



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 10-10-106 ; 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: WAC 296-15-225 Self-insurance second injury fund assessment.

Chapter 296-15 WAC governs employers who are permitted to self-insure their workers' compensation obligation pursuant to Title 51 RCW. The department is proposing a change to WAC 296-15-225, which provides the calculations used to determine the individual self-insured employer's second injury fund experience rating and assessment rate.

Hearing location(s):
 Department of Labor & Industries
 Room S119
 7273 Linderson Way SW
 Tumwater, Washington 98501-5414

Date: September 8, 2010 Time: 1:30 pm

Submit written comments to:

Name: Margaret Conley
 Address: P.O. Box 44890
 Olympia, WA 98504-4890
 e-mail Mcgm235@Lni.wa.gov
 fax (360)902-6977 by (date) September 8, 2010, 5:00 pm

Assistance for persons with disabilities: Contact

Margaret Conley by August 25, 2010

TTY (800)833-6388 or (360)902-6723

Date of intended adoption: October 5, 2010
 (Note: This is NOT the effective date)

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

This proposal will modify WAC 296-15-225 *Self-insurance second injury fund assessment*. The current rule indicates that the department will experience rate 50 percent of the second injury fund assessment charged against individual self-insured employers. The modification will require the department to experience rate 100 percent of the second injury fund assessment. The change will affect the final assessment rate for each self-insurer, but it will not affect how their experience rating is calculated, or the overall amount collected from all self-insured employers for the second injury fund.

Reasons supporting proposal: The Washington Self-Insurers Association supports this change.

Statutory authority for adoption: RCW 51.44.040

Statute being implemented: RCW 51.44.040

Is rule necessary because of a:

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

DATE
August 4, 2010

NAME (type or print)
Judy Schurke

SIGNATURE

TITLE
Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: August 04, 2010
TIME: 8:17 AM

WSR 10-16-132

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..... AnnaLisa Gellermann	243 Israel Rd SE, Tumwater, WA 98501	(360) 902-6907
Implementation.... AnnaLisa Gellermann	243 Israel Rd SE, Tumwater, WA 98501	(360) 902-6907
Enforcement..... AnnaLisa Gellermann	243 Israel Rd SE, Tumwater, WA 98501	(360) 902-6907

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.

Chapter 296-15 WAC applies only to businesses that are certified to self-insure in Washington State. Per RCW 19.85.020 (1), a business must have fifty or fewer employees to qualify as a small business under the Regulatory Fairness Act. The department reviewed the number of worker hours reported by each employer currently certified to self-insure, and no self-insured business has fewer than fifty employees. Therefore, no small business economic impact statement is required.

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:

WAC 296-15-225 describes a new method of calculating individual employers' contributions to the preexisting self-insurance second injury fund assessment. Under the new methods an employer's assessment for the second injury fund might increase, decrease or stay the same. The rule does not change the methods of calculating the total amount of the assessment required to sustain the self-insured second injury fund. Therefore, this rule change does not represent an increased cost to the business community as a whole.