



# PROPOSED RULE MAKING

## CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Labor and Industries

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Preproposal Statement of Inquiry was filed as WSR 12-04-073 ; or | <input checked="" type="checkbox"/> Original Notice       |
| <input type="checkbox"/> Expedited Rule Making--Proposed notice was filed as WSR _____; or           | <input type="checkbox"/> Supplemental Notice to WSR _____ |
| <input type="checkbox"/> Proposal is exempt under RCW 34.05.310(4).                                  | <input type="checkbox"/> Continuance of WSR _____         |

Title of rule and other identifying information: (Describe Subject) Chapter 296-17 WAC General Reporting Rules, Audit and Recordkeeping, Rates and Rating System for Workers' Compensation Insurance and Chapter 296-17A Classifications for Washington Workers' Compensation Insurance.

Hearing location(s): Labor & Industries Building  
Room S119  
7273 Linderson Way SW  
Tumwater, WA 98501

Date: April 27, 2012 Time: 1:00 p.m.

Date of intended adoption: May 22, 2012  
(Note: This is NOT the effective date)

**Submit written comments to:**

Name: Doug Stewart  
Address: PO Box 44140  
Olympia WA 98504-4140

e-mail [doug.stewart@lni.wa.gov](mailto:doug.stewart@lni.wa.gov)  
fax (360)902-4799 by April 27, 2012, 5:00 p.m.

Assistance for persons with disabilities: Contact  
Office of Information & Assistance by April 25, 2012  
TTY (360)902-5797

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

See Attachment 1 for a list of amended rules.

This rulemaking is needed to maintain the integrity of the department's reporting rules and classification system in order to ensure fund solvency. The proposed changes will correct text and reference errors, format for better readability, update language to reflect technology changes, and make classification instructions and/or definitions clearer.

Statutory authority for adoption: RCW 51.04.020, RCW 51.16.035, and RCW 51.16.100

Statute being implemented: RCW 51.16.035

**Is rule necessary because of a:**

- |                         |                              |  |
|-------------------------|------------------------------|--|
| Federal Law?            | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| State Court Decision?   | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
- If yes, CITATION:

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: March 20, 2012**

**TIME: 9:06 AM**

**WSR 12-07-068**

**DATE**  
March 20, 2012

**NAME** (type or print)  
Judy Schurke

**SIGNATURE**

**TITLE**  
Director

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

**Name of proponent:** (person or organization) Department of Labor and Industries

- Private  
 Public  
 Governmental

**Name of agency personnel responsible for:**

| Name                            | Office Location | Phone          |
|---------------------------------|-----------------|----------------|
| Drafting..... Jo Anne Attwood   | Tumwater, WA    | (360) 902-4777 |
| Implementation.... Les Hargrave | Tumwater, WA    | (360) 902-4298 |
| Enforcement..... Beth Dupre     | 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.

The agency is exempt from conducting a small business economic impact statement since the proposed rules set or adjust fees or rates pursuant to legislative standards described in RCW 34.05.310(4)(f) and do not change current coverage options for employers and workers.

**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:

Since the proposed rules do not change any existing coverage options for employers or workers and adjust fees pursuant to legislative standards, they are exempted by RCW 34.05.328(5)(b)(vi) from the requirement for a cost-benefit analysis.

Department of Labor and Industries

(Purpose Statement)

Insurance Services Division

CR-102 Filing Date: March 20, 2012

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

This rulemaking is being proposed for housekeeping updates to a number of classifications and reporting rules in the workers' compensation program. The proposal is to correct text and reference errors, format for better readability, update language which has changed as a result of technology, and make classification instructions and/or definitions clearer.

- WAC 296-17-31002 General rule definitions  
Remove reference to 6302, which no longer exists.
- WAC 296-17-31006 Application process  
Update all language referring to master application (change Department of Licensing to Department of Revenue).
- WAC 296-17-310171 How to report hours for employees supporting multiple business operations  
Remove 6302, which no longer exists.
- WAC 296-17-31027 Temporary staffing services  
Correct reference "WAC 296-17-757 through 296-17-76213" to "296-17A-7104 through 296-17A-7122"; correct verbiage.
- WAC 296-17-35203(9)(b) Special reporting instruction  
Clarify a taxi recordkeeping requirement.
- WAC 296-17-920 Assessment for Supplemental pension fund  
Correct self-insurance WAC reference from WAC 296-15-060 to WAC 296-15-229.
- WAC 296-17A-0107 Utility line construction: Underground, N.O.C.  
Add clarifications for installation of lighting standards in various places.
- WAC 296-17A-0217 Concrete flatwork – construction and/or repair: N.O.C.  
Add language that concrete curbing may be reported in 0301 (landscaping).
- WAC 296-17A-0219 Construction specialty services  
Add clarifications for installation of lighting standards in various places.
- WAC 296-17A-0301 Landscape construction operations, N.O.C.  
Add language that concrete curbing may be reported in 0301 (landscaping).
- WAC 296-17A-0302 Brick, block, rock and slate work, N.O.C.  
Add clarifications in language of tile, floor covering, marble, etc.

Department of Labor and Industries

(Purpose Statement)

Insurance Services Division

CR-102 Filing Date: March 20, 2012

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- WAC 296-17A-0307 Furnaces and heating systems: Installation, service or repair  
Correct typo in a reference from 3402 to 3404.
  - WAC 296-17A-0502 Carpet, vinyl, tile and other floor or counter top covering: Installation or removal  
Add clarifications in language of tile, floor covering, marble, etc.
  - WAC 296-17A-0504 Waterproofing, N.O.C.: Buildings or structures  
Add manual and mechanized language clarification.
  - WAC 296-17A-0510 Wood frame building: Construction or alterations, N.O.C.  
Correct guideline to refer to 0516-02, rather than 0510-02.
  - WAC 296-17A-0513 Interior finish carpentry  
Add clarifications in language of tile, floor covering, marble, etc.
  - WAC 296-17A-0601 Electrical wiring in buildings; electrical wiring, N.O.C.; Permanent flood lighting: Installation  
Add clarifications for installation of lighting standards in various places.
  - WAC 296-17A-1005 Shake and/or shingle mills  
Correct reference from WAC 296-17-534 to WAC 296-17A-1002.
  - WAC 296-17A-1103 Top soil, humus, peat and beauty bark dealers – yard operations  
Clarify language regarding excluded activities.
  - WAC 296-17A-1501 Community action organizations – all other employees N.O.C.  
Add clarification excluding businesses that provide only one type of service, which is to be reported in the applicable classification for that service.
  - WAC 296-17A-2102 Recycle, collection and receiving stations; rages, bottles, paper and metal container dealers, N.O.C.  
Add “computer recycle” to language.
  - WAC 296-17A-2907 Wood cabinet, countertop, and fixture: Manufacturing, modifying or assembly  
Add clarifications in language of tile, floor covering, marble, etc.
  - WAC 296-17A-3104 Soapstone or soapstone products: Manufacturing; marble cutting and polishing; slate milling; stone cutting or polishing, N.O.C.  
Add clarifications in language of tile, floor covering, marble, etc.
  - WAC 296-17A-3406 Automobile or truck – detailing by contractor; glass tinting; windshield repair  
Add “or installation” to list of exclusions.

Department of Labor and Industries

(Purpose Statement)

Insurance Services Division

CR-102 Filing Date: March 20, 2012

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- WAC 296-17A-3411 Automobile: Service centers, repair shops or garages  
Add tire chain installation/roadside assistance.
  - WAC 296-17A-3509 Statuary and ornament: Manufacturing  
Add clarifications in language of tile, floor covering, marble, etc.
  - WAC 296-17A-3602 Dental laboratories  
Add “Kiosks in mall that makes custom dental molds” to subclassification 05.
  - WAC 296-17A-3905 Restaurants, N.O.C.  
Add language to subclassification 00, “products made onsite by the restaurant for purchase by their customers are included.”
  - WAC 296-17A-4107 Business machine: Service, adjustment, repair, and installation, N.O.C.  
Add “computer recycle.”
  - WAC 296-17A-4904 Clerical office: Insurance companies, agents or brokers  
Remove Title 48 references which are no longer correct.
  - WAC 296-17A-4905 Hotels or motels.  
Clarify language regarding food service.
  - WAC 296-17A-5301 Management consultant services, N.O.C.  
Add exception excluding businesses that do only computer consulting for others, which is to be reported in 5302.
  - WAC 296-17A-5308 Community action organizations – Professional services and administrative employees  
Add language “excludes businesses that provide only one type of service which is to be reported in the applicable classification.”
  - WAC 296-17A-6103 Day nurseries or child day care centers; Officials for amateur athletic or cultural events, N.O.C.  
Update language in daycare subclassification 06 to better distinguish activities between 6103 and 6104. Remove from 6103-12 teachers and clerical office.
  - WAC 296-17A-6104 Day nurseries or child day care centers – all other employments, N.O.C.  
Update language in daycare subclassification 06 to better distinguish activities between 6103 and 6104.
  - WAC 296-17A-6303 Insurance sales personnel and claims adjusters  
Remove Title 48 references which are no longer correct. Add activities performed in a showroom as this is noted in the list of standard exception classes.

Department of Labor and Industries

(Purpose Statement)

Insurance Services Division

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- WAC 296-17A-6406 Retail stores, N.O.C.  
Remove “quickprint” from classification.
- WAC 296-17A-6512 Home care services/home care quality authority (HCQA)  
Correct HCQA to Home Care Referral Registry.
- WAC 296-17A-6708 Professional motor vehicle or watercraft race drivers  
Add cross reference to the race driver reporting requirements.
- WAC 296-17A-7107 Temporary staffing services: Bakery, restaurant, or food sundry preparation; musicians or entertainers  
Correct and clarify some language concerning which classifications to use for certain activities.
- WAC 296-17A-7109 Temporary staffing services: Electronic, precision, and scientific equipment assembly; nonfield technician services  
Correct and clarify some language concerning which classifications to use for certain activities.
- WAC 296-17A-7112 Temporary staffing services: Agricultural operations  
Correct and clarify some language concerning which classifications to use for certain activities.
- WAC 296-17A-7113 Temporary staffing services: Janitorial, plant or facility supplemental maintenance and grounds keeping services  
Correct and clarify some language concerning which classifications to use for certain activities.
- WAC 296-17A-7115 Temporary staffing services: Cannery, bottling or food processing operations  
Correct and clarify some language concerning which classifications to use for certain activities.
- WAC 296-17A-7117 Temporary staffing services: Manufacturing operations, N.O.C.; specialty trades  
Correct and clarify some language concerning which classifications to use for certain activities.
- WAC 296-17A-7202 Real estate agencies  
Update real estate title references due to industry broker/name changes.