



SB 1519A

REDUCE WORKERS' COMPENSATION PAY DISPARITY

PROBLEM

The formula for calculating workers compensation based on after-tax pay insurance is unfair because it assumes all workers pay the same rates. That means workers compensation pays a lower percentage of take home pay to people who earn less - the very people who are living paycheck to paycheck.

Today a worker in a family with two children who earns \$28,496 a year loses 31% of their income but a worker earning \$83,200 loses only 17%.

WAGES 75% BELOW STATES AVERAGE
WEEKLY WAGE REPLACED AT 75%



WAGES ABOVE STATES AVERAGE WEEKLY
WAGE REPLACED AT 65%



TOTAL BENEFIT AMOUNT, CAPPED AT 133%
OF STATES AVERAGE WEEKLY WAGE

EXAMPLE:

A: Workers making \$18/hr will see an increase benefit from the previous 66.6% time loss benefit to 75% of their wages.

B: Workers making \$40/hr will see an increase benefit which will be the total of the first 75% of wages under SAWW plus 65% of remaining wages above SAWW

HOW SB 1519A WILL HELP:

SB 1519A will change the compensation formula for workers so that their workers' benefit that is closer to their net average weekly wage of compensation of the worker pre-injury in order for them to focus on fully healing. The bill would increase increase the temporary disability rate from 66.6% to 75% of the injured worker's weekly wage, for the portion of wages below 75% of the **state average weekly wage (SAWW)**, and 65% for any wages above 75% of the SAWW.

