

ERRATUM

WSR 10-18-005 (CR-102) and WSR 10-20-150 (CR-103P) contained a new section WAC 434-112-095 Inactive profit domestic corporations—Proof. The WAC number, WAC 434-112-095, had been previously used and was titled Fee prepayment—When required. WAC 434-112-095 was repealed in 2009 and that number should not have been used again. Because of this oversight, we have recodified the new WAC 434-112-095 to 434-112-092.

WSR 10-19-057

PERMANENT RULES

DEPARTMENT OF

SOCIAL AND HEALTH SERVICES

(Medicaid Purchasing Administration)

[Filed September 14, 2010, 2:07 p.m., effective October 15, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: Correcting old terminology such as "medical assistance administration (MAA)" to "the department," "internal control number" to "a transaction control number," "medical identification card" to "services card," "foster care placement" to "in out-of-home placement," fixing errant WAC cross references, adding updated web site links, and removing erroneous addresses.

Citation of Existing Rules Affected by this Order: Amending WAC 388-501-0135, 388-501-0200, 388-502-0100, 388-502-0120, 388-502-0150, 388-502-0160, 388-502-0210, 388-502-0220, 388-531-0050, 388-531-0150, 388-531-0200, 388-531-0300, 388-531-0350, 388-531-0450, 388-531-0500, 388-531-0550, 388-531-0600, 388-531-0650, 388-531-0700, 388-531-0750, 388-531-0800, 388-531-0850, 388-531-0900, 388-531-0950, 388-531-1050, 388-531-1100, 388-531-1150, 388-531-1200, 388-531-1250, 388-531-1300, 388-531-1350, 388-531-1450, 388-531-1500, 388-531-1650, 388-531-1700, 388-531-1750, 388-531-1850, 388-531-1900, 388-532-730, 388-532-760, 388-534-0200, 388-539-0200, 388-539-0300, 388-539-0350, 388-551-1350, 388-553-100, 388-553-300, 388-553-400, and 388-556-0200.

Statutory Authority for Adoption: RCW 74.08.090.

Adopted under notice filed as WSR 10-13-163 on June 23, 2010.

Changes Other than Editing from Proposed to Adopted Version: WAC 388-551-1550 was removed from this filing. WAC 388-534-0200, the department removed all proposed changes of "EPSDT screens" to "EPSDT exams." The language will remain unchanged as "EPSDT screens."

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 49, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 49, Repealed 0.

Date Adopted: September 10, 2010.

Katherine I. Vasquez
Rules Coordinator

AMENDATORY SECTION (Amending WSR 08-05-010, filed 2/7/08, effective 3/9/08)

WAC 388-501-0135 Patient review and coordination (PRC). (1) **Patient review and coordination (PRC)** program, formerly known as the patient review and restriction (PRR) program, coordinates care and ensures that clients selected for enrollment in PRC use services appropriately and in accordance with department rules and policies.

(a) PRC applies to medical assistance fee-for-service and managed care clients. PRC does not apply to clients eligible for the family planning only program.

(b) PRC is authorized under federal medicaid law by 42 USC 1396n (a)(2) and 42 CFR 431.54.

(2) **Definitions.** The following definitions apply to this section only:

"Appropriate use"—Use of healthcare services that are adapted to or appropriate for a client's healthcare needs.

"Assigned provider"—A department-enrolled health-care provider or one participating with a department contracted managed care organization (MCO) who agrees to be assigned as a primary provider and coordinator of services for a fee-for-service or managed care client in the PRC program. Assigned providers can include a primary care provider (PCP), a pharmacy, a controlled substances prescriber, and a hospital for nonemergent hospital services.

"At-risk"—A term used to describe one or more of the following:

(a) A client with a medical history of:

- Indications of forging or altering prescriptions;
- Seeking and/or obtaining healthcare services at a frequency or amount that is not medically necessary;
- Potential life-threatening events or life-threatening conditions that required or may require medical intervention.

(b) Behaviors or practices that could jeopardize a client's medical treatment or health including, but not limited to:

- Referrals from social services personnel about inappropriate behaviors or practices that places the client at risk;
- Noncompliance with treatment;
- Paying cash for controlled substances;
- Positive urine drug screen for illicit street drugs or non-prescribed controlled substances; or
- Unauthorized use of a client's ((~~medical assistance~~ ~~identification~~)) services card or for an unauthorized purpose.

"Care management"—Services provided to clients with multiple health, behavioral, and social needs in order to improve care coordination, client education, and client self-management skills.

"Client"—A person enrolled in a department healthcare program and receiving service from fee-for-service provider(s) or a managed care organization (MCO), contracted with the department.

"Conflicting"—Drugs and/or healthcare services that are incompatible and/or unsuitable for use together because of undesirable chemical or physiological effects.

"Contraindicated"—To indicate or show a medical treatment or procedure is inadvisable or not recommended or warranted.

"Controlled substances prescriber"—Any of the following healthcare professionals who, within their scope of professional practice, are licensed to prescribe and administer controlled substances (see chapter 69.50 RCW, uniform controlled substance act) for a legitimate medical purpose:

- A physician under chapter 18.71 RCW;
- A physician assistant under chapter 18.71A RCW;
- An osteopathic physician under chapter 18.57 RCW;
- An osteopathic physician assistant under chapter 18.57A RCW; and
- An advanced registered nurse practitioner under chapter 18.79 RCW.

"Duplicative"—Applies to the use of the same or similar drugs and healthcare services without due justification. Example: A client receives healthcare services from two or more providers for the same or similar condition(s) in an overlapping time frame, or the client receives two or more similarly acting drugs in an overlapping time frame, which could result in a harmful drug interaction or an adverse reaction.

"Just cause"—A legitimate reason to justify the action taken, including but not limited to, protecting the health and safety of the client.

"Managed care organization" or "MCO"—An organization having a certificate of authority or certificate of registration from the office of insurance commissioner, that contracts with the department under a comprehensive risk contract to provide prepaid healthcare services to eligible medical assistance clients under the department's managed care programs.

"Managed care client"—A medical assistance client enrolled in, and receiving healthcare services from, a department-contracted managed care organization (MCO).

"Primary care provider" or "PCP"—A person licensed or certified under Title 18 RCW including, but not limited to, a physician, an advanced registered nurse practitioner (ARNP), or a physician assistant who supervises, coordinates, and provides healthcare services to a client, initiates referrals for specialty and ancillary care, and maintains the client's continuity of care.

(3) **Clients selected for PRC review.** The department or MCO selects a client for PRC review when either or both of the following occur:

- (a) A utilization review report indicates the client has not utilized healthcare services appropriately; or
- (b) Medical providers, social service agencies, or other concerned parties have provided direct referrals to the department or MCO.

(4) **When a fee-for-service client is selected for PRC review** the prior authorization process as defined in chapter 388-530 WAC may be required:

- (a) Prior to or during a PRC review; or
- (b) When currently in the PRC program.

(5) **Review for placement in the PRC program.** When the department or MCO selects a client for PRC review, the department or MCO staff, with clinical oversight, reviews a client's medical and/or billing history to determine if the client has utilized healthcare services at a frequency or amount that is not medically necessary (42 CFR 431.54(e)).

(6) **Utilization guidelines for PRC placement.** Department or MCO staff use the following utilization guidelines to determine PRC placement. A client may be placed in the PRC program when medical and/or billing histories document any of the following:

(a) Any two or more of the following conditions occurred in a period of ninety consecutive calendar days in the previous twelve months. The client:

- (i) Received services from four or more different providers, including physicians, advanced registered nurse practitioners (ARNPs), and physician assistants (PAs);
- (ii) Had prescriptions filled by four or more different pharmacies;

(iii) Received ten or more prescriptions;

(iv) Had prescriptions written by four or more different prescribers;

(v) Received similar services from two or more providers in the same day; or

(vi) Had ten or more office visits.

(b) Any one of the following occurred within a period of ninety consecutive calendar days in the previous twelve months. The client:

(i) Made two or more emergency department visits;

(ii) Has a medical history that indicates "at-risk" utilization patterns;

(iii) Made repeated and documented efforts to seek healthcare services that are not medically necessary; or

(iv) Has been counseled at least once by a health care provider, or a department or MCO staff member, with clinical oversight, about the appropriate use of healthcare services.

(c) The client received prescriptions for controlled substances from two or more different prescribers in any one month in a period of ninety consecutive days in the previous twelve months.

(d) The client's medical and/or billing history demonstrates a pattern of the following at any time in the previous twelve months:

(i) The client has a history of using healthcare services in a manner that is duplicative, excessive, or contraindicated; or

(ii) The client has a history of receiving conflicting healthcare services, drugs, or supplies that are not within acceptable medical practice.

(7) **PRC review results.** As a result of the PRC review, the department or MCO staff may take any of the following steps:

- (a) Determine that no action is needed and close the client's file;

(b) Send the client and, if applicable, the client's authorized representative, a letter of concern with information on specific findings and notice of potential placement in the PRC program; or

(c) Determine that the utilization guidelines for PRC placement establish that the client has utilized healthcare services at an amount or frequency that is not medically necessary, in which case the department or MCO will take one or more of the following actions:

(i) Refer the client for education on appropriate use of healthcare services;

(ii) Refer the client to other support services or agencies; or

(iii) Place the client into the PRC program for an initial placement period of twenty-four months.

(8) **Initial placement in the PRC program.** When a client is initially placed in the PRC program:

(a) The department or MCO places the client for twenty-four months with one or more of the following types of healthcare providers:

(i) Primary care provider (PCP) (as defined in subsection (2) of this section);

(ii) Pharmacy;

(iii) Controlled substances prescriber;

(iv) Hospital (for nonemergent hospital services); or

(v) Another qualified provider type, as determined by department or MCO program staff on a case-by-case basis.

(b) The managed care client will remain in the same MCO for no less than twelve months unless:

(i) The client moves to a residence outside the MCO's service area and the MCO is not available in the new location; or

(ii) The client's assigned provider no longer participates with the MCO and is available in another MCO, and the client wishes to remain with the current provider.

(c) A managed care client placed in the PRC program must remain in the PRC program for the initial twenty-four month period regardless of whether the client changes MCOs or becomes a fee-for-service client.

(d) A care management program may be offered to a client.

(9) **Notifying the client about placement in the PRC program.** When the client is initially placed in the PRC program, the department or the MCO sends the client and, if applicable, the client's authorized representative, a written notice containing at least the following components:

(a) Informs the client of the reason for the PRC program placement;

(b) Directs the client to respond to the department or MCO within ten business days of the date of the written notice about taking the following actions:

(i) Select providers, subject to department or MCO approval;

(ii) Submit additional healthcare information, justifying the client's use of healthcare services; or

(iii) Request assistance, if needed, from the department or MCO program staff.

(c) Informs the client of hearing or appeal rights (see subsection (14) of this section).

(d) Informs the client that if a response is not received within ten days of the date of the notice, the client will be assigned a provider(s) by the department or MCO.

(10) **Selection and role of assigned provider.** A client may be afforded a limited choice of providers.

(a) The following providers are not available:

(i) A provider who is being reviewed by the department or licensing authority regarding quality of care;

(ii) A provider who has been suspended or disqualified from participating as a department-enrolled or MCO-contracted provider; or

(iii) A provider whose business license is suspended or revoked by the licensing authority.

(b) For a client placed in the PRC program, the assigned:

(i) Provider(s) must be located in the client's local geographic area, in the client's selected MCO, and/or be reasonably accessible to the client.

(ii) Primary care provider (PCP) supervises and coordinates healthcare services for the client, including continuity of care and referrals to specialists when necessary. The PCP must be one of the following:

(A) A physician who meets the criteria as defined in chapter 388-502 WAC;

(B) An advanced registered nurse practitioner (ARNP) who meets the criteria as defined in chapter 388-502 WAC; or

(C) A licensed physician assistant (PA), practicing with a supervising physician.

(iii) Controlled substances prescriber prescribes all controlled substances for the client.

(iv) Pharmacy fills all prescriptions for the client.

(v) Hospital provides all nonemergent hospital services.

(c) A client placed in the PRC program cannot change assigned providers for twelve months after the assignments are made, unless:

(i) The client moves to a residence outside the provider's geographic area;

(ii) The provider moves out of the client's local geographic area and is no longer reasonably accessible to the client;

(iii) The provider refuses to continue to serve the client;

(iv) The client did not select the provider. The client may request to change an assigned provider once within thirty calendar days of the initial assignment;

(v) The client's assigned provider no longer participates with the MCO. In this case, the client may select a new provider from the list of available providers in the MCO or follow the assigned provider to the new MCO.

(d) When an assigned prescribing provider no longer contracts with the department:

(i) All prescriptions from the provider are invalid thirty calendar days following the date the contract ends; and

(ii) All prescriptions from the provider are subject to applicable prescription drugs (outpatient) rules in chapter 388-530 WAC or appropriate MCO rules.

(iii) The client must choose or be assigned another provider according to the requirements in this section.

(11) **PRC placement periods.** The length of time for a client's PRC placement includes:

(a) The initial period of PRC placement, which is a minimum of twenty-four consecutive months.

(b) The second period of PRC placement, which is an additional thirty-six consecutive months.

(c) The third period and each subsequent period of PRC placement, which is an additional seventy-two months.

(12) Department review of a PRC placement period.

The department or MCO reviews a client's use of healthcare services prior to the end of each PRC placement period described in subsection (11) of this section using the utilization guidelines in subsection (6) of this section.

(a) The department or MCO assigns the next PRC placement period if the utilization guidelines for PRC placement in subsection (6) apply to the client.

(b) When the department or MCO assigns a subsequent PRC placement period, the department or MCO sends the client and, if applicable, the client's authorized representative, a written notice informing the client:

(i) The reason for the subsequent PRC program placement;

(ii) The length of the subsequent PRC placement;

(iii) That the current providers assigned to the client continue to be assigned to the client during the subsequent PRC placement period;

(iv) That all PRC program rules continue to apply; and

(v) Of hearing or appeal rights (see subsection (14) of this section);

(vi) Of the rules that support the decision.

(c) The department may remove a client from PRC placement if the client:

(i) Successfully completes a treatment program that is provided by a chemical dependency service provider certified by the department under chapter 388-805 WAC;

(ii) Submits documentation of completion of the approved treatment program to the department; and

(iii) Maintains appropriate use of healthcare services within the utilization guidelines described in subsection (6) for six months after the date the treatment ends.

(d) The department or MCO determines the appropriate placement period for a client who has been placed back into the program.

(e) A client will remain placed in the PRC program regardless of change in eligibility program type or change in address.

(13) Client financial responsibility. A client placed in the PRC program may be billed by a provider and held financially responsible for healthcare services when the client obtains nonemergent services and the provider who renders the services is not assigned or referred under the PRC program.

(14) Right to hearing or appeal.

(a) A fee-for-service client who believes the department has taken an invalid action pursuant to this section may request a hearing.

(b) A managed care client who believes the MCO has taken an invalid action pursuant to this section or chapter 388-538 WAC must exhaust the MCO's internal appeal process set forth in WAC 388-538-110 prior to requesting a hearing. Managed care clients can not change MCOs until the appeal or hearing is resolved and there is a final ruling.

(c) A client must request the hearing or appeal within ninety calendar days after the client receives the written notice of placement in the PRC program.

(d) The department conducts a hearing according to chapter 388-02 WAC. Definitions for the terms "hearing," "initial order," and "final order" used in this subsection are found in WAC 388-02-0010.

(e) A client who requests a hearing or appeal within ten calendar days from the date of the written notice of an initial PRC placement period under subsection (11)(a) of this section will not be placed in the PRC program until the date an initial order is issued that supports the client's placement in the PRC program or otherwise ordered by an administrative law judge (ALJ).

(f) A client who requests a hearing or appeal more than ten calendar days from the date of the written notice under subsection (9) of this section will remain placed in the PRC program unless a final administrative order is entered that orders the client's removal from the program.

(g) A client who requests a hearing or appeal within ninety days from the date of receiving the written notice under subsection (9) of this section and who has already been assigned providers will remain placed in the PRC program unless a final administrative order is entered that orders the client's removal from the program.

(h) An administrative law judge (ALJ) may rule that the client be placed in the PRC program prior to the date the record is closed and prior to the date the initial order is issued based on a showing of just cause.

(i) The client who requests a hearing challenging placement into the PRC program has the burden of proving the department's or MCO's action was invalid. For standard of proof, see WAC 388-02-0485.

AMENDATORY SECTION (Amending WSR 00-11-141, filed 5/23/00, effective 6/23/00)

WAC 388-501-0200 Third-party resources. (1) ~~((MAA))~~ The department requires a provider to seek timely reimbursement from a third party when a client has available third-party resources, except as described under subsections (2) and (3) of this section.

(2) ~~((MAA))~~ The department pays for medical services and seeks reimbursement from the liable third party when the claim is for any of the following:

(a) Prenatal care;

(b) Labor, delivery, and postpartum care (except inpatient hospital costs) for a pregnant woman; or

(c) Preventive pediatric services as covered under the EPSDT program.

(3) ~~((MAA))~~ The department pays for medical services and seeks reimbursement from any liable third party when both of the following apply:

(a) The provider submits to ~~((MAA))~~ the department documentation of billing the third party and the provider has not received payment after thirty days from the date of services; and

(b) The claim is for a covered service provided to a client on whose behalf the office of support enforcement is enforcing

ing an absent parent to pay support. For the purpose of this section, "is enforcing" means the absent parent either:

- (i) Is not complying with an existing court order; or
- (ii) Received payment directly from the third party and did not pay for the medical services.

(4) The provider may not bill ~~((MAA))~~ the department or the client for a covered service when a third party pays a provider the same amount as or more than the ~~((MAA))~~ department rate.

(5) When the provider receives payment from the third party after receiving reimbursement from ~~((MAA))~~ the department, the provider must refund to ~~((MAA))~~ the department the amount of the:

(a) Third-party payment when the payment is less than ~~((MAA's))~~ the department's maximum allowable rate; or

(b) ~~((MAA))~~ The department payment when the third-party payment is equal to or greater than ~~((MAA's))~~ the department's maximum allowable rate.

(6) ~~((MAA))~~ The department is not responsible to pay for medical services when the third-party benefits are available to pay for the client's medical services at the time the provider bills ~~((MAA))~~ the department, except as described under subsections (2) and (3) of this section.

(7) The client is liable for charges for covered medical services that would be paid by the third party payment when the client either:

(a) Receives direct third-party reimbursement for such services; or

(b) Fails to execute legal signatures on insurance forms, billing documents, or other forms necessary to receive insurance payments for services rendered. See WAC 388-505-0540 for assignment of rights.

(8) ~~((MAA))~~ The department considers an adoptive family to be a third-party resource for the medical expenses of the birth mother and child only when there is a written contract between the adopting family and either the birth mother, the attorney, the provider, or the adoption service. The contract must specify that the adopting family will pay for the medical care associated with the pregnancy.

(9) A provider cannot refuse to furnish covered services to a client because of a third party's potential liability for the services.

(10) For third-party liability on personal injury litigation claims, ~~((MAA))~~ the department is responsible for providing medical services as described under WAC 388-501-0100.

AMENDATORY SECTION (Amending WSR 06-13-042, filed 6/15/06, effective 7/16/06)

WAC 388-502-0100 General conditions of payment.

(1) The department reimburses for medical services furnished to an eligible client when all of the following apply:

(a) The service is within the scope of care of the client's medical assistance program;

(b) The service is medically or dentally necessary;

(c) The service is properly authorized;

(d) The provider bills within the time frame set in WAC 388-502-0150;

(e) The provider bills according to department rules and billing instructions; and

(f) The provider follows third-party payment procedures.

(2) The department is the payer of last resort, unless the other payer is:

(a) An Indian health service;

(b) A crime victims program through the department of labor and industries; or

(c) A school district for health services provided under the Individuals with Disabilities Education Act.

(3) The department does not reimburse providers for medical services identified by the department as client financial obligations, and deducts from the payment the costs of those services identified as client financial obligations. Client financial obligations include, but are not limited to, the following:

(a) Copayments (co-pays) (unless the criteria in chapter 388-517 WAC or WAC 388-501-0200 are met);

(b) Deductibles (unless the criteria in chapter 388-517 WAC or WAC 388-501-0200 are met);

(c) Emergency medical expense requirements (EMER); and

(d) Spenddown (see WAC 388-519-0110).

(4) The provider must accept medicare assignment for claims involving clients eligible for both medicare and medical assistance before ~~((MAA))~~ the department makes any payment.

(5) The provider is responsible for verifying whether a client has medical assistance coverage for the dates of service.

(6) The department may reimburse a provider for services provided to a person if it is later determined that the person was ineligible for the service at the time it was provided if:

(a) The department considered the person eligible at the time of service;

(b) The service was not otherwise paid for; and

(c) The provider submits a request for payment to the department.

(7) The department does not pay on a fee-for-service basis for a service for a client who is enrolled in a managed care plan when the service is included in the plan's contract with the department.

(8) Information about medical care for jail inmates is found in RCW 70.48.130.

(9) The department pays for medically necessary services on the basis of usual and customary charges or the maximum allowable fee established by the department, whichever is lower.

AMENDATORY SECTION (Amending WSR 08-08-064, filed 3/31/08, effective 5/1/08)

WAC 388-502-0120 Payment for healthcare services provided outside the state of Washington. (1) The department pays for healthcare services provided outside the state of Washington only when the service meets the provisions set forth in WAC 388-501-0180, 388-501-0182, 388-501-0184, and specific program WAC.

(2) With the exception of hospital services and nursing facilities, the department pays the provider of service in des-

igned bordering cities as if the care was provided within the state of Washington (see WAC 388-501-0175).

(3) With the exception of designated bordering cities, the department does not pay for healthcare services provided to clients in medical care services (MCS) programs outside the state of Washington (see WAC 388-556-0500).

(4) With the exception of hospital services (see subsection (5) of this section), the department pays for healthcare services provided outside the state of Washington at the lower of:

(a) The billed amount; or

(b) The rate established by the Washington state medical assistance programs.

(5) The department pays for hospital services provided in designated bordering cities and outside the state of Washington in accordance with the provisions of WAC 388-550-3900, 388-550-4000, 388-550-4800 and 388-550-6700.

(6) The department pays nursing facilities located outside the state of Washington when approved by the aging and disability services administration (ADSA) at the lower of the billed amount or the adjusted statewide average reimbursement rate for in-state nursing facility care, only in the following limited circumstances:

(a) Emergency situations; or

(b) When the client intends to return to Washington state and the out-of-state stay is for:

(i) Thirty days or less; or

(ii) More than thirty days if approved by ADSA.

(7) To receive payment from the department, an out-of-state provider must:

(a) Have a signed agreement with the department;

(b) Meet the functionally equivalent licensing requirements of the state or province in which care is rendered;

(c) Meet the conditions in WAC 388-502-0100 and 388-502-0150;

(d) Satisfy all medicaid conditions of participation;

(e) Accept the department's payment as payment in full according to 42 CFR 447.15; and

(f) If a Canadian provider, bill at the U.S. exchange rate in effect at the time the service was provided.

(8) For covered services for eligible clients, ~~((MAA))~~ the department reimburses other approved out-of-state providers at the lower of:

(a) The billed amount; or

(b) The rate paid by the Washington state Title XIX medicaid program.

AMENDATORY SECTION (Amending WSR 09-12-063, filed 5/28/09, effective 7/1/09)

WAC 388-502-0150 Time limits for providers to bill the department. Providers must bill the department for covered services provided to eligible clients as follows:

(1) The department requires providers to submit initial claims and adjust prior claims in a timely manner. The department has three timeliness standards:

(a) For initial claims, see subsections (3), (4), (5), and (6) of this section;

(b) For resubmitted claims other than prescription drug claims and claims for major trauma services, see subsections (7) and (8) of this section;

(c) For resubmitted prescription drug claims, see subsections (9) and (10) of this section; and

(d) For resubmitting claims for major trauma services, see subsection (11) of this section.

(2) The provider must submit claims to the department as described in the department's current published billing instructions.

(3) Providers must submit the initial claim to the department and have ~~((an internal))~~ a transaction control number ~~((ICN))~~ (TCN) assigned by the department within three hundred sixty-five calendar days from any of the following:

(a) The date the provider furnishes the service to the eligible client;

(b) The date a final fair hearing decision is entered that impacts the particular claim;

(c) The date a court orders the department to cover the service; or

(d) The date the department certifies a client eligible under delayed certification criteria.

(4) The department may grant exceptions to the time limit of three hundred sixty-five calendar days for initial claims when billing delays are caused by either of the following:

(a) The department's certification of a client for a retroactive period; or

(b) The provider proves to the department's satisfaction that there are other extenuating circumstances.

(5) The department requires providers to bill known third parties for services. See WAC 388-501-0200 for exceptions. Providers must meet the timely billing standards of the liable third parties in addition to the department's billing limits.

(6) When a client is covered by both medicare and medicaid, the provider must bill medicare for the service before billing the initial claim to the department. If medicare:

(a) Pays the claim the provider must bill the department within six months of the date medicare processes the claim; or

(b) Denies payment of the claim, the department requires the provider to meet the three hundred sixty-five-day requirement for timely initial claims as described in subsection (3) of this section.

(7) The following applies to claims with a date of service or admission before July 1, 2009:

(a) Within thirty-six months of the date the service was provided to the client, a provider may resubmit, modify, or adjust any claim, other than a prescription drug claim or a claim for major trauma services, with a timely ~~((ICN))~~ TCN. This applies to any claim, other than a prescription drug claim or a claim for major trauma services, that met the time limits for an initial claim, whether paid or denied. The department does not accept any claim for resubmission, modification, or adjustment after the thirty-six-month period ends.

