HB 2799 -2 STAFF MEASURE SUMMARY

House Committee On Labor and Workplace Standards

Prepared By: Erin Seiler, LPRO Analyst

Meeting Dates: 2/12, 4/7

WHAT THE MEASURE DOES:

Removes the \$1500 limit on reasonable litigation costs and expenses and attorney fees for a claimant who prevails in any dispute over entitlement to, or amount of, workers' compensation benefit.

Fiscal impact:

Revenue impact:

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Replaces the measure.

Increases limit on witness fees, expenses and costs to no more \$3,500 unless the claimant demonstrates extraordinary circumstances justifying payment of a greater amount.

Provides methodology for adjusting the amount that may not be exceeded without demonstrating extraordinary circumstances. It shall be adjusted annually on July 1 by the percentage increase, if there is any, in the average weekly wage as most recently computed by the Employment Department and rounded to the nearest multiple of \$100.

Fiscal impact: Minimal fiscal impact Revenue impact: No revenue impact

BACKGROUND:

Currently, if a claimant prevails against the denial of workers' compensation claim, the court, board or Administrative Law Judge may order payment of the claimant's reasonable expenses and costs for records, expert opinions and witness fees. Payments for witness fees, expenses and costs ordered are made by the insurer or self-insured employer. The payments may not exceed \$1,500 unless the claimant demonstrates extraordinary circumstances justifying payment of a greater amount.

House Bill 2799 removes the \$1,500 limit on reimbursable attorney costs that an insurer or self-insured employer may pay if claimant prevails against the denial of a workers' compensation claim. The measure allows for reasonable attorney fees for costs and expenses including but not limited to records, expert opinions, and witness fees incurred in *any* dispute over entitlement to, or amount of, workers' compensation benefit.