of 1955 and RCW 51.12.010; amending section 3, chapter 67, Laws of 1919 and RCW 51.12.090; amending section 5, chapter 132, Laws of 1929 and RCW 51.12.110; amending section 2, chapter 235, Laws of 1941 and RCW 51.16.040; amending section 53, chapter 70, Laws of 1957 and RCW 51.16.010; amending section 47, chapter 70, Laws of 1957 and RCW 51.16.060; amending section 50, chapter 70, Laws of 1957 and RCW 51.16.110; amending section 1, chapter 219, Laws of 1945 and RCW 51.16.120; amending section 1, chapter 183, Laws of 1947 and RCW 51.44.040; adding a new section to chapter 74, Laws of 1911 and to chapter 51.28 RCW; adding a new section to chapter 74, Laws of 1911 and to chapter 51.32 RCW; and repealing section 1, chapter 360, Laws of 1955 and RCW 51.16.061; and amending section 4, chapter 132,

Laws of 1929, section 1, chapter 214, Laws of 1951, and RCW 51.16.150, 51.16.160, and 51.16.170, adding a new section to chapter 51.08 RCW; and declaring an emergency.

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

SECTION 1. Section 4, chapter 70, Laws of 1957 and RCW 51.04.070 are each amended to read as follows:

RCW 51.04.070 amended.

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 fifty dollars in any one case: *Provided*, That in case any such minor is awarded a lump sum payment of not more than seven hundred fifty dollars, the director may make payment direct to such minor without the necessity of the appointment of a guardian.

Minor workman is sui juris—Guardianship expense allowance.

SEC. 2. Section 5, chapter 70, Laws of 1957 and RCW 51.04.080 are each amended to read as follows:

RCW 51.04.080 amended.

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 indus-

Sending notices, orders, warrants to claimants.

trial insurance shall have entered an order on the claim appealable to the board of industrial insurance appeals.

RCW 51.08.100 amended.

SEC. 3. Section 12, chapter 70, Laws of 1957 and RCW 51.08.100 are each amended to read as follows:

"Injury."

"Injury" means a sudden and tangible happening, of a traumatic nature, producing an immediate or prompt result, and occurring from without, and such physical conditions as result therefrom.

RCW 51.08.140 amended.

SEC. 4. Section 16, chapter 70, Laws of 1957 and RCW 51.08.140 are each amended to read as follows:

"Occupational disease."

"Occupational disease" means such disease or infection as arises naturally and proximately out of employment under the mandatory or elective adoption provisions of Title 51.

RCW 51.32.150 amended.

SEC. 5. Section 37, chapter 70, Laws of 1957 and RCW 51.32.150 are each amended to read as follows:

Lump sum to beneficiary outside state.

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 eight-five hundred dollars).

RCW 51.44.050 amended.

SEC. 6. Section 40, chapter 70, Laws of 1957 and RCW 51.44.050 are each amended to read as follows:

"Catastrophe injury account."

There shall be a special account within the accident fund to be known as the "catastrophe injury account" which shall be used only for the purpose of defraying charges against it as provided in RCW 51.16.130.

SEC. 7. Section 41, chapter 70, Laws of 1957 and RCW 51.44.060 are each amended to read as follows:

RCW 51.44.060 amended.

The charge to each class of the accident fund to defray charges against the catastrophe injury account shall be made on June 30th and December 31st of each year, and the total industrial insurance premium contributions of each class for the preceding calendar year shall be used in determining the proportionate charge to each class for the catastrophe injury account.

Charges to defray catastrophe account.

SEC. 8. Section 42, chapter 70, Laws of 1957 and RCW 51.44.070 are each amended to read as follows:

RCW 51.44.070 amended.

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 and/or appropriate account 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.

Transfers from accident to reserve fund—Annuity table.

