

## **HB 2087 -1 STAFF MEASURE SUMMARY**

### **House Committee On Business and Labor**

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**Meeting Dates:** 2/18

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#### **WHAT THE MEASURE DOES:**

Changes caps on civil penalties that Director of Department of Consumer and Business Services may impose for violations of certain workers' compensation statutes or required practices.

#### **ISSUES DISCUSSED:**

#### **EFFECT OF AMENDMENT:**

-1 Limits maximum civil penalty against self-insured employer, insurer, or service company at \$4,000 per violation for failure to pay assessments or failure to comply with workers' compensation statutes and rules.

#### **BACKGROUND:**

Under current law, the Department of Consumer and Business Services may impose a civil penalty of up to \$2,000 per violation or \$10,000 in the aggregate for all violations that occur within any three-month period. The penalties are for inducing a worker to not file a claim, failing to pay assessments or other payments due to the Department, and failing to comply with the workers' compensation statutes and rules.

House Bill 2087 sets the maximum penalty against an employer or insurer at \$2,000 for each violation and \$40,000 in the aggregate for a calendar year for inducing a worker to not file a claim. The measure sets the maximum penalty against a self-insured employer, insurer, or service company at \$9,000 for each violation or \$180,000 in the aggregate for a calendar year for failure to pay assessments or failure to comply with statutes and rules. Finally, the measure sets the maximum penalty against an employer (not self-insured) or managed care organization at \$2,000 per violation or \$40,000 in the aggregate for a calendar year for failure to pay assessments or failure to comply with statutes and rules. The Management-Labor Advisory Committee supports the measure with the -1 amendment.