

**WAC 296-17-35204 Penalty assessments for employers who fail to register under Title 51 RCW.** (1) Any employer who has failed to secure payment of compensation for their workers covered under this title will be liable, subject to RCW 51.48.010, to a maximum penalty in a sum of one thousand dollars or in a sum double the amount of premiums due for the four quarters prior to securing payment of compensation under this title, whichever is greater, for the benefit of the medical aid fund. Beginning July 1, 2023, this penalty will be adjusted for inflation every three years based on the consumer price index (Seattle, Washington area for urban wage earners and clerical workers, all items compiled by the Bureau of Labor Statistics of the United States Department of Labor) and posted to the L&I website.

(2) If an injury or occupational disease is sustained by a worker of an employer who has failed to secure payment of compensation under this title, that employer may also be liable for the cost of such an injury or occupational disease at the time the claim for benefits is accepted by the department.

For the purposes of this section only the cost of such claim will be determined as follows:

The case reserve value shall be determined by the nature of the injury or occupational disease, the part of the body affected and other factors which will impact the cost including, but not limited to, age, education and work experience. The case reserve value will include actual costs paid to date and estimated future claim costs. No further adjustments or evaluations of the cost of the claim will be made for the purposes of this subsection after assessment for the cost of an injury or occupational disease is made by the department.

[Statutory Authority: RCW 51.04.020 and 51.16.035. WSR 20-20-108, § 296-17-35204, filed 10/6/20, effective 1/1/21. Statutory Authority: RCW 51.16.035. WSR 98-18-042, § 296-17-35204, filed 8/28/98, effective 10/1/98.]