



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, 2015 (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:

Reclassifying tree care and pruning services N.O.C. from a subclassification of classification 0101 to an independently rated classification, 0106-00, to achieve more equitable rating and homogeneous classifications for all of the industries currently included in classification 0101. An agency study concluded that the hazards for tree care and pruning services were distinct from other industries in classification 0101, and that loss and exposure data did not support combining these operations for rating purposes.

Citation of existing rules affected by this order:

Repealed: NA
Amended: See Attachment 1
Suspended: NA

Statutory authority for adoption: RCW 51.16.035 (directs the department to classify all businesses by degree of hazard in accordance with recognized insurance principles)

Other authority : WAC 296-17-31029 (outlines our insurance principles for classifying)

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 14-19-085 on September 16, 2014.

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

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 25, 2014

NAME (TYPE OR PRINT)

Joel Sacks

SIGNATURE

TITLE

Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: November 25, 2014

TIME: 9:04 AM

WSR 14-24-049

**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:

Federal statute:	New	_____	Amended	_____	Repealed	_____
Federal rules or standards:	New	_____	Amended	_____	Repealed	_____
Recently enacted state statutes:	New	_____	Amended	_____	Repealed	_____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>4</u>	Repealed	_____
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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:

Negotiated rule making:	New	_____	Amended	_____	Repealed	_____
Pilot rule making:	New	_____	Amended	_____	Repealed	_____
Other alternative rule making:	New	<u>1</u>	Amended	<u>4</u>	Repealed	_____

Attachment 1

2015 Tree services

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

	WAC Numbers	WAC description	What is changing	Reason for change
1.	296-17-31013	Building construction	Updated list of construction classifications to include the new tree care and pruning classification 0106. Classification 0101, from where the tree services subclassification is being removed, is a construction classification, so this will not be a change for customers or stakeholders.	Tree removal and upkeep generally requires contractor registration and so businesses assigned this classification are entitled to be classified according to the building construction rules. This requires updating the list of classifications that apply to the construction rules with the new classification for tree care and pruning services.
2.	296-17A-0101-36	Tree care and pruning services, N.O.C.	Remove this subclassification from classification 0101.	Tree care and pruning services are being taken out of classification 0101, because their risks and hazards are different than those for other businesses reporting in classification 0101.
3.	296-17A-0106	Tree care and pruning services, N.O.C.	New section; reassign tree care and pruning services to classification 0106-00.	Tree care and pruning services are being taken out of classification 0101, because their risks and hazards are different than those for other businesses reporting in classification 0101 or any of the other classifications.
4.	296-17A-0308-01	Lawn care maintenance	Update language to clarify that excluded tree services operations are reported in classification 0106 and not 0101.	This will help ensure the new classification for tree care and pruning services is applied consistently.
5.	296-17A-0509	New construction or extension of lines - Including poles or towers; erection, maintenance or repair by contractor; 00 - Overhead telephone or telegraph lines: 01 - Overhead television lines: 02 - Overhead electric transmission lines: 03 - Overhead transmission lines, N.O.C.	Update language to clarify that excluded tree services operations are reported in classification 0106 and not 0101.	This will help ensure the new classification for tree care and pruning services is applied consistently.