



# RULE-MAKING ORDER

## CR-103 (June 2004) (Implements RCW 34.05.360)

Agency: Labor and Industries

- Permanent Rule
- Emergency Rule

**Effective date of rule:**

**Permanent Rules**

- 31 days after filing.
- Other (specify) July 1, 2007 (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Effective date of rule:**

**Emergency Rules**

- Immediately upon filing.
- Later (specify)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

- Yes
  - No
- If Yes, explain:

**Purpose: Chapter 296-17 WAC General Reporting Rules, Audit and Recordkeeping, Rates and Rating System for Washington Workers' Compensation Insurance**

This rulemaking order will adopt a reduction in the Medical Aid premium base rates for work done during the six months beginning July 1, 2007, which will ultimately reduce the Medical Aid contingency reserve. During this time period, Medical Aid premiums will not be assessed for employers and workers and therefore it is anticipated that this will reduce the balance of the Medical Aid fund by \$315 million.

**Citation of existing rules affected by this order: See attachment 1 for new rule.**

Repealed: 0  
 Amended: 2 – WAC 296-17-895, WAC 296-17-89502  
 Suspended: 0

**Statutory authority for adoption: RCW 51.06.035; RCW 51.08.010; RCW 51.04.020**

**Other authority :** None

**PERMANENT RULE ONLY (Including Expedited Rule Making)**

Adopted under notice filed as WSR 07-02-014 on January 4, 2007.

Describe any changes other than editing from proposed to adopted version: Two paragraphs are added to the 2 amended sections that explain the process by which the medical aid reduction will occur. The retrospective rating plans standard premium size ranges (WAC 296-17-90492 Table I) were not amended.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name: \_\_\_\_\_ phone \_\_\_\_\_  
 Address: \_\_\_\_\_ fax \_\_\_\_\_  
 e-mail \_\_\_\_\_

**EMERGENCY RULE ONLY**

Under RCW 34.05.350 the agency for good cause finds:

- That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
- That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding:

**Date adopted:** March 21, 2007

**NAME (TYPE OR PRINT)**

Judy Schurke

**SIGNATURE**

**TITLE**

Director

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

DATE: March 21, 2007  
TIME: 11:47 AM

**WSR 07-07-129**

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

<b>Federal statute:</b>	New	_____	Amended	_____	Repealed	_____
<b>Federal rules or standards:</b>	New	_____	Amended	_____	Repealed	_____
<b>Recently enacted state statutes:</b>	New	_____	Amended	_____	Repealed	_____

**The number of sections adopted at the request of a nongovernmental entity:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted in the agency's own initiative:**

New	<u>1</u>	Amended	<u>2</u>	Repealed	<u>0</u>
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted using:**

<b>Negotiated rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Pilot rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Other alternative rule making:</b>	New	_____	Amended	_____	Repealed	_____

**Attachment 1 – CR 103**

**Chapter 296-17 WAC General Reporting Rules, Audit and Recordkeeping Rates  
and Rating System for Washington Workers' Compensation Insurance**

NEW RULE ADOPTED:

WAC 296-17-89504 Horse racing industry industrial insurance, medical aid, and supplemental pension by class.



STATE OF WASHINGTON  
DEPARTMENT OF LABOR AND INDUSTRIES  
*PO Box 44000 • Olympia, Washington 98504-4000*

March 21, 2007

Kerry Radcliff, Editor  
Office of the Code Reviser  
Legislative Building  
Olympia, WA 98504-0600

Dear Ms. Radcliff:

I understand from discussions with my staff that the formatting of the rules text filed with the CR-103 the Department of Labor and Industries filed on March 12, 2007, as WSR 07-07-032 did not comply with the requirements of WAC 1-21-110(1). Enclosed for re-submission is an adoption order with the text of the rules formatted properly.

Sincerely,

  
Judy Schurke  
Director

Enclosure

