

WSR 22-06-078
PREPROPOSAL STATEMENT OF INQUIRY
DEPARTMENT OF
LABOR AND INDUSTRIES

[Filed March 1, 2022, 8:24 a.m.]

Subject of Possible Rule Making: Classification, reporting, and penalties amendments. Chapter 296-15 WAC, Workers' compensation self-insurance rules and regulations; 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.

Statutes Authorizing the Agency to Adopt Rules on this Subject: RCW 51.16.035, 51.04.020, and 51.32.190.

Reasons Why Rules on this Subject may be Needed and What They Might Accomplish: 2023 Classification, reporting, and penalties amendments: Classification development's goal is to implement clear rule writing to ensure staff and customers can easily understand and apply the workers' compensation insurance classification and reporting rules. Classification development studied some subclassifications for potential reduction in number; and reviewed classification and reporting rules for improvement and clarification.

The purpose of this rule making is not to make substantive changes to how employers are classified and amendments will not impact employer rates.

As part of this rule making, the department of labor and industries (L&I) also intends to review these chapters for need, clarity, and consistency to make changes where possible to reduce the regulatory burden on employers insured with the state fund.

SHB 2409 requires penalties in chapter 51.48 RCW be updated every three years based on the consumer price index. As part of this rule making, L&I will review state fund and self-insured rules to assess removing penalty amounts from them to eliminate the need to perform rule making every three years when those penalty amounts change based on the consumer price index. Updated penalties can be accessed on L&I's website.

Other Federal and State Agencies that Regulate this Subject and the Process Coordinating the Rule with These Agencies: No other state, local, or federal agency regulates this subject.

Process for Developing New Rule: L&I will solicit input from the business community by way of the internet. L&I will use input to formulate proposed changes to the existing rules and advise customers of future rule making by the internet.

Interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication by contacting Jo Anne Attwood, P.O. Box 44148, Olympia, WA 98504-4148, phone 360-902-4777, fax 360-902-4988, email JoAnne.Attwood@Lni.wa.gov, website www.Lni.wa.gov/rulemaking-activity.

March 1, 2022
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Director