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HOUSE BILL 2720

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State of Washington

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By Representatives R. Meyers, Paris, Anderson, Hargrove, Miller, H. Sommers, Winsley, Jones, Basich, J. Kohl, Belcher and Orr

Read first time 01/24/92. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to longshore and harbor workers' compensation act  
2 insurance; amending RCW 48.32.020; adding new sections to chapter 48.22  
3 RCW; and declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 48.32.020 and 1987 c 185 s 29 are each amended to read  
6 as follows:

7 This chapter shall apply to all kinds of direct insurance, except  
8 life, title, surety, disability, credit, mortgage guaranty, workers'  
9 compensation included in the state of Washington industrial insurance  
10 fund defined in RCW 51.08.175, and ocean marine insurance. This  
11 chapter shall apply to workers' compensation insurance only if the  
12 applicable order of liquidation is adjudicated on or after July 1,  
13 1992.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 48.22 RCW  
2 to read as follows:

3        The commissioner shall, before July 1, 1992, adopt rules  
4 establishing a reasonable plan to insure that workers' compensation  
5 coverage as required by the United States Longshoreman's and Harbor  
6 Worker's Compensation Act (33 U.S.C. Sec. 901-950) and maritime  
7 employer's liability coverage incidental to such workers' compensation  
8 coverage is available to those unable to purchase it through the normal  
9 insurance market. This plan shall require the participation of all  
10 authorized insurers writing primary and excess workers' compensation  
11 insurance or reinsurance and the Washington state industrial insurance  
12 fund as defined in RCW 51.08.175 in amounts proportional to the  
13 premiums written by each of these entities. These rules shall require  
14 that the plan use generally accepted actuarial principles for rate  
15 making. Any applicant for this insurance, any person insured under  
16 this plan, any insurer, or the Washington state industrial insurance  
17 fund affected by any ruling or decision of the manager or committee  
18 designated to operate the plan may appeal to the commissioner for  
19 resolution of any dispute.

20        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 48.22 RCW  
21 to read as follows:

22        The commissioner shall, before April 15, 1992, appoint a committee  
23 to provide assistance in the drafting of the rules required by section  
24 2 of this act. Subsequent to July 1, 1992, this committee shall assist  
25 the commissioner in overseeing the operation of the plan. This  
26 committee shall consist of not less than eight members. The  
27 commissioner and the director of the department of labor and industries  
28 shall be members. The remaining members shall be selected to insure  
29 equal representation of authorized insurers writing primary or excess

1 workers' compensation insurance, insurance providers, organized labor,  
2 and maritime employees.

3 NEW SECTION. **Sec. 4.** Sections 2 and 3 of this act are  
4 necessary for the immediate preservation of the public peace, health,  
5 or safety, or support of the state government and its existing public  
6 institutions, and shall take effect immediately.