



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) 7/1/2016 (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: See Attachment 1 for a list of amended rules.

The Department reviewed these chapters and made 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- Correct typographical and other errors (such as invalid telephone numbers and out-of-date references),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).
- Revise wording in Classification 7204, Preferred workers, to align with Preferred Worker (PW) Program changes made as a result of SHB 1496 enacted July 24, 2015.

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 reviewed these chapters as required by SSB 5679 (Chapter 30, 2013 Laws 2nd Special Session) to make changes where possible to reduce the regulatory burden on employers insured with the State Fund.

Citation of existing rules affected by this order:

Repealed: None
 Amended: See Attachment 1
 Suspended: None

Statutory authority for adoption: RCW 51.04.020 and RCW 51.16.035

Other authority :

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as **WSR 16-07-119, March 22, 2016.**
 Describe any changes other than editing from proposed to adopted version: None

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: May 17, 2016

NAME (TYPE OR PRINT)

Joel Sacks

SIGNATURE

TITLE

Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
 STATE OF WASHINGTON
 FILED

DATE: May 17, 2016
TIME: 10:36 AM

WSR 16-11-082

**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	<u>1</u>	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	_____	Amended	<u>13</u>	Repealed	_____
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	_____	Amended	<u>13</u>	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	_____	Amended	_____	Repealed	_____

Attachment 1

2016 Miscellaneous classification and rating rule changes

WAC Chapter 296-17A, Classifications for Washington Workers' Compensation Insurance.

	WAC Numbers	WAC description	What is changing	Reason for change
1.	296-17A-0504-21 296-17A-0512-00 296-17A-0512-01 296-17A-0521-00 296-17A-4305-20	Painting: Exterior buildings or structures, N.O.C.; Cleaning: Interior/exterior of oil or gas storage tanks, beer vats, and sewage treatment tanks Insulation or sound proofing materials: Installation, N.O.C. Asbestos abatement Painting building interiors; wallpaper hanging/removal Hazardous waste and toxic material processing or handling, N.O.C.	Add the following reference for asbestos information: <i>Special note: See asbestos certification and training requirements at www.lni.wa.gov</i>	Safety and Ease of Doing Business. Staff from DOSH requested we reference requirements for handling asbestos in our classification rules. Asbestos handling is allowed in several classifications and DOSH staff want to make sure customers are thinking of the safety requirements also.
2.	296-17A-4808-01	Farms: Diversified field crops – Not for fresh market	Correcting reference from 2102, Warehouse general merchandise, to 2104, Vegetable packing – Fresh.	The wrong classification was referenced in the July 2015 re-write of the classification.
3.	296-17A-4814 296-17A-4815 296-17A-4816	Farms – internship program	Remove outdated references to “governing classification” and WAC 296-17-310171.	References are no longer correct due to rule language changes made in July 2014 that repealed WAC 296-17-310171, which removed the practice of identifying the governing classification.
4.	296-17A-6408 296-17A-6409	Dealers: Farm machinery/implement Dealers: Service/repair garages, machinery, equipment, N.O.C.	Add note that sales may be reported in 6303 if businesses have sales representatives with no exposure to machinery and who meet criteria for WAC 296-17-31018 Exception classifications.	Ease of doing business. The scopes language for 6408 and 6409 was not clear about whether sales activities in 6408 and 6409 were allowed to be reported in 6303. Staff requested clarification due to the difficulty understanding the intent of the language. This will

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				reduce confusion for external customers and allow staff to provide consistent guidance to customers.
5.	296-17A-6902-03	Logging railroad – construction or maintenance	Correct classification reference from WAC 296-17-675 to WAC 296-17A-5206.	This reference was overlooked when classifications were re-named and put into a new Chapter WAC 296-17A in 2006.
6.	296-17A-6907	Household furnishings – moving and storage	Add exclusion to 6907 for modular work stations and office furniture, which are to be reported in 2002-13.	<p>Ease of doing business. Currently, the exclusions in 6907 do not reference moving/assembly of office furniture and modular work stations - 6907 exclusions only say that non-household furnishings go in the warehouse classification. Classification 2002 is not for warehouses; subclassification 2002-13 is freight handling, and already includes office furniture and modular work stations.</p> <p>Staff requested clarification due to the difficulty understanding the intent of the language. This will reduce confusion for external customers and allow staff to provide consistent guidance to customers.</p>
7.	296-17A-7204	Preferred Workers	Delete descriptions of eligibility and program details; add reference to Preferred Worker WAC 296-16; specify that all jobs are allowed in classification 7204.	<p>SHB 1496, enacted July 24, 2015, allows employers of injury to employ their injured workers as preferred workers, if the employer and the injured worker qualify for the Preferred Worker Program.</p> <p>7204 currently outlines eligibility and program details of the PW program. By removing the WAC 296-16 details, adding a reference to WAC 296-16, and specifying that all jobs are allowed in classification 7204, we are minimizing potential for future classification inconsistencies and required updates if changes happen within the preferred worker program.</p>