S-3860.1			

## SENATE BILL 6772

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## State of Washington 57th Legislature

2002 Regular Session

By Senators Prentice, Costa, Fairley, Keiser and Haugen

Read first time 02/04/2002. Referred to Committee on Labor, Commerce & Financial Institutions.

- 1 AN ACT Relating to the department of labor and industries'
- 2 retrospective rating program; and amending RCW 51.18.010.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 51.18.010 and 1999 c 7 s 2 are each amended to read as 5 follows:
- 6 (1) The department shall offer a retrospective rating plan to 7 insure the workers' compensation obligations of employers and groups of 8 employers. The plan is to be made available to any employer or group 9 of employers who:
- 10 (a) Voluntarily elects to participate in the plan; and
- 11 (b) Meets the requirements of this chapter and rules adopted by the 12 department under subsection (2) of this section.
- 13 (2) The retrospective rating plan shall be consistent with 14 recognized insurance principles and shall be administered according to 15 rules adopted by the department. Rules adopted under this section 16 shall encourage broad participation by qualified employers and sponsors 17 of retrospective rating groups.
- 18 (3) Each retrospective rating group approved by the department 19 under this chapter shall: (a) Select a coverage period ((and)) that

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- 1 may be renewed at the end of each coverage period; and (b) distribute
- 2 at least ninety percent of any retrospective rating group refund to
- 3 members of the group. For the purposes of this section, "coverage
- 4 period" means a twelve-month period provided by the department by rule.

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