SEC. 9. Section 2, chapter 74, Laws of 1955 and RCW 51.12.010 are each amended to read as follows:

*There is a hazard in all employment, but certain employments have come to be, and to be recognized as being inherently constantly dangerous. This title is intended to apply to all such inherently hazardous works and occupations, and it is the purpose to embrace all of them which are within the legislative jurisdiction of the state, in the following enumeration, and they are intended to be embraced within*

Vetoed.

*the term "extrahazardous" wherever used in this title, to wit:*

*Factories, mills and workshops where machinery is used; printing, electrotyping, photoengraving and stereotyping plants where machinery is used; foundaries, blast furnaces, mines, wells, gas works, waterworks, reduction works, breweries, elevators, wharves, docks, dredges, smelters, powder works; laundries operated by power; quarries, engineering works; logging, lumbering and shipbuilding operations; logging, street and interurban railroads; buildings being constructed, repaired, moved, or demolished; telegraph, telephone, electric light or power plants or lines, steam heating or power plants, steamboats, tugs, ferries, and railroads; installing and servicing radios and electrical refrigerators; general warehouse and storage; teaming, truck driving, and motor delivery, including drivers and helpers, in connection with any occupation except agriculture; stage, taxicab and for hire driving; restaurants, taverns, clubs, and establishments; employees supplying service to the public in hotels, clubs furnishing sleeping accommodations, apartment hotels; bunkhouses, kitchens, and eating houses in connection with extrahazardous occupations or conducted primarily for employees in extrahazardous occupations; transfer, drayage, and hauling; warehousing and transfer; fruit warehouse and packing houses; and work performed by salaried peace officers of the state, the counties, and the municipal corporations.*

Vetoed.

**Note:** See also section 1, chapter 55, Laws of 1959.

RCW 51.12.090  
amended.

SEC. 10. Section 3, chapter 67, Laws of 1919 and RCW 51.12.090 are each amended to read as follows:

Interstate  
and intrastate  
commerce.

The provisions of this title shall apply to employers and workmen (other than railways and their workmen) engaged in intrastate and also in interstate or foreign commerce, for whom a rule of lia-

bility or method of compensation now exists under or may hereafter be established by the congress of the United States, only to the extent that the payroll of such workmen may and shall be clearly separable and distinguishable from the payroll of workmen engaged in interstate or foreign commerce: *Provided*, That as to workmen whose payroll is not so clearly separable and distinguishable the employer shall in all cases be liable in damages for injuries to the same extent and under the same circumstances as is specified in the case of railroads in the first proviso of RCW 51.12.080: *Provided further*, That nothing in this title shall be construed to exclude goods or materials and/or workmen brought into this state for the purpose of engaging in extra-hazardous work.

SEC. 11. Section 5, chapter 132, Laws of 1929 and RCW 51.12.110 are each amended to read as follows:

RCW 51.12.110 amended.

Any employer engaged in any occupation other than those enumerated or declared to be under this title, may make written application to the director to fix rates of contribution for such occupation for industrial insurance and for medical aid, and thereupon the director, through the division of industrial insurance, shall fix such rates, which shall be based on the hazard of such occupation in relation to the hazards of the occupations for which rates are prescribed. When such rate is fixed the applicant may file notice in writing with the supervisor of industrial insurance of his or its election to contribute under this title, and shall forthwith display in a conspicuous manner about his or its works and in a sufficient number of places to reasonably inform his or its workmen of the fact, printed notices furnished by the department stating that he or it has elected to contribute to the accident fund and the medical aid fund and stating when said election will become

Elective adoption.

effective. Any workman in the employ of such applicant shall be entitled at any time within five days after the posting of said notice by his employer, or within five days after he has been employed by an employer who has elected to become subject to this title as herein provided, to give a written notice to such employer and to the department of his election not to become subject to this title. At the expiration of the time fixed by the notice of the employer, the employer and such of his or its workmen as shall not have given such written notice of their election to the contrary shall be subject to all the provisions of this title and entitled to all of the benefits thereof: *Provided*, That those who have heretofore complied with the foregoing conditions and are carried and considered by the department as within the purview of this title shall be deemed and considered as having fully complied with its terms and shall be continued by the department as entitled to all of the benefits and subject to all of the liabilities without other or further action.

