

WAC 296-15-151 Surety for a public entity's self insurance program. (1) **How does the department determine the required surety level for a public entity?** The required surety level for a public entity will be its estimated claim costs for all claims during the upcoming fiscal year. The minimum surety amount will be determined annually by the department.

(2) **How does a public entity provide surety?** By July 1 of each year, each public entity must submit its public entity surety certification. A public entity's surety certification must demonstrate that it has sufficient revenues in its next budget to meet its estimated claim costs for the next fiscal year by documenting:

(a) The estimated claim liabilities;

(b) Source of revenues, detailing accounts identified for self insurance obligations; and

(c) How the cumulative reserve (twenty-five percent of the required surety) is funded. Show the account balance.

(3) **What type of surety may a public entity use for its cumulative reserve?** A public entity may provide surety for its cumulative reserve using any of the surety types listed in WAC 296-15-221.

[Statutory Authority: RCW 51.14.077, 51.14.120(7), 51.14.150(4), 51.14.160, 51.44.040(3), 51.44.070 and 51.44.150. WSR 99-23-107, § 296-15-151, filed 11/17/99, effective 12/27/99.]