



# PREPROPOSAL STATEMENT OF INQUIRY

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

**Agency:** Department of Labor and Industries

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

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

**Reasons why rules on this subject may be needed and what they might accomplish:** WAC Chapters 296-17 and 296-17A establish how employers are required to report and pay industrial insurance premiums.

The Department intends to review these chapters and make revisions to:

- Correct typographical and other errors (such as invalid telephone numbers and out-of-date references),
- Revise wording and formatting to make the rules easier to understand and apply, and
- Incorporate and formalize existing agency practices (such as expressly including in a risk classification employment that the Department currently includes by interpretation or analogy).

The purpose of this rulemaking is not to make substantive changes to how the Department classifies employment, but to review and revise the classification plan to ensure it is clear and understandable. These changes will not change the way we calculate employer rates, our reporting requirements, or how we classify businesses.

As part of this rulemaking, the Department also intends to review these chapters as required by SSB 5679 (Chapter 30, 2013 Laws 2<sup>nd</sup> Special Session) to make changes where possible to reduce the regulatory burden on employers insured with the State Fund.

**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 the Internet.

Labor and Industries will use input to formulate proposed changes to the existing rules and advise customers of future rule making by the Internet.

**How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:**

(List names, addresses, telephone, fax numbers, and e-mail of persons to contact; describe meetings, other exchanges of information, etc.)

Employers can obtain information on our rulemaking process at <http://www.lni.wa.gov/LawRule/ruleProcess.asp> and can submit comments electronically to [JoAnne.Attwood@Lni.wa.gov](mailto:JoAnne.Attwood@Lni.wa.gov) or by calling (360) 902-4777, or by fax at (360) 902-5830.

**DATE**  
January 20, 2015

**NAME (TYPE OR PRINT)**  
Joel Sacks

**SIGNATURE**

**TITLE**  
Director

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STATE OF WASHINGTON  
FILED

**DATE: January 20, 2015**

**TIME: 9:25 AM**

**WSR 15-03-081**