

**Chapter 192-550 WAC  
PENALTIES AND AUDITS**

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**WAC**

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**WAC 192-550-010 What happens if an employer fails to submit required reports?** (1) An employer that willfully fails to file a complete and timely report under WAC 192-540-030 through 192-540-050 is subject to penalties under RCW 50A.45.010.

(2) The department will send a warning letter for an employer's first incomplete or untimely report. For a second or subsequent occurrence within five years of the date of the last occurrence, the department will assess penalties under the following schedule:

- (a) 2nd occurrence: \$75.00
- (b) 3rd occurrence: \$150.00
- (c) 4th and subsequent occurrences: \$250.00

(3) After five years without a warning letter or occurrence, prior occurrences will not count and the employer shall receive a warning letter instead of a penalty on the next occurrence.

[Statutory Authority: RCW 50A.05.60 [50A.05.060] and 50A.25.030. WSR 20-01-087, § 192-550-010, filed 12/12/19, effective 1/12/20. Statutory Authority: RCW 50A.04.215. WSR 18-22-080, § 192-550-010, filed 11/2/18, effective 12/3/18.]

**WAC 192-550-020 What happens if an employer willfully fails to remit required payments?** (1) An employer that willfully fails to remit payment for premiums in full when due is subject to penalties under RCW 50A.45.010 in addition to accruing interest under WAC 192-550-030.

(2) The total amount of the penalty will be equal to the entire balance of premiums not remitted and any interest accrued on those delinquent premiums.

**Example:** If an employer owes \$300 in premium payments and \$20 in interest, the penalty for willfully failing to remit payment will equal \$320, for a sum total due and owing of \$640.

[Statutory Authority: RCW 50A.05.60 [50A.05.060] and 50A.25.030. WSR 20-01-087, § 192-550-020, filed 12/12/19, effective 1/12/20. Statutory Authority: RCW 50A.04.215. WSR 18-22-080, § 192-550-020, filed 11/2/18, effective 12/3/18.]

**WAC 192-550-030 How will the department calculate interest on delinquent payments?** (1) When an employer fails to remit payment by the due date, the remaining unpaid balance shall accrue interest at a rate of one percent, compounded monthly, until payment is received in full.

(2) The department will issue a notice to employers whose payments are delinquent. The notice will include the total amount due for all applicable premiums, penalties, and interest under Title 50A RCW.

[Statutory Authority: RCW 50A.04.215. WSR 18-22-080, § 192-550-030, filed 11/2/18, effective 12/3/18.]

**WAC 192-550-040 Can employer interest be waived?** (1) An employer may submit to the department an interest waiver request that includes all relevant facts, including all available proof, as to why it is requesting a waiver under RCW 50A.45.025.

(2) At its discretion, the department may waive interest if it finds that the interest was caused by the department's own error or the department's inability to decide the issue.

[Statutory Authority: RCW 50A.05.60 [50A.05.060] and 50A.25.030. WSR 20-01-087, § 192-550-040, filed 12/12/19, effective 1/12/20. Statutory Authority: RCW 50A.04.215. WSR 18-22-080, § 192-550-040, filed 11/2/18, effective 12/3/18.]

**WAC 192-550-050 Audit procedures.** (1) The department may inspect and audit employer files and records as needed to ensure compliance with Title 50A RCW. Audits may take place at the discretion of the department.

(2) Employers must provide all requested information to the department within ten business days or a time frame agreed to by the department.

(3) If the department discovers violations for the time frame being audited, the department may expand the audit to include prior and subsequent quarters, up to the most recently completed calendar quarter.

[Statutory Authority: RCW 50A.04.215. WSR 18-22-080, § 192-550-050, filed 11/2/18, effective 12/3/18.]

**WAC 192-550-080 What happens if an employer fails to provide requested information to the department for an audit?** Employers must provide all requested documentation as it pertains to the paid family and medical leave program. If an employer fails or refuses to provide necessary payroll or other wage information during an audit, the department may determine payroll and wage information for the purposes of premium assessment based on information otherwise available to the department. This may include information from the same employer, similar employers, labor market information, information provided to other state or local agencies, or the best information otherwise available to the department.

[Statutory Authority: RCW 50A.04.215. WSR 18-22-080, § 192-550-080, filed 11/2/18, effective 12/3/18.]