

# FINAL BILL REPORT

## SHB 2720

---

### PARTIAL VETO

C 209 L 92

**Brief Description:** Making workers' compensation coverage available to all longshore and harbor workers.

By House Committee on Financial Institutions & Insurance  
(originally sponsored by Representatives R. Meyers,  
Paris, Anderson, Hargrove, Miller, H. Sommers, Winsley,  
Jones, Basich, J. Kohl, Belcher and Orr).

House Committee on Financial Institutions & Insurance  
Senate Committee on Commerce & Labor

**Background:** Federal law requires the employers of longshore and harbor workers to obtain workers' compensation coverage for their employees and maritime employer's liability coverage. Longshore and harbor employees currently are not eligible for coverage under the Washington state workers' compensation insurance program.

In Washington, some employers and employees subject to the federal requirement are unable to obtain insurance through private insurance companies or are unable to self-insure.

**Summary:** Before July 1, 1992, the insurance commissioner must develop an insurance plan to provide federal longshore and harbor workers coverage for those persons unable to obtain such coverage in normal insurance markets. The losses of the plan must be shared by insurance companies writing such coverage and by the state workers compensation fund. The state fund must share in 50 percent of the losses; primary insurance companies must share in 48 percent of the losses; and excess insurers must share in 2 percent of the losses.

The Department of Labor and Industries must obtain or provide excess of loss insurance coverage for the plan by July 1, 1992. If the department is unable to obtain or provide such coverage or such coverage is unaffordable, the department is relieved of this responsibility.

The insurance commissioner must appoint an eight member committee to study methods of making longshore and harbor workers insurance coverage more available and affordable. The study shall consider the possible rates of private

insurers and the state fund in providing affordable coverage.

Insurance companies not admitted to do business in Washington may not solicit or provide longshore and harbor workers insurance within the state.

The act expires on July 1, 1993.

***Votes on Final Passage:***

House	95	0	
Senate	45	3	(Senate amended)
House			(House refused to concur)

Conference Committee

Senate	42	3
House	95	2

***Effective:*** April 2, 1992

***Partial Veto Summary:*** Provisions barring non-admitted companies from selling longshore and harbor workers insurance within the state were vetoed.