

An employer shall be promptly notified by the department when it has determined that a worker of that employer is entitled to compensation under RCW 51.32.090. Notification shall include, in nontechnical language, an explanation of the employer's rights under this title.

Passed the House April 24, 1985.

Passed the Senate April 22, 1985.

Approved by the Governor May 16, 1985.

Filed in Office of Secretary of State May 16, 1985.

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## CHAPTER 339

[Substitute House Bill No. 1084]

### VOCATIONAL REHABILITATION

AN ACT Relating to vocational rehabilitation; amending RCW 51.32.095; adding new sections to chapter 51.32 RCW; creating a new section; repealing RCW 51.41.005, 51.41.010, 51.41.020, 51.41.030, 51.41.040, 51.41.050, 51.41.060, 51.41.070, 51.41.080, 51.41.090, and 51.41.100; and declaring an emergency.

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

**NEW SECTION.** Sec. 1. The legislature finds that the vocational rehabilitation program created by chapter 63, Laws of 1982, has failed to assist injured workers to return to suitable gainful employment without undue loss of time from work and has increased costs of industrial insurance for employers and employees alike. The legislature further finds that the administrative structure established within the industrial insurance division of the department of labor and industries to develop and oversee the provision of vocational rehabilitation services has not provided efficient delivery of vocational rehabilitation services. The legislature finds that restructuring the state's vocational rehabilitation program under the department of labor and industries is necessary.

Sec. 2. Section 10, chapter 14, Laws of 1980 as last amended by section 2, chapter 70, Laws of 1983 and RCW 51.32.095 are each amended to read as follows:

(1) One of the primary purposes of this title is (~~the restoration of the injured worker~~) to enable the injured worker to become employable at gainful employment. To this end, the department or self-insurers shall utilize the services of individuals and organizations, public or private, whose experience, training, and interests in vocational rehabilitation and retraining qualify them to lend expert assistance to the supervisor of industrial insurance in such programs of vocational rehabilitation(~~(, retraining, and job placement)~~) as may be reasonable to (~~qualify the worker for employment~~) make the worker employable consistent with his or her physical and mental status. Where, after evaluation and recommendation by such individuals or organizations and prior to final evaluation of the worker's permanent disability and in the sole opinion of the supervisor or supervisor's designee,

whether or not medical treatment has been concluded, vocational rehabilitation (~~((or retraining with job placement))~~) is both necessary and likely to ~~((restore))~~ enable the injured worker to ~~((a form of))~~ become employable at gainful employment, ~~((including self-employment;))~~ the supervisor or supervisor's designee may, in his or her sole discretion, pay or, if the employer is a self-insurer, direct the self-insurer to pay the cost as provided in subsection (3) of this section.

(2) When in the sole discretion of the supervisor or the supervisor's designee vocational rehabilitation is both necessary and likely to make the worker employable at gainful employment, then the following order of priorities shall be used:

(a) Return to the previous job with the same employer;

(b) Modification of the previous job with the same employer including transitional return to work;

(c) A new job with the same employer in keeping with any limitations or restrictions;

(d) Modification of the previous job with a new employer;

(e) A new job with a new employer or self-employment based upon transferable skills;

(f) A new job with a new employer or self-employment involving on-the-job training;

(g) Short-term retraining and job placement.

(3) Costs for vocational rehabilitation benefits allowed by the supervisor or supervisor's designee under subsection (1) of this section may include the cost of books, tuition, fees, supplies, equipment, transportation, child or dependent care, and other necessary expenses for any such worker in an amount not to exceed three thousand dollars in any fifty-two week period, and ~~((continue))~~ the cost of continuing the temporary total disability compensation under RCW 51.32.090 while the worker is actively and successfully undergoing a formal program of vocational rehabilitation ((or retraining with job placement)). Such expenses may include training fees for on-the-job training and the cost of furnishing tools and other equipment necessary for self-employment or reemployment: PROVIDED, That such compensation or payment of retraining with job placement expenses may not be authorized for a period of more than fifty-two weeks: PROVIDED FURTHER, That such period may, in the sole discretion of the supervisor after his or her review, be extended for an additional fifty-two weeks or portion thereof by written order of the supervisor.

