



# PROPOSED RULE MAKING

## CR-102 (June 2012)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Labor and Industries

- |                                                                                                      |                                                           |
|------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| <input checked="" type="checkbox"/> Preproposal Statement of Inquiry was filed as WSR 12-18-072 ; 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) or 34.05.330(1).                  | <input type="checkbox"/> Continuance of WSR _____         |

Title of rule and other identifying information: 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.

Hearing location(s): Department of Labor and Industries  
7273 Linderson Way SW, Room S117  
Tumwater, WA 98501-5414

Date: January 22, 2013 Time: 10:00 a.m.

Date of intended adoption: April 01, 2013  
(Note: This is NOT the effective date)

**Submit written comments to:**

Name: Richard Bredeson  
Address: PO Box 44148  
Olympia, WA 98504-4148

e-mail [Richard.Bredeson@Lni.wa.gov](mailto:Richard.Bredeson@Lni.wa.gov)  
fax (360) 902-4985 by 5 p.m. on January 23, 2013

Assistance for persons with disabilities: Contact  
Office of Information Assistance by January 17, 2013  
TTY (360) 902-5797

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

A department study identified the need for a single classification that appropriately rates product demonstrator services according to the industry's level of hazard. The proposed subclassification is a special exception available to product demonstrator services, manufacturers, and wholesalers if hiring product demonstrators with no other exposure to their business' operations. At today's rates, the base rate for product demonstrators would be about 11 cents per hour higher for firms currently reporting product demonstrators in classification 6303 and 25 cents per hour lower for any firm currently reporting product demonstrators in classification 7106.

**Reasons supporting proposal:**

This proposal will ensure consistent treatment and an appropriate rate for all product demonstration services and other types of businesses employing product demonstrators.

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: November 06, 2012**

**TIME: 9:27 AM**

**WSR 12-22-055**

DATE  
November 06, 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:**

N/A

**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.....      | Richard Bredeson | Tumwater, WA    | (360) 902-4985 |
| Implementation.... | Les Hargrave     | Tumwater, WA    | (360) 902-4298 |
| Enforcement.....   | Victoria Kennedy | Tumwater, WA    | (360) 902-4997 |

**Has a small business economic impact statement been prepared under chapter 19.85 RCW or has a school district fiscal impact statement been prepared under section 1, chapter 210, Laws of 2012?**

Yes. Attach copy of small business economic impact statement or school district fiscal 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.