**RCW 51.16.040  
amended.**

SEC. 12. Section 2, chapter 235, Laws of 1941 and RCW 51.16.040 are each amended to read as follows:

**Basis for  
determining  
occupational  
disease  
premiums.**

The compensation and benefits provided for occupational diseases shall be paid from the same funds and in the same manner as compensation and benefits for injuries under the industrial insurance and medical aid acts and the contributions of employers to pay for occupational diseases shall be determined, assessed, and collected in the same manner and as a part of the premiums for employment under the mandatory or elective adoption provisions of Title 51.

**RCW 15.16.010  
amended.**

SEC. 13. Section 53, chapter 70, Laws of 1957 and RCW 51.16.010 are each amended to read as follows:

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 last 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.

Enabling provisions for establishing premium rates — Quarterly payments.

SEC. 14. Section 47, chapter 70, Laws of 1957 and RCW 51.16.060 are each amended to read as follows:

RCW 51.16.060 amended.

Every employer shall, on or before the last 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

Quarterly report of payrolls.

of the director: *Provided*, That the director may in his discretion and for the effective administration of Title 51 require an employer in individual instances to furnish a supplementary report containing the name of each individual workman, his hours worked, his rate of pay and the class or classes in which such work was performed.

RCW 51.16.110 amended.

SEC. 15. Section 50, chapter 70, Laws of 1957 and RCW 51.16.110 are each amended to read as follows:

New businesses or resumed operations.

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 a cash deposit in a sum equal to the premiums on the estimate of his payroll and workmen hours for the first three calendar months of his proposed operations which shall remain on deposit subject to the other provisions of this section.

The director may, in his discretion and in lieu of such deposit, accept a bond, in an amount which he deems sufficient, to secure payment of premiums due or to become due to the accident fund and medical aid fund. The deposit or posting of a bond shall not relieve the employer from paying premiums to the accident fund and medical aid fund based on his actual workmen hours as provided by RCW 51.16.010 and 51.16.060.

Should the employer acquire sufficient assets to assure the payment of premiums due to the accident fund and the medical aid fund the director may, in his discretion, refund the deposit or cancel the bond.

If the employer ceases to be an employer under RCW 51.08.070, the director shall, upon receipt of all payments due the accident fund and medical

aid fund based on the actual workmen hours, refund to the employer all deposits remaining to the employer's credit and shall cancel any bond given under this section.

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, which said cost experience shall be computed in accordance with the provisions of RCW 51.16.020, 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.

Note: See also section 2, chapter 179, Laws of 1959.

SEC. 16. Section 1, chapter 219, Laws of 1945 and RCW 51.16.120 are each amended to read as follows:

RCW 51.16.120 amended.

Whenever a workman has sustained a previous bodily infirmity or disability from any previous injury or disease and shall suffer a further injury or disease in employment covered by this title and become totally and permanently disabled from the combined effects thereof, then the accident cost rate of the employer at the time of said further injury or disease shall be charged only with the accident cost which would have resulted solely from said further injury or disease, had there been no preexisting disability, and which accident cost shall be based upon an evaluation of the disability by medical experts. The difference between the charge thus assessed to the employer at the time of said further injury or disease and the total cost of the pension reserve shall be assessed against the second injury account.

Distribution of further accident cost where new employer.

SEC. 17. Section 1, chapter 183, Laws of 1947 and RCW 51.44.040 are each amended to read as follows:

RCW 51.44.040 amended.

There shall be a special account within the acci-

Second injury account.

dent fund to be known and designated as the "second injury account," which shall be used only for the purpose of defraying charges against it as provided in RCW 51.16.120.

The charge to each class of the accident fund to defray charges against the second injury account shall be made on June 30th and December 31st of each year, and the total industrial insurance premium contributions of each class for the preceding calendar year shall be used in determining the proportionate charge to each class for the second injury account.

