



PREPROPOSAL STATEMENT OF INQUIRY

CR-101 (June 2004)
(Implements RCW 34.05.310)
Do **NOT** use for expedited rule making

Agency: Department of Labor & Industries

Subject of possible rule making: Chapter 296-17 WAC General Reporting Rules, Audit and Recordkeeping, Rates and Rating System for Washington Workers' Compensation Insurance and Chapter 296-17A WAC Classifications for Washington Workers' Compensation Insurance

Statutes authorizing the agency to adopt rules on this subject:
RCW 51.16.035 and RCW 51.16.100

Reasons why rules on this subject may be needed and what they might accomplish:
Labor and Industries is required by law to establish and maintain a workers' compensation classification plan that classifies all occupations or industries within the state and sets basic rates of premium for these classifications that are distributed fairly (RCW 51.16.035). The department determined that certain rules are in need of revision.

We are proposing a revision to the reporting rule WAC 296-17-31021 "Units of exposure." The proposed rule change will clarify when and how employers of school faculty are allowed to report hours for workers' compensation insurance. Classifications WAC 296-17A-6103 "Schools" and WAC 296-17A-4906 "Institutions of higher learning" will be amended to reflect the new reporting instructions. The change also addresses new federal standards regarding overtime exempt and overtime eligible employees.

This change will align with existing practices in the business community. It will clarify, and make more flexible, the reporting requirements for all employers – but especially for schools and colleges. The change will ease the administrative burden on employers. There is no impact to employees.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:
No other state, local or federal agency regulates this subject.

Process for developing new rule (check all that apply):
 Negotiated rule making
 Pilot rule making
 Agency study
 Other (describe) Labor and Industries will solicit input from the business community by way of direct mailings, the internet, and/or informal public meetings. Labor and Industries will use this input to formulate proposed changes to the existing rules and advise customers of future rule making by direct mailing and/or the internet.

How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:
Labor and Industries will mail letters with ideas on possible rule changes to affected employers. Employers will be encouraged to participate in the process to share ideas and/or attend meetings. Employers can obtain information on our process at the Employer Services website (www.lni.wa.gov/insuranceservices/employerservices) and can submit comments electronically to smij235@lni.wa.gov or by calling (360) 902-4777 or by fax at (360) 902-4729.

DATE
August 3, 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 03, 2010
TIME: 9:02 AM
WSR 10-16-120