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**SUBSTITUTE SENATE BILL 5670**

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**State of Washington**

**65th Legislature**

**2017 Regular Session**

**By** Senate Commerce, Labor & Sports (originally sponsored by Senators Braun and Mullet)

1 AN ACT Relating to notice to state fund employers for certain  
2 workers' compensation third-party settlements; and amending RCW  
3 51.24.090.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 51.24.090 and 1995 c 199 s 5 are each amended to  
6 read as follows:

7 (1) Any compromise or settlement of the third party cause of  
8 action by the injured worker or beneficiary which results in less  
9 than the entitlement under this title is void unless made with the  
10 written approval of the department or self-insurer(~~(:—PROVIDED,~~  
11 ~~That~~)). For a state fund claim, the department shall provide  
12 reasonable ongoing notice to the employer of the status of any  
13 compromise or settlement negotiations between the injured worker or  
14 beneficiary and the department, for the employer's information. For a  
15 state fund claim, notice to the employer is not required if the costs  
16 of the claim or claims are no longer included in the calculation of  
17 the employer's experience factor used to determine premiums; or if  
18 the employer cannot be located, is no longer in business, or requests  
19 that they not receive ongoing notice after the department provides  
20 timely notice of the settlement process to the employer. For the  
21 purposes of this chapter, "entitlement" means benefits and

1 compensation paid and estimated by the department to be paid in the  
2 future.

3 (2) If a compromise or settlement is void because of subsection  
4 (1) of this section, the department or self-insurer may petition the  
5 court in which the action was filed for an order assigning the cause  
6 of action to the department or self-insurer. If an action has not  
7 been filed, the department or self-insurer may proceed as provided in  
8 chapter 7.24 RCW.

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