In cases where the worker is required to reside away from his or her customary residence, the reasonable cost of board and lodging shall also be paid. Said costs shall be chargeable to the employer's cost experience or shall be paid by the self-insurer as the case may be.

(4) The department shall establish criteria to monitor the quality and effectiveness of rehabilitation services provided by the individuals and organizations used under subsection (1) of this section. The state fund shall make referrals for vocational rehabilitation services based on these performance criteria.

(5) The department shall engage in, where feasible and cost-effective, a cooperative program with the state employment security department to provide job placement services under this section.

(6) The benefits in this section shall be provided for the injured workers of self-insured employers. Self-insurers shall report both benefits provided and benefits denied under this section in the manner prescribed by the department by rule adopted under chapter 34.04 RCW. The director may, in his or her sole discretion and upon his or her own initiative or at any time that a dispute arises under this section, promptly make such inquiries as circumstances require and take such other action as he or she considers will properly determine the matter and protect the rights of the parties.

(7) The benefits provided for in this section are available to any otherwise eligible worker regardless of the date of industrial injury. However, claims shall not be reopened solely for vocational rehabilitation purposes.

NEW SECTION. Sec. 3. A new section is added to chapter 51.32 RCW to read as follows:

On or before January 1st of each year, the office of financial management shall submit to the legislature a performance audit of the vocational rehabilitation activities under this chapter conducted by the industrial insurance division and self-insurers for the previous fiscal year. The performance audit shall include, but not be limited to, a statistical summary of all rehabilitation cases, an analysis of the cost-effectiveness of vocational rehabilitation services, including their effect on expenditures from the industrial insurance trust funds, and return-to-work data. The office of financial management may contract with a private firm to conduct the performance audit.

NEW SECTION. Sec. 4. A new section is added to chapter 51.32 RCW to read as follows:

Nothing in RCW 51.32.095 or in the repeal of chapter 51.41 RCW by section 5 of this act shall be construed as prohibiting the completion of vocational rehabilitation plans approved under this title prior to the effective date of this act. Injured workers referred for vocational rehabilitation services under this title, but for whom vocational rehabilitation plans have not been approved by the department under this title before the effective date of this act, may only be provided vocational rehabilitation services, if applicable, by the department according to the provisions of RCW 51.32.095.

NEW SECTION. Sec. 5. The following acts or parts of acts are each repealed:

- (1) Section 1, chapter 70, Laws of 1983 and RCW 51.41.005;
- (2) Section 1, chapter 63, Laws of 1982 and RCW 51.41.010;
- (3) Section 2, chapter 63, Laws of 1982 and RCW 51.41.020;
- (4) Section 3, chapter 63, Laws of 1982, section 1, chapter 86, Laws of 1983 and RCW 51.41.030;
- (5) Section 5, chapter 63, Laws of 1982, section 2, chapter 86, Laws of 1983 and RCW 51.41.040;
- (6) Section 8, chapter 63, Laws of 1982 and RCW 51.41.050;
- (7) Section 6, chapter 63, Laws of 1982, section 3, chapter 86, Laws of 1983 and RCW 51.41.060;
- (8) Section 9, chapter 63, Laws of 1982 and RCW 51.41.070;
- (9) Section 10, chapter 63, Laws of 1982 and RCW 51.41.080;
- (10) Section 4, chapter 63, Laws of 1982 and RCW 51.41.090; and
- (11) Section 7, chapter 63, Laws of 1982 and RCW 51.41.100.

NEW SECTION. Sec. 6. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 7. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the House April 9, 1985.

Passed the Senate April 23, 1985.

Approved by the Governor May 16, 1985.

Filed in Office of Secretary of State May 16, 1985.

## CHAPTER 340

[Substitute House Bill No. 190]

### ESCROW AGENTS

AN ACT Relating to escrow agents; and amending RCW 18.44.080, 18.44.110, 18.44.208, 18.44.220, 18.44.300, and 18.44.310.

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

Sec. 1. Section 8, chapter 153, Laws of 1965 as last amended by section 7, chapter 156, Laws of 1977 ex. sess. and RCW 18.44.080 are each amended to read as follows:

The director shall charge and collect the following fees:

(1) For filing an original or a renewal application for registration as an escrow agent, ~~((an))~~ annual ~~((fee of one hundred dollars))~~ fees for the first office or location and ~~((twenty-five dollars))~~ for each additional office or location.