(b) After thirty-six months from the date the service was provided to the client, a provider cannot refund overpayments by claim adjustment; a provider must refund overpayments by a negotiable financial instrument, such as a bank check.

(8) The following applies to claims with a date of service or admission on or after July 1, 2009:

(a) Within twenty-four months of the date the service was provided to the client, a provider may resubmit, modify, or adjust an initial claim, other than a prescription drug claim or a claim for major trauma services.

(b) After twenty-four months from the date the service was provided to the client, the department does not accept any claim for resubmission, modification, or adjustment. This twenty-four-month period does not apply to overpayments that a provider must refund to the department by a negotiable financial instrument, such as a bank check.

(9) The department allows providers to resubmit, modify, or adjust any prescription drug claim with a timely ((HCN)) TCN within fifteen months of the date the service was provided to the client. After fifteen months, the department does not accept any prescription drug claim for resubmission, modification or adjustment.

(10) The fifteen-month period described in subsection (9) of this section does not apply to overpayments that a prescription drug provider must refund to the department. After fifteen months a provider must refund overpayments by a negotiable financial instrument, such as a bank check.

(11) The department allows a provider of trauma care services to resubmit, modify, or adjust, within three hundred and sixty-five calendar days of the date of service, any trauma claim that meets the criteria specified in WAC 388-531-2000 (for physician claims) or WAC 388-550-5450 (for hospital claims) for the purpose of receiving payment from the trauma care fund (TCF).

(a) No increased payment from the TCF is allowed for an otherwise qualifying trauma claim that is resubmitted after three hundred sixty-five calendar days from the date of service.

(b) Resubmission of or any adjustments to a trauma claim for purposes other than receiving TCF payments are subject to the provisions of this section.

(12) The three hundred sixty-five-day period described in subsection (11) of this section does not apply to overpayments from the TCF that a trauma care provider must refund to the department. A provider must refund an overpayment for a trauma claim that received payment from TCF using a method specified by the department.

(13) If a provider fails to bill a claim according to the requirements of this section and the department denies payment of the claim, the provider or any provider's agent cannot bill the client or the client's estate. The client is not responsible for the payment.

AMENDATORY SECTION (Amending WSR 10-10-022, filed 4/26/10, effective 5/27/10)

WAC 388-502-0160 Billing a client. (1) The purpose of this section is to specify the limited circumstances in which:

(a) Fee-for-service or managed care clients can choose to self-pay for medical assistance services; and

(b) Providers (as defined in WAC 388-500-0005) have the authority to bill fee-for-service or managed care clients for medical assistance services furnished to those clients.

(2) The provider is responsible for:

(a) Verifying whether the client is eligible to receive medical assistance services on the date the services are provided;

(b) Verifying whether the client is enrolled with a department-contracted managed care organization (MCO);

(c) Knowing the limitations of the services within the scope of the eligible client's medical program (see WAC 388-501-0050 (4)(a) and 388-501-0065);

(d) Informing the client of those limitations;

(e) Exhausting all applicable department or department-contracted MCO processes necessary to obtain authorization for requested service(s);

(f) Ensuring that translation or interpretation is provided to clients with limited English proficiency (LEP) who agree to be billed for services in accordance with this section; and

(g) Retaining all documentation which demonstrates compliance with this section.

(3) Unless otherwise specified in this section, providers must accept as payment in full the amount paid by the department or department-contracted MCO for medical assistance services furnished to clients. See 42 CFR § 447.15.

(4) A provider must not bill a client, or anyone on the client's behalf, for any services until the provider has completed all requirements of this section, including the conditions of payment described in department's rules, the department's fee-for-service billing instructions, and the requirements for billing the department-contracted MCO in which the client is enrolled, and until the provider has then fully informed the client of his or her covered options. A provider must not bill a client for:

(a) Any services for which the provider failed to satisfy the conditions of payment described in department's rules, the department's fee-for-service billing instructions, and the requirements for billing the department-contracted MCO in which the client is enrolled.

(b) A covered service even if the provider has not received payment from the department or the client's MCO.

(c) A covered service when the department denies an authorization request for the service because the required information was not received from the provider or the prescriber under WAC 388-501-0165 (7)(c)(i).

(5) If the requirements of this section are satisfied, then a provider may bill a fee-for-service or a managed care client for a covered service, defined in WAC 388-501-0050(9), or a noncovered service, defined in WAC 388-501-0050(10) and 388-501-0070. The client and provider must sign and date the DSHS form 13-879, Agreement to Pay for Healthcare Services, before the service is furnished. DSHS form 13-879, including translated versions, is available to download at <http://www1.dshs.wa.gov/msa/forms/eforms.html>. The requirements for this subsection are as follows:

(a) The agreement must:

(i) Indicate the anticipated date the service will be provided, which must be no later than ninety calendar days from the date of the signed agreement;

(ii) List each of the services that will be furnished;

(iii) List treatment alternatives that may have been covered by the department or department-contracted MCO;

(iv) Specify the total amount the client must pay for the service;

(v) Specify what items or services are included in this amount (such as pre-operative care and postoperative care). See WAC 388-501-0070(3) for payment of ancillary services for a noncovered service;

(vi) Indicate that the client has been fully informed of all available medically appropriate treatment, including services that may be paid for by the department or department-contracted MCO, and that he or she chooses to get the specified service(s);

(vii) Specify that the client may request an exception to rule (ETR) in accordance with WAC (~~(388-526-2610)~~) 388-501-0160 when the department denies a request for a noncovered service and that the client may choose not to do so;

(viii) Specify that the client may request an administrative hearing in accordance with WAC 388-526-2610 to appeal the department's denial of a request for prior authorization of a covered service and that the client may choose not to do so;

(ix) Be completed only after the provider and the client have exhausted all applicable department or department-contracted MCO processes necessary to obtain authorization of the requested service, except that the client may choose not to request an ETR or an administrative hearing regarding department denials of authorization for requested service(s); and

~~((i-x))~~ (x) Specify which reason in subsection (b) below applies.

(b) The provider must select on the agreement form one of the following reasons (as applicable) why the client is agreeing to be billed for the service(s). The service(s) is:

(i) Not covered by the department or the client's department-contracted MCO and the ETR process as described in WAC 388-501-0160 has been exhausted and the service(s) is denied;

(ii) Not covered by the department or the client's department-contracted MCO and the client has been informed of his or her right to an ETR and has chosen not to pursue an ETR as described in WAC 388-501-0160;

(iii) Covered by the department or the client's department-contracted MCO, requires authorization, and the provider completes all the necessary requirements; however the department denied the service as not medically necessary (this includes services denied as a limitation extension under WAC 388-501-0169); or

(iv) Covered by the department or the client's department-contracted MCO and does not require authorization, but the client has requested a specific type of treatment, supply, or equipment based on personal preference which the department or MCO does not pay for and the specific type is not medically necessary for the client.

(c) For clients with limited English proficiency, the agreement must be the version translated in the client's primary language and interpreted if necessary. If the agreement is translated, the interpreter must also sign it;

(d) The provider must give the client a copy of the agreement and maintain the original and all documentation which supports compliance with this section in the client's file for six years from the date of service. The agreement must be made available to the department for review upon request; and

(e) If the service is not provided within ninety calendar days of the signed agreement, a new agreement must be completed by the provider and signed by both the provider and the client.

(6) There are limited circumstances in which a provider may bill a client without executing DSHS form 13-879, Agreement to Pay for Healthcare Services, as specified in subsection (5) of this section. The following are those circumstances:

(a) The client, the client's legal guardian, or the client's legal representative:

(i) Was reimbursed for the service directly by a third party (see WAC 388-501-0200); or

(ii) Refused to complete and sign insurance forms, billing documents, or other forms necessary for the provider to bill the third party insurance carrier for the service.

(b) The client represented himself/herself as a private pay client and not receiving medical assistance when the client was already eligible for and receiving benefits under a medical assistance program. In this circumstance, the provider must:

(i) Keep documentation of the client's declaration of medical coverage. The client's declaration must be signed and dated by the client, the client's legal guardian, or the client's legal representative; and

(ii) Give a copy of the document to the client and maintain the original for six years from the date of service, for department review upon request.

(c) The bill counts toward the financial obligation of the client or applicant (such as spenddown liability, client participation as described in WAC 388-513-1380, emergency medical expense requirement, deductible, or copayment required by the department). See subsection (7) of this section for billing a medically needy client for spenddown liability;

(d) The client is under the department's or a department-contracted MCO's patient review and coordination (PRC) program (WAC 388-501-0135) and receives nonemergency services from providers or healthcare facilities other than those to whom the client is assigned or referred under the PRC program;

(e) The client is a dual-eligible client with medicare Part D coverage or similar creditable prescription drug coverage and the conditions of WAC 388-530-7700 (2)(a)(iii) are met;

(f) The services provided to a TAKE CHARGE or family planning only client are not within the scope of the client's benefit package;

(g) The services were noncovered ambulance services (see WAC 388-546-0250(2));

(h) A fee-for-service client chooses to receive nonemergency services from a provider who is not contracted with the department after being informed by the provider that he or she is not contracted with the department and that the services offered will not be paid by the client's healthcare program; and

(i) A department-contracted MCO enrollee chooses to receive nonemergency services from providers outside of the MCO's network without authorization from the MCO, i.e., a nonparticipating provider.

(7) Under chapter 388-519 WAC, an individual who has applied for medical assistance is required to spend down

excess income on healthcare expenses to become eligible for coverage under the medically needy program. An individual must incur healthcare expenses greater than or equal to the amount that he or she must spend down. The provider is prohibited from billing the individual for any amount in excess of the spenddown liability assigned to the bill.

(8) There are situations in which a provider must refund the full amount of a payment previously received from or on behalf of an individual and then bill the department for the covered service that had been furnished. In these situations, the individual becomes eligible for a covered service that had already been furnished. Providers must then accept as payment in full the amount paid by the department or managed care organization for medical assistance services furnished to clients. These situations are as follows:

(a) The individual was not receiving medical assistance on the day the service was furnished. The individual applies for medical assistance later in the same month in which the service was provided and the department makes the individual eligible for medical assistance from the first day of that month;

(b) The client receives a delayed certification for medical assistance as defined in WAC 388-500-0005; or

(c) The client receives a certification for medical assistance for a retroactive period according to 42 CFR § 435.914 (a) and defined in WAC 388-500-0005.

(9) Regardless of any written, signed agreement to pay, a provider may not bill, demand, collect, or accept payment or a deposit from a client, anyone on the client's behalf, or the department for:

(a) Copying, printing, or otherwise transferring healthcare information, as the term healthcare information is defined in chapter 70.02 RCW, to another healthcare provider. This includes, but is not limited to:

- (i) Medical/dental charts;
 - (ii) Radiological or imaging films; and
 - (iii) Laboratory or other diagnostic test results.
- (b) Missed, cancelled, or late appointments;
- (c) Shipping and/or postage charges;
- (d) "Boutique," "concierge," or enhanced service packages (e.g., newsletters, 24/7 access to provider, health seminars) as a condition for access to care; or

(e) The price differential between an authorized service or item and an "upgraded" service or item (e.g., a wheelchair with more features; brand name versus generic drugs).

AMENDATORY SECTION (Amending WSR 00-15-049, filed 7/17/00, effective 8/17/00)

WAC 388-502-0210 Statistical data-provider reports. (1) At the request of the (~~medical assistance administration (MAA))~~ department, all providers enrolled with (~~MAA~~) department programs must submit full reports, as specified by (~~MAA~~) the department, of goods and services furnished to eligible medical assistance clients. (~~MAA~~) The department furnishes the provider with a standardized format to report these data.

(2) (~~MAA~~) The department analyzes the data collected from the providers' reports to secure statistics on costs of goods and services furnished and makes a report of the anal-

ysis available to (~~MAA's~~) the department's advisory committee, the state welfare medical care committee, representative organizations of provider groups enrolled with (~~MAA~~) the department, and any other interested organizations or individuals.

AMENDATORY SECTION (Amending WSR 99-16-070, filed 8/2/99, effective 9/2/99)

WAC 388-502-0220 Administrative appeal contractor/provider rate reimbursement. (1) Any enrolled contractor/provider of medical services has a right to an administrative appeal when the contractor/provider disagrees with the (~~medical assistance administration's (MAA))~~ department reimbursement rate. The exception to this is nursing facilities governed by WAC 388-96-904.

(2) The first level of appeal. A contractor/provider who wants to contest a reimbursement rate must file a written appeal with (~~MAA~~) the department.

(a) The appeal must include all of the following:

(i) A statement of the specific issue being appealed;

(ii) Supporting documentation; and

(iii) A request for (~~MAA~~) the department to recalculate the rate.

(b) When a contractor/provider appeals a portion of a rate, (~~MAA~~) the department may review all components of the reimbursement rate.

(c) In order to complete a review of the appeal, (~~MAA~~) the department may do one or both of the following:

(i) Request additional information; and/or

(ii) Conduct an audit of the documentation provided.

(d) (~~MAA~~) The department issues a decision or requests additional information within sixty calendar days of receiving the rate appeal request.

(i) When (~~MAA~~) the department requests additional information, the contractor/provider has forty-five calendar days from the date of (~~MAA's~~) the department's request to submit the additional information.

(ii) (~~MAA~~) The department issues a decision within thirty calendar days of receipt of the completed information.

(e) (~~MAA~~) The department may adjust rates retroactively to the effective date of a new rate or a rate change. In order for a rate increase to be retroactive, the contractor/provider must file the appeal within sixty calendar days of the date of the rate notification letter from (~~MAA~~) the department. (~~MAA~~) the department does not consider any appeal filed after the sixty day period to be eligible for retroactive adjustment.

(f) (~~MAA~~) The department may grant a time extension for the appeal period if the contractor/provider makes such a request within the sixty-day period referenced under (e) of this subsection.

(g) Any rate increase resulting from an appeal filed within the sixty-day period described in subsection (2)(e) of this section is effective retroactively to the rate effective date in the notification letter.

(h) Any rate increase resulting from an appeal filed after the sixty-day period described in subsection (2)(e) of this section is effective on the date the rate appeal is received by the department.

(i) Any rate decrease resulting from an appeal is effective on the date specified in the appeal decision letter.

(j) Any rate change that ((MAA)) the department grants that is the result of fraudulent practices on the part of the contractor/provider as described under RCW 74.09.210 is exempt from the appeal provisions in this chapter.

(3) The second level of appeal. When the contractor/provider disagrees with a rate review decision, it may file a request for a dispute conference with ((MAA)) the department. For this section "dispute conference" means an informal administrative hearing for the purpose of resolving contractor/provider disagreements with a department action as described under subsection (1) of this section, and not agreed upon at the first level of appeal. The dispute conference is not governed by the Administrative Procedure Act, chapter 34.05 RCW.

(a) If a contractor/provider files a request for a dispute conference, it must submit the request to ((MAA)) the department within thirty calendar days after the contractor/provider receives the rate review decision. ((MAA)) The department does not consider dispute conference requests submitted after the thirty-day period for the first level decision.

(b) ((MAA)) The department conducts the dispute conference within ninety calendar days of receiving the request.

(c) A department-appointed conference chairperson issues the final decision within thirty calendar days of the conference. Extensions of time for extenuating circumstances may be granted if all parties agree.

(d) Any rate increase or decrease resulting from a dispute conference decision is effective on the date specified in the dispute conference decision.

(e) The dispute conference is the final level of administrative appeal within the department and precede judicial action.

(4) ((MAA)) The department considers that a contractor/provider who fails to attempt to resolve disputed rates as provided in this section has abandoned the dispute.

AMENDATORY SECTION (Amending WSR 04-20-059, filed 10/1/04, effective 11/1/04)

WAC 388-531-0050 Physician-related services definitions. The following definitions and abbreviations and those found in WAC 388-500-0005, apply to this chapter. Defined words and phrases are bolded the first time they are used in the text.

"Acquisition cost" means the cost of an item excluding shipping, handling, and any applicable taxes.

"Acute care" means care provided for clients who are not medically stable. These clients require frequent monitoring by a health care professional in order to maintain their health status. See also WAC 246-335-015.

"Acute physical medicine and rehabilitation (PM&R)" means a comprehensive inpatient and rehabilitative program coordinated by a multidisciplinary team at ((~~an~~ MAA-approved)) a department-approved rehabilitation facility. The program provides twenty-four hour specialized nursing services and an intense level of specialized therapy (speech, physical, and occupational) for a diagnostic category

for which the client shows significant potential for functional improvement (see WAC 388-550-2501).

"Add-on procedure(s)" means secondary procedure(s) that are performed in addition to another procedure.

"Admitting diagnosis" means the medical condition responsible for a hospital admission, as defined by ICD-9-M diagnostic code.

"Advanced registered nurse practitioner (ARNP)" means a registered nurse prepared in a formal educational program to assume an expanded health services provider role in accordance with WAC 246-840-300 and 246-840-305.

"Aging and disability services administration (ADSA)" means the administration that administers directly or contracts for long-term care services, including but not limited to nursing facility care and home and community services. See WAC 388-71-0202.

"Allowed charges" means the maximum amount reimbursed for any procedure that is allowed by ((MAA)) the department.

"Anesthesia technical advisory group (ATAG)" means an advisory group representing anesthesiologists who are affected by the implementation of the anesthesiology fee schedule.

"Bariatric surgery" means any surgical procedure, whether open or by laparoscope, which reduces the size of the stomach with or without bypassing a portion of the small intestine and whose primary purpose is the reduction of body weight in an obese individual.

"Base anesthesia units (BAU)" means a number of anesthesia units assigned to a surgical procedure that includes the usual pre-operative, intra-operative, and post-operative visits. This includes the administration of fluids and/or blood incident to the anesthesia care, and interpretation of noninvasive monitoring by the anesthesiologist.

"Bundled services" means services integral to the major procedure that are included in the fee for the major procedure. Bundled services are not reimbursed separately.

"Bundled supplies" means supplies which are considered to be included in the practice expense RVU of the medical or surgical service of which they are an integral part.

"By report (BR)" means a method of reimbursement in which ((MAA)) the department determines the amount it will pay for a service that is not included in ((MAA's)) the department's published fee schedules. ((MAA)) The department may request the provider to submit a "report" describing the nature, extent, time, effort, and/or equipment necessary to deliver the service.

"Call" means a face-to-face encounter between the client and the provider resulting in the provision of services to the client.

"Cast material maximum allowable fee" means a reimbursement amount based on the average cost among suppliers for one roll of cast material.

"Centers for Medicare and Medicaid Services (CMS)" means the agency within the federal Department of Health and Human Services (DHHS) with oversight responsibility for medicare and medicaid programs.

"Certified registered nurse anesthetist (CRNA)" means an advanced registered nurse practitioner (ARNP) with formal training in anesthesia who meets all state and

national criteria for certification. The American Association of Nurse Anesthetists specifies the National Certification and scope of practice.

"**Children's health insurance plan (CHIP)**," see chapter 388-542 WAC.

"**Clinical Laboratory Improvement Amendment (CLIA)**" means regulations from the U.S. Department of Health and Human Services that require all laboratory testing sites to have either a CLIA registration or a CLIA certificate of waiver in order to legally perform testing anywhere in the U.S.

"**Conversion factors**" means dollar amounts ((MAA)) the department uses to calculate the maximum allowable fee for physician-related services.

"**Covered service**" means a service that is within the scope of the eligible client's medical care program, subject to the limitations in this chapter and other published WAC.

"**CPT**," see "current procedural terminology."

"**Critical care services**" means physician services for the care of critically ill or injured clients. A critical illness or injury acutely impairs one or more vital organ systems such that the client's survival is jeopardized. Critical care is given in a critical care area, such as the coronary care unit, intensive care unit, respiratory care unit, or the emergency care facility.

"**Current procedural terminology (CPT)**" means a systematic listing of descriptive terms and identifying codes for reporting medical services, procedures, and interventions performed by physicians and other practitioners who provide physician-related services. CPT is copyrighted and published annually by the American Medical Association (AMA).

"**Diagnosis code**" means a set of numeric or alphanumeric characters assigned by the ICD-9-CM, or successor document, as a shorthand symbol to represent the nature of a disease.

"**Emergency medical condition(s)**" means a medical condition(s) that manifests itself by acute symptoms of sufficient severity so that the absence of immediate medical attention could reasonably be expected to result in placing the patient's health in serious jeopardy, serious impairment to bodily functions, or serious dysfunction of any bodily organ or part.

"**Emergency services**" means medical services required by and provided to a patient experiencing an emergency medical condition.

"**Estimated acquisition cost (EAC)**" means the department's best estimate of the price providers generally and currently pay for drugs and supplies.

"**Evaluation and management (E&M) codes**" means procedure codes which categorize physician services by type of service, place of service, and patient status.

"**Expedited prior authorization**" means the process of obtaining authorization that must be used for selected services, in which providers use a set of numeric codes to indicate to ((MAA)) the department which acceptable indications, conditions, diagnoses, and/or criteria are applicable to a particular request for services.

"**Experimental**" means a term to describe a procedure, or course of treatment, which lacks sufficient scientific evidence of safety and effectiveness. See WAC 388-531-0550. A service is not "experimental" if the service:

(1) Is generally accepted by the medical profession as effective and appropriate; and

(2) Has been approved by the FDA or other requisite government body, if such approval is required.

"**Fee-for-service**" means the general payment method ((MAA)) the department uses to reimburse providers for covered medical services provided to medical assistance clients when those services are not covered under ((MAA's)) the department's healthy options program or children's health insurance program (CHIP) programs.

"**Flat fee**" means the maximum allowable fee established by ((MAA)) the department for a service or item that does not have a relative value unit (RVU) or has an RVU that is not appropriate.

"**Geographic practice cost index (GPCI)**" as defined by medicare, means a medicare adjustment factor that includes local geographic area estimates of how hard the provider has to work (work effort), what the practice expenses are, and what malpractice costs are. The GPCI reflects one-fourth the difference between the area average and the national average.

"**Global surgery reimbursement**," see WAC 388-531-1700.

"**HCPCS Level II**" means a coding system established by CMS (formerly known as the Health Care Financing Administration) to define services and procedures not included in CPT.

"**Health care financing administration common procedure coding system (HCPCS)**" means the name used for the Centers for Medicare and Medicaid Services (formerly known as the Health Care Financing Administration) codes made up of CPT and HCPCS level II codes.

"**Health care team**" means a group of health care providers involved in the care of a client.

"**Hospice**" means a medically directed, interdisciplinary program of palliative services which is provided under arrangement with a Title XVIII Washington licensed and certified Washington state hospice for terminally ill clients and the clients' families.

"**ICD-9-CM**," see "International Classification of Diseases, 9th Revision, Clinical Modification."

"**Informed consent**" means that an individual consents to a procedure after the provider who obtained a properly completed consent form has done all of the following:

(1) Disclosed and discussed the client's diagnosis; and

(2) Offered the client an opportunity to ask questions about the procedure and to request information in writing; and

(3) Given the client a copy of the consent form; and

(4) Communicated effectively using any language interpretation or special communication device necessary per 42 C.F.R. Chapter IV 441.257; and

(5) Given the client oral information about all of the following:

(a) The client's right to not obtain the procedure, including potential risks, benefits, and the consequences of not obtaining the procedure; and

(b) Alternatives to the procedure including potential risks, benefits, and consequences; and

(c) The procedure itself, including potential risks, benefits, and consequences.

"Inpatient hospital admission" means an admission to a hospital that is limited to medically necessary care based on an evaluation of the client using objective clinical indicators, assessment, monitoring, and therapeutic service required to best manage the client's illness or injury, and that is documented in the client's medical record.

"International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)" means the systematic listing that transforms verbal descriptions of diseases, injuries, conditions, and procedures into numerical or alpha-numerical designations (coding).

"Investigational" means a term to describe a procedure, or course of treatment, which lacks sufficient scientific evidence of benefit for a particular condition. A service is not "investigational" if the service:

(1) Is generally accepted by the medical professional as effective and appropriate for the condition in question; or

(2) Is supported by an overall balance of objective scientific evidence, in which the potential risks and potential benefits are examined, demonstrating the proposed service to be of greater overall benefit to the client in the particular circumstance than another, generally available service.

"Life support" means mechanical systems, such as ventilators or heart-lung respirators, which are used to supplement or take the place of the normal autonomic functions of a living person.

"Limitation extension" means a process for requesting and approving reimbursement for covered services whose proposed quantity, frequency, or intensity exceeds that which ((MAA)) the department routinely reimburses. Limitation extensions require prior authorization.

"Maximum allowable fee" means the maximum dollar amount that ((MAA)) the department will reimburse a provider for specific services, supplies, and equipment.

"Medically necessary," see WAC 388-500-0005.

"Medicare physician fee schedule data base (MPF-SDB)" means the official HCFA publication of the Medicare policies and RVUs for the RBRVS reimbursement program.

"Medicare program fee schedule for physician services (MPFSPS)" means the official HCFA publication of the Medicare fees for physician services.

"Medicare clinical diagnostic laboratory fee schedule" means the fee schedule used by Medicare to reimburse for clinical diagnostic laboratory procedures in the state of Washington.

"Mentally incompetent" means a client who has been declared mentally incompetent by a federal, state, or local court.

