



PROPOSED RULE MAKING

CR-102 (June 2004)
(Implements RCW 34.05.320)
Do **NOT** use for expedited rule making

Agency: Department of Labor and Industries

Preproposal Statement of Inquiry was filed as WSR 09-13-082
; or
 Expedited Rule Making--Proposed notice was filed as WSR; or
 Proposal is exempt under RCW 34.05.310(4).

Original Notice
 Supplemental Notice to WSR
 Continuance of WSR

Title of rule and other identifying information: 2010 Industrial Insurance Premium Rates - Chapter 296-17 WAC General Reporting Rules, Audit and Recordkeeping, Rates and Rating System for Washington Workers' Compensation Insurance

Hearing location(s):

See Attachment A for hearing schedule

Submit written comments to:

Name: Ronald Moore
Address: PO Box 44140
Olympia WA 98504-4140
e-mail moaa235@lni.wa.gov
fax (360)902-4748 by 5:00 pm November 7, 2009

Assistance for persons with disabilities: Contact
Office of Information and Assistance by October 20, 2009
TTY (360)902-5797

Date of intended adoption: November 30, 2009
(Note: This is **NOT** the **effective** date)

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

This rule proposal 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 2010. Classification base rates are amended so that the base rates reflect updated loss and payroll experience and the proposed decision to increase premium rates an overall average 7.6 percent per hour worked.

For this proposal the department is submitting two sets of base rate tables (WAC 296-17-895, WAC 296-17-89502) and two sets of retro rating table 1 (WAC 296-17-920). The multiple tables are necessary pending a decision on rules proposed (see WSR 09-16-142) for retrospective rating WAC 296-17-90445 Valuation of Coverage Period. This proposed rule changes how occupational disease claims are included in Retrospective Rating adjustment calculations. The proposal provides that chargeable claim costs are assigned to retro and non-retro employers, and that claim costs not assigned to any employer will be eliminated from the retro processes through the calculation of the performance adjustment factor. The decision to adopt or not adopt this pending rule will determine which rating tables will be used for the 2010 industrial insurance rates. If this rule is not adopted the result could mean an increase in premium rates an overall average of 9.3 percent per hour worked.

See Attachment B for the sections amended by this proposal.

Reasons supporting proposal: See above

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

Statute being implemented: RCW 51.16.035, RCW 51.32.073, and RCW 51.18.010

Is rule necessary because of a:

Federal Law? Yes No
Federal Court Decision? Yes No
State Court Decision? Yes No
If yes, CITATION:

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: **September 22, 2009**
TIME: **4:33 PM**

WSR 09-19-137

DATE

September 22, 2009

NAME

Judy Schurke

SIGNATURE

TITLE

Director

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Name of proponent: Department of Labor and Industries

- Private
- Public
- Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting.....JoAnne Smith	Tumwater, WA	(360) 902-4777
Implementation.... Ronald C Moore	Tumwater, WA	(360) 902-4748
Enforcement..... Robert Malooly	Tumwater, WA	(360) 902-4209

Has a small business economic impact statement been prepared under chapter 19.85 RCW?

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No. Explain why no statement was prepared.

In this rulemaking the agency is exempt from preparing a SBEIS when the proposed rules set or adjust fees or rates pursuant to legislative standards. This exemption is described in RCW 34.05.310(4)(f).

Is a cost-benefit analysis required under RCW 34.05.328?

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No: Please explain: In this rulemaking, the agency is exempt from conducting a CBA since the proposed rules set or adjust fees or rates pursuant to legislative standards described in RCW 34.05.328(5)(b)(vi).

Attachment A

CR102 2010 Rates

Hearings for 2010 Rates

October 27	1 p.m.	Tukwila Labor & Industries Office (Bob Malooly) 12806 Gateway Dr, Tukwila, WA 98168
October 28	10 a.m.	Labor & Industries Bldg (Bob Malooly) 7273 Linderson Way SW, Tumwater, WA 98501
October 28	10 a.m.	Vancouver Red Lion Quay (Mike Ratko) 100 Columbia St, Vancouver, WA 98660
October 29	1 p.m.	Bellingham Quality Inn (Mike Ratko) 100 East Kellogg Road, Bellingham, WA 98226
October 30	9 a.m.	Spokane Airport Ramada (Mike Ratko) Spokane International Airport, Spokane, WA 99219
October 30	2 p.m.	Hampton Inn Richland (Mike Ratko) 486 Bradley Blvd, Richland, WA 99352

Attachment B

CR 102 Chapter 296-17 WAC General Reporting Rules, Audit and Recordkeeping, Rates and Rating System for Washington Workers' Compensation Insurance

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

This proposal amends the following sections:

Experience modification	WAC 296-17-855
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