Wisconsin State AFL-CIO ...the voice for working families.

David Newby, President • Sara J. Rogers, Exec. Vice President • Phillip L. Neuenfeldt, Secretary-Treasurer

TO: Members of the Senate Labor, Elections and Urban Affairs Committee
FROM: David Newby, President (and member of the Workers Compensation Advisory Council)
DATE: March 10, 2010
RE: Support for SB 522 / AB 706 Workers Compensation Bill

As with any Workers Compensation bill the Advisory Council brings to you, the bill itself is a mixture of technical corrections, administrative updates, and clarifications—as well as matters of greater substance agreed upon unanimously by both the labor and management members of the Council.

Because the bill is mutually agreed upon, it seldom contains major changes that favor one side or the other. That is the case once again in this bill.

But I would like to point out a few aspects of the bill which are both fair and which strengthen the Workers Compensation system for injured workers.

First, we make it clear that volunteer emergency responders are covered from the time they are paged or called to respond to an emergency to the time of their return (as long as they do not deviate in their travel for other purposes). This provision parallels the coverage for paid workers.

Second, the weekly benefit rates for those with permanent partial disabilities are increased by $10 in each year of the bill, roughly compensating for expected inflation in that period.

Finally, we are very proud to point out that benefit rates for those determined to be permanently and totally disabled a number of years ago have been significantly increased. This has been labor's number one issue for the past three bills. Unfortunately, weekly benefits for those permanently and totally disabled are not indexed for inflation. While we have been able to make some progress in the past couple of bills in raising the minimum benefit level (by tying it to a more recent year), progress has been slow and those on PTD benefits have suffered significantly. Currently, for anyone determined to be permanently and totally disabled <u>before</u> 1993, the rate in effect in 1993 ($450) is the highest for which they are eligible.

In the bill before you today, that floor is raised to the benefit rate in effect in 2000 ($582), thus giving these seriously injured workers closer to a living income.

It is our hope that in the next bill brought to you that we can raise all workers previously receiving PTD benefits up to the current level—and then index that rate for inflation going forward. Those who are permanently and totally disabled deserve no less.

DN/JR/ls/opeiu#9,afl-cio

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WMC

WISCONSIN'S BUSINESS VOICE SINCE 1911

To: Senate Labor, Elections and Urban Affairs Committee

From: James A. Buchen, Vice President of Government Relations

Date: March 10, 2010

Re: Support for Senate Bill 522—Recommendation of the Wisconsin Workers Compensation Advisory Council

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Wisconsin Manufacturers and Commerce supports the provisions of Senate Bill 522, the product of deliberations by the members of the Wisconsin Workers Compensation Advisory Council (WCAC), on which I serve as a Management Representative.

In its 2009-2010 deliberations the WCAC considered a wide range of issues and the reform proposals before you represent the product of those deliberations. For example the WCAC recommends increasing the maximum allowable burial expense, in response to legislative requests to review that area. The bill increases benefits payable to many claimants with older Permanent Total Disability claims with the maximum weekly benefit increasing from $458 per week to $582 per week. The WCAC also recommends a ten dollar per week increase in Permanent Partial Disability benefits.

A great deal of the WCAC's deliberations were focused on the area of escalating health care costs. Both Management and Labor Representatives on the WCAC met with the Council's health care advisory representatives. While progress was made in more clearly understanding the parameters of the issue, those deliberations did not produce a comprehensive reform proposal, and discussions will continue into the next cycle of the WCAC's work.

On behalf of the Management Representatives on the WCAC I want to thank the Chair of the Assembly Labor Committee for scheduling this hearing. I also want to thank the present and past Committee Chair's present for their ongoing support of the Advisory Council process. In many states and jurisdictions these matters become politically contentious, to the detriment of all parties at interest.

In closing, I ask for your vote in support for Senate Bill 522, and again thank you for this opportunity to address the Senate Labor, Elections and Urban Affairs Committee.

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BARCA
Majority Caucus Chairman

Co-Chair, Joint Committee on Audit
Committee on Financial Institutions
Chair, Partnership for a Stronger Economy
Committee on Jobs, the Economy & Small Business

March 10, 2010

Senate Committee on Labor, Elections and Urban Affairs

Senate Bill 522

Representative Peter Barca

Chairman Coggs and members of the Senate Committee on Labor, Elections and Urban Affairs; thank you for allowing me to testify on Senate Bill 522, which makes a number of changes to the Wisconsin Worker's Compensation program.

As you consider this bill, I would encourage you to examine further modifications to the bill based on the experience of my constituents, Mark and Tammy Wilde of Kenosha. Mark and Tammy are the parents of Robbie Wilde, a young man who was tragically killed a year ago during the robbery of the ice cream stand where he worked. Robbie was 18 years old with no dependants of his own.

Following this, Mark and Tammy were informed that they would not receive any funds from Worker's Compensation because under current law, compensation is not paid to parents of an individual without dependants. I understand that if their son had dependants that the dependants would have been entitled to a maximum of about $244,500.

I would also ask you to please consider, especially for cases where the death is caused under such violent circumstances, providing the funds to the county in which the victim resided in order to establish a victim's fund. This fund could be used to fund grief counseling for members of families of individuals whose lives have been changed by the loss of a family member on the jobsite or for other related services.

Under current law, the only funding available to the families of victims such as my constituents, if not dependent, is a $6,000 statutory stipend to cover burial expenses and $6,500 from a survivor's fund, meant to handle related expenses. This is little compensation for the actual cost of a modest burial. I am pleased to see that Senate Bill 522 increases the amount allocated for burial costs to actual costs up to $10,000, but would ask that as end-of-life costs continue to increase that the Worker's Compensation Advisory Council and members of the Assembly and Senate Labor Committees consider increasing the amount to cover all necessary burial expenses, including plot and headstone. This would be especially helpful under circumstances such as this where the family receives so little compensation.

Thank you for your time today. In closing, I hope that you will consider this situation and my suggestions to ensure that the families in these situations are treated with the highest levels of sympathy and fairness.

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