"Modifier" means a two-digit alphabetic and/or numeric identifier that is added to the procedure code to indicate the type of service performed. The modifier provides the means by which the reporting physician can describe or indicate that a performed service or procedure has been altered by some specific circumstance but not changed in its definition or code. The modifier can affect payment or be used for information only. Modifiers are listed in fee schedules.

"Outpatient" means a client who is receiving medical services in other than an inpatient hospital setting.

"Peer-reviewed medical literature" means medical literature published in professional journals that submit articles for review by experts who are not part of the editorial staff. It does not include publications or supplements to publications primarily intended as marketing material for pharmaceutical, medical supplies, medical devices, health service providers, or insurance carriers.

"Physician care plan" means a written plan of medically necessary treatment that is established by and periodically reviewed and signed by a physician. The plan describes the medically necessary services to be provided by a home health agency, a hospice agency, or a nursing facility.

"Physician standby" means physician attendance without direct face-to-face client contact and which does not involve provision of care or services.

"Physician's current procedural terminology," see "CPT, current procedural terminology."

"PM&R," see acute physical medicine and rehabilitation.

"Podiatric service" means the diagnosis and medical, surgical, mechanical, manipulative, and electrical treatments of ailments of the foot and ankle.

"Pound indicator (#)" means a symbol (#) indicating a CPT procedure code listed in ((MAA)) the department's fee schedules that is not routinely covered.

"Preventive" means medical practices that include counseling, anticipatory guidance, risk factor reduction interventions, and the ordering of appropriate laboratory and diagnostic procedures intended to help a client avoid or reduce the risk or incidence of illness or injury.

"Prior authorization" means a process by which clients or providers must request and receive ((MAA)) the department approval for certain medical services, equipment, or supplies, based on medical necessity, before the services are provided to clients, as a precondition for provider reimbursement. Expedited prior authorization and limitation extension are forms of prior authorization.

"Professional component" means the part of a procedure or service that relies on the provider's professional skill or training, or the part of that reimbursement that recognizes the provider's cognitive skill.

"Prognosis" means the probable outcome of a client's illness, including the likelihood of improvement or deterioration in the severity of the illness, the likelihood for recurrence, and the client's probable life span as a result of the illness.

"Prolonged services" means face-to-face client services furnished by a provider, either in the inpatient or outpatient setting, which involve time beyond what is usual for such services. The time counted toward payment for prolonged E&M services includes only face-to-face contact between the provider and the client, even if the service was not continuous.

"Provider," see WAC 388-500-0005.

"Radioallergosorbent test" or "RAST" means a blood test for specific allergies.

"RBRVS," see resource based relative value scale.

"RVU," see relative value unit.

"Reimbursement" means payment to a provider or other ((MAA-approved)) department-approved entity who bills according to the provisions in WAC 388-502-0100.

"Reimbursement steering committee (RSC)" means an interagency work group that establishes and maintains RBRVS physician fee schedules and other payment and purchasing systems utilized by the health care authority, ((MAA)) the department, and department of labor and industries.

"Relative value guide (RVG)" means a system used by the American Society of Anesthesiologists for determining base anesthesia units (BAUs).

"Relative value unit (RVU)" means a unit which is based on the resources required to perform an individual service or intervention.

"Resource based relative value scale (RBRVS)" means a scale that measures the relative value of a medical service or intervention, based on the amount of physician resources involved.

"RBRVS RVU" means a measure of the resources required to perform an individual service or intervention. It is set by medicare based on three components - physician work, practice cost, and malpractice expense. Practice cost varies depending on the place of service.

"RSC RVU" means a unit established by the RSC for a procedure that does not have an established RBRVS RVU or has an RBRVS RVU deemed by the RSC as not appropriate for the service.

"Stat laboratory charges" means charges by a laboratory for performing tests immediately. "Stat" is an abbreviation for the Latin word "statim," meaning immediately.

"Sterile tray" means a tray containing instruments and supplies needed for certain surgical procedures normally done in an office setting. For reimbursement purposes, tray components are considered by HCFA to be nonroutine and reimbursed separately.

"Technical advisory group (TAG)" means an advisory group with representatives from professional organizations whose members are affected by implementation of RBRVS physician fee schedules and other payment and purchasing systems utilized by the health care authority, ((MAA)) the department, and department of labor and industries.

"Technical component" means the part of a procedure or service that relates to the equipment set-up and technician's time, or the part of the procedure and service reimbursement that recognizes the equipment cost and technician time.

AMENDATORY SECTION (Amending WSR 05-12-022, filed 5/20/05, effective 6/20/05)

WAC 388-531-0150 Noncovered physician-related services—General and administrative. (1) Except as provided in WAC 388-531-0100 and subsection (2) of this section, ((MAA)) the department does not cover the following:

- (a) Acupuncture, massage, or massage therapy;
- (b) Any service specifically excluded by statute;
- (c) Care, testing, or treatment of infertility, frigidity, or impotency. This includes procedures for donor ovum, sperm, womb, and reversal of vasectomy or tubal ligation;

(d) Cosmetic treatment or surgery, except for medically necessary reconstructive surgery to correct defects attributable to trauma, birth defect, or illness;

(e) Experimental or investigational services, procedures, treatments, devices, drugs, or application of associated services, except when the individual factors of an individual client's condition justify a determination of medical necessity under WAC 388-501-0165;

(f) Hair transplantation;

(g) Marital counseling or sex therapy;

(h) More costly services when ((MAA)) the department determines that less costly, equally effective services are available;

(i) Vision-related services listed as noncovered in chapter 388-544 WAC;

(j) Payment for body parts, including organs, tissues, bones and blood, except as allowed in WAC 388-531-1750;

(k) Physician-supplied medication, except those drugs administered by the physician in the physician's office;

(l) Physical examinations or routine checkups, except as provided in WAC 388-531-0100;

(m) Routine foot care. This does not include clients who have a medical condition that affects the feet, such as diabetes or arteriosclerosis obliterans. Routine foot care includes, but is not limited to:

(i) Treatment of mycotic disease;

(ii) Removal of warts, corns, or calluses;

(iii) Trimming of nails and other hygiene care; or

(iv) Treatment of flat feet;

(n) Except as provided in WAC 388-531-1600, weight reduction and control services, procedures, treatments, devices, drugs, products, gym memberships, equipment for the purpose of weight reduction, or the application of associated services.

(o) Nonmedical equipment; and

(p) Nonemergent admissions and associated services to out-of-state hospitals or noncontracted hospitals in contract areas.

(2) ((MAA)) The department covers excluded services listed in (1) of this subsection if those services are mandated under and provided to a client who is eligible for one of the following:

(a) The EPSDT program;

(b) A medicaid program for qualified **medicare** beneficiaries (QMBs); or

(c) A waiver program.

AMENDATORY SECTION (Amending WSR 05-12-022, filed 5/20/05, effective 6/20/05)

WAC 388-531-0200 Physician-related services requiring prior authorization. (1) ((MAA)) The department requires **prior authorization** for certain services. Prior authorization includes **expedited prior authorization (EPA)** and **limitation extension (LE)**. See WAC 388-501-0165.

(2) The EPA process is designed to eliminate the need for telephone prior authorization for selected admissions and procedures.

(a) The provider must create an authorization number using the process explained in ~~((MAA's))~~ the department's physician-related billing instructions.

(b) Upon request, the provider must provide supporting clinical documentation to ~~((MAA))~~ the department showing how the authorization number was created.

(c) Selected nonemergent admissions to contract hospitals require EPA. These are identified in ~~((MAA))~~ the department billing instructions.

(d) Procedures requiring expedited prior authorization include, but are not limited to, the following:

(i) Bladder repair;

(ii) Hysterectomy for clients age forty-five and younger, except with a diagnosis of cancer(s) of the female reproductive system;

(iii) Outpatient magnetic resonance imaging (MRI) and magnetic resonance angiography (MRA);

(iv) Reduction mammoplasties/mastectomy for gynecomastia; and

(v) Strabismus surgery for clients eighteen years of age and older.

(3) ~~((MAA))~~ The department evaluates new technologies under the procedures in WAC 388-531-0550. These require prior authorization.

(4) Prior authorization is required for the following:

(a) Abdominoplasty;

(b) All inpatient hospital stays for **acute physical medicine and rehabilitation (PM&R)**;

(c) Cochlear implants, which also:

(i) For coverage, must be performed in an ambulatory surgery center (ASC) or an inpatient or outpatient hospital facility; and

(ii) For reimbursement, must have the invoice attached to the claim;

(d) Diagnosis and treatment of eating disorders for clients twenty-one years of age and older;

(e) Osteopathic manipulative therapy in excess of ~~((MAA's))~~ the department's published limits;

(f) Panniculectomy;

(g) Bariatric surgery (see WAC 388-531-1600); and

(h) Vagus nerve stimulator insertion, which also:

(i) For coverage, must be performed in an inpatient or outpatient hospital facility; and

(ii) For reimbursement, must have the invoice attached to the claim.

(5) ~~((MAA))~~ The department may require a second opinion and/or consultation before authorizing any elective surgical procedure.

(6) Children six year of age and younger do not require authorization for hospitalization.

Reviser's note: The typographical error in the above section occurred in the copy filed by the agency and appears in the Register pursuant to the requirements of RCW 34.08.040.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0300 Anesthesia providers and covered physician-related services. ~~((MAA))~~ The department bases coverage of anesthesia services on medicare policies and the following rules:

(1) ~~((MAA))~~ The department reimburses providers for covered anesthesia services performed by:

(a) Anesthesiologists;

(b) **Certified registered nurse anesthetists (CRNAs)**;

(c) Oral surgeons with a special agreement with ~~((MAA))~~ the department to provide anesthesia services; and

(d) Other providers who have a special agreement with ~~((MAA))~~ the department to provide anesthesia services.

(2) ~~((MAA))~~ The department covers and reimburses anesthesia services for children and noncooperative clients in those situations where the medically necessary procedure cannot be performed if the client is not anesthetized. A statement of the client-specific reasons why the procedure could not be performed without specific anesthesia services must be kept in the client's medical record. Examples of such procedures include:

(a) Computerized tomography (CT);

(b) Dental procedures;

(c) Electroconvulsive therapy; and

(d) Magnetic resonance imaging (MRI).

(3) ~~((MAA))~~ The department covers anesthesia services provided for any of the following:

(a) Dental restorations and/or extractions;

(b) Maternity per subsection (9) of this section. See WAC 388-531-1550 for information about sterilization/hysterectomy anesthesia;

(c) Pain management per subsection (5) of this section;

(d) Radiological services as listed in WAC 388-531-1450; and

(e) Surgical procedures.

(4) For each client, the anesthesiologist provider must do all of the following:

(a) Perform a pre-anesthetic examination and evaluation;

(b) Prescribe the anesthesia plan;

(c) Personally participate in the most demanding aspects of the anesthesia plan, including, if applicable, induction and emergence;

(d) Ensure that any procedures in the anesthesia plan that the provider does not perform, are performed by a qualified individual as defined in the program operating instructions;

(e) At frequent intervals, monitor the course of anesthesia during administration;

(f) Remain physically present and available for immediate diagnosis and treatment of emergencies; and

(g) Provide indicated post anesthesia care.

(5) ~~((MAA))~~ The department does not allow the anesthesiologist provider to:

(a) Direct more than four anesthesia services concurrently; and

(b) Perform any other services while directing the single or concurrent services, other than attending to medical emergencies and other limited services as allowed by medicare instructions.

(6) ~~((MAA))~~ The department requires the anesthesiologist provider to document in the client's medical record that the medical direction requirements were met.

(7) General anesthesia:

(a) When a provider performs multiple operative procedures for the same client at the same time, ~~((MAA))~~ the

department reimburses the base anesthesia units (BAU) for the major procedure only.

(b) ((MAA)) The department does not reimburse the attending surgeon for anesthesia services.

(c) When more than one anesthesia provider is present on a case, ((MAA)) the department reimburses as follows:

(i) The supervisory anesthesiologist and certified registered nurse anesthetist (CRNA) each receive fifty percent of the allowed amount.

(ii) For anesthesia provided by a team, ((MAA)) the department limits reimbursement to one hundred percent of the total allowed reimbursement for the service.

(8) Pain management:

(a) ((MAA)) The department pays CRNAs or anesthesiologists for pain management services.

(b) ((MAA)) The department allows two postoperative or pain management epidurals per client, per hospital stay plus the two associated E&M fees for pain management.

(9) Maternity anesthesia:

(a) To determine total time for obstetric epidural anesthesia during normal labor and delivery and c-sections, time begins with insertion and ends with removal for a maximum of six hours. "Delivery" includes labor for single or multiple births, and/or cesarean section delivery.

(b) ((MAA)) The department does not apply the six-hour limit for anesthesia to procedures performed as a result of post-delivery complications.

(c) See WAC 388-531-1550 for information on anesthesia services during a delivery with sterilization.

(d) See chapter 388-533 WAC for more information about maternity-related services.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0350 Anesthesia services—Reimbursement for physician-related services. (1) ((MAA)) The department reimburses anesthesia services on the basis of base anesthesia units (BAU) plus time.

(2) ((MAA)) The department calculates payment for anesthesia by adding the BAU to the time units and multiplying that sum by the conversion factor. The formula used in the calculation is: (BAU x fifteen) + time) x (conversion factor divided by fifteen) = reimbursement.

(3) ((MAA)) The department obtains BAU values from the relative value guide (RVG), and updates them annually. ((MAA)) The department and/or the anesthesia technical advisory group (ATAG) members establish the base units for procedures for which anesthesia is appropriate but do not have BAUs established by RVSP and are not defined as add-on.

(4) ((MAA)) The department determines a budget neutral anesthesia conversion factor by:

(a) Determining the BAUs, time units, and expenditures for a **base period** for the provided procedure. Then,

(b) Adding the latest BAU RVSP to the time units for the base period to obtain an estimate of the new time unit for the procedure. Then,

(c) Multiplying the time units obtained in (b) of this subsection for the new period by a conversion factor to obtain estimated expenditures. Then,

(d) Comparing the expenditures obtained in (c) of this subsection with base period expenditure levels obtained in (a) of this subsection. Then,

(e) Adjusting the dollar amount for the anesthesia conversion factor and the projected time units at the new BAUs equals the allocated amount determined in (a) of this subsection.

(5) ((MAA)) The department calculates anesthesia time units as follows:

(a) One minute equals one unit.

(b) The total time is calculated to the next whole minute.

(c) Anesthesia time begins when the anesthesiologist, surgeon, or CRNA begins physically preparing the client for the induction of anesthesia; this must take place in the operating room or its equivalent. When there is a break in continuous anesthesia care, blocks of time may be added together as long as there is continuous monitoring. Examples of this include, but are not limited to, the following:

(i) The time a client spends in an anesthesia induction room; or

(ii) The time a client spends under the care of an operating room nurse during a surgical procedure.

(d) Anesthesia time ends when the anesthesiologist, surgeon, or CRNA is no longer in constant attendance (i.e., when the client can be safely placed under post-operative supervision).

(6) ((MAA)) The department changes anesthesia **conversion factors** if the legislature grants a vendor rate increase, or other increase, and if the effective date of that increase is not the same as ((MAA's)) the department's annual update.

(7) If the legislatively authorized vendor rate increase or other increase becomes effective at the same time as ((MAA's)) the department's annual update, ((MAA)) the department applies the increase after calculating the budget-neutral conversion factor.

(8) When more than one surgical procedure is performed at the same operative session, ((MAA)) the department uses the BAU of the major procedure to determine anesthesia **allowed charges**. ((MAA)) The department reimburses for add-on procedures as defined by CPT only for the time spent on the add-on procedure that is in addition to the time spent on the major procedure.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0450 Critical care—Physician-related services. (1) ((MAA)) The department reimburses the following physicians for critical care services:

(a) The attending physician who assumes responsibility for the care of a client during a life-threatening episode;

(b) More than one physician if the services provided involve multiple organ systems; or

(c) Only one physician for services provided in the emergency room.

(2) ((MAA)) The department reimburses preoperative and postoperative critical care in addition to a **global surgical package** when all the following apply:

(a) The client is critically ill and the physician is engaged in work directly related to the individual client's care, whether that time is spent at the immediate bedside or elsewhere on the floor;

(b) The critical injury or illness acutely impairs one or more vital organ systems such that the client's survival is jeopardized;

(c) The critical care is unrelated to the specific anatomic injury or general surgical procedure performed; and

(d) The provider uses any necessary, appropriate modifier when billing ((MAA)) the department.

(3) ((MAA)) The department limits payment for critical care services to a maximum of three hours per day, per client.

(4) ((MAA)) The department does not pay separately for certain services performed during a critical care period when the services are provided on a per hour basis. These services include, but are not limited to, the following:

(a) Analysis of information data stored in computers (e.g., ECG, blood pressure, hematologic data);

(b) Blood draw for a specimen;

(c) Blood gases;

(d) Cardiac output measurement;

(e) Chest X rays;

(f) Gastric intubation;

(g) Pulse oximetry;

(h) Temporary transcutaneous pacing;

(i) Vascular access procedures; and

(j) Ventilator management.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0500 Emergency physician-related services. (1) ((MAA)) The department reimburses for E&M services provided in the hospital emergency department to clients who arrive for immediate medical attention.

(2) ((MAA)) The department reimburses emergency physician services only when provided by physicians assigned to the hospital emergency department or the physicians on **call** to cover the hospital emergency department.

(3) ((MAA)) The department pays a provider who is called back to the emergency room at a different time on the same day to attend a return visit the same client. When this results in multiple claims on the same day, the time of each encounter must be clearly indicated on the claim.

(4) ((MAA)) The department does not pay emergency room physicians for **hospital admission** charges or additional service charges.

Reviser's note: The typographical error in the above section occurred in the copy filed by the agency and appears in the Register pursuant to the requirements of RCW 34.08.040.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0550 Experimental and investigational services. (1) When ((MAA)) the department makes a determination as to whether a proposed service is experimen-

tal or investigational, ((MAA)) the department follows the procedures in this section. The policies and procedures and any criteria for making decisions are available upon request.

(2) The determination of whether a service is experimental and/or investigational is subject to a case-by-case review under the provisions of WAC 388-501-0165 which relate to medical necessity. ((MAA)) The department also considers the following:

(a) Evidence in **peer-reviewed medical literature**, as defined in WAC 388-531-0050, and preclinical and clinical data reported to the National Institute of Health and/or the National Cancer Institute, concerning the probability of the service maintaining or significantly improving the enrollee's length or quality of life, or ability to function, and whether the benefits of the service or treatment are outweighed by the risks of death or serious complications;

(b) Whether evidence indicates the service or treatment is more likely than not to be as beneficial as existing conventional treatment alternatives for the treatment of the condition in question;

(c) Whether the service or treatment is generally used or generally accepted for treatment of the condition in the United States;

(d) Whether the service or treatment is under continuing scientific testing and research;

(e) Whether the service or treatment shows a demonstrable benefit for the condition;

(f) Whether the service or treatment is safe and efficacious;

(g) Whether the service or treatment will result in greater benefits for the condition than another generally available service; and

(h) If approval is required by a regulating agency, such as the Food and Drug Administration, whether such approval has been given before the date of service.

(3) ((MAA)) The department applies consistently across clients with the same medical condition and health status, the criteria to determine whether a service is experimental. A service or treatment that is not experimental for one client with a particular medical condition is not determined to be experimental for another enrollee with the same medical condition and health status. A service that is experimental for one client with a particular medical condition is not necessarily experimental for another, and subsequent individual determinations must consider any new or additional evidence not considered in prior determinations.

(4) ((MAA)) The department does not determine a service or treatment to be experimental or investigational solely because it is under clinical investigation when there is sufficient evidence in peer-reviewed medical literature to draw conclusions, and the evidence indicates the service or treatment will probably be of greater overall benefit to the client in question than another generally available service.

(5) All determinations that a proposed service or treatment is "experimental" or "investigation" are subject to the review and approval of a physician who is:

(a) Licensed under chapter 18.57 RCW or an osteopath licensed under chapter 18.71 RCW;

(b) Designated by ((MAA's)) the department's medical director to issue such approvals; and

(c) Available to consult with the client's treating physician by telephone.

Reviser's note: The typographical error in the above section occurred in the copy filed by the agency and appears in the Register pursuant to the requirements of RCW 34.08.040.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0600 HIV/AIDS Counseling and testing as physician-related services. ((MAA)) The department covers one pre-and one post-HIV/AIDS counseling/testing session per client each time the client is tested for HIV/AIDS.

AMENDATORY SECTION (Amending WSR 05-12-022, filed 5/20/05, effective 6/20/05)

WAC 388-531-0650 Hospital physician-related services not requiring authorization when provided in ((MAA-approved)) department-approved centers of excellence or hospitals authorized to provide the specific services. ((MAA)) The department covers the following services without prior authorization when provided in ((MAA-approved)) department-approved centers of excellence. ((MAA)) The department issues periodic publications listing centers of excellence. These services include the following:

(1) All transplant procedures specified in WAC 388-550-1900;

(2) Chronic pain management services, including outpatient evaluation and inpatient treatment, as described under WAC 388-550-2400. See also WAC 388-531-0700;

(3) Sleep studies including but not limited to polysomnograms for clients one year of age and older. ((MAA)) The department allows sleep studies only in outpatient hospital settings as described under WAC 388-550-6350. See also WAC 388-531-1500; and

(4) Diabetes education, in a DOH-approved facility, per WAC 388-550-6300.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0700 Inpatient chronic pain management physician-related services. (1) ((MAA)) The department covers inpatient chronic pain management services only when the services are obtained through ((an MAA-approved)) a department-approved chronic pain facility.

(2) A client qualifies for inpatient chronic pain management services when all of the following apply:

(a) The client has had chronic pain for at least three months, that has not improved with conservative treatment, including tests and therapies;

(b) At least six months have passed since a previous surgical procedure was done in relation to the pain problem; and

(c) Clients with active substance abuse must have completed a detoxification program, if appropriate, and must be free from drugs or alcohol for six months.

(3) For chronic pain management, ((MAA)) the department limits coverage to only one inpatient hospital stay per client's lifetime, up to a maximum of twenty-one days.

(4) ((MAA)) The department reimburses for only the chronic pain management services and procedures that are listed in the fee schedule.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0750 Inpatient hospital physician-related services. (1) ((MAA)) The department separately reimburses the attending provider for inpatient hospital professional services rendered by the attending provider during the surgical follow-up period only if the services are performed for an emergency condition or a diagnosis that is unrelated to the inpatient stay.

(2) ((MAA)) The department reimburses for only one inpatient hospital call per client, per day for the same or related diagnoses. If a call is included in the **global surgery reimbursement**, ((MAA)) the department does not reimburse separately.

(3) ((MAA)) The department reimburses a hospital admission related to a planned surgery through the global fee for surgery.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0800 Laboratory and pathology physician-related services. (1) ((MAA)) The department reimburses providers for laboratory services only when:

(a) The provider is certified according to Title XVII of the Social Security Act (medicare), if required; and

(b) The provider has a clinical laboratory improvement amendment (CLIA) certificate and identification number.

(2) ((MAA)) The department includes a handling, packaging, and mailing fee in the reimbursement for lab tests and does not reimburse these separately.

(3) ((MAA)) The department reimburses only one blood drawing fee per client, per day. ((MAA)) The department allows additional reimbursement for an independent laboratory when it goes to a nursing facility or a private home to obtain a specimen.

(4) ((MAA)) The department reimburses only one catheterization for collection of a urine specimen per client, per day.

(5) ((MAA)) The department reimburses automated multichannel tests done alone or as a group, as follows:

(a) The provider must bill a panel if all individual tests are performed. If not all tests are performed, the provider must bill individual tests.

(b) If the provider bills one automated multichannel test, ((MAA)) the department reimburses the test at the individual procedure code rate, or the internal code maximum allowable fee, whichever is lower.

(c) Tests may be performed in a facility that owns or leases automated multichannel testing equipment. The facility may be any of the following:

(i) A clinic;

(ii) A hospital laboratory;

(iii) An independent laboratory; or

(iv) A physician's office.

(6) ((MAA)) The department allows a STAT fee in addition to the maximum allowable fee when a laboratory procedure is performed STAT.

(a) ((MAA)) The department reimburses STAT charges for only those procedures identified by the clinical laboratory advisory council as appropriate to be performed STAT.

(b) Tests generated in the emergency room do not automatically justify a STAT order, the physician must specifically order the tests as STAT.

(c) Refer to the fee schedule for a list of STAT procedures.

(7) ((MAA)) The department reimburses for drug screen charges only when medically necessary and when ordered by a physician as part of a total medical evaluation.

(8) ((MAA)) The department does not reimburse for drug screens for clients in the division of alcohol and substance abuse (DASA)-contracted methadone treatment programs. These are reimbursed through a contract issued by DASA.

(9) ((MAA)) The department does not cover for drug screens to monitor any of the following:

(a) Program compliance in either a residential or outpatient drug or alcohol treatment program;

(b) Drug or alcohol abuse by a client when the screen is performed by a provider in private practice setting; or

(c) Suspected drug use by clients in a residential setting, such as a group home.

(10) ((MAA)) The department may require a drug or alcohol screen in order to determine a client's suitability for a specific test.

(11) An independent laboratory must bill ((MAA)) the department directly. ((MAA)) The department does not reimburse a medical practitioner for services referred to or performed by an independent laboratory.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0850 Laboratory and pathology physician-related services reimbursement. (1) ((MAA)) The department pays for clinical diagnostic laboratory procedures based on the **medicare clinical diagnostic laboratory fee schedule (MCDLF)** for the state of Washington. ((MAA)) The department obtains information used to update fee schedule regulations from Program Memorandum and Regional Medicare Letters as published by HCFA.

(2) ((MAA)) The department updates budget-neutral fees each July by:

(a) Determining the units of service and expenditures for a base period. Then,

(b) Determining in total the ratio of current ((MAA)) department fees to existing medicare fees. Then,

(c) Determining new ((MAA)) department fees by adjusting the new medicare fee by the ratio. Then,

(d) Multiplying the units of service by the new ((MAA)) department fee to obtain total estimated expenditures. Then,

(e) Comparing the expenditures in subsection (14)(d) of this section to the base period expenditures. Then,

(f) Adjusting the new ratio until estimated expenditures equals the base period amount.

(3) ((MAA)) The department calculates maximum allowable fees (MAF) by:

(a) Calculating fees using methodology described in subsection (2) of this section for procedure codes that have an applicable medicare clinical diagnostic laboratory fee (MCDLF).

(b) Establishing **RSC** fees for procedure codes that have no applicable MCDLF.

(c) Establishing maximum allowable fees, or "**flat fees**" for procedure codes that have no applicable MCDLF or RSC fees. ((MAA)) The department updates flat fee reimbursement only when authorized by the legislature.

(d) ((MAA)) The department reimbursement for clinical laboratory diagnostic procedures does not exceed the regional MCDLF schedule.

(4) ((MAA)) The department increases fees if the legislature grants a vendor rate increase or other increase. If the legislatively authorized increase becomes effective at the same time as ((MAA's)) the department's annual update, ((MAA)) the department applies the increase after calculating budget-neutral fees.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0900 Neonatal intensive care unit (NICU) physician-related services. (1) ((MAA)) The department pays the physician directing the care of a neonate or infant in an NICU, for NICU services.

(2) NICU services include, but are not limited to, any of the following:

(a) Patient management;

(b) Monitoring and treatment of the neonate, including nutritional, metabolic and hematologic maintenance;

(c) Parent counseling; and

(d) Personal direct supervision by the **health care team** of activities required for diagnosis, treatment, and supportive care of the patient.

(3) Payment for NICU care begins with the date of admission to the NICU.

(4) ((MAA)) The department reimburses a provider for only one NICU service per client, per day.

(5) A provider may bill for NICU services in addition to **prolonged services** and newborn resuscitation when the provider is present at the delivery.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-0950 Office and other outpatient physician-related services. (1) ((MAA)) The department reimburses for the following:

(a) Two calls per month for routine medical conditions for a client residing in a nursing facility; and

(b) One call per noninstitutionalized client, per day, for an individual physician, except for valid call-backs to the emergency room per WAC 388-531-0500.

(2) The provider must provide justification based on medical necessity at the time of billing for visits in excess of subsection (1) of this section.

(3) See physician billing instructions for procedures that are included in the office call and cannot be billed separately.

(4) Using selected diagnosis codes, ((MAA)) the department reimburses the provider at the appropriate level of physician office call for history and physical procedures in conjunction with dental surgery services performed in an outpatient setting.

(5) ((MAA)) The department may reimburse providers for injection procedures and/or injectable drug products only when:

(a) The injectable drug is administered during an office visit; and

(b) The injectable drug used is from office stock and purchased by the provider from a pharmacist or drug manufacturer as described in WAC 388-530-1200.

(6) ((MAA)) The department does not reimburse a prescribing provider for a drug when a pharmacist dispenses the drug.

(7) ((MAA)) The department does not reimburse the prescribing provider for an immunization when the immunization material is received from the department of health; ((MAA)) the department does reimburse an administrative fee. If the immunization is given in a health department and is the only service provided, ((MAA)) the department reimburses a minimum E&M service.

(8) ((MAA)) The department reimburses immunizations at **estimated acquisition costs (EAC)** when the immunizations are not part of the vaccine for children program. ((MAA)) The department reimburses a separate administration fee for these immunizations. Covered immunizations are listed in the fee schedule.

(9) ((MAA)) The department reimburses therapeutic and diagnostic injections subject to certain limitations as follows:

(a) ((MAA)) The department does not pay separately for the administration of intra-arterial and intravenous therapeutic or diagnostic injections provided in conjunction with intravenous infusion therapy services. ((MAA)) The department does pay separately for the administration of these injections when they are provided on the same day as an E&M service. ((MAA)) The department does not pay separately an administrative fee for injectables when both E&M and infusion therapy services are provided on the same day. ((MAA)) The department reimburses separately for the drug(s).

(b) ((MAA)) The department does not pay separately for subcutaneous or intramuscular administration of antibiotic injections provided on the same day as an E&M service. If the injection is the only service provided, ((MAA)) the department pays an administrative fee. ((MAA)) The department reimburses separately for the drug.

(c) ((MAA)) The department reimburses injectable drugs at **acquisition cost**. The provider must document the name, strength, and dosage of the drug and retain that information in the client's file. The provider must provide an invoice when requested by ((MAA)) the department. This subsection does not apply to drugs used for chemotherapy; see subsection (11) in this section for chemotherapy drugs.

(d) The provider must submit a manufacturer's invoice to document the name, strength, and dosage on the claim form

when billing ((MAA)) the department for the following drugs:

(i) Classified drugs where the billed charge to ((MAA)) the department is over one thousand, one hundred dollars; and

(ii) Unclassified drugs where the billed charge to ((MAA)) the department is over one hundred dollars. This does not apply to unclassified antineoplastic drugs.

(10) ((MAA)) The department reimburses allergen immunotherapy only as follows:

(a) Antigen/antigen preparation codes are reimbursed per dose.

(b) When a single client is expected to use all the doses in a multiple dose vial, the provider may bill the total number of doses in the vial at the time the first dose from the vial is used. When remaining doses of a multiple dose vial are injected at subsequent times, ((MAA)) the department reimburses the injection service (administration fee) only.

(c) When a multiple dose vial is used for more than one client, the provider must bill the total number of doses provided to each client out of the multiple dose vial.

(d) ((MAA)) The department covers the antigen, the antigen preparation, and an administration fee.

(e) ((MAA)) The department reimburses a provider separately for an E&M service if there is a diagnosis for conditions unrelated to allergen immunotherapy.

(f) ((MAA)) The department reimburses for **RAST** testing when the physician has written documentation in the client's record indicating that previous skin testing failed and was negative.

(11) ((MAA)) The department reimburses for chemotherapy drugs:

(a) Administered in the physician's office only when:

(i) The physician personally supervises the E&M services furnished by office medical staff; and

(ii) The medical record reflects the physician's active participation in or management of course of treatment.

(b) At established maximum allowable fees that are based on the medicare pricing method for calculating the estimated acquisition cost (EAC), or maximum allowable cost (MAC) when generics are available;

(c) For unclassified antineoplastic drugs, the provider must submit the following information on the claim form:

(i) The name of the drug used;

(ii) The dosage and strength used; and

(iii) The national drug code (NCD).

(12) Notwithstanding the provisions of this section, ((MAA)) the department reserves the option of determining drug pricing for any particular drug based on the best evidence available to ((MAA)) the department, or other good and sufficient reasons (e.g., fairness/equity, budget), regarding the actual cost, after discounts and promotions, paid by typical providers nationally or in Washington state.

(13) ((MAA)) The department may request an invoice as necessary.

Reviser's note: The typographical errors in the above section occurred in the copy filed by the agency and appear in the Register pursuant to the requirements of RCW 34.08.040.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1050 Osteopathic manipulative treatment. (1) ((MAA)) The department reimburses osteopathic manipulative therapy (OMT) only when OMT is provided by an osteopathic physician licensed under chapter 18.71 RCW.

(2) ((MAA)) The department reimburses OMT only when the provider bills using the appropriate CPT codes that involve the number of body regions involved.

(3) ((MAA)) The department allows an osteopathic physician to bill ((MAA)) the department for an evaluation and management (E&M) service in addition to the OMT when one of the following apply:

(a) The physician diagnoses the condition requiring manipulative therapy and provides it during the same visit;

(b) The existing related diagnosis or condition fails to respond to manipulative therapy or the condition significantly changes or intensifies, requiring E&M services beyond those included in the manipulation codes; or

(c) The physician treats the client during the same encounter for an unrelated condition that does not require manipulative therapy.

(4) ((MAA)) The department limits reimbursement for manipulations to ten per client, per calendar year. Reimbursement for each manipulation includes a brief evaluation as well as the manipulation.

(5) ((MAA)) The department does not reimburse for physical therapy services performed by osteopathic physicians.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1100 Out-of-state physician services.

(1) ((MAA)) The department covers medical services provided to eligible clients who are temporarily located outside the state, subject to the provisions of this chapter and WAC 388-501-0180.

(2) Out-of-state border areas as described under WAC 388-501-0175 are not subject to out-of-state limitations. ((MAA)) The department considers physicians in border areas as providers in the state of Washington.

(3) In order to be eligible for reimbursement, out-of-state physicians must meet all criteria for, and must comply with all procedures required of in-state physicians, in addition to other requirements of this chapter.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1150 Physician care plan oversight services. (1) ((MAA)) The department covers **physician care plan** oversight services only when:

(a) A physician provides the service; and
(b) The client is served by a home health agency, a nursing facility, or a **hospice**.

(2) ((MAA)) The department reimburses for physician care plan oversight services when both of the following apply:

(a) The facility/agency has established a plan of care; and

(b) The physician spends thirty or more minutes per calendar month providing oversight for the client's care.

(3) ((MAA)) The department reimburses only one physician per client, per month, for physician care plan oversight services.

(4) ((MAA)) The department reimburses for physician care plan oversight services during the global surgical reimbursement period only when the care plan oversight is unrelated to the surgery.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1200 Physician office medical supplies. (1) Refer to RBRVS billing instructions for a list of:

(a) Supplies that are a routine part of office or other outpatient procedures and that cannot be billed separately; and

(b) Supplies that can be billed separately and that ((MAA)) the department considers nonroutine to office or outpatient procedures.

(2) ((MAA)) The department reimburses at acquisition cost certain supplies under fifty dollars that do not have a maximum allowable fee listed in the fee schedule. The provider must retain invoices for these items and make them available to ((MAA)) the department upon request.

(3) Providers must submit invoices for items costing fifty dollars or more.

(4) ((MAA)) The department reimburses for **sterile tray** for certain surgical services only. Refer to the fee schedule for a list of covered items.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1250 Physician standby services. (1) ((MAA)) The department reimburses **physician standby** services only when the standby physician does not provide care or service to other clients during this period, and either:

(a) The services are provided in conjunction with newborn care history and examination, or result in an admission to a neonatal intensive care unit on the same day; or

(b) A physician requests another physician to stand by, resulting in the prolonged attendance by the second physician without face-to-face client contact.

(2) ((MAA)) The department does not reimburse physician standby services when any of the following occur:

(a) The standby ends in a surgery or procedure included in a global surgical reimbursement;

(b) The standby period is less than thirty minutes; or

(c) Time is spent proctoring another physician.

(3) One unit of physician standby service equals thirty minutes. ((MAA)) The department reimburses subsequent periods of physician standby service only when full thirty minutes of standby is provided for each unit billed. ((MAA)) The department rounds down fractions of a thirty-minute time unit.

(4) The provider must clearly document the need for physician standby services in the client's medical record.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1300 Podiatric physician-related services. (1) ((MAA)) The department covers podiatric services as listed in this section when provided by any of the following:

- (a) A medical doctor;
- (b) A doctor of osteopathy; or
- (c) A podiatric physician.

(2) ((MAA)) The department reimburses for the following:

(a) Nonroutine foot care when a medical condition that affects the feet (such as diabetes or arteriosclerosis obliterans) requires that any of the providers in subsection (1) of this section perform such care;

(b) One treatment in a sixty-day period for debridement of nails. ((MAA)) The department covers additional treatments in this period if documented in the client's medical record as being medically necessary;

(c) Impression casting. ((MAA)) The department includes ninety-day follow-up care in the reimbursement;

(d) A surgical procedure performed on the ankle or foot, requiring a local nerve block, and performed by a qualified provider. ((MAA)) The department does not reimburse separately for the anesthesia, but includes it in the reimbursement for the procedure; and

(e) Custom fitted and/or custom molded orthotic devices:

(i) ((MAA's)) The department's fee for the orthotic device includes reimbursement for a biomechanical evaluation (an evaluation of the foot that includes various measurements and manipulations necessary for the fitting of an orthotic device); and

(ii) ((MAA)) The department includes an E&M fee reimbursement in addition to an orthotic fee reimbursement if the E&M services are justified and well documented in the client's medical record.

(3) ((MAA)) The department does not reimburse podiatrists for any of the following radiology services:

- (a) X rays for soft tissue diagnosis;
- (b) Bilateral X rays for a unilateral condition;
- (c) X rays in excess of two views;
- (d) X rays that are ordered before the client is examined;

or

(e) X rays for any part of the body other than the foot or ankle.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1350 Prolonged physician-related service. (1) ((MAA)) The department reimburses prolonged services based on established medicare guidelines. The services provided may or may not be continuous. The services provided must meet both of the following:

- (a) Consist of face-to-face contact between the physician and the client; and
- (b) Be provided with other services.

(2) ((MAA)) The department allows reimbursement for a prolonged service procedure in addition to an E&M procedure

or consultation, up to three hours per client, per diagnosis, per day, subject to other limitations in the CPT codes that may be used. The applicable CPT codes are indicated in the fee schedule.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1450 Radiology physician-related services. (1) ((MAA)) The department reimburses radiology services subject to the limitations in this section and under WAC 388-531-0300.

(2) ((MAA)) The department does not make separate payments for contrast material. The exception is low osmolar contrast media (LOCM) used in intrathecal, intravenous, and intra-arterial injections. Clients receiving these injections must have one or more of the following conditions:

(a) A history of previous adverse reaction to contrast material. An adverse reaction does not include a sensation of heat, flushing, or a single episode of nausea or vomiting;

(b) A history of asthma or allergy;

(c) Significant cardiac dysfunction including recent or imminent cardiac decompensation, severe arrhythmias, unstable angina pectoris, recent myocardial infarction, and pulmonary hypertension;

(d) Generalized severe debilitation;

(e) Sickle cell disease;

(f) Pre-existing renal insufficiency; and/or

(g) Other clinical situations where use of any media except LOCM would constitute a danger to the health of the client.

(3) ((MAA)) The department reimburse separately for radiopharmaceutical diagnostic imaging agents for nuclear medicine procedures. Providers must submit invoices for these procedures when requested by ((MAA)) the department, and reimbursement is at acquisition cost.

(4) ((MAA)) The department reimburses general anesthesia for radiology procedures. See WAC 388-531-0300.

(5) ((MAA)) The department reimburses radiology procedures in combination with other procedures according to the rules for multiple surgeries. See WAC 388-531-1700. The procedures must meet all of the following conditions:

(a) Performed on the same day;

(b) Performed on the same client; and

(c) Performed by the same physician or more than one member of the same group practice.

(6) ((MAA)) The department reimburses consultation on X-ray examinations. The consulting physician must bill the specific radiological X-ray code with the appropriate **professional component** modifier.

(7) ((MAA)) The department reimburses for portable X-ray services furnished in the client's home or in nursing facilities, limited to the following:

(a) Chest or abdominal films that do not involve the use of contract media;

(b) Diagnostic mammograms; and

(c) Skeletal films involving extremities, pelvis, vertebral column or skull.

Reviser's note: The typographical errors in the above section occurred in the copy filed by the agency and appear in the Register pursuant to the requirements of RCW 34.08.040.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1500 Sleep studies. (1) ~~((MAA))~~ The department covers sleep studies only when all of the following apply:

(a) The study is done to establish a diagnosis of narcolepsy or of sleep apnea;

(b) The study is done only at ~~((an MAA-approved))~~ a department-approved sleep study center that meets the standards and conditions in subsections (2), (3), and (4) of this section; and

(c) An ENT consultation has been done for a client under ten years of age.

(2) In order to become ~~((an MAA-approved))~~ a department-approved sleep study center, a sleep lab must send ~~((MAA))~~ to the department verification of both of the following:

(a) Sleep lab accreditation by the American Academy of Sleep Medicine; and

(b) Physician's Board Certification by the American Board of Sleep Medicine.

(3) Registered polysomnograph technicians (PSGT) must meet the accreditation standards of the American Academy of Sleep Medicine.

(4) When a sleep lab changes directors, ~~((MAA))~~ the department requires the provider to submit accreditation for the new director. If an accredited director moves to a facility that ~~((MAA))~~ the department has not approved, the provider must submit certification for the facility.

AMENDATORY SECTION (Amending WSR 03-19-081, filed 9/12/03, effective 10/13/03)

WAC 388-531-1650 Substance abuse detoxification physician-related services. (1) ~~((MAA))~~ The department covers physician services for three-day alcohol detoxification or five-day drug detoxification services for a client eligible for medical care program services in ~~((an MAA-enrolled))~~ a department-enrolled hospital-based detoxification center.

(2) ~~((MAA))~~ The department covers treatment in programs certified under chapter 388-805 WAC or its successor.

(3) ~~((MAA))~~ The department covers detoxification and medical stabilization services to chemically using pregnant (CUP) women for up to twenty-seven days in an inpatient hospital setting.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1700 Surgical physician-related services. (1) ~~((MAA's))~~ The department's global surgical reimbursement for all covered surgeries includes all of the following:

(a) The operation itself;

(b) Postoperative dressing changes, including:

(i) Local incision care and removal of operative packs;

(ii) Removal of cutaneous sutures, staples, lines, wire, tubes, drains, and splints;

(iii) Insertion, irrigation, and removal of urinary catheters, routine peripheral intravenous lines, nasogastric and rectal tubes; or

(iv) Change and removal of tracheostomy tubes.

(c) All additional medical or surgical services required because of complications that do not require additional operating room procedures.

(2) ~~((MAA's))~~ The department's global surgical reimbursement for major surgeries, includes all of the following:

(a) Preoperative visits, in or out of the hospital, beginning on the day before surgery; and

(b) Services by the primary surgeon, in or out of the hospital, during a standard ninety-day postoperative period.

(3) ~~((MAA's))~~ The department's global surgical reimbursement for minor surgeries includes all of the following:

(a) Preoperative visits beginning on the day of surgery; and

(b) Follow-up care for zero or ten days, depending on the procedure.

(4) When a second physician provides follow-up services for minor procedures performed in hospital emergency departments, ~~((MAA))~~ the department does not include these services in the global surgical reimbursement. The physician may bill these services separately.

(5) ~~((MAA's))~~ The department's global surgical reimbursement for multiple surgical procedures is as follows:

(a) Payment for multiple surgeries performed on the same client on the same day equals one hundred percent of ~~((MAA's))~~ the department's allowed fee for the highest value procedure. Then,

(b) For additional surgical procedures, payment equals fifty percent of ~~((MAA's))~~ the department's allowed fee for each procedure.

(6) ~~((MAA))~~ The department allows separate reimbursement for any of the following:

(a) The initial evaluation or consultation;

(b) Preoperative visits more than one day before the surgery;

(c) Postoperative visits for problems unrelated to the surgery; and

(d) Postoperative visits for services that are not included in the normal course of treatment for the surgery.

(7) ~~((MAA's))~~ The department's reimbursement for endoscopy is as follows:

(a) The global surgical reimbursement fee includes follow-up care for zero or ten days, depending on the procedure.

(b) Multiple surgery rules apply when a provider bills multiple endoscopies from different endoscopy groups. See subsection (4) of this section.

(c) When a physician performs more than one endoscopy procedure from the same group on the same day, ~~((MAA))~~ the department pays the full amount of the procedure with the highest maximum allowable fee.

(d) ~~((MAA))~~ The department pays the procedure with the second highest maximum allowable fee at the maximum allowable fee minus the base diagnostic endoscopy procedure's maximum allowed amount.

(e) ~~((MAA))~~ The department does not pay when payment for other codes within an endoscopy group is less than the base code.

(8) ~~((MAA))~~ The department restricts reimbursement for surgery assists to selected procedures as follows:

(a) ~~((MAA))~~ The department applies multiple surgery reimbursement rules for surgery assists apply. See subsection (4) of this section.

(b) Surgery assists are reimbursed at twenty percent of the maximum allowable fee for the surgical procedure.

(c) A surgical assist fee for a registered nurse first assistant (RNFA) is reimbursed if the nurse has been assigned a provider number.

(d) A provider must use a modifier on the claim with the procedure code to identify surgery assist.

(9) ~~((MAA))~~ The department bases payment splits between preoperative, intraoperative, and postoperative services on medicare determinations for given surgical procedures or range of procedures. ~~((MAA))~~ The department pays any procedure that does not have an established medicare payment split according to a split of ten percent - eighty percent - ten percent respectively.

(10) For preoperative and postoperative critical care services provided during a global period refer to WAC 388-531-0450.

Reviser's note: The typographical error in the above section occurred in the copy filed by the agency and appears in the Register pursuant to the requirements of RCW 34.08.040.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1750 Transplant coverage for physician-related services. ~~((MAA))~~ The department covers transplants when performed in ~~((an MAA-approved))~~ a department-approved center of excellence. See WAC 388-550-1900 for information regarding transplant coverage.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1850 Payment methodology for physician-related services—General and billing modifiers.

GENERAL PAYMENT METHODOLOGY

(1) ~~((MAA))~~ The department bases the payment methodology for most physician-related services on medicare's RBRVS. ~~((MAA))~~ The department obtains information used to update ~~((MAA's))~~ the department's RBRVS from the MPFSPS.

(2) ~~((MAA))~~ The department updates and revises the following RBRVS areas each January prior to ~~((MAA's))~~ the department's annual update.

(3) ~~((MAA))~~ The department determines a budget-neutral conversion factor (CF) for each RBRVS update, by:

(a) Determining the units of service and expenditures for a **base period**. Then,

(b) Applying the latest medicare RVU obtained from the MPFSDDB, as published in the MPFSPS, and GCPI changes to obtain projected units of service for the new period. Then,

(c) Multiplying the projected units of service by conversion factors to obtain estimated expenditures. Then,

(d) Comparing expenditures obtained in (c) of this subsection with base period expenditure levels.

(e) Adjusting the dollar amount for the conversion factor until the product of the conversion factor and the projected units of service at the new RVUs equals the base period amount.

(4) ~~((MAA))~~ The department calculates maximum allowable fees (MAFs) in the following ways:

(a) For procedure codes that have applicable medicare RVUs, the three components (practice, malpractice, and work) of the RVU are:

(i) Each multiplied by the statewide GPCI. Then,

(ii) The sum of these products is multiplied by the applicable conversion factor. The resulting RVUs are known as RBRVS RVUs.

(b) For procedure codes that have no applicable medicare RVUs, RSC RVUs are established in the following way:

(i) When there are three RSC RVU components (practice, malpractice, and work):

(A) Each component is multiplied by the statewide GPCI. Then,

(B) The sum of these products is multiplied by the applicable conversion factor.

(ii) When the RSC RVUs have just one component, the RVU is not GPCI adjusted and the RVU is multiplied by the applicable conversion factor.

(c) For procedure codes with no RBRVS or RSC RVUs, ~~((MAA))~~ the department establishes maximum allowable fees, also known as "flat" fees.

(i) ~~((MAA))~~ The department does not use the conversion factor for these codes.

(ii) ~~((MAA))~~ The department updates flat fee reimbursement only when the legislature authorizes a vendor rate increase, except for the following categories which are revised annually during the update:

(A) Immunization codes are reimbursed at EAC. (See WAC 388-530-1050 for explanation of EAC.) When the provider receives immunization materials from the department of health, ~~((MAA))~~ the department pays the provider a flat fee only for administering the immunization.

(B) A **cast material maximum allowable fee** is set using an average of wholesale or distributor prices for cast materials.

(iii) Other supplies are reimbursed at physicians' acquisition cost, based on manufacturers' price sheets. Reimbursement applies only to supplies that are not considered part of the routine cost of providing care (e.g., intrauterine devices (IUDs)).

(d) For procedure codes with no RVU or maximum allowable fee, ~~((MAA))~~ the department reimburses "by report." By report codes are reimbursed at a percentage of the amount billed for the service.

(e) For supplies that are dispensed in a physician's office and reimbursed separately, the provider's acquisition cost when flat fees are not established.

(f) ~~((MAA))~~ The department reimburses at acquisition cost those HCPCS J and Q codes that do not have flat fees established.

(5) The **technical advisory group** reviews RBRVS changes.

(6) ~~((MAA))~~ The department also makes fee schedule changes when the legislature grants a vendor rate increase

and the effective date of that increase is not the same as ((MAA's)) the department's annual update.

(7) If the legislatively authorized vendor rate increase, or other increase, becomes effective at the same time as the annual update, ((MAA)) the department applies the increase after calculating budget-neutral fees. ((MAA)) The department pays providers a higher reimbursement rate for primary health care E&M services that are provided to children age twenty and under.

(8) ((MAA)) The department does not allow separate reimbursement for bundled services. However, ((MAA)) the department allows separate reimbursement for items considered prosthetics when those items are used for a permanent condition and are furnished in a provider's office.

(9) Variations of payment methodology which are specific to particular services and which differ from the general payment methodology described in this section are included in the sections dealing with those particular services.

CPT/HCFA MODIFIERS

(10) A modifier is a code a provider uses on a claim in addition to a billing code for a standard procedure. Modifiers eliminate the need to list separate procedures that describe the circumstance that modified the standard procedure. A modifier may also be used for information purposes.

(11) Certain services and procedures require modifiers in order for ((MAA)) the department to reimburse the provider. This information is included in the sections dealing with those particular services and procedures, as well as the fee schedule.

AMENDATORY SECTION (Amending WSR 01-01-012, filed 12/6/00, effective 1/6/01)

WAC 388-531-1900 Reimbursement—General requirements for physician-related services. (1) ((MAA)) The department reimburses physicians and related providers for covered services provided to eligible clients on a fee-for-service basis, subject to the exceptions, restrictions, and other limitations listed in this chapter and other published issuances.

(2) In order to be reimbursed, physicians must bill ((MAA)) the department according to the conditions of payment under WAC 388-501-0150 and other issuances.

(3) ((MAA)) The department does not separately reimburse certain administrative costs or services. ((MAA)) The department considers these costs to be included in the reimbursement. These costs and services include the following:

- (a) Delinquent payment fees;
- (b) Educational supplies;
- (c) Mileage;
- (d) Missed or canceled appointments;
- (e) Reports, client charts, insurance forms, copying expenses;
- (f) Service charges;
- (g) Take home drugs; and
- (h) Telephoning (e.g., for prescription refills).

(4) ((MAA)) The department does not routinely pay for procedure codes which have a "#" indicator in the fee schedule. ((MAA)) The department reviews these codes for conformance to medicaid program policy only as an exception to

policy or as a limitation extension. See WAC 388-501-0160 and 388-501-0165.

AMENDATORY SECTION (Amending WSR 08-11-031, filed 5/13/08, effective 6/13/08)

WAC 388-532-730 TAKE CHARGE program—Provider requirements. (1) A TAKE CHARGE provider must:

(a) Be a department-approved family planning provider as described in WAC 388-532-050;

(b) Sign the supplemental TAKE CHARGE agreement to participate in the TAKE CHARGE demonstration and research program according to the department's TAKE CHARGE program guidelines;

(c) Participate in the department's specialized training for the TAKE CHARGE demonstration and research program prior to providing TAKE CHARGE services. Providers must document that each individual responsible for providing TAKE CHARGE services is trained on all aspects of the TAKE CHARGE program;

(d) Comply with the required general department and TAKE CHARGE provider policies, procedures, and administrative practices as detailed in the department's billing instructions and provide referral information to clients regarding available and affordable nonfamily planning primary care services;

(e) If requested by the department, participate in the research and evaluation component of the TAKE CHARGE demonstration and research program.

(f) Forward the client's ((~~medical identification~~)) services card and TAKE CHARGE brochure to the client within seven working days of receipt unless otherwise requested in writing by the client;

(g) Inform the client of his or her right to seek services from any TAKE CHARGE provider within the state; and

(h) Refer the client to available and affordable nonfamily planning primary care services, as needed.

(2) Department providers (e.g., pharmacies, laboratories, surgeons performing sterilization procedures) who are not TAKE CHARGE providers may furnish family planning ancillary TAKE CHARGE services, as defined in this chapter, to eligible ((~~TAKE CHARGE~~)) TAKE CHARGE clients. The department reimburses for these services under the rules and fee schedules applicable to the specific services provided under the department's other programs.

AMENDATORY SECTION (Amending WSR 08-11-031, filed 5/13/08, effective 6/13/08)

WAC 388-532-760 TAKE CHARGE program—Documentation requirements. In addition to the documentation requirements in WAC 388-502-0020, TAKE CHARGE providers must keep the following records:

- (1) TAKE CHARGE application form(s);
- (2) Signed supplemental TAKE CHARGE agreement to participate in the TAKE CHARGE program;

(3) Documentation of the department's specialized TAKE CHARGE training and/or in-house in-service TAKE CHARGE training for each individual responsible for providing TAKE CHARGE.

- (4) Chart notes that reflect the primary focus and diagnosis of the visit was family planning;
- (5) Contraceptive methods discussed with the client;
- (6) Notes on any discussions of emergency contraception and needed prescription(s);
- (7) The client's plan for the contraceptive method to be used, or the reason for no contraceptive method and plan;
- (8) Documentation of the education, counseling and risk reduction (ECRR) service, if provided, with sufficient detail that allows for follow-up;
- (9) Documentation of referrals to or from other providers;
- (10) A form signed by the client authorizing release of information for referral purposes, as necessary;
- (11) The client's written and signed consent requesting that his or her ~~((medical identification))~~ services card be sent to the TAKE CHARGE provider's office to protect confidentiality;
- (12) A copy of the client's picture identification;
- (13) A copy of the documentation used to establish United States citizenship or legal permanent residency; and
- (14) If applicable, a copy of the completed ~~((DSHS))~~ department sterilization consent form (DSHS 13-364 - available for download at <http://www.dshs.wa.gov/msa/forms/eforms.html>) (see WAC 388-531-1550).

AMENDATORY SECTION (Amending WSR 02-07-016, filed 3/8/02, effective 4/8/02)

WAC 388-534-0200 Enhanced payments for EPSDT screens for children ~~((receiving foster care placement services from the department of social and health services (DSHS)))~~ in out-of-home placement. The ~~((medical assistance administration (MAA)))~~ department reimburses providers an enhanced ~~((flat))~~ fee for EPSDT screens provided to children ~~((receiving certain foster care))~~ in out-of-home placement ~~((services from the department of social and health services (DSHS)))~~. See ~~((MAA's))~~ the department's EPSDT billing instructions for specific billing code requirements and the fee.

- (1) For the purposes of this section, ~~((foster care))~~ out-of-home placement is defined as twenty-four hour per day, temporary, substitute care for a child:
 - (a) Placed away from the child's parents or guardians in licensed, paid, out-of-home care; and
 - (b) For whom the department or a licensed or certified child placing agency has placement and care responsibility.
- (2) ~~((MAA))~~ The department pays an enhanced ~~((flat))~~ fee to the providers listed in subsection (3) of this section for EPSDT screens provided to only those children ~~((receiving foster care))~~ in out-of-home placement ~~((services from DSHS))~~.
- (3) The following providers are eligible to perform EPSDT screens and bill ~~((MAA))~~ the enhanced rate for children ~~((receiving foster care))~~ in out-of-home placement ~~((services from DSHS))~~:
 - (a) EPSDT clinics;
 - (b) Physicians;
 - (c) Advanced registered nurse practitioners (ARNPs);

- (d) Physician assistants (PAs) working under the guidance ~~((and MAA provider number))~~ of a physician;
- (e) Nurses specially trained through the department of health (DOH) to perform EPSDT screens; and
- (f) Registered nurses working under the guidance ~~((and MAA provider number))~~ of a physician or ARNP.
- (4) In order to be paid an enhanced fee, services furnished by the providers listed in subsection (3) of this section must meet the federal requirements for EPSDT screens at 42 CFR Part 441 Subpart B, which were in effect as of December 1, 2001.
- (5) The provider must retain documentation of the EPSDT screens in the client's medical file. The provider must use the ~~((DSHS))~~ department's Well Child Exam forms or provide equivalent information. ~~((DSHS))~~ The Well Child Exam forms include the required elements for an EPSDT screen. The Well Child Exam forms (DSHS 13-683A through 13-686B) are available for downloading at no charge ~~((by sending a request in writing or by fax to:~~
 - DSHS Warehouse
 - P.O. Box 45816
 - Olympia, WA 98504-5816
 - fax: 360-664-0597)) at <http://www1.dshs.wa.gov/msa/forms/eforms.html>.

(6) ~~((MAA))~~ The department conducts evaluations of client files and payments made under this program. ~~((MAA))~~ The department may recover the enhanced payment amount when:

- (a) The client was not ~~((receiving foster care))~~ in out-of-home placement ~~((services from DSHS))~~ as defined in subsection (1) of this section when the EPSDT screen was provided; or
- (b) Documentation was not in the client's medical file (see subsection (5) of this section).

AMENDATORY SECTION (Amending WSR 00-14-070, filed 7/5/00, effective 8/5/00)

WAC 388-539-0200 AIDS—Health insurance premium payment program. (1) The purpose of the AIDS health insurance premium payment program is to help individuals who are not eligible for ~~((MAA's))~~ the department's medical programs and who are diagnosed with AIDS, pay their health insurance premiums.

- (2) To be eligible for the AIDS health insurance premium payment program, individuals must:
 - (a) Be diagnosed with AIDS as defined in WAC 246-100-011;
 - (b) Be a resident of the state of Washington;
 - (c) Be responsible for all, or part of, the health insurance premium payment (without ~~((MAA's))~~ the department's help);
 - (d) Not be eligible for one of ~~((MAA's))~~ the department's other medical programs;
 - (e) Not have personal income that exceeds three hundred seventy percent of the federal poverty level; and
 - (f) Not have personal assets, after exemptions, exceeding fifteen thousand dollars. The following personal assets are exempt from the personal assets calculation:
 - (i) A home used as the person's primary residence; and

(ii) A vehicle used as personal transportation.

(3) ((MAA)) The department may contract with a not-for-profit community agency to administer the Aids health insurance premium payment program. ((MAA)) The department or its contractor determines an individual's initial eligibility and redetermines eligibility on a periodic basis. To be eligible, individuals must:

(a) Cooperate with ((MAA's)) the department's contractor;

(b) Cooperate with eligibility determination and redetermination process; and

(c) Initially meet and continue to meet the eligibility criteria in subsection (2) of this section.

(4) Individuals, diagnosed with AIDS, who are eligible for one of ((MAA's)) the department's medical programs may ask ((MAA)) the department to pay their health insurance premiums under a separate process. The client's community services office (CSO) is able to assist the client with this process.

(5) Once an individual is eligible to participate in the AIDS health insurance premium payment program, eligibility would cease only when one of the following occurs. The individual:

(a) Is deceased;

(b) Voluntarily quits the program;

(c) No longer meets the requirements of subsection (2) of this section; or

(d) Has benefits terminated due to the legislature's termination of the funding for this program.

(6) ((MAA)) The department sets a reasonable payment limit for health insurance premiums. ((MAA)) The department sets its limit by tracking the charges billed to ((MAA)) the department for ((MAA)) department clients who have AIDS. ((MAA)) The department does not pay health insurance premiums that exceed fifty percent of the average of charges billed to ((MAA)) the department for its clients with AIDS.

Reviser's note: The typographical error in the above section occurred in the copy filed by the agency and appears in the Register pursuant to the requirements of RCW 34.08.040.

AMENDATORY SECTION (Amending WSR 00-23-070, filed 11/16/00, effective 12/17/00)

WAC 388-539-0300 Case management for persons living with HIV/AIDS. ((MAA)) The department provides HIV/AIDS case management to assist persons infected with HIV to: Live as independently as possible; maintain and improve health; reduce behaviors that put the client and others at risk; and gain access to needed medical, social, and educational services.

(1) To be eligible for ((MAA)) department reimbursed HIV/AIDS case management services, the person must:

(a) Have a current medical diagnosis of HIV or AIDS;

(b) Be eligible for Title XIX (medicaid) coverage under either the categorically needy program (CNP) or the medically needy program (MNP); and

(c) Require:

(i) Assistance to obtain and effectively use necessary medical, social, and educational services; or

(ii) Ninety days of continued monitoring as provided in WAC 388-539-0350(2).

(2) ((MAA)) The department has an interagency agreement with the Washington state department of health (DOH) to administer the HIV/AIDS case management program for ((MAA's)) the department's Title XIX (medicaid) clients.

(3) HIV/AIDS case management agencies who serve ((MAA's)) the department's clients must be approved to perform these services by HIV client services, DOH.

(4) HIV/AIDS case management providers must:

(a) Notify HIV positive persons of their statewide choice of available HIV/AIDS case management providers and document that notification in the client's record. This notification requirement does not obligate HIV/AIDS case management providers to accept all clients who request their services.

(b) Have a current client-signed authorization to release/obtain information form. The provider must have a valid authorization on file for the months that case management services are billed to ((MAA)) the department (see RCW 70.02.030). The fee referenced in RCW 70.02.030 is included in ((MAA's)) the department's reimbursement to providers. ((MAA's)) The department's clients may not be charged for services or documents related to covered services.

(c) Maintain sufficient contact to ensure the effectiveness of ongoing services per subsection (5) of this section. ((MAA)) The department requires a minimum of one contact per month between the HIV/AIDS case manager and the client. However, contact frequency must be sufficient to ensure implementation and ongoing maintenance of the individual service plan (ISP).

(5) HIV/AIDS case management providers must document services as follows:

(a) Providers must initiate a comprehensive assessment within two working days of the client's referral to HIV/AIDS case management services. Providers must complete the assessment before billing for ongoing case management services. If the assessment does not meet these requirements, the provider must document the reason(s) for failure to do so. The assessment must include the following elements as reported by the client:

(i) Demographic information (e.g., age, gender, education, family composition, housing);

(ii) Physical status, the identity of the client's primary care provider, and current information on the client's medications/treatments;

(iii) HIV diagnosis (both the documented diagnosis at the time of assessment and historical diagnosis information);

(iv) Psychological/social/cognitive functioning and mental health history;

(v) Ability to perform daily activities;

(vi) Financial and employment status;

(vii) Medical benefits and insurance coverage;

(viii) Informal support systems (e.g., family, friends and spiritual support);

(ix) Legal status, durable power of attorney, and any self-reported criminal history; and

(x) Self-reported behaviors which could lead to HIV transmission or re-infection (e.g., drug/alcohol use).

(b) Providers must develop, monitor, and revise the client's individual service plan (ISP). The ISP identifies and documents the client's unmet needs and the resources needed to assist in meeting the client's needs. The case manager and the client must develop the ISP within two days of the comprehensive assessment or the provider must document the reason this is not possible. An ISP must be:

(i) Signed by the client, documenting that the client is voluntarily requesting and receiving ~~((MAA))~~ the department reimbursed HIV/AIDS case management services; and

(ii) Reviewed monthly by the case manager through in-person or telephone contact with the client. Both the review and any changes must be noted by the case manager:

(A) In the case record narrative; or

(B) By entering notations in, initialing and dating the ISP.

(c) Maintained ongoing narrative records - These records must document case management services provided in each month for which the provider bills ~~((MAA))~~ the department. Records must:

(i) Be entered in chronological order and signed by the case manager;

(ii) Document the reason for the case manager's interaction with the client; and

(iii) Describe the plans in place or to be developed to meet unmet client needs.

AMENDATORY SECTION (Amending WSR 00-23-070, filed 11/16/00, effective 12/17/00)

WAC 388-539-0350 HIV/AIDS case management reimbursement information. (1) ~~((MAA))~~ The department reimburses HIV/AIDS case management providers for the following three services:

(a) Comprehensive assessment - The assessment must cover the areas outlined in WAC 388-539-0300 (1) and (5).

(i) ~~((MAA))~~ The department reimburses only one comprehensive assessment unless the client's situation changes as follows:

(A) There is a fifty percent change in need from the initial assessment; or

(B) The client transfers to a new case management provider.

(ii) ~~((MAA))~~ The department reimburses for a comprehensive assessment in addition to a monthly charge for case management (either full-month or partial-month) if the assessment is completed during a month the client is medicaid eligible and the ongoing case management has been provided.

(b) HIV/AIDS case management, full-month - Providers may request the full-month reimbursement for any month in which the criteria in WAC 388-539-0300 have been met and the case manager has an individual service plan (ISP) in place for twenty or more days in that month. ~~((MAA))~~ The department reimburses only one full-month case management fee per client in any one month.

(c) HIV/AIDS case management, partial-month - Providers may request the partial-month reimbursement for any month in which the criteria in WAC 388-539-0300 have been met and the case manager has an ISP in place for fewer than

twenty days in that month. Using the partial-month reimbursement, ~~((MAA))~~ the department may reimburse two different case management providers for services to a client who changes from one provider to a new provider during that month.

(2) ~~((MAA))~~ The department limits reimbursement to HIV/AIDS case managers when a client becomes stabilized and no longer needs an ISP with active service elements. ~~((MAA))~~ The department limits reimbursement for monitoring to ninety days past the time the last active service element of the ISP is completed. Case Management providers who are monitoring a stabilized client must meet all of the following criteria in order to bill ~~((MAA))~~ the department for up to ninety days of monitoring:

(a) Document the client's history of recurring need;

(b) Assess the client for possible future instability; and

(c) Provide monthly monitoring contacts.

(3) ~~((MAA))~~ The department reinstates reimbursement for ongoing case management if a client shifts from monitoring status to active case management status due to documented need(s). Providers must meet the requirements in WAC 388-539-0300 when a client is reinstated to active case management.

AMENDATORY SECTION (Amending WSR 05-18-033, filed 8/30/05, effective 10/1/05)

WAC 388-551-1350 Discharges from hospice care.

(1) A hospice agency may discharge a client from hospice care when the client:

(a) Is no longer certified for hospice care;

(b) Is no longer appropriate for hospice care; or

(c) The hospice agency's medical director determines the client is seeking treatment for the terminal illness outside the plan of care (POC).

(2) At the time of a client's discharge, a hospice agency must:

(a) Within five working days, complete a medicaid hospice 5-day notification form (DSHS 13-746) and forward to the department's hospice program manager (see WAC 388-551-1400 for additional requirements), and a copy to the appropriate home and community services office (HCS) or community services office (CSO);

(b) Keep the discharge statement in the client's hospice record;

(c) Provide the client with a copy of the discharge statement; and

(d) Inform the client that the discharge statement must be:

(i) Presented with the client's current ~~((medical identification (medical ID)))~~ services card when obtaining medicaid covered healthcare services or supplies, or both; and

(ii) Used until the department ~~((issues the client a new medical ID card that identifies that the client is no longer a hospice client))~~ removes the hospice restriction from the client's information available online at <https://www.waproviderone.org>.

AMENDATORY SECTION (Amending WSR 04-11-007, filed 5/5/04, effective 6/5/04)

WAC 388-553-100 Home infusion therapy/parenteral nutrition program—General. The ~~((medical assistance administration's (MAA's)))~~ department's home infusion therapy/parenteral nutrition program provides the supplies and equipment necessary for parenteral infusion of therapeutic agents to medical assistance clients. An eligible client receives equipment, supplies, and parenteral administration of therapeutic agents in a qualified setting to improve or sustain the client's health.

AMENDATORY SECTION (Amending WSR 04-11-007, filed 5/5/04, effective 6/5/04)

WAC 388-553-300 Home infusion therapy/parenteral nutrition program—Client eligibility and assignment. (1) Clients in the following medical assistance ~~((administration (MAA)))~~ programs are eligible to receive home infusion therapy and parenteral nutrition, subject to the limitations and restrictions in this section and other applicable WAC:

- (a) Categorically needy program (CNP);
- (b) Categorically needy program - Children's health insurance program (CNP-CHIP);
- (c) General assistance - Unemployable (GA-U); and
- (d) Limited casualty program - Medically needy program (LCP-MNP).

(2) Clients enrolled in ~~((an MAA))~~ a department-contracted managed care ~~((plan))~~ organization (MCO) are eligible for home infusion therapy and parenteral nutrition through that plan.

(3) Clients eligible for home health program services may receive home infusion related services according to WAC 388-551-2000 through 388-551-3000.

(4) To receive home infusion therapy, a client must:

- (a) Have a written physician order for all solutions and medications to be administered.
- (b) Be able to manage their infusion in one of the following ways:

- (i) Independently;
- (ii) With a volunteer caregiver who can manage the infusion; or
- (iii) By choosing to self-direct the infusion with a paid caregiver (see WAC 388-71-0580).

(c) Be clinically stable and have a condition that does not warrant hospitalization.

(d) Agree to comply with the protocol established by the infusion therapy provider for home infusions. If the client is not able to comply, the client's caregiver may comply.

(e) Consent, if necessary, to receive solutions and medications administered in the home through intravenous, enteral, epidural, subcutaneous, or intrathecal routes. If the client is not able to consent, the client's legal representative may consent.

(f) Reside in a residence that has adequate accommodations for administering infusion therapy including:

- (i) Running water;
- (ii) Electricity;
- (iii) Telephone access; and

(iv) Receptacles for proper storage and disposal of drugs and drug products.

(5) To receive parenteral nutrition, a client must meet the conditions in subsection (4) of this section and:

(a) Have one of the following that prevents oral or enteral intake to meet the client's nutritional needs:

- (i) Hyperemesis gravidarum; or
- (ii) An impairment involving the gastrointestinal tract that lasts three months or longer.

(b) Be unresponsive to medical interventions other than parenteral nutrition; and

(c) Be unable to maintain weight or strength.

(6) A client who has a functioning gastrointestinal tract is not eligible for parenteral nutrition program services when the need for parenteral nutrition is only due to:

- (a) A swallowing disorder;
- (b) Gastrointestinal defect that is not permanent unless the client meets the criteria in subsection (7) of this section;
- (c) A psychological disorder (such as depression) that impairs food intake;
- (d) A cognitive disorder (such as dementia) that impairs food intake;
- (e) A physical disorder (such as cardiac or respiratory disease) that impairs food intake;
- (f) A side effect of medication; or
- (g) Renal failure or dialysis, or both.

(7) A client with a gastrointestinal impairment that is expected to last less than three months is eligible for parenteral nutrition only if:

(a) The client's physician or appropriate medial provider has documented in the client's medical record the gastrointestinal impairment is expected to last less ~~((then))~~ than three months;

(b) The client meets all the criteria in subsection (4) of this section;

(c) The client has a written physician order that documents the client is unable to receive oral or tube feedings; and

(d) It is medically necessary for the gastrointestinal tract to be totally nonfunctional for a period of time.

(8) A client is eligible to receive intradialytic parenteral nutrition (IDPN) solutions when:

(a) The parenteral nutrition is not solely supplemental to deficiencies caused by dialysis; and

(b) The client meets the criteria in subsection (4) and (5) of this section and other applicable WAC.

Reviser's note: The typographical error in the above section occurred in the copy filed by the agency and appears in the Register pursuant to the requirements of RCW 34.08.040.

AMENDATORY SECTION (Amending WSR 04-11-007, filed 5/5/04, effective 6/5/04)

WAC 388-553-400 Home infusion therapy/parenteral nutrition program—Provider requirements. (1) Eligible providers of home infusion supplies and equipment and parenteral nutrition solutions must:

(a) Have a signed core provider agreement with the ~~((medical assistance administration (MAA)))~~ department; and

(b) Be one of the following provider types:

- (i) Pharmacy provider;

- (ii) Durable medical equipment (DME) provider; or
- (iii) Infusion therapy provider.

(2) ((MAA)) The department pays eligible providers for home infusion supplies and equipment and parenteral nutrition solutions only when the providers:

(a) Are able to provide home infusion therapy within their scope of practice;

(b) Have evaluated each client in collaboration with the client's physician, pharmacist, or nurse to determine whether home infusion therapy/parenteral nutrition is an appropriate course of action;

(c) Have determined that the therapies prescribed and the client's needs for care can be safely met;

(d) Have assessed the client and obtained a written physician order for all solutions and medications administered to the client in the client's residence or in a dialysis center through intravenous, epidural, subcutaneous, or intrathecal routes;

(e) Meet the requirements in WAC 388-502-0020, including keeping legible, accurate and complete client charts, and providing the following documentation in the client's medical file:

(i) For a client receiving infusion therapy, the file must contain:

(A) A copy of the written prescription for the therapy;

(B) The client's age, height, and weight; and

(C) The medical necessity for the specific home infusion service.

(ii) For a client receiving parenteral nutrition, the file must contain:

(A) All the information listed in (e)(i) of this subsection;

(B) Oral or enteral feeding trials and outcomes, if applicable;

(C) Duration of gastrointestinal impairment; and

(D) The monitoring and reviewing of the client's lab values:

(I) At the initiation of therapy;

(II) At least once per month; and

(III) When the client and/or the client's lab results are unstable.

AMENDATORY SECTION (Amending WSR 00-16-031, filed 7/24/00, effective 8/24/00)

WAC 388-556-0200 Chiropractic services for children. (1) ((MAA)) The department will pay only for chiropractic services:

(a) For ((MAA)) clients who are:

(i) Under twenty-one years of age; and

(ii) Referred by a screening provider under the healthy kids/early and periodic screening, diagnosis, and treatment (EPSDT) program.

(b) That are:

(i) Medically necessary, safe, effective, and not experimental;

(ii) Provided by a chiropractor licensed in the state where services are provided; and

(iii) Within the scope of the chiropractor's license.

(c) Limited to:

(i) Chiropractic manipulative treatments of the spine; and

(ii) X rays of the spine.

(2) Chiropractic services are paid according to fees established by ((MAA)) the department using methodology set forth in WAC 388-531-1850.

WSR 10-21-001

PERMANENT RULES

DEPARTMENT OF

SOCIAL AND HEALTH SERVICES

(Economic Services Administration)

[Filed October 6, 2010, 3:03 p.m., effective November 6, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The department is amending WAC 388-448-0010 to correct a typographical error. The word "not" is missing a "t."

As drafted WAC 388-448-0010(4) reads: If you have a physical or mental impairment and you are impaired by alcohol or drug addiction and do no meet the other incapacity criteria in WAC 388-448-0001, ...

The typo correction should read: If you have a physical or mental impairment and you are impaired by alcohol or drug addiction and do not meet the other incapacity criteria in WAC 388-448-0001, ...

Citation of Existing Rules Affected by this Order: Amending WAC 388-448-0010.

Statutory Authority for Adoption: RCW 74.04.005, 74.04.050, 74.04.055, 74.04.057, 74.04.51 [74.04.510], 74.08.090, 74.08A.100, and 74.04.770.

Other Authority: RCW 74.04.0005 [74.04.005], E2SHB 2782, chapter 8, Laws of 2010, as signed by the governor on March 29, 2010.

Adopted under notice filed as WSR 10-13-147 on June 23, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 2 [0], Amended 6 [1], Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 2 [0], Amended 6 [1], Repealed 0.

Date Adopted: August 5, 2010.

Katherine I. Vasquez
Rules Coordinator

AMENDATORY SECTION (Amending WSR 04-07-140, filed 3/22/04, effective 5/1/04)

WAC 388-448-0010 How do we decide if you are incapacitated? When you apply for ~~((GA))~~ disability lifeline program benefits, you must provide medical evidence to us to show that you are unable to work.

If you are gainfully employed at the time of your application for ~~((GA))~~ DL, we deny incapacity. "**Gainful employment**" means you are performing, in a regular and predictable manner, an activity usually done for pay or profit.

(1) We ~~((do not))~~ don't consider work to be gainful employment when you are working:

(a) Under special conditions that go beyond the employer providing reasonable accommodation, such as in a sheltered workshop we have approved; or

(b) Occasionally or part-time because your impairment limits the hours you are able to work compared to unimpaired workers in the same job as verified by your employer.

(2) We ~~((decide))~~ determine if you are incapacitated when:

(a) You apply for ~~((GA))~~ disability lifeline benefits(~~(- We may waive this decision if we use the criteria in WAC 388-448-0001 except the PEP to determine you are incapacitated))~~);

(b) You become employed;

(c) You obtain work skills by completing a training program; or

(d) We ~~((get))~~ receive new information that indicates you may be employable.

(3) Unless you meet the other incapacity criteria in WAC 388-448-0001, we decide incapacity by applying the progressive evaluation process (PEP) to the medical evidence that you provide that meets WAC 388-448-0030. The PEP is the sequence of seven steps described in WAC 388-448-0035 through 388-448-0110.

(4) ~~((You are not eligible for GA benefits if you are incapacitated only because of alcoholism or drug addiction.))~~ If you have a physical or mental impairment and you are impaired by alcohol or drug addiction and do not meet the other incapacity criteria in WAC 388-448-0001, we decide if you are eligible for ~~((general assistance))~~ disability lifeline by applying the progressive evaluation process described in WAC 388-448-0035 through WAC 388-448-0110. ((If you qualify for both GA and the ADATSA Shelter program, you may choose either program.)) You aren't eligible for DL benefits if you are incapacitated primarily because of alcoholism or drug addiction.

(5) In determining incapacity, we consider only your ability to perform basic work-related activities. "Basic work-related activities" are activities that anyone would be required to perform in a work setting. They consist of: Sitting, standing, walking, lifting, carrying, handling, seeing, hearing, communicating, and understanding and following instructions.

WSR 10-21-009
PERMANENT RULES
SPOKANE REGIONAL
CLEAN AIR AGENCY

[Filed October 7, 2010, 10:59 a.m., effective November 8, 2010]

Effective Date of Rule: November 8, 2010.

Purpose: Indicate that the Board "may" vs. "shall" amend the fee schedule to more accurately recover program costs in Sections 10.06.B, 10.07, and 10.08.B; Section 10.04 - remove the fee waiver for financial hardship; Section 10.06.B - clarify that the per stack/per point fee may include fugitive emissions; Section 10.06.C.3 - reference the hourly fee of \$67 per hour in the fee schedule versus \$65 per hour to more accurately reflect actual costs; Section 10.07.A.2 - add a complex permit condition revision fee for best cost recovery; Section 10.11 - remove the section header since the requirements were repealed in 2005; Section 10.12 - reference agricultural burning fees in Chapter 173-430 WAC; Section 10.13 - move the outdoor burning fees to a fee schedule and decrease the hourly review fee from \$65 per hour to \$55 per hour to better reflect actual hourly costs for staff that perform this review; Section 10.14.A - move the paving waiver fees to a fee schedule and leave the filing fee at \$50, but increase the hourly review fee from \$50 per hour to \$55 per hour after the first hour of review to more accurately reflect actual costs.

Citation of Existing Rules Affected by this Order: Amending SRCAA Regulation I, Article X, Sections 10.04, 10.06-10.08, and 10.10-10.14.

Statutory Authority for Adoption: RCW 70.94.141(1) and 70.94.380(2).

Adopted under notice filed as WSR 10-17-008 on August 5, 2010.

Changes Other than Editing from Proposed to Adopted Version: Clarification was provided to footnote "B" in Section 10.06.B.1. With the addition of each "volatile organic compound" to this section, the reference to each "toxic air pollutant" should be each "non-VOC toxic air pollutant" emitted.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 9, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 9, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 7, 2010.

Matt Holmquist
Compliance Administrator

Reviser's note: The material contained in this filing exceeded the page-count limitations of WAC 1-21-040 for appearance in this issue of the Register. It will appear in the 10-22 issue of the Register.

WSR 10-21-010
PERMANENT RULES
DEPARTMENT OF REVENUE

[Filed October 7, 2010, 11:55 a.m., effective November 7, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The department is amending WAC 458-20-244 to recognize the following legislation:

- 2ESSB 6143 (chapter 23, Laws of 2010), which extended sales tax to sales of candy and bottled water;
- E2SHB 1597 (chapter 106, Laws of 2010), which clarified that retail sales tax applies to the gross vending machine proceeds from sales of soft drinks; and
- SB 5470 (chapter 483, Laws of 2009), which provides a sales tax exemption for sales of meals provided at qualified low-income senior housing facilities.

Minor editing changes were also made.

Citation of Existing Rules Affected by this Order: Amending WAC 458-20-244 Food and food ingredients.

Statutory Authority for Adoption: RCW 82.32.300 and 82.01.060(2).

Other Authority: RCW 82.08.0293 and 82.12.0293.

Adopted under notice filed as WSR 10-16-064 on July 29, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 7, 2010.

Alan R. Lynn
Rules Coordinator

AMENDATORY SECTION (Amending WSR 07-24-038, filed 11/30/07, effective 12/31/07)

WAC 458-20-244 Food and food ingredients. (1) Introduction.

(a) **What is the purpose of this section?** This section, WAC 458-20-244, provides guidelines for determining if food or food ingredients qualify for the retail sales tax and use tax exemptions under RCW 82.08.0293 and 82.12.0293 (collectively referred to in this section as the "exemptions").

There is no corresponding business and occupation (B&O) tax exemption. Even if a sale of food or food ingredients is exempt from retail sales tax or use tax under the exemptions, gross proceeds from sales of food or food ingredients remain subject to the retailing B&O tax.

(b) ~~((How has the law changed since the prior version of this section was published? In 2003 and 2004, the legislature amended RCW 82.08.0293 and 82.12.0293 to comply with the national Streamlined Sales and Use Tax Agreement. These amendments alter the definitions used to determine whether a particular food or food ingredient qualifies for the exemptions.~~

(c) **What other sections might apply?** The following sections may contain additional relevant information:

- WAC 458-20-119 ((f)), Sales of meals((g));
- WAC 458-20-124 ((f)), Restaurants, cocktail bars, taverns and similar businesses((g));
- WAC 458-20-12401 ((f)), Special stadium sales and use tax((g));
- WAC 458-20-166 ((f)), Hotels, motels, boarding houses, rooming houses, resorts, summer camps, trailer camps, etc.((g));
- WAC 458-20-167 ((f)), Education institutions, school districts, student organizations, and private schools((g));
- WAC 458-20-168 ((f)), Hospitals, medical care facilities, and adult family homes((g)); ~~((and))~~
- WAC 458-20-169 ((f)), Nonprofit organizations((g)); and
- WAC 458-20-229, Refunds.

(2) What qualifies for the exemptions?

(a) **In general.** The exemptions apply to food and food ingredients. "Food and food ingredients" means substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value.

(b) **Items not used solely for ingestion or chewing.** Items that are commonly ingested or chewed by humans for their taste or nutritional value but which may also be used for other purposes are generally treated as food or food ingredients. For example, pumpkins are presumed to be a food or food ingredient unless the pumpkin is sold painted or is otherwise clearly for decorative purposes rather than consumption. This is true even though the purchaser may use an undecorated pumpkin for carving and display rather than for eating.

(3) **What does not qualify for the exemptions?** The exemptions do not apply to the following items, which are not considered "food or food ingredients" or which are otherwise specifically excluded from the exemptions:

(a) **Items sold for medical or hygiene purposes.** Items commonly used for medical or hygiene purposes, such as cough drops, breath sprays, toothpaste, etc., are not ingested for taste or nutrition and are not considered a food or food ingredient. In contrast, breath mints are commonly ingested for taste and are considered a food or food ingredient.

(b) **Bulk sales of ice.** Ice sold in bags, containers, or units of greater than ten pounds and blocks of ice of any weight are not considered a food or food ingredient. Ice sold in cubed, shaved, or crushed form in packages or quantities of ten pounds or less is considered a food or food ingredient.

Refer to WAC 458-20-120 ((f)), Sales of ice((h)), for additional guidance on the sale of ice.

(c) **Alcoholic beverages.** Alcoholic beverages are excluded from the definition of food and food ingredients. "Alcoholic beverages" means beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume.

(d) **Tobacco.** Tobacco is excluded from the definition of food and food ingredients. "Tobacco" includes cigarettes, cigars, chewing or pipe tobacco, or any other items that contain tobacco.

(e) **Candy.** Effective June 1, 2010, chapter 23, Laws of 2010, sp. sess., (2ESSB 6143) excludes candy from the exemptions.

(i) "Candy" means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts, or other ingredients or flavorings in the form of bars, drops, or pieces.

(ii) "Candy" does not include any preparation containing flour and does not require refrigeration.

(iii) For a list of products and whether they meet the definition of candy, refer to the department's internet site at <http://dor.wa.gov/>. If the product in question is not listed on the internet site write the department, including a label or copy of label for the product, for a ruling at:

Taxpayer Services
Department of Revenue
P.O. Box 47478
Olympia, WA 98504-7478

(f) **Bottled water.** From June 1, 2010, through June 30, 2013, chapter 23, Laws of 2010, sp. sess., (2ESSB 6143) excludes bottled water from the exemptions.

(i) "Bottled water" means water that is placed in a sealed container or package for human consumption.

(ii) Bottled water is calorie free and does not contain sweeteners or other additives except that it may contain:

- (A) Antimicrobial agents;
- (B) Fluoride;
- (C) Carbonation;
- (D) Vitamins, minerals, and electrolytes;
- (E) Oxygen;
- (F) Preservatives; and

(G) Only those flavors, extracts, or essences derived from a spice or fruit.

(iii) "Bottled water" includes water that is delivered to the buyer in a reusable container that is not sold with the water.

(iv) See subsection (8) of this section for limited exceptions to the tax on bottled water.

(g) **Soft drinks.** Soft drinks are excluded from the exemptions. "Soft drinks" means any nonalcoholic beverage that contains natural or artificial sweeteners, except beverages that contain:

- Milk or milk products;
- Soy, rice, or similar milk substitutes; or
- More than fifty percent by volume of vegetable or fruit juice.

For example, sweetened sports beverages are considered "soft drinks," but a sweetened soy beverage is a food or food ingredient.

Beverage mixes that are not sold in liquid form are not soft drinks even though they are intended to be made into a beverage by the customer. Examples include powdered fruit drinks, powdered tea or coffee drinks, and frozen concentrates. These items are a food or food ingredient and are not subject to retail sales tax.

((f)) (h) **Dietary supplements.** Dietary supplements are excluded from the exemptions. "Dietary supplement" means any product intended to supplement the diet, other than tobacco, which meets all of the following requirements:

- Contains a vitamin; mineral; herb or other botanical; amino acid; a substance for use by humans to increase total dietary intake; or a concentrate, metabolite, constituent, extract; or combination of any of them;

- Is intended for ingestion in tablet, capsule, powder, soft gel, gelcap, or liquid form, or if not intended for ingestion in such a form, is not represented as conventional food and is not represented for use as a sole item of a meal or of the diet; and

- Is required to be labeled with a Food and Drug Administration "supplement facts" box. If a product is otherwise considered a food or food ingredient and labeled with both a "supplement facts" box and "nutrition facts" box, the product is treated as a food or food ingredient.

Nutrition products formulated to provide balanced nutrition as a sole source of a meal or of the diet are considered a food or food ingredient and not a dietary supplement. Refer to RCW 82.08.925 for information on the sales tax exemption applicable to dietary supplements dispensed under a prescription.

((g)) (i) **Prepared food.** Prepared food is excluded from the exemptions. Prepared food generally means heated foods, combined foods, or foods sold with utensils provided by the seller, as described in more detail in subsection (4) of this section. "Prepared food" does not include food sold by a seller whose proper primary North American industry classification system (NAICS) classification is manufacturing in sector 311, except subsector 3118 (bakeries), unless the food is sold with utensils provided by the seller (see subsection (4)(c) of this section).

(4) **What is "prepared food"?** Food or food ingredients are "prepared foods" if any one of the following are true:

(a) **Heated foods.** Food or food ingredients are "prepared foods" if sold in a heated state or are heated by the seller, except bakery items. "Bakery items" include bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, Danish, cakes, tortes, pies, tarts, muffins, bars, cookies, and tortillas. Food is sold in a heated state or is heated by the seller when the seller provides the food to the customer at a temperature that is higher than the air temperature of the seller's establishment. Food is not sold in a heated state or heated by the seller if the customer, rather than the seller, heats the food in a microwave provided by the seller.

(b) **Combined foods.** Food or food ingredients are "prepared foods" if the item sold consists of two or more foods or food ingredients mixed or combined by the seller for sale as a

single item, unless the food or food ingredients are any of the following:

- Bakery items (defined in (a) of this subsection);
- Items that the seller only cuts, repackages, or pasteurizes;
- Items that contain eggs, fish, meat, or poultry, in a raw or undercooked state requiring cooking as recommended by the federal Food and Drug Administration in chapter 3, part 401.11 of *The Food Code*, published by the Food and Drug Administration, as amended or renumbered as of January 1, 2003, so as to prevent foodborne illness; or
- Items sold in an unheated state as a single item at a price that varies based on weight or volume.

(c) **Food sold with utensils provided by the seller.** Food or food ingredients are "prepared foods" if sold with utensils provided by the seller. Utensils include plates, knives, forks, spoons, glasses, cups, napkins, and straws. A plate does not include a container or packaging used to transport the food.

(i) **Utensils are customarily provided by the seller.** A food or food ingredient is "sold with utensils provided by the seller" if the seller's customary practice for that item is to physically deliver or hand a utensil to the customer with the food or food ingredient as part of the sales transaction. If the food or food ingredient is prepackaged with a utensil, the seller is considered to have physically delivered a utensil to the customer unless the food and utensil are prepackaged together by a food manufacturer classified under sector 311 of the NAICS. Examples of utensils provided by such manufacturers include juice boxes that are packaged with drinking straws, and yogurt or ice cream cups that are packaged with wooden or plastic spoons.

(ii) **Utensils are necessary to receive the food.** Individual food or food ingredient items are "sold with utensils provided by the seller" if a plate, glass, cup, or bowl is necessary to receive the food or food ingredient and the seller makes those utensils available to its customers. For example, items obtained from a self-serve salad bar are sold with utensils provided by the seller, because the customer must use a bowl or plate provided by the seller in order to receive the items.

(iii) **More than seventy-five percent prepared food sales with utensils available.** All food and food ingredients sold at an establishment, including foods prepackaged with a utensil by a manufacturer classified under sector 311 of the NAICS, are "sold with utensils provided by the seller" if the seller makes utensils available to its customers and the seller's gross sales of prepared food under (a), (b), and (c)(ii) of this subsection equal more than seventy-five percent of the seller's gross sales of all food and food ingredients, including prepared food, soft drinks, and dietary supplements.

(A) **Exception for four or more servings.** Even if a seller has more than seventy-five percent prepared food sales, four servings or more of food or food ingredients packaged for sale as a single item and sold for a single price are not "sold with utensils provided by the seller" unless the seller's customary practice for the package is to physically hand or otherwise deliver a utensil to the customer as part of the sales transaction. Whenever available, the number of servings included in a package of food or food ingredients is to be determined based on the manufacturer's product label. If no

label is available, the seller must reasonably determine the number of servings.

(B) **Determining total sales of prepared foods.** The seller must determine a single prepared food sales percentage annually for all the seller's establishments in the state based on the prior year of sales. The seller may elect to determine its prepared food sales percentage based either on the prior calendar year or on the prior fiscal year. A seller may not change its elected method for determining its prepared food percentage without the written consent of the department of revenue. The seller must determine its annual prepared food sales percentage as soon as possible after accounting records are available, but in no event later than ninety days after the beginning of the seller's calendar or fiscal year. A seller may make a good faith estimate of its first annual prepared food sales percentage if the seller's records for the prior year are not sufficient to allow the seller to calculate the prepared food sales percentage. The seller must adjust its good faith estimate prospectively if its relative sales of prepared foods in the first ninety days of operation materially depart from the seller's estimate.

(d) **Examples.** The following examples identify a number of facts and then state a conclusion. These examples should be used only as a general guide. The tax results of other situations must be determined after a review of all of the facts and circumstances.

(i) **Example 1.** Fast Cafe sells hot and cold coffee and mixed coffee and mixed milk beverages, cold soft drinks, (~~bottled water,~~) milk and juice in single-serving containers, sandwiches, whole fruits, cold pasta salad, cookies and other pastries. Fast Cafe prepares the pasta salad on-site. It orders the pastries from a local bakery, including specialty cakes which it sells both as whole cakes and by the slice. It purchases its sandwiches from a local caterer. The sandwiches are delivered by the caterer prewrapped in plastic with condiments and a plastic knife. Fast Cafe makes straws, napkins and cup lids available for all customers by placing them on a self-service stand. In its first full year of operation, Fast Cafe's annual gross sales of all food and food ingredients, including prepared food, soft drinks, and dietary supplements is \$100,000. Of this gross sales total, \$80,000 is from the sale of hot coffee and hot and cold mixed coffee and milk beverages, all sold in disposable paper or plastic cups with the Fast Cafe logo.

Because more than seventy-five percent of Fast Cafe's total sales of food and food ingredients, including prepared food, soft drinks, and dietary supplements are sales of food or food ingredients that are heated or combined by the seller or sold with a utensil (cups) necessary to receive the food, Fast Cafe has more than seventy-five percent prepared food sales. Because Fast Cafe makes utensils available for its customers, all food and food ingredients sold by Fast Cafe are considered "prepared food," including the cold milk beverages, cookies and pastries, pasta salad, sandwiches and whole fruits. The only exception is the sale of whole specialty cakes. Because a whole cake contains four or more servings, it is not subject to retail sales tax unless Fast Cafe customarily hands a utensil to the customer as part of the sale transaction.

(ii) **Example 2.** Assume the same facts as in Example 1, but that only \$60,000 of Fast Cafe's Year 1 gross sales were

sales of hot coffee and hot and cold mixed coffee and milk beverages. The remainder of its sales were sales of sandwiches, whole fruits, cookies and other pastries. Under these facts, Fast Cafe does not have more than seventy-five percent prepared food sales. Thus, the items sold by Fast Cafe are taxed as follows:

- Hot coffee and milk beverages are heated by the seller and are also sold by Fast Cafe with a utensil (a paper cup) necessary to receive the food. The hot coffee and milk beverages are "prepared food" for either reason and are subject to retail sales tax.

- Cold mixed milk beverages are a combination of two or more foods or food ingredients and are also sold by Fast Cafe with a utensil (a paper or plastic cup) necessary to receive the food. The cold milk beverages are "prepared food" for either reason and are subject to retail sales tax.

- Cold soft drinks are not exempt and are subject to retail sales tax.

- Sandwiches prepared by the caterer are subject to retail sales tax. Even though the caterer, rather than the seller, combines the ingredients and includes a utensil, Fast Cafe is considered to have provided the utensil because the caterer is not a food manufacturer classified under sector 311 of the NAICS.

- Pasta salad is combined by the seller and is subject to retail sales tax. Note that if the pasta salad was sold by the pound, rather than by servings, it would not be subject to retail sales tax.

- ~~((Bottled water,))~~ Milk and juice in single serving containers, whole fruit, cookies, pastries, slices of cake, and whole cakes are not subject to retail sales tax unless the seller's customary practice is to hand a utensil to the customer as part of the sales transaction. None of these items are heated by the seller, combined by the seller, or require a plate, glass, cup, or bowl in order to receive the item. Even if Fast Cafe heats the pastries for its customers, the pastries are not subject to retail sales tax.

(iii) **Example 3.** A pizza restaurant sells whole hot pizzas, hot pizza by the slice, and unheated ready-to-bake pizzas. The whole hot pizzas and hot pizza sold by the slice, including delivered pizzas, are "prepared food" because these items are sold in a heated state. If the unheated ready-to-bake pizzas are prepared by the seller, they are "prepared food" because the seller has mixed or combined two or more food ingredients. This is true even though some ingredients in the unheated pizzas are raw or uncooked, because those ingredients do not require cooking to prevent foodborne illness. If the unheated ready-to-bake pizzas are prepared by a manufacturer other than the seller, they will be taxable as "prepared food" only if sold with utensils provided by the seller.

(5) How are combined sales of taxable and exempt items taxed?

(a) **Combined sales.** Where two or more distinct and identifiable items of tangible personal property, at least one of which is a food or food ingredient, are sold for one non-itemized price that does not vary based on the selection by the purchaser of items included in the transaction:

- The entire transaction is taxable if the seller's purchase price or sales price of the taxable items is greater than fifty percent of the combined purchase price or sales price; and

- The entire transaction is exempt from retail sales tax if the seller's purchase price or sales price of the taxable items is fifty percent or less of the combined purchase price or sales price.

The seller may make the determination based on either purchase price or sales price, but may not use a combination of the purchase price and sales price.

(b) Example(s).

((+)) A combination wine and cheese picnic basket contains four items packaged together: A bottle of wine, a wine opener, single-serving cheeses, and the picnic basket holding these items. The seller's purchase price for the wine, wine-opener, and picnic basket totals ten dollars. The seller's purchase price for the cheeses is two dollars. The seller must collect retail sales taxes on the entire package, because the seller's purchase price for the taxable items (ten dollars) is greater than fifty percent of the combined purchase price (twelve dollars).

~~((ii) A retailer sells a decorative jar containing individually wrapped candies for the selling price of twelve dollars. The retailer sells the decorative jar by itself for the price of five dollars. The retailer's selling price for the candy alone is seven dollars. The retailer is not required to collect retail sales taxes on the decorative jar filled with candies, because the retailer's selling price for the tax exempt candies is greater than its selling price for the taxable jar.))~~

(c) **Incidental packaging.** "Distinct and identifiable items" does not include packaging which is immaterial or incidental to the sale of another item or items. For example, a decorative bag sold filled with candy is not the sale of "distinct and identifiable" items where the bag is merely ornamental packaging immaterial in the sale of the candy.

(d) **Free items.** "Distinct and identifiable items" does not include items provided free of charge. An item is only provided free of charge if the seller's sales price does not vary depending on whether the item is included in the sale.

(6) What are the seller's accounting requirements?

All sales of food and food ingredients at an establishment will be treated as taxable unless the seller separately accounts for sales of exempt and nonexempt food and food ingredients. It is sufficient separation for accounting purposes if cash registers or the like are programmed to identify items that are not tax exempt and to calculate and assess the proper sales tax accordingly.

(7) Are there any other retail sales tax exemptions that apply?

(a) **Meals served ~~((by not for profit organizations)).~~** The exemptions apply to ((meals sold)) food and food ingredients furnished, prepared, or served as meals:

(i) Under a state-administered nutrition program for the aged as provided for in the Older Americans Act (Public Law 95-478 Title III) and RCW 74.38.040(, and meals sold to or for);

(ii) That are provided to senior citizens, ~~((disabled persons)) individuals with disabilities,~~ or low-income persons by a not-for-profit organization organized under chapter 24.03 or 24.12 RCW~~((The exemptions apply even if the meals would otherwise be considered prepared food));~~ or

(iii) Effective August 1, 2009, RCW 82.08.0293 provides to residents, sixty-two years of age or older, of a quali-

fied low-income senior housing facility by the lessor or operator of the facility. The sale of a meal that is billed to both spouses of a marital community or both domestic partners of a domestic partnership meets the age requirement in this subsection (a)(iii) if at least one of the spouses or domestic partners is at least sixty-two years of age. For purposes of this subsection, "qualified low-income senior housing facility" means a facility:

(A) That meets the definition of a qualified low-income housing project under Title 26 U.S.C. Sec. 42 of the federal Internal Revenue Code, as existing on August 1, 2009;

(B) That has been partially funded under Title 42 U.S.C. Sec. 1485 of the federal Internal Revenue Code; and

(C) For which the lessor or operator has at any time been entitled to claim a federal income tax credit under Title 26 U.S.C. Sec. 42 of the federal Internal Revenue Code.

(b) Foods exempt under the ~~((Federal Food Stamp Act))~~ Supplemental Nutrition Assistance Program (SNAP). Under RCW 82.08.0297, eligible foods under the Food Stamp Act of 1977 purchased with food coupons are exempt from the retail sales tax. This is a separate and broader exemption than the retail sales exemption for food and food ingredients under RCW 82.08.0293. For example, soft drinks and garden seeds are "eligible foods" but are not **((a))** "food or food ingredients." If such items are purchased with food coupons, they are exempt from the retail sales tax under RCW 82.08.0297, even though the items do not qualify for the exemption under RCW 82.08.0293.

(i) Definition of food coupons. The term "food coupons," as used in this subsection means any coupon, stamp, type of certificate, authorization card, cash or check issued in lieu of a coupon, or access device, including an electronic benefit transfer card or personal identification number issued pursuant to the provisions of the Food Stamp Act of 1977. See 7 CFR § 271.2, as amended or renumbered as of January 1, 2003.

(ii) Use of food coupons combined with other means of payment. When both food coupons and other means of payment are used in the same sales transaction, for purposes of collecting retail sales taxes, the other means of payment shall be applied first to items which are food and food ingredients exempt under RCW 82.08.0293. The intent is to apply the coupons and other means of payment in such a way as to provide the greatest possible exemption from retail sales tax.

(iii) Example. A customer purchases the following at a grocery store: Meat for three dollars, cereal for three dollars, canned soft drinks for five dollars, and soap for two dollars for a total of thirteen dollars. The customer pays with seven dollars in coupons and six dollars in cash. The cash is applied first to the soap because the soap is neither exempt under RCW 82.08.0293 nor an eligible food under the Food Stamp Act. The remaining cash (four dollars) is applied first to the meat and the cereal. The food stamps are applied to the balance of the meat and cereal (two dollars) and to the soft drinks (five dollars). Retail sales tax is due only on the soap.

(8) Exceptions to tax on bottled water. Chapter 23, Laws of 2010, sp. sess., (2ESSB 6143) provides two exemptions to the retail sales and use taxes on bottled water effective June 1, 2010.

(a) Prescription issued bottled water. Bottled water prescribed to patients for use in the cure, mitigation, treatment, or prevention of disease or other medical condition and delivered to the buyer in a reusable container that is not sold with the water is exempt provided the buyer provides the seller with a completed buyer's retail sales tax exemption certificate or a streamlined sales tax exemption certificate. A seller must retain a copy of the certificate for their files. Tax will be collected on all other sales of prescribed bottled water. Any buyer that has paid at least twenty-five dollars in state and local sales taxes on purchases of bottled water subject to this exemption may apply for a refund of the collected taxes directly from the department. No refund may be made for tax paid more than four years after the end of the calendar year in which the tax was paid to a seller.

(b) Potable water not readily available. Bottled water for human use to persons who do not otherwise have a readily available source of potable water and delivered to the buyer in a reusable container that is not sold with the water is exempt provided the buyer provides the seller with a completed buyer's retail sales tax exemption certificate or a streamlined sales tax exemption certificate. A seller must retain a copy of the certificate for their files. Tax will be collected on all other sales of bottled water. Any buyer that has paid at least twenty-five dollars in state and local sales taxes on purchases of bottled water subject to this exemption may apply for a refund of the collected taxes directly from the department. No refund may be made for tax paid more than four years after the end of the calendar year in which the tax was paid to a seller.

(c) Forms and additional information are available. Forms and additional information can be obtained from the department's internet site at <http://dor.wa.gov/> or by contacting the department at:

Taxpayer Services
Department of Revenue
P.O. Box 47478
Olympia, WA 98504-7478
1-800-647-7706

(9) Vending machine sales. The exemptions do not apply to sales of food and food ingredients dispensed from vending machines. There are special requirements for reporting sales tax collected on vending machine sales, discussed in (a) of this subsection. "Honor box" sales (sales of snacks or other items from open display trays) are not considered vending machine sales.

(a) Calculating and reporting retail sales tax collected on vending machine sales. Vending machine owners do not need to state the retail sales tax amount separately from the selling price. See RCW 82.08.050(5) and 82.08.0293. Instead, vending machine owners must determine the amount of retail sales tax collected on the sale of food or food ingredients by using one of the following methods:

(i) **Food or food ingredients dispensed in a heated state and soft drinks.** For food or food ingredients dispensed from vending machines in a heated state (e.g., hot coffee, soups, tea, and hot chocolate) and vending machine sales of soft drinks, a vending machine owner must calculate the amount of retail sales tax that has been collected ("tax in gross") based on the gross vending machine proceeds. The "tax in gross" is a deduction against the gross amount of both retailing B&O and retail sales. The formula is:

$$\text{gross machine proceeds} - \frac{\text{gross machine proceeds}}{(1 + \text{sales tax rate})} = \text{tax in gross}$$

(ii) **All other food or food ingredients.** For all other food and food ingredients dispensed from vending machines, a vending machine owner must calculate the amount of retail sales tax that has been collected ("tax in gross") based on fifty-seven percent of the gross vending machine proceeds. The "tax in gross" is a deduction against the gross amount of both retailing B&O and retail sales. The formula is:

$$(\text{gross machine proceeds} \times .57) \times \text{sales tax rate} = \text{tax in gross}$$

The remaining 43% of the gross vending machine proceeds, less the "tax in gross" amount, is reported as an exempt food sales deduction against retail sales proceeds only calculated as follows:

$$(\text{gross machine proceeds} \times .43) - \text{tax in gross} = \text{exempt food deduction}$$

(b) **Example.** Jane owns a vending machine business with machines in Spokane and Seattle. In each location, she has a vending machine selling candy and water and a second vending machine selling hot cocoa and coffee drinks. Her annual sales for the vending machines and the combined retail sales tax rates for Seattle and Spokane are as follows:

	Coffee Machine (cocoa & coffee)	Candy Machine (candy & water)	Combined Retail Sales Tax Rate
Seattle	\$2,500	\$10,000	.088
Spokane	\$3,000	\$6,000	.086

To determine the amount of retail sales tax she collected on the sale of cocoa and coffee (food dispensed in a heated state), Jane calculates the "tax in gross" amount as follows:

$$\begin{aligned} &\text{gross machine proceeds} - \frac{\text{gross machine proceeds}}{(1 + \text{sales tax rate})} = \text{tax in gross} \\ \$2,500 &- (\$2,500/1.088) = \$202.21 \quad (\text{Seattle coffee machine}) \\ \$3,000 &- (\$3,000/1.086) = \underline{\$237.57} \quad (\text{Spokane coffee machine}) \\ &\$439.78 \end{aligned}$$

Thus, for both retailing B&O and retail sales, Jane must report her total gross coffee machine proceeds of \$5,500 with a "tax in gross" deduction of \$439.78.

To determine the amount of retail sales tax she collected on the sale of candy and water, Jane calculates the "tax in gross" amount as follows:

$$\begin{aligned} &(\text{gross machine proceeds} \times .57) \times \text{sales tax rate} = \text{tax in gross} \\ \$10,000 \times .57 \times .088 &= \$501.60 \quad (\text{Seattle candy machine}) \\ \$6,000 \times .57 \times .086 &= \underline{\$294.12} \quad (\text{Spokane candy machine}) \\ &\$795.72 \end{aligned}$$

Thus, for both retailing B&O and retail sales, Jane must report her total gross candy machine proceeds of \$16,000 with a "tax in gross" deduction of \$795.72.

Jane must also report an exempt food sales deduction representing the remaining 43% of the gross candy machine proceeds.

$$\begin{aligned} &(43\% \times \text{gross machine proceeds}) - \text{tax in gross} = \text{exempt food deduction} \\ &(.43 \times \$16,000) - \$795.72 = \$6,084.28 \end{aligned}$$

Jane reports the exempt food sales deduction only against the gross amount of her retail sales. The deduction does not apply to retailing B&O.

WSR 10-21-011
PERMANENT RULES
DEPARTMENT OF REVENUE

[Filed October 7, 2010, 11:58 a.m., effective November 7, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The department is amending WAC 458-20-246 to recognize 2ESSB 6143, (chapter 23, Laws of 2010). This legislation:

- Reaffirmed and clarified the legislature's intent in establishing the direct sellers' exemption; and
- Repealed the exemption effective May 1, 2010.

Language has also been added to subsections (2) and (3) to clarify that in the rule "direct seller" refers to the selling company, and "direct seller's representative" refers to the person who purchases consumer products from the direct seller and resells the products, or sells for or solicits sales on behalf of the direct seller.

Citation of Existing Rules Affected by this Order: Amending WAC 458-20-246 Sales to or through a direct seller's representative.

Statutory Authority for Adoption: RCW 82.32.300 and 82.01.060(2).

Other Authority: RCW 82.04.423.

Adopted under notice filed as WSR 10-16-007 on July 21, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 7, 2010.

Alan R. Lynn
Rules Coordinator

AMENDATORY SECTION (Amending WSR 99-24-007, filed 11/19/99, effective 12/31/99)

WAC 458-20-246 Sales to or through a direct seller's representative. (1) **Introduction.** The legislature passed chapter 23, Laws of 2010, (2ESSB 6143), which reaffirms and clarifies the legislature's intent in establishing the direct seller's exemption. The legislation also repeals the exemption provided by RCW 82.04.423 effective May 1, 2010.

Through April 30, 2010, RCW 82.04.423 provides an exemption from the business and occupation (B&O) tax on wholesale and retail sales by a person who does not own or lease real property in the state, is not incorporated in the state, does not regularly maintain inventory in this state, and makes

sales in this state exclusively to or through a "direct seller's representative." This ~~(rule)~~ section explains the statutory elements that must be satisfied in order to be eligible to take this exemption.

(2) **Federal law background.** The statutory language describing the direct seller's representative is substantially the same language as contained in the federal Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982, PL 97-248. See 26 U.S.C. 3508. The federal law designates types of statutory nonemployees for Social Security tax purposes. In the federal law, the "direct seller's representative," as used in this section and under RCW 82.04.423, is designated as the direct seller. The purpose of the direct seller provision in the federal tax law is to provide that a direct seller ~~(the representative)~~ (the seller) selling company, thereby relieving the direct ~~(the seller)~~ (the seller) selling company of a tax duty. Under the federal law, the direct ~~(the seller)~~ (the seller) selling company is a business that sells ~~(its)~~ consumer products using a ~~(representative)~~ direct seller who either purchases from the direct ~~(the seller)~~ (the seller) selling company and resells the consumer products or sells for or solicits sales of consumer products on behalf of the direct ~~(the seller)~~ (the seller) selling company. Retail sales are limited to those occurring in the home or in a temporary retail establishment, such as a vendor booth at a fair.

~~((The 1983 Washington state legislature used the same criteria to delineate, for state tax purposes, the necessary relationship between a direct seller and a direct seller's representative.))~~

(3) ~~((The))~~ **Washington's direct seller's exemption.** The 1983 Washington state legislature used the same criteria to delineate, for state tax purposes, the necessary relationship between a direct seller and a direct seller's representative. In this section "direct seller" refers to the selling company, and the "direct seller's representative" refers to the person who purchases consumer products from the direct seller and resells the products, or sells for or solicits sales on behalf of the direct seller.

The exemption provided by RCW 82.04.423 is limited to the B&O tax on wholesaling or retailing imposed in chapter 82.04 RCW (Business and occupation tax). A direct seller is subject to other Washington state tax obligations, including, but not limited to, the sales tax under chapter 82.08 RCW, the use tax under chapter 82.12 RCW, and the litter tax imposed by chapter 82.19 RCW.

(4) **Who may take the exemption.** The B&O tax exemption may be taken by a person (the direct seller) selling ~~((a))~~ consumer products using the services of a representative who sells at retail or solicits the sales for retail of ~~((the))~~ only consumer products as outlined in statute. There are ten elements in the statute that must be present in order for a person to qualify for the exemption for Washington sales. The person must satisfy each element to be eligible for the exemption. The taxpayer must retain sufficient records and documentation to substantiate that each of the ten required elements has been satisfied. RCW 82.32.070.

(a) The four statutory elements describing the direct seller. RCW 82.04.423 provides that a direct seller:

(i) Cannot own or lease real property within this state. For example, if the direct seller's representative is selling vitamins door to door for the direct seller, but the direct seller

owns or leases a coffee roasting factory in the state, the direct seller is not eligible for this exemption; and

(ii) Cannot regularly maintain a stock of tangible personal property in this state for sale in the ordinary course of business. This provision does not, however, prohibit the direct seller from holding title to the consumer product in the state. For instance, the direct seller owns the consumer products sold by the direct seller's representative when the representative is making retail sales for the direct seller. However, the personal property must not be a stock of goods in the state that is for sale in the ordinary course of business. The phrase "sale in the ordinary course of business" means sales that are arm's length and that are routine and reasonably expected to occur from time to time; and

(iii) Is not a corporation incorporated under the laws of this state; and

(iv) Makes sales in this state exclusively to or through a direct seller's representative. This provision of the statute describes how sales by the direct seller may be made. To be eligible for the exemption, all sales by the direct seller in this state must be made to or through a direct seller's representative. The direct seller may not claim any B&O tax exemption under RCW 82.04.423 if it has made sales in this state using means other than a direct seller's representative. This requirement does not, however, limit the methods the direct seller's representative may use to sell these products. For example, the representative can use the mail or the internet, if all other conditions of the exemption are met. The direct seller's use of mail order or internet, separate from the representative's use, may or may not be found to be "sales in this state" depending on the facts of the situation. If the direct seller's use of methods other than to or through a direct seller's representative constitutes "sales in this state," the exemption is lost. Additionally, a direct seller does not become ineligible for the exemption due to action by the direct seller's representative that is in violation of the statute, such as selling a product to a permanent retail establishment, if the department of revenue (department) finds by a review of the facts that the ineligible sales are irregular, prohibited by the direct seller, and rare.

If a seller uses a direct seller's representative to sell "consumer products" in Washington, and also has a branch office, local outlet, or other local place of business, or is represented by any other type of selling employee, selling agent, or selling representative, no portion of the sales are exempt from B&O tax under RCW 82.04.423. For example, a person who uses representatives to sell consumer products door to door and who also sells consumer products through retail outlets is not eligible for the exemption. The phrase "sales exclusively to ... a direct seller's representative" describes wholesale sales made by the direct seller to a representative. The phrase "sales exclusively ... through a direct seller's representative" describes retail sales made by the direct seller to the consumer. The B&O tax exemption provided by RCW 82.04.423 is limited to these types of wholesale and retail sales.

(b) The six statutory elements describing the direct seller's representative. RCW 82.04.423 provides the following elements that relate to the direct seller's representative:

(i) How the sale is made. A direct seller's representative is "a person who buys only consumer products on a buy-sell

basis or a deposit-commission basis for resale, by the buyer or any other person, in the home or otherwise than in a permanent retail establishment, or who sells at retail, or solicits the sale at retail of, only consumer products in the home or otherwise than in a permanent retail establishment." The direct seller sells the consumer product using the services of a representative in one of two ways, which are described by two clauses in the statute. The first clause ("a person who buys ... for resale" from the direct seller) describes a wholesale sale by the direct seller. The second clause (a person who "sells or solicits the sale" for the direct seller) describes a retail sale by the direct seller.

(A) A transaction is on a "buy-sell basis" if the direct seller's representative performing the selling or soliciting services is entitled to retain part or all of the difference between the price at which the direct seller's representative purchases the consumer product and the price at which the direct seller's representative sells the product. The part retained is remuneration from the direct seller for the selling or soliciting services performed by the representative. A transaction is on a "deposit-commission basis" if the direct seller's representative performing the selling or soliciting services is entitled to retain part or all of a purchase deposit paid in connection with the transaction. The part retained is remuneration from the direct seller for the selling or soliciting services performed by the representative.

(B) The location where the retail sale of the consumer product may take place is specifically delineated by the terms of the statute. The direct seller may take the exemption only if the retail sale of the consumer product takes place either in the home or otherwise than in a permanent retail establishment. The resale of the products sold by the direct seller at wholesale is restricted by the statute through the following language: "For resale, by the buyer or any other person, in the home or otherwise than in a permanent retail establishment." This restrictive phrase requires the product be sold at retail either in the home or in a nonpermanent retail establishment. Regardless of to whom the representative sells, the retail sale of the consumer product must take place either in the buyer's home or in a location that is not a permanent retail establishment. Examples of permanent retail establishments are grocery stores, hardware stores, newsstands, restaurants, department stores, and drug stores. Also considered as permanent retail establishments are amusement parks and sports arenas, as well as vendor areas and vendor carts in these facilities if the vendors are operating under an agreement to do business on a regular basis. Persons selling at temporary venues, such as a county fair or a trade show, are not considered to be selling at a permanent retail establishment.

(ii) What product the direct seller must be selling. The direct seller must be selling only a consumer product, the sale of which meets the definition of "sale at retail," used for personal, family, household, or other nonbusiness purposes. "Consumer product" includes, but is not limited to, cosmetics, cleaners and soaps, nutritional supplements and vitamins, food products, clothing, and household goods, purchased for use or consumption. The term does not include commercial equipment, industrial use products, and the like, including component parts. However, if a consumer product also has a business use, it remains a "consumer product," notwithstanding

ing that the same type of product might be distributed by other unrelated persons to be used for commercial, industrial, or manufacturing purposes. For example, desktop computers are used extensively in the home as well as in businesses, yet they are a consumer product when sold for nonbusiness purposes.

(iii) How the person is paid. The statute requires that "substantially all of the remuneration paid to such person, whether or not paid in cash, for the performance of services described in this subsection is directly related to sales or other output, including the performance of services, rather than the number of hours worked." The remuneration must be for the performance of sales and solicitation services and it must be based on measurable output. Remuneration based on hours does not qualify. A fixed salary or fixed compensation, without regard to the amount of services rendered, does not qualify.

Remuneration need not be in cash, and it may be the consumer product itself or other property, such as a car.

(iv) How the contract is memorialized. The services by the person must be performed pursuant to a written contract between the representative and the direct seller. The requirement that the contract be in writing is a specific statutory condition of RCW 82.04.423.

(v) What the contract must contain. The sale and solicitation services must be the subject of the contract. The contract must provide that the representative will not be treated as an employee of the direct seller for federal tax purposes.

(vi) The status of the representative. A person satisfying the requirements of the statute should also be a statutory non-employee under federal law, since the requirements of RCW 82.04.423 and 26 U.S.C. 3508 are the same. The direct seller must maintain proof the representative is a statutory nonemployee.

(5) Tax liability of the direct seller's representative. The statute provides no tax exemption with regard to the "direct seller's representative." The direct seller's representative is subject to the service and other activities B&O tax on commission compensation earned for services described in RCW 82.04.423. Likewise, a direct seller's representative who buys consumer products for resale and does in fact resell the products is subject to either the wholesaling or retailing B&O tax upon the gross proceeds of these sales. Retail sales tax must be collected and remitted to the department on retail sales unless specifically exempt by law. For example, certain food products are statutorily exempt from retail sales tax (see WAC 458-20-244).

(a) Subject to the agreement of the representatives, the direct seller may elect to remit the B&O taxes of the representatives and collect and remit retail sales tax as agents of the representatives through an agreement with the department. The direct seller's representative should obtain a tax registration endorsement with the department unless otherwise exempt under RCW 82.32.045. (See also WAC 458-20-101 on tax registration.)

(b) Every person who engages in this state in the business of acting as a direct seller's representative for unregistered principals, and who receives compensation by reason of sales of consumer products of such principals for use in this state, is required to collect the use tax from purchasers, and

remit the same to the department (~~(of revenue)~~), in the manner and to the extent set forth in WAC 458-20-221(~~(-)~~), Collection of use tax by retailers and selling agents.(9))

(6) The retail sales and/or use tax reporting responsibilities of the direct seller. A direct seller is required to collect and remit the tax imposed by chapter 82.08 RCW (Retail sales tax) or 82.12 RCW (Use tax) if the seller regularly solicits or makes retail sales of "consumer products" in this state through a "direct seller's representative" even though the sales are exempt from B&O tax pursuant to RCW 82.04.423.

WSR 10-21-012

PERMANENT RULES

DEPARTMENT OF REVENUE

[Filed October 7, 2010, 11:59 a.m., effective November 7, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The department is amending WAC 458-20-196 (Rule 196) to recognize:

- Provisions of chapter 23, Laws of 2010 1st sp. sess. (2ESSB 6143). This legislation amended the law to provide that only the original seller in the transaction that generated the bad debt, or a certified service provider used by the seller, may claim a retail sales or use tax credit or refund on or after July 1, 2010.
- The decision of the Washington State Court of Appeals Division 2 in *Home Depot USA, Inc. vs. State of Washington*, 151 Wash. App. 909, 215 P.3d 222. This decision held that a seller cannot claim a bad debt sales tax refund for bad debts incurred by the private label credit card issuer that financed its customers' purchases.

Citation of Existing Rules Affected by this Order: Amending WAC 458-20-196 Bad debts.

Statutory Authority for Adoption: RCW 82.32.300 and 82.01.060(2).

Other Authority: RCW 82.08.037 and 82.12.037.

Adopted under notice filed as WSR 10-16-051 on July 28, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 7, 2010.

Alan R. Lynn
Rules Coordinator

AMENDATORY SECTION (Amending WSR 06-01-005, filed 12/8/05, effective 1/8/06)

WAC 458-20-196 Bad debts. (1) Introduction.

~~((a) New laws effective July 1, 2004.)~~ This ~~((rule))~~ section provides information about the tax treatment of bad debts under the business and occupation (B&O), public utility, retail sales, and use taxes ~~((, and reflects legislation enacted in 2003 and 2004 conforming Washington law to provisions of the national Streamlined Sales and Use Tax Agreement. See chapter 168, Laws of 2003 and chapter 153, Laws of 2004. The new laws related to bad debts are effective July 1, 2004))~~.

~~((b))~~ (a) Bad debt deduction for accrual basis taxpayers. Bad debt credits, refunds, and deductions occur when income reported by a taxpayer is not received. Taxpayers who report using the cash method do not report income until it is received. For this reason, bad debts are most relevant to taxpayers reporting income on an accrual basis. However, some transactions must be reported on an accrual basis by all taxpayers, including installment sales and leases. These transactions are eligible for a bad debt credit, refund, or deduction as described in this ~~((rule))~~ section. For information on cash and accrual accounting methods, refer to WAC 458-20-197 (When tax liability arises) and WAC 458-20-199 (Accounting methods). Refer to WAC 458-20-198 (Installment sales, method of reporting) and WAC 458-20-199(3) for information about reporting installment sales.

~~((c))~~ (b) Relationship between retailing B&O tax deduction and retail sales tax credit. Generally, a retail sales tax credit for bad debts is reported as a deduction from the measure of sales tax on the excise tax return. The amount of this deduction, or the measure of a recovery of sales tax that must be reported, ~~((is the same as the amount reported as a deduction or recovery under the retailing B&O tax classification.~~

~~((d))~~ may differ from the amount reported as a deduction or recovery from the retailing B&O tax classification due to exempt sales (for example: Sales of motor vehicles and trailers for use in interstate or foreign commerce (RCW 82.08.0263); sales of manufacturing machinery and equipment (RCW 82.08.02565).)

(c) Relationship to federal income tax return. Washington credits, refunds, and deductions for bad debts are based on federal standards for worthlessness under section 166 of the Internal Revenue Code. If a federal income tax return is not required to be filed (for example, where the taxpayer is an exempt entity for federal purposes), the taxpayer is eligible for a bad debt credit, refund, or deduction on the Washington tax return if the taxpayer would otherwise be eligible for the federal bad debt deduction.

(2) Retail sales and use tax.

(a) General rule. Under RCW 82.08.037 and 82.12.-037, sellers are entitled to a credit or refund for sales and use taxes previously paid on "bad debts" under section 166 of the Internal Revenue Code, as amended or renumbered as of January 1, 2003. Taxpayers may claim the credit or refund for the tax reporting period in which the bad debt is written off as uncollectible in the taxpayer's books and records and would be eligible for a bad debt deduction for federal income tax purposes. However, ~~((the amount of any credit or refund~~

~~must be adjusted to exclude amounts attributable to))~~ "bad debts" do not include:

(i) Amounts due on property that remains in the possession of the seller until the full purchase price is paid;

(ii) Expenses incurred in attempting to collect debt; ~~((and))~~

(iii) Debts sold or assigned by the seller to third parties, where the third party is without recourse against the seller (see (c) of this subsection for additional information about this restriction); and

(iv) The value of repossessed property taken in payment of debt.

(b) Recoveries. If a taxpayer takes a credit or refund for sales or use taxes paid on a bad debt and later collects some or all of the debt, the amount of sales or use tax recovered must be repaid in the tax-reporting period during which collection was made. The amount of tax that must be repaid is determined by applying the recovered amount first proportionally to the taxable price of the property or service and the sales or use tax thereon and secondly to any interest, service charges, and any other charges.

(c) Assigned debt and installment sales. Effective July 1, 2010, RCW 82.08.037 and 82.12.037 limit who can claim a credit or refund for retail sales or use tax. Only the original seller in the transaction that generated the bad debt, or a certified service provider (CSP) used by the seller, is entitled to claim a credit or refund on or after July 1, 2010. If the original seller in the transaction that generated the bad debt has sold or assigned the debt instrument to a third party with recourse, the original seller may claim a credit or refund only after the debt instrument is reassigned by the third party to the original seller. In the case where the seller uses a CSP to administer its sales tax responsibilities the CSP may claim, on behalf of the seller, the credit or refund allowed. See chapter 23, Laws of 2010, 1st sp. sess., (2ESSB 6143).

(3) Business and occupation tax.

(a) General rule. Under RCW 82.04.4284, taxpayers may deduct from the measure of B&O tax "bad debts" under section 166 of the Internal Revenue Code, as amended or renumbered as of January 1, 2003, on which tax was previously paid. Taxpayers may claim the deduction for the tax reporting period in which the bad debt is written off as uncollectible in the taxpayer's books and records and would be eligible for a bad debt deduction for federal income tax purposes. However, the amount of the deduction must be adjusted to exclude amounts attributable to:

(i) Amounts due on property that remains in the possession of the seller until the full purchase price is paid;

(ii) Sales or use taxes payable to a seller;

(iii) Expenses incurred in attempting to collect debt; and

(iv) The value of repossessed property taken in payment of debt.

(b) Recoveries. Recoveries received by a taxpayer after a bad debt is claimed are applied under the rules described in subsection (2)(b) of this section if the transaction involved is a retail sale. The amount attributable to "taxable price" is reported under the retailing B&O tax classification. If the recovery of debt is not related to a retail sale, recovered amount is applied proportionally against the components of

the debt (e.g., interest and principal remaining on a wholesale sale).

(c) **Extracting and manufacturing classifications.** Bad debt deductions are only allowed under the extracting or manufacturing classifications when the value of products is computed on the basis of gross proceeds of sales.

(4) **Public utility tax.** Under RCW 82.16.050(5), taxpayers may deduct from the measure of public utility tax "bad debts" under section 166 of the Internal Revenue Code, as amended or renumbered as of January 1, 2003, on which tax was previously paid. Taxpayers may claim the deduction for the tax reporting period in which the bad debt is written off as uncollectible in the taxpayer's books and records and would be eligible for a bad debt deduction for federal income tax purposes. No deduction is allowed for collection or other expenses.

(5) **Application of payments - general rule.** The special rules for application of payments received in recovery of previously claimed bad debts described in subsections (2)(b) and (3)(b) of this section are not used for other payments. Payments received before a bad debt credit, refund, or deduction is claimed should be applied first against interest and then ratably against other charges. Another commercially reasonable method may be used if approved by the department.

(6) ~~((Assigned debt and installment sales.~~

(a) **General rule.** ~~If a person makes a retail sale under an installment sales contract and then legally assigns his or her rights under the contract to another party, the assignee "steps into the shoes" of the person making the sale and may claim a bad debt credit or refund for unpaid retail sales tax to the extent a credit or refund would have been available to the original seller and to the extent that the assignee actually incurs a loss. The seller's B&O tax deduction for bad debt may not be claimed by an assignee. A retail sales tax bad debt credit or refund for unpaid sales tax is available only to the person who makes the retail sale or an assignee under the contract. For example, a bank that loans money to the purchaser of a vehicle may not claim a retail sales tax bad debt credit or refund. The bank did not sell the vehicle and is not an assignee of the dealer who made the retail sale.~~

(b) **Discounts.** ~~A person who makes a retail sale on credit and then assigns the sales contract in exchange for less than the face value of the contract may not claim a bad debt credit, refund, or deduction for the difference between the face value and the amount received. The discount is a nondeductible cost of doing business, not a bad debt. An assignee of a retail sales contract that pays less than face value for the contract is not required to reduce the amount of a retail sales tax bad debt credit or refund in proportion to the amount of the discount. The assignee may take a credit or refund for the amount that would have been available to the original seller if the original seller had retained the contract and received the payments made by the buyer.~~

(c) **Recourse financing.** ~~An assignee who receives payment on a bad debt from the assignor must reduce the sales tax credit in proportion to the payment. The assignor may claim a sales tax credit and retailing B&O tax deduction in proportion to the payment if obligated to make the payment and otherwise qualified under this rule.~~

(d) **Documentation.** ~~All persons claiming a bad debt credit for installment contracts must retain appropriate documentation, including documentation establishing:~~

(i) ~~The amount of the original sale by the seller, and component amounts necessary to determine that amount, such as credits for trade-ins, down payments, and individual amounts charged for different products;~~

(ii) ~~The buyer's equity in any trade-in property;~~

(iii) ~~The contract principal owed at the time of repossession, if any; and~~

(iv) ~~The deductibility of the debt as worthless for federal income tax purposes.)~~

Private label credit cards. If a business contracts with a financial company to provide a private label credit card program, and the financial company becomes the exclusive owner of the credit card accounts and solely bears the risk of all credit losses, the business that contracted with the financial company is not entitled to any bad debt deduction if a customer fails to pay his or her credit card invoice.

Example. Hot Shot Ski Equipment (Hot Shot) is a sporting equipment retailer. Hot Shot contracts with ABC Financial Institution (ABC) to issue a Hot Shot private label credit card. ABC has the authority to accept or reject an applicant's credit card application. After Hot Shot transmits the credit card sales records to ABC, ABC pays Hot Shot the proceeds of the sales including the retail sales tax minus any applicable service fees. Hot Shot remits the retail sales tax to the Department of Revenue. If a customer using the Hot Shot credit card fails to pay ABC the outstanding amount on the credit card invoice, ABC suffers the loss. Hot Shot is not entitled to a bad debt deduction or credit as it has no bad debt loss when a customer defaults on a debt to ABC.

(7) **Reserve method.** Ordinarily, taxpayers must report bad debt refunds, credits or deductions for specifically identified transactions. However, taxpayers who are allowed by the Internal Revenue Service to use a reserve method of reporting bad debts for federal income tax purposes, or who secure permission from the department to do so, may deduct a reasonable addition to a reserve for bad debts. What constitutes a reasonable addition to a reserve for bad debts must be determined in light of the facts and will vary between classes of business and with conditions of business prosperity. An addition to a reserve allowed as a deduction by the Internal Revenue Service for federal income tax purposes, in the absence of evidence to the contrary, will be presumed reasonable. When the reserve method is employed, an adjustment to the amount of loss deducted must be made annually to make the total loss claimed for the tax year coincide with the amount actually sustained.

(8) **Statute of limitations for claiming bad debts.** No credit, refund, or deduction, as applicable, may be claimed for debt that became eligible for a bad debt deduction for federal income tax purposes more than four years before the beginning of the calendar year in which the credit, refund, or deduction is claimed.

(9) **Examples.** The following examples identify a number of facts and then state a conclusion. These examples should be used only as a general guide. The tax results of other situations must be determined after a review of all of the facts and circumstances.

In all cases, an eight percent combined state and local sales tax rate is assumed. Figures are rounded to the nearest dollar. Payments are applied first against interest and then ratably against the taxable price, sales tax, and other charges except when the special rules for subsequent recoveries on a bad debt apply (see subsections (2) and (3) of this section). It is assumed that the income from all retail sales described has been properly reported under the retailing B&O tax classification and that all interest or service fees described have been accrued and reported under the service and other activities B&O tax classification.

(a) ~~((Seller))~~ **Scenario 1.** Joe's Hardware makes a retail sale of goods with a selling price of \$500 and pays \$40 in sales tax to the department. No payment is received by ~~((Seller))~~ Joe at the time of sale.

(i) Bad debt. One and a half years later, no payment has been received by ~~((Seller))~~ Joe, and the balance with interest is \$627. ~~((Seller))~~ Joe is entitled to claim a bad debt deduction on ~~((the))~~ his federal income tax return. ~~((Seller))~~ He is also entitled to claim a bad debt sales tax credit or refund in the amount of \$40, a B&O tax deduction of \$500 under the retailing B&O tax classification, and a B&O tax deduction of \$87 under the service and other activities B&O tax classification.

~~((b) The facts are the same as in (a) of this subsection, except that))~~ (ii) Recoveries. Six months after the credit and deduction are claimed, a \$50 payment is received on the debt. Recoveries received on a retail sale after a credit and deduction have already been claimed must be applied first proportionally to the taxable price and sales tax thereon in order to determine the amount of tax that must be repaid. Therefore, ~~((Seller))~~ Joe must report \$4, or $50 \times (\$40/\$540)$, of sales tax on the current excise tax return and \$46, or $50 \times (\$500/\$540)$ under the retailing B&O tax classification. Additional recoveries should be applied in the same manner until the original \$40 credit for sales tax is reduced to zero.

~~((e) Seller))~~ (b) **Scenario 2.** Joe makes a retail sale of goods on credit for \$500 and pays \$40 in sales tax to the department. No payment is received at the time of sale. Over the following year, regular payments are received and the debt is reduced to \$345, exclusive of any interest or service charges. The \$345 represents sales tax due to ~~((Seller))~~ Joe in the amount of \$26, or $345 \times (\$40/\$540)$, and \$319 remaining of the original purchase price, or $345 \times (\$500/\$540)$. Payments cease.

(i) Bad debt. Six months later the balance with interest and service fees is \$413. ~~((Seller))~~ Joe is entitled to claim a bad debt deduction on the federal income tax return. ~~((Seller))~~ He is also entitled to claim a sales tax refund or credit on the current excise tax return of \$26, a deduction under the retailing B&O tax classification of \$319, and a deduction under the service and other activities B&O tax classification of \$68.

~~((d) The facts are the same as in (c) of this subsection, except that before Seller))~~ (ii) Recoveries. Before Joe charges off the debt, ~~((Seller))~~ he repossesses the goods. At that time, the goods have a fair market value of \$250. No credit is allowed for repossessed property, so the value of the collateral must be applied against the outstanding balance. After the value of the collateral is applied, ~~((Seller))~~ Joe has a remaining balance of \$163, or $413 - 250$. The allocation

rules for recoveries do not apply because a bad debt credit or refund has not yet been taken. The value is applied first against the \$68, or $413 - 345$, of interest, so the \$163 remaining is attributable entirely to taxable price and sales tax. Any costs ~~((Seller))~~ Joe may incur related to locating, repossessing, storing, or selling the goods do not offset the value of the collateral because no credit is allowed for collection costs. ~~((Seller))~~ Joe is entitled to a sales tax refund or credit in the amount of \$12, or $163 \times (\$40/\$540)$ and deduction of \$151, or $163 \times (\$500/\$540)$ under the retailing B&O tax classification.

(iii) Sales of repossessed goods. If ~~((Seller))~~ Joe later sells the repossessed goods, ~~((Seller))~~ he must pay B&O tax and collect retail sales tax as applicable. If the sales price of the repossessed goods is different from the fair market value previously reported and the statute of limitations applicable to the original transaction has not expired, ~~((Seller))~~ Joe must report the difference between the selling price and the claimed fair market value as an additional bad debt credit or deduction or report it as an additional recovery, as appropriate.

~~((e) Seller))~~ (c) **Scenario 3.** Phil, of Phil's Fine Cars, sells a car at retail for \$1000 and charges Alice, the buyer, an additional \$50 for license and registration fees. ~~((Seller))~~

(i) Trade-in accepted. Phil accepts trade-in property with a value of \$500 in which ~~((the buyer))~~ Alice has \$300 of equity. (The value of trade-in property of like kind is excluded from the selling price for purposes of the retail sales tax. Refer to WAC 458-20-247 for further information.) ~~((Seller))~~ Phil properly bills ~~((the buyer))~~ Alice for \$40 of sales tax, for a total of \$1090 owed to ~~((Seller))~~ Phil by ~~((the buyer))~~ Alice. ~~((Seller))~~ Phil pays the department the \$40 in sales tax. No payment other than the trade-in is received by ~~((Seller))~~ Phil at the time of sale.

(ii) Bad debt. Eight months later, ~~((Seller))~~ Phil has not received any payment. ~~((Seller))~~ Phil is entitled to claim a bad debt deduction on ~~((the))~~ his federal income tax return. The equity in the trade-in is equivalent to a payment received at the time of purchase, reducing the balance remaining on the initial sale to \$790, or $1090 - 300$. ~~((Seller))~~ Phil is entitled to claim a sales tax credit or refund of \$29, or $790 \times (\$40/\$1090)$ of sales tax, and a deduction of \$725, or $790 \times (\$1000/\$1090)$ under the retailing B&O tax classification, exclusive of any deduction for accrued interest.

~~((f) Seller))~~ (d) **Scenario 4.** Phil sells a car at retail for \$1000, and charges ~~((the buyer))~~ Jake an additional \$50 for license and registration fees. ~~((Seller))~~ Phil properly bills ~~((the buyer))~~ Jake for \$80 of sales tax and remits it to the department. No money is received from ~~((the buyer))~~ Jake at the time of sale.

(i) Bad debt. Eight months later ~~((Seller))~~ Phil is entitled to claim a bad debt deduction on the federal income tax return. ~~((Seller))~~ Phil claims an \$80 sales tax credit, a \$1000 retailing B&O tax deduction, and an additional amount under the service and other activities classification for accrued interest.

(ii) Recoveries. Six months after ~~((that))~~ claiming a bad debt, ~~((Seller))~~ Phil receives a \$200 payment from ~~((the buyer))~~ Jake. Recoveries must be allocated first proportionally to the taxable price (the measure of the sales tax) and the

sales tax thereon, and secondly to other charges. B&O tax consequences follow the same rules. Accordingly, ~~((Seller)) Phil~~ must report \$15, or \$200 x (\$80/\$1080) of sales tax and \$185, or \$200 x (\$1000/\$1080) of income under the retailing B&O tax classification. Additional recoveries should be applied in the same manner until the original \$80 sales tax credit is reduced to zero.

~~((g)) Seller~~) (e) **Scenario 5.** Phil sells a car at retail for \$1000, and charges ~~((the buyer)) Robin~~ an additional \$50 for license and registration fees. ~~((Seller))~~

(i) Trade-in accepted. Phil accepts trade-in property with a value of \$500 in which ~~((the buyer)) Robin~~ has \$300 of equity. ~~((Seller)) Phil~~ properly bills ~~((the buyer)) Robin~~ for \$40 of sales tax for a total of \$1090 owed to ~~((Seller)) Phil~~ by ~~((the buyer)) Robin~~. No payment other than the trade-in is received by ~~((Seller)) Phil~~ at the time of sale.

(ii) Bad debt. Eight months later, no payment has been received by ~~((Seller)) Phil~~. ~~((Seller)) Phil~~ is entitled to claim a bad debt deduction on the federal income tax return. The equity in the trade-in is equivalent to a payment received at the time of purchase, reducing the balance remaining on the initial sale to \$790, or \$1090 - \$300. ~~((Seller)) Phil~~ is entitled to claim a sales tax credit or refund of \$29, or \$790 x (\$40/\$1090) of sales tax, and a deduction of \$725, or \$790 x (\$1000/\$1090) under the retailing B&O tax classification, exclusive of any deduction for accrued interest.

(iii) Recoveries. Six months after that, ~~((Seller)) Phil~~ receives a \$200 payment from ~~((the buyer)) Robin~~. Recoveries must be allocated first proportionally to the taxable price (the measure of the sales tax) and sales tax thereon, and secondly to other charges. B&O tax consequences follow the same rules. Accordingly, ~~((Seller)) Phil~~ must report \$15, or \$200 x (\$40/\$540) in sales tax, and \$185, or \$200 x (\$500/\$540) under the retailing B&O tax classification. Additional recoveries should be applied in the same manner until the original \$29 sales tax credit is reduced to zero.

~~((h))~~) (f) **Scenario 6.** The facts are the same as in ~~((e)) Scenario 3 (c)~~ of this subsection, except that immediately after the sale, ~~((Seller)) Phil~~ assigns the contract to a finance company without recourse, receiving face value for the contract. The finance company may not claim the retail sales tax credit or refund ~~((of \$29))~~. The finance company may not claim any deductions for ~~((Seller's)) Phil's~~ B&O tax liability. No bad debt deduction or credit is available to ~~((Seller))~~

~~((i)) The facts are the same as in (h) of this subsection, except that the Seller receives less than face value for the contract. The result is the same as in (h) of this subsection for both parties. The finance company may claim a \$29 retail sales tax bad debt credit or refund, but may not claim a B&O bad debt deduction for Seller's B&O tax liability. No bad debt deduction or credit is available to Seller)) Phil, as the contract was sold without recourse.~~

WSR 10-21-016

PERMANENT RULES

DEPARTMENT OF AGRICULTURE

[Filed October 7, 2010, 2:17 p.m., effective November 7, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: During the 2010 legislative session, the ability to provide self-inspection for transactions of twenty-five head or less of cattle was removed from chapter 16.57 RCW effective June 10, 2010. In addition, a \$25.00 fee was established for the issuance of replacement copies of brand inspection documents. The department proposed amendments to chapter 16-610 WAC to conform to recent statutory amendments and to define processes to administer these changes. Also, housekeeping amendments were proposed to bring the rules up-to-date and fine tune current inspection practices to include: The establishment of renewal training for certified veterinarians; and an adjustment of the cattle inspection fee structure for out-of-state brands not recorded within Washington.

Citation of Existing Rules Affected by this Order: Amending WAC 16-610-016, 16-610-018, 16-610-020, 16-610-050, 16-610-060, and 16-610-065.

Statutory Authority for Adoption: Chapters 16.57, 16.58, 16.65, and 34.05 RCW.

Other Authority: Chapter 34.05 RCW.

Adopted under notice filed as WSR 10-17-123 on August 18, 2010.

Changes Other than Editing from Proposed to Adopted Version: WAC 16-610-018 (1)(g), proposed change to include a bill of sale for cattle as a proof of ownership was not adopted.

WAC 16-610-140(8), proposed change to reinstate the \$50.000 [\$50.00] application fee for special sales of youth livestock organizations was not adopted.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 1, Amended 3, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 2, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 1, Amended 6, Repealed 0.

Date Adopted: October 7, 2010.

Dan Newhouse
Director

AMENDATORY SECTION (Amending WSR 07-14-057, filed 6/28/07, effective 7/29/07)

WAC 16-610-016 Self-inspection certificates issued prior to June 10, 2010. (1) A self-inspection certificate ~~((is))~~ was used for cattle inspections involving twenty-five head or less at the point of private sale, trade, gifting, barter, or any other action not in connection with a public livestock market that constitutes a change of ownership.

(2) ~~((You may purchase these forms by contacting the department at 360-902-1855.~~

The purchase price of a self-inspection certificate is equal to the sum of the number of head involved in the transaction multiplied by the current inspection fee of \$1.60 and the number of head involved in the transaction multiplied by the beef promotion fee.

~~(3))~~ Self-inspection certificates completed after June 10, 2010, are not satisfactory proof of ownership for cattle. Self-inspection certificates completed prior to June 10, 2010, will be accepted as satisfactory proof of ownership of cattle if:

(a) ~~The self-inspection certificate((s must be))~~ was completed and signed by the buyer and seller. The original completed copy of the certificate ~~((must be given to the buyer and))~~ must accompany the cattle. ~~((The seller must also retain a copy of the completed certificate.))~~

~~(b) ((Self-inspection is limited to transactions involving twenty-five head or less of cattle.~~

~~(e))~~ The buyer must ((be given)) provide, at the time of reinspection, additional proof of ownership documentation for all cattle bearing brands not recorded to the seller listed on the self-inspection certificate.

AMENDATORY SECTION (Amending WSR 07-14-057, filed 6/28/07, effective 7/29/07)

WAC 16-610-018 Proof of ownership documents. (1) Proof of ownership for cattle and horses may be established at the time of a livestock inspection by presenting one of the following documents:

(a) An official livestock inspection certificate issued by the director.

(b) A duplicate certificate or certified copy of an original inspection document issued by the director.

(c) For cattle only, a self-inspection certificate ~~((signed by both the seller and the buyer. Additional proof of ownership for all livestock bearing brands not recorded to the seller must be provided to the buyer))~~ completed prior to June 10, 2010, and any other information required in WAC 16-610-016.

(d) An official inspection certificate issued by another state or province that maintains a livestock inspection program.

(e) Registration papers on purebred horses.

(f) Registration papers on purebred cattle if the brand is not recorded in this state.

(g) For horses only, a bill of sale. Department form #7092 Equine Bill of Sale may be used and may be purchased by contacting the department at 360-902-1855. The purchase price of an Equine Bill of Sale is \$1.00 for a book of twenty-five.

(h) A certificate of veterinary inspection issued by a state that does not maintain a livestock inspection program. Vaccination/test tags and the animal description must be verifiable and match the document.

(2) Only original inspection certificates, official duplicate certificates, or certified copies of inspection certificates are acceptable. The name of the livestock owner must appear on the document that is submitted. Carbon copies, faxed copies or photocopies will not be accepted~~((The name of the~~

~~livestock owner must appear on the document that is submitted))~~ except for registration papers on purebred livestock.

AMENDATORY SECTION (Amending WSR 07-14-057, filed 6/28/07, effective 7/29/07)

WAC 16-610-020 Cattle inspections for brands or other proof of ownership. (1) All cattle must be inspected for brands or other proof of ownership:

(a) Before being moved out of Washington state, unless the provisions of WAC 16-610-035(2) apply.

(b) When offered for sale at any public livestock market or special sale approved by the director.

(c) Upon delivery to any cattle processing plant where the United States Department of Agriculture maintains a meat inspection program, unless the cattle:

(i) Originate from a certified feedlot; or

(ii) Are accompanied by an inspection certificate issued by the director, or a veterinarian certified by the director, or an agency in another state or Canadian province authorized by law to issue such a certificate.

(2) All cattle entering or reentering any certified feedlot licensed under chapter 16.58 RCW must be inspected for brands or other proof of ownership before commingling with other cattle unless the cattle are accompanied by an inspection certificate issued by the director, or a veterinarian certified by the director, or an agency in another state or Canadian province authorized by law to issue such a certificate.

(3) All cattle must be inspected for brands or other proof of ownership at any point of private sale, trade, gifting, barter, or any other action that constitutes a change of ownership, except for individual private sales of unbranded female dairy breed cattle involving fifteen head or less. For transactions involving cattle not being moved or transported out of Washington state:

(a) Cattle must be presented for an inspection within fifteen days from the date of the initial transaction. It shall be the responsibility of the seller to notify the department immediately that a sale has occurred. It shall be the responsibility of the buyer to present the animals for inspection.

(b) Cattle sold for 4-H and FFA youth projects are exempt from the fifteen day inspection requirement and can be inspected, if not prior, when consigned to a terminal show.

(4) Exemptions from mandatory inspections do not exempt cattle sellers from paying beef promotion fees owed to the Washington state beef commission under chapter 16.67 RCW.

AMENDATORY SECTION (Amending WSR 07-14-057, filed 6/28/07, effective 7/29/07)

WAC 16-610-050 Cattle inspections for private transactions. Inspections of cattle required under WAC 16-610-020(3) may be conducted by:

(1) The director; or

(2) Veterinarians certified by the director~~((or~~

~~(3) The buyer and seller using a self-inspection certificate)).~~

AMENDATORY SECTION (Amending WSR 07-14-057, filed 6/28/07, effective 7/29/07)

WAC 16-610-060 Veterinarian certification. (1) The director may certify veterinarians, who are licensed and accredited in Washington state and who comply with the requirements of this section, to issue livestock inspection certificates.

(2) Veterinarians licensed and accredited in Washington state who wish to issue inspection certificates for livestock must apply for certification on the department's application form (WSDA form #7028). The application must include the following:

- (a) The full name and principal business address of the individual applying for certification;
- (b) The applicant's Washington state veterinary license number;
- (c) The geographic area in which the applicant will issue inspection certificates for livestock;
- (d) A statement describing the applicant's experience with large animals, especially cattle and horses;
- (e) A brief statement indicating that the applicant is requesting certification to issue inspection certificates for cattle, horses or both;
- (f) The signature of the applicant; and
- (g) Any other additional information as requested by the director.

(3) All applications must be accompanied by a check or money order for the amount of the certification fee of thirty-five dollars per applicant.

(4) Certifications expire on the third December 31st following the date of issuance. For example, if a certificate was issued on October 14, 2003, it would expire on December 31, 2005. All applications for renewal of certification must be submitted on AGR Form 930-7089 and accompanied by a check or money order for the amount of the certification fee of thirty-five dollars per applicant.

(5) All veterinarians applying for certification or renewal of certification must successfully complete department-provided training. The department will provide to each person applying for certification or renewal of certification a copy of the most current brand book and any supplements issued to date. Training will include, but will not be limited to, the:

- (a) Reading of printed brands;
- (b) Reading of brands or other marks on ~~((Hive))~~ animals;
- (c) Completion of official documents; and
- (d) Review of satisfactory ownership documents.

(6) The director will maintain a list of veterinarians certified to perform livestock inspections. Interested parties may request a copy of the list from the department by calling 360-902-1855.

(7) Inspections by certified veterinarians are conducted upon request and provided at the discretion of the veterinarian.

(8) Certified veterinarians must submit all required inspection fees to the director and copies of each inspection certificate within thirty days of the date of issue.

(9) The director may deny certification or renewal of certification to issue inspection certificates if the veterinarian fails to meet the requirements of this section or knowingly makes false or inaccurate statements regarding his or her qualifications on the certification application.

AMENDATORY SECTION (Amending WSR 07-14-057, filed 6/28/07, effective 7/29/07)

WAC 16-610-065 Livestock identification fees. All livestock identification inspection fees charged by the director are specified in statute under RCW 16.57.220 but are reproduced in this section for ease of reference.

For purposes of this section, the time and mileage fee means seventeen dollars per hour and the current mileage rate set by the office of financial management.

Certificate	Fees:
Inspection Certificate - Cattle	<p>(1) The livestock inspection fee for cattle is \$1.60 per head or the time and mileage fee, whichever is greater, except: The fee for livestock inspection for cattle is \$1.10 per head or the time and mileage fee, whichever is greater, when cattle are identified with a valid brand recorded to the owner of the cattle in Washington ((or another state or province)). ((a) This fee does not apply for inspection of cattle when documenting a