

By Representative Sells

**HB 2409** - H COMM AMD

By Committee on Labor & Workplace Standards

1 On page 2, line 5, after "amount" strike "equal to" and insert  
2 "~~(equal to)~~ not to exceed"

3

4 On page 3, line 32, after "The" strike "minimum"

5

6 On page 4, line 3, after "employers'" strike "lay"

7

8 On page 4, beginning on line 4, strike "fiduciary duty to  
9 workers of good faith and fair dealing relating to all aspects of  
10 this title" and insert "responsibility of fair conduct relating to  
11 all aspects of a claim"

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13 On page 4, beginning on line 6, after "(2)" strike all material  
14 through "title." on line 12

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16 On page 4, beginning on line 12, after "rule" strike  
17 "additional applications of the duty of good faith and fair dealing"  
18 and insert "applications of the responsibility of fair conduct"

19

20 On page 4, line 17, after "within the" insert "industrial"

21

22 On page 4, at the beginning of line 27, strike "thirty" and  
23 insert "ninety"

24

25 On page 5, after line 1, insert the following:

26 "NEW SECTION. **Sec. 10.** Sections 1 through 7 of this act take  
27 effect September 1, 2020.

1  
2 NEW SECTION. **Sec. 11.** Sections 8 and 9 of this act take effect  
3 July 1, 2021."  
4

EFFECT: (1) Makes the specified self-insurer penalties a maximum, rather than exact, amount.  
(2) Refers to "penalties" rather than "minimum penalties" in the annual adjustment provision.  
(3) Changes the new fiduciary duty to a responsibility of fair conduct, removes elements of a violation of the duty, and applies the responsibility to employers and their representatives instead of employers and their lay representatives.  
(4) Requires issuance of an order by the Department of Labor and Industries regarding a violation within 90 ninety days, instead of within 30 days, of a request for an investigation.  
(5) Adds effective dates of:  
(a) September 1, 2020 for the sections increasing penalties; and  
(b) July 1, 2021 for the sections regarding fair conduct and licensure of claims administrators.

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