New section.

SEC. 18. There is added to chapter 74, Laws of 1911 and to chapter 51.28 RCW a new section to read as follows:

Occupational disease claims, when filed.

Claims for occupational disease or infection to be valid and compensable must be filed within one year following the date the workman had notice from a physician of the existence of his occupational disease, without reference to its date of origin.

New section.

SEC. 19. There is added to chapter 74, Laws of 1911 and to chapter 51.32 RCW a new section to read as follows:

Occupational disabilities, compensation and benefits.

Every workman who suffers disability from an occupational disease in the course of employment under the mandatory or elective adoption provisions of this title, or his family and dependents in case of death of the workman from such disease or infection, shall receive the same compensation benefits and medical, surgical and hospital care and treatment as would be paid and provided for a workman injured or killed in employment under the industrial insurance and medical aid acts of the state: *Provided, however,* That this section and RCW 51.16.040 shall not apply where the last exposure to the hazards of the disease or infection occurred prior to January 1, 1937.

SEC. 20. Section 1, chapter 360, Laws of 1955 and RCW 51.16.061 are each repealed. Repeal.

SEC. 21. Section 4, chapter 132, Laws of 1929 and section 1, chapter 214, Laws of 1951 (heretofore divided and codified as RCW 51.16.150, 51.16.160 and 51.16.170) are divided and amended to read as set forth in sections 2 through 4 of this act.

SEC. 22. (RCW 51.16.150) If any employer shall default in any payment to the accident fund or the medical aid fund, the sum due shall be collected by action at law in the name of the state as plaintiff, and such right of action shall be in addition to any other right of action or remedy. If such default occurs after demand, there shall also be collected a penalty equal to twenty-five percent of the amount of the defaulted payment or payments, and the director may require from the defaulting employer a bond to the state for the benefit of the accident and medical aid funds, with surety to the director's 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, together with any penalty or penalties incurred. In case of refusal or failure after written demand personally served to furnish such bond, the state shall be entitled to an injunction restraining the delinquent from prosecuting an extrahazardous occupation or work until such bond is furnished, and until all delinquent premiums, penalties, interest and costs are paid, conditioned for the prompt and punctual making of all payments into said funds during such periods, and any sale, transfer, or lease attempted to be made by such delinquent during the period of any of the defaults herein mentioned, of his works, plant, or lease thereto, shall be invalid until all past delinquencies are made good, and such bond furnished.

RCW 51.16.150  
enacted without  
amendment.

RCW 51.16.160  
amended.  
Priority of  
lien for  
premiums.

SEC. 23. (RCW 51.16.160) All actions for the recovery of delinquent premiums and penalties shall be brought in the superior court and in all cases of probate, insolvency, assignment for the benefit of creditors, or bankruptcy, the claim of the state for the payments due shall be a lien prior to all other liens or claims and on a parity with prior tax liens and the mere existence of such cases or conditions shall be sufficient to create such lien without any prior or subsequent action by the state, and all administrators, receivers, or assignees for the benefit of creditors shall notify the department of such administration, receivership, or assignment within thirty days from date of their appointment and qualification. In any action or proceeding brought for the recovery of payments due upon the payroll of an employer, the certificate of the department that an audit has been made of the payroll of such employer pursuant to the direction of the department and the amount of such payroll for the period stated in the certificate shall be prima facie evidence of such fact.

RCW 51.16.170  
amended.  
Priority  
against  
third party  
interests—  
Notice of lien.

SEC. 24. (RCW 51.16.170) Separate and apart from and in addition to the foregoing provisions in this chapter, the claims of the state for payments and penalties due under this title shall be a lien prior to all other liens or claims and on a parity with prior tax liens not only against the interest of any employer, but against the interests of all others, in real estate, plant, works, equipment, and buildings improved, operated, or constructed by any employer, and also upon any products or articles manufactured by such employer.

The lien created by this section shall attach from the date of the commencement of the labor upon such property for which such premiums are due. In order to avail itself of the lien hereby created, the department shall, within four months

after the employer has made report of his payroll and has defaulted in the payment of his premiums thereupon, file with the county auditor of the county within which such property is then situated, a statement in writing describing in general terms the property upon which a lien is claimed and stating the amount of the lien claimed by the department. If any employer fails or refuses to make report of his payroll, the lien hereby created shall continue in full force and effect, although the amount thereof is undetermined and the four months' time within which the department shall file its claim of lien shall not begin to run until the actual receipt by the department of such payroll report. From and after the filing of such claim of lien, the department shall be entitled to commence suit to cause such lien to be foreclosed in the manner provided by law for the foreclosure of other liens on real or personal property, and in such suit the certificate of the department stating the date of the actual receipt by the department of such payroll report shall be prima facie evidence of such fact.

SEC. 25. There is added to chapter 51.08 RCW a new section to read as follows: New section.

Wherever and whenever in any of the provisions of Title 51 relating to any payments by an employer the words "amount" and/or "amounts," "payment" and/or "payments," "premium" and/or "premiums," and "contribution" and/or "contributions" appear said words shall be construed to mean taxes, which are the money payments by an employer which are required by this title to be made to the state treasury for the accident fund and for the medical aid fund. Words construed as taxes.

SEC. 26. The provisions of section 25 of this amendatory act shall be construed as a restatement and continuation of existing law, and not as Construction of section 25.

a new enactment. It shall not be construed as affecting any existing right acquired under its provisions, nor as affecting any proceeding instituted thereunder.

Passed the House March 10, 1959.

Passed the Senate March 9, 1959.

Approved by the Governor March 24, 1959, with the exception of section 9, which is vetoed.

Veto message,  
excerpt.

NOTE: Excerpt of Governor's veto message reads as follows:

"Section 9 amends section 2, chapter 74 of the Laws of 1955 and RCW 51.12.010. This section was also amended by House Bill 139 which has passed the legislature and which has received my approval. (Measure is now identified as Chapter 55, Laws of 1959.)

"House Bill No. 139 extends the coverage of industrial insurance to janitors, chambermaids, porters, bellmen, pin-setters, elevator operators and maintenance men. Section 9 of this act does not extend the benefits of industrial insurance to these named categories. Section 9 merely makes a technical amendment in the present law by striking a comma and inserting a semicolon.

"In order to preserve the full force and effect of House Bill No. 139, I deem it advisable to veto Section 9 of this bill. The remainder of the bill is approved."

ALBERT D. ROSELLINI,  
Governor.

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## CHAPTER 309.

[ H. B. 529. ]

### FOOD FISH AND SHELLFISH—LICENSES.

AN ACT relating to the taking of food fish and shellfish; amending section 2, chapter 276, Laws of 1955 and RCW 75.12.140; amending section 75.28.010, chapter 12, Laws of 1955 and RCW 75.28.010; amending section 2, chapter 171, Laws of 1957 and RCW 75.28.013; amending section 3, chapter 171, Laws of 1957 and RCW 75.28.014; amending section 75.28-.030, chapter 12, Laws of 1955 and RCW 75.28.030; amending section 75.28.060, chapter 12, Laws of 1955, as last amended by section 3, chapter 212, Laws of 1955, and RCW 75.28.060; amending section 75.28.100, chapter 12, Laws of 1955 and RCW 75.28.100; amending section 75.28.110, chapter 12, Laws of 1955 and RCW 75.28.110; amending section 75.28.120, chapter 12, Laws of 1955 and RCW 75.28.120; amending section 75.28.130, chapter 12, Laws of 1955 and RCW 75.28.130; amending section 75.28.140, chapter 12, Laws of 1955 and RCW 75.28.140; amending section 75.28.150, chapter 12, Laws of 1955 and RCW 75.28.150; amending section 75.28.160, chapter 12, Laws of 1955 and