



RULE-MAKING ORDER

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

Agency: Department of Labor and Industries

- Permanent Rule
 Emergency Rule

Effective date of rule:

Permanent Rules

- 31 days after filing.
 Other (specify) January 1, 2009 (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: This rule will amend the tables of classification base premium rates, experience rating plan parameters, experience modification factor calculation limitations and retrospective rating plan size groupings for the workers' compensation insurance program for calendar year 2009. Classification base rates were amended in order to base the rates on updated loss and payroll experience and the proposed decision to increase premium rates an overall average 3.0 percent per hour worked. In addition, the experience modification factor limitation rule is being changed so that the exceptions to the twenty-five percent limitation on annual changes to the factor have been reduced from two cases to one; the exception for increasing the factor to 1.00 has been removed. Both of these changes to experience rating will result in more stable rates to individual firms from year to year. The maximum claim value, which is the limitation on amounts charged employers for large single claim costs, has been reduced from \$502,800 to \$217,944 which is the same as the average value charged all fatality claims.

Citation of existing rules affected by this order:

Repealed:
 Amended: See Attachment A
 Suspended:

Statutory authority for adoption: RCW 51.16.035 (Base Rates, RCW 51.32.073 (Supplemental Pension), RCW 51.08.010 (Retrospective Rating), and RCW 51.04.020(1) (General Authority)

Other authority :

PERMANENT RULE ONLY (Including Expedited Rule Making)

Adopted under notice filed as WSR 08-19-115 on September 17, 2008.
 Describe any changes other than editing from proposed to adopted version:
 WAC 296-17-865 was amended. New language was removed so that we may retain the current rule that allows us to apply the limitation rule to mid-year business adjustments.
 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: December 1, 2008

NAME (TYPE OR PRINT)

Judy Schurke

SIGNATURE

TITLE

Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
 STATE OF WASHINGTON
 FILED

DATE: December 01, 2008

TIME: 11:28 AM

WSR 08-24-074

**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:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____
Recently enacted state statutes:	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	_____	Amended	<u>12</u>	Repealed	_____
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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:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	_____	Amended	<u>12</u>	Repealed	_____

Attachment A

CR 103 Chapter 296-17 WAC General Reporting Rules, Audit and Recordkeeping, Rates and Rating System for Washington Workers' Compensation Insurance

Continuation: Purpose of the adoption and its anticipated effects, including any changes in existing rules:

This proposal amends the following sections:

Experience modification	WAC 296-17-855
Experience modification limitations	WAC 296-17-865
Evaluation of actual losses	WAC 296-17-870
Table I	WAC 296-17-875
Table II	WAC 296-17-880
Table III	WAC 296-17-885
Table IV	WAC 296-17-890
Industrial insurance accident fund base rates and medical aid base rates by class of industry	WAC 296-17-895
Industrial insurance accident fund, medical aid and supplemental pension rates by class of industry for nonhourly rated classifications	WAC 296-17-89502
Horse racing industry industrial insurance, medical aid, and supplemental pension by class	WAC 296-17-89504
Table I (Retro)	WAC 296-17-90492
Assessment for supplemental pension fund	WAC 296-17-920