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Longshore Act Reform Would Benefit Workers, Employers

WASHINGTON, D.C. -- Legislation re-introduced today to amend the federally-administered Longshore Act will benefit injured workers and their employers by applying the best medical treatment and administrative practices from state workers' compensation programs, according to the Coalition for Longshore Act Reform (CLAR).

The Longshore and Harbor Workers' Compensation Act Amendments of 2007, re-introduced by Sen. Johnny Isakson (GA) March 12, is designed to improve and update the antiquated Act, which provides medical, physical rehabilitation and wage replacement benefits for work-related injuries, illnesses and deaths. The Act covers workers in the longshore, shipbuilding, marine construction and other industries.

"The Longshore Act has not been updated since 1984," said Bruce Wood, assistant legal counsel for the American Insurance Association. "Meanwhile, state workers' compensation systems have made improvements that would benefit the Longshore Act at a time when the international job market is threatening American longshore jobs."

The cost of the Longshore Act continues to rise faster than state workers' compensation programs while employees and employers alike suffer from the unnecessary administrative burdens that plague the system. The Longshore Act is the nation's most expensive workers' compensation program. The latest available figures show that annual benefit payments under the Longshore Act total \$779 million.

Unnecessary costs from the Longshore Act ultimately contribute to higher expenses for raw materials and finished goods that move through 360 U.S. ports. "As foreign trade increases, maintaining employee health and productivity and curbing unnecessary workers' compensation costs grows more critical," said Charles T. Carroll, Jr., executive director of the National Association of Waterfront Employers. Currently, all freight moving in, out and within the United States amounts to approximately 15 billion tons annually and has a value of \$9 trillion. Even at moderate rates of economic growth, the total domestic tonnage carried by all U.S. freight systems will increase approximately 67 percent by 2020, according the U.S. Chamber of Commerce.

“We are pleased with this legislation because it provides an opportunity to improve medical care to enable injured workers to return to work and adopt the best workers’ compensation administrative practices to reduce costs to employers and the federal government,” said Doug Holmes, president of UWC-Strategic Services on Unemployment and Workers’ Compensation (UWC).

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The Coalition for Longshore Act Reform (CLAR) is an industry-based network of associations committed to improving the Longshore and Harbor Workers’ Compensation Act for workers and their employers. To learn more about improving the Longshore Act, please see [“Navigating the Longshore and Harbor Workers’ Compensation Act into the 21st Century.”](#)