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BIAW Successfully Defends Workers' Compensation Fund *L&I agrees to seek different source to fund governor's legislation*

Olympia, WA The Building Industry Association of Washington (BIAW) reached an agreement in its lawsuit with the Department of Labor & Industries (L&I) that prevents the agency from using Workers' Compensation Funds to implement the governor's Clean Energy Bill. Under the agreement announced today, BIAW will stay the case to give L&I and the legislature time to correct the budget in the 2020 legislative session.

The suit, filed against the L&I and Washington State Treasurer, seeks to bar the use of Workers' Compensation Funds for purposes unrelated to aiding injured workers.

"This agreement presents a path to resolve the case in a way that is consistent with BIAW's goals in the lawsuit and with the state constitution. The stay will protect the fund while also avoiding litigation," said General Counsel Jackson Maynard. "We hope the legislature will do the right thing to fix the funding source. If not, we stand ready to pursue the case in court."

The Workers' Compensation Fund was established pursuant to Article II, Section 31 of the Washington State Constitution, which requires the legislature to pass bills to protect workers. To bolster this constitutional protection, the State Supreme Court treats the Workers' Compensation Fund as a "trust" for the benefit of workers.

This session, the legislature passed [SB 5116](#), which was part of Gov. Inslee's package of environmental bills. Maynard explained, "This is not a dispute over the policy in the bill. However, taking \$625,000 from the Workers' Compensation Fund for the bill's implementation is not allowed under the State Constitution. We hope this case will deter policy-makers from siphoning these funds away from injured workers in the future."

A copy of BIAW's filing can be found here: <https://bit.ly/2YJqJ7f>

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The Building Industry Association of Washington is the voice of the housing industry as the state's largest trade association with nearly 8,000 member companies employing approximately 265,000 people. The association is dedicated to ensuring and enhancing the vitality of the building industry for the benefit of its members and the housing needs of the citizens.