



# RULE-MAKING ORDER

**CR-103P (May 2009)**  
**(Implements RCW 34.05.360)**

**Agency:** Department of Labor and Industries

**Permanent Rule Only**

**Effective date of rule:**

**Permanent Rules**

- 31 days after filing.
- Other (specify) January 1, 2014 (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

**Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?**

- Yes
  - No
- If Yes, explain:

**Purpose:**

This rule 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 2014. Classification base rates are being amended for updated loss and payroll experience, and to result in a 2.7 percent overall increase in premium rates for 2014.

We are adding a new section describing the logger safety initiative supported by Engrossed Substitute Senate Bill 5744 passed by the 2013 Legislature and signed by the Governor. The law requires the department to report to the legislature on the development and implementation of the logger safety initiative by December 31, 2013.

**Citation of existing rules affected by this order:**

- Repealed: See Attachment B
- Amended: See Attachment B
- Suspended: See Attachment B

**Statutory authority for adoption:** : RCW 51.16.035 (base rates), RCW 51.32.073 (supplemental pension), RCW 51.18.010 (retrospective rating), and RCW 51.04.020(1) (General Authority)

**Other authority :**

**PERMANENT RULE (Including Expedited Rule Making)**

Adopted under notice filed as WSR 13-19-072 on September 17, 2013.

Describe any changes other than editing from proposed to adopted version:

This adoption corrects an error in the proposed rulemaking in WAC 296-17-885 Table III Expected Loss Rates and Primary Ratios. The values printed in the proposal for classifications 1006 Land Surveying Services NOC and 4901 Consulting Engineering Architectural Services NOC were incorrect and have been corrected.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name: \_\_\_\_\_ phone ( ) \_\_\_\_\_  
 Address: \_\_\_\_\_ fax ( ) \_\_\_\_\_  
 e-mail \_\_\_\_\_

**Date adopted:** November 30, 2013

**NAME (TYPE OR PRINT)**

Joel Sacks

**SIGNATURE**

**TITLE**

Director

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: November 30, 2013**

**TIME: 9:44 AM**

**WSR 13-24-073**

**Note: If any category is left blank, it will be calculated as zero.  
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.  
A section may be counted in more than one category.**

**The number of sections adopted in order to comply with:**

<b>Federal statute:</b>	New	_____	Amended	_____	Repealed	_____
<b>Federal rules or standards:</b>	New	_____	Amended	_____	Repealed	_____
<b>Recently enacted state statutes:</b>	New	_____	Amended	_____	Repealed	_____

**The number of sections adopted at the request of a nongovernmental entity:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted in the agency's own initiative:**

New	<u>1</u>	Amended	<u>12</u>	Repealed	<u>1</u>
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**The number of sections adopted in order to clarify, streamline, or reform agency procedures:**

New	_____	Amended	_____	Repealed	_____
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**The number of sections adopted using:**

<b>Negotiated rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Pilot rule making:</b>	New	_____	Amended	_____	Repealed	_____
<b>Other alternative rule making:</b>	New	<u>1</u>	Amended	<u>12</u>	Repealed	<u>1</u>

## **Attachment B: 2014 Workers' Compensation Premium Rates**

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

### **Chapter 296-17B WAC, Retrospective Rating for Workers' Compensation Insurance**

#### **Amend:**

WAC 296-17-855	Experience modification
WAC 296-17-875	Table I
WAC 296-17-880	Table II
WAC 296-17-885	Table III
WAC 296-17-890	Table IV
WAC 296-17-895	Industrial insurance accident fund base rates and medical aid base rates by class of industry
WAC 296-17-89502	Industrial insurance accident fund, medical aid and supplemental pension rates by class of industry for nonhourly rated classifications
WAC 296-17-89507	Horse racing industry industrial insurance accident fund, medical aid fund, supplemental pension fund and composite rate by class
WAC 296-17-901	Risk classification hazard group table
WAC 296-17-920	Assessment for supplemental pension fund
WAC 296-17B-540	Determining loss incurred for each claim
WAC 296-17B-900	Retrospective rating plans standard premium size ranges

#### **New:**

WAC 296-17-940 Logging safety initiative

#### **Repeal:**

WAC 296-17-89504 Horse racing rates