



# PROPOSED RULE MAKING

## CR-102 (December 2017) (Implements RCW 34.05.320)

Do NOT use for expedited rule making

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FILED

DATE: April 02, 2019

TIME: 10:04 AM

WSR 19-08-077

**Agency:** Department of Labor and Industries

**Original Notice**

**Supplemental Notice to WSR** \_\_\_\_\_

**Continuance of WSR** \_\_\_\_\_

**Preproposal Statement of Inquiry was filed as WSR** 19-04-093 ; or

**Expedited Rule Making--Proposed notice was filed as WSR** \_\_\_\_\_; or

**Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or**

**Proposal is exempt under RCW** \_\_\_\_\_.

**Title of rule and other identifying information:** (describe subject) 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):**

**Date:**                      **Time:**                      **Location:** (be specific)                      **Comment:**

May 9, 2019	10:00 a.m.	L&I Headquarters, Room S117 7273 Linderson Way SW Tumwater, WA 98501	
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**Date of intended adoption:** May 21, 2019 (Note: This is **NOT** the **effective** date)

**Submit written comments to:**

Name: Chris Alcatraz

Address: PO Box 44148

Olympia, WA 98504-4148

Email: Christina.Alcatraz@Lni.wa.gov

Fax: 360 902-4988

Other:

By (date) May 9, 2019, 5:00 p.m.

**Assistance for persons with disabilities:**

Contact Chris Alcatraz

Phone: 360 902-4985

Fax: 360 902-4988

TTY: 360 902-5797

Email: Christina.Alcatraz@Lni.wa.gov

Other:

By (date) May 6, 2019

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:** The department reviewed these chapters and made revisions to:

- Update and clarify information and references in multiple classifications in general, and in classifications impacted by the 2018 stores rulemaking;
- Correct errors in classification information that occurred in a past rulemaking;
- Correct typographical errors; and
- Implement changes required by Chapter 278, Laws of 2018 (SB 6199) passed by the legislature in 2018.

The purpose of this rulemaking is not to make substantive changes to how employers are classified, but review and revise the reporting and classification rules to ensure they are accurate, clear and understandable. These amendments will not impact employer reporting or rates.

Amendments to:

WAC 296-17-31001 Introduction.

WAC 296-17-31006 Application process.

WAC 296-17-31007 Owner/officer coverage and coverage for exempt employments.

WAC 296-17A-2009, WAC 296-17A-2009-00 Building material dealers and lumber yards

WAC 296-17A-2009, WAC 296-17A-2009-01 Electrical supply dealers

WAC 296-17A-2009, WAC 296-17A-2009-04 Pump, plumbing, irrigation, and pipe supply dealers

WAC 296-17A-2009, WAC 296-17A-2009-06 HVAC supply dealers

WAC 296-17A-4502, WAC 296-17A-4502 Radio, television, recording, video production, and cable service providers; all other employees

WAC 296-17A-4504, WAC 296-17A-4504 Theatres

WAC 296-17A-4903, WAC 296-17A-4903-09 Inspection for insurance or valuation

WAC 296-17A-6303, WAC 296-17A-6303 Sales personnel with outside duties, messengers, insurance producers or surplus line brokers, social workers and dieticians employed by a home health care service

WAC 296-17A-6305, WAC 296-17A-6305-00 Stores: Clothing – Retail

WAC 296-17A-6305, WAC 296-17A-6305-04 Stores: Western wear, including tack - Retail

WAC 296-17A-6406, WAC 296-17A-6406-00 Retail sales and inventory services, N.O.C.

WAC 296-17A-6406, WAC 296-17A-6406-17 Variety and general stores

WAC 296-17A-6407, WAC 296-17A-6407 Wholesale stores, N.O.C. - Including combined wholesale and retail store operations

WAC 296-17A-6411, WAC 296-17A-6411-19 Coin, stamp, rare metals, and collectible cards

WAC 296-17A-6411, WAC 296-17A-6411-20 Book, videos, electronic games, newspapers, magazines, and comic books

WAC 296-17A-6511, WAC 296-17A-6511 Chore services/home care assistants

WAC 296-17A-6512, WAC 296-17A-6512 Home care services/home care referral registry (HCRR)

WAC 296-17A-6603, WAC 296-17A-6603-01 Auction or estate sales: Antiques or general household furnishings

WAC 296-17A-6605, WAC 296-17A-6605-01 Musicians, N.O.C.

WAC 296-17A-6605, WAC 296-17A-6605-03 Players, entertainers and musicians hired by a theatre, N.O.C.

WAC 296-17A-6608, WAC 296-17A-6608 Motion picture production

**Reasons supporting proposal:** As part of this rulemaking, the department also reviewed these chapters for need, clarity, and consistency 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.

**Statutory authority for adoption:** RCW 51.04.020 and RCW 51.16.035

**Statute being implemented:** RCW 51.16.035

**Is rule necessary because of a:**

Federal Law?

Yes  No

Federal Court Decision?

Yes  No

State Court Decision?

Yes  No

If yes, CITATION:

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

**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:	Chris Alcatraz	Tumwater, WA	360 902-4985
Implementation:	Keith Bingham	Tumwater, WA	360 902-4826
Enforcement:	Victoria Kennedy	Tumwater, WA	360 902-4997

**Is a school district fiscal impact statement required under RCW 28A.305.135?**  Yes  No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:  
Address:  
Phone:  
Fax:  
TTY:  
Email:  
Other:

**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:  
TTY:  
Email:  
Other:

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.

**Regulatory Fairness Act Cost Considerations for a Small Business Economic Impact Statement:**

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34.05.313 before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was adopted by a referendum.

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply:

<input type="checkbox"/> RCW 34.05.310 (4)(b) (Internal government operations)	<input type="checkbox"/> RCW 34.05.310 (4)(e) (Dictated by statute)
<input type="checkbox"/> RCW 34.05.310 (4)(c) (Incorporation by reference)	<input checked="" type="checkbox"/> RCW 34.05.310 (4)(f) (Set or adjust fees)
<input type="checkbox"/> RCW 34.05.310 (4)(d) (Correct or clarify language)	<input type="checkbox"/> RCW 34.05.310 (4)(g) ((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit)

This rule proposal, or portions of the proposal, is exempt under RCW \_\_\_\_\_.

Explanation of exemptions, if necessary:

**COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES**

If the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

No Briefly summarize the agency's analysis showing how costs were calculated. \_\_\_\_\_

Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses, and a small business economic impact statement is required. Insert statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name:  
Address:  
Phone:  
Fax:  
TTY:  
Email:  
Other:

**Date:** April 2, 2019

**Name:** Joel Sacks

**Title:** Director

**Signature:**

