

## AMENDMENTS TO HOUSE BILL NO. 760

Sponsor: REPRESENTATIVE DAWKINS

Printer's No. 709

1 Amend Bill, page 1, lines 18 through 20; page 2, lines 1 and  
2 2; by striking out all of said lines on said pages and inserting

3 (b) Installments of compensation payable under this article  
4 must be paid to the person entitled to compensation by direct  
5 deposit, subject to the following:

6 (1) The insurer or self-insured employer permits payment of  
7 compensation by direct deposit. The following shall apply:

8 (i) After the effective date of this subsection, an insurer  
9 or self-insured employer may permit payment of compensation by  
10 direct deposit. If the insurer or self-insured employer permits  
11 payment by direct deposit, the option shall be available to all  
12 persons entitled to compensation from the insurer or self-  
13 insured employer.

14 (ii) No later than one year after the effective date of this  
15 subsection, all insurers and self-insured employers shall permit  
16 payment of compensation by direct deposit.

17 (2) The insurer or self-insured employer shall notify the  
18 persons entitled to compensation of the option to receive  
19 compensation by direct deposit. Notification shall be sent by  
20 first class mail and include the direct deposit authorization  
21 form under subsection (c). Notification shall be sent in  
22 accordance with the following:

23 (i) Immediately upon the availability of direct deposit by  
24 the insurer or self-insured employer.

25 (ii) At least once with the first check that is mailed out  
26 immediately following the notification sent under subparagraph  
27 (i).

28 (3) A person entitled to compensation or their legal  
29 guardian who requests to receive compensation via direct deposit  
30 shall submit an accurate and valid direct deposit authorization  
31 form to the insurer or self-insured employer. The direct deposit  
32 authorization form may be submitted electronically if the  
33 insurer or self-insured employer has agreed to accept the form  
34 electronically. The insurer or self-insured employer may not be  
35 required to pay compensation by direct deposit unless the person  
36 entitled to compensation or their legal guardian has submitted a  
37 valid authorization form.

38 (4) The person entitled to compensation or their legal

1 guardian shall have the right to choose the deposit account to  
2 which payments of compensation are made and may request to  
3 change the deposit account designated to receive compensation or  
4 discontinue direct deposit by submitting a revised direct  
5 deposit authorization form to the insurer or self-insured  
6 employer. The person entitled to compensation or their legal  
7 guardian shall have control and signatory access to the chosen  
8 depository account.

9 (5) Payments of compensation may not be split between  
10 multiple payment methods, and payments of compensation made by  
11 direct deposit may not be split between multiple deposit  
12 accounts.

13 (6) A request to initiate direct deposit, change deposit  
14 accounts or discontinue direct deposit shall be implemented  
15 within 45 days of receipt, provided that the direct deposit  
16 authorization form is valid.

17 (7) Lump sum settlement payments made as a result of a  
18 compromise and release agreement shall be made by check unless  
19 the insurer or self-insured employer agrees to make payment by  
20 direct deposit.

21 (c) The department shall develop and publish a standard  
22 direct deposit authorization form for use by all insurers and  
23 self-insured employers under this section. The form shall  
24 include, at a minimum, the following information:

25 (1) The name, phone number, mailing address and email  
26 address of the person entitled to compensation.

27 (2) The workers' compensation claim number.

28 (3) Whether the person entitled to compensation or their  
29 legal guardian is requesting to initiate direct deposit, change  
30 deposit accounts or discontinue direct deposit.

31 (4) The name and address of the financial institution and  
32 the account and routing numbers to which compensation shall be  
33 sent.

34 (5) Acknowledgment that failure to notify the insurer or  
35 self-insured employer of any change in financial institution or  
36 account may delay receipt of compensation or settlement  
37 proceeds.

38 (6) Acknowledgment that the person entitled to compensation  
39 or their legal guardian shall notify the insurer or self-insured  
40 employer of changes in circumstance that affect entitlement to  
41 compensation payable under this article.

42 (d) As used in this section, the following words and phrases  
43 shall have the meanings given to them in this subsection unless  
44 the context clearly indicates otherwise:

45 "Direct deposit" shall mean a credit to a deposit account in  
46 a financial institution made by electronic fund transfer.

47 "Electronic fund transfer" shall mean as the term is defined  
48 in 15 U.S.C. § 1693a (relating to definitions).

49 "Person entitled to compensation" shall mean an employe  
50 entitled to compensation under this article or a person entitled  
51 to compensation under section 307.

1       "Valid authorization form" shall mean a completed direct  
2 deposit authorization form, as prescribed by the department  
3 under subsection (c), which contains the information necessary  
4 for an insurer or self-insured employer to initiate direct  
5 deposit, change deposit accounts or discontinue direct deposit.

6       Amend Bill, page 2, lines 3 and 4, by striking out "claims  
7 for compensation filed" and inserting  
8       installments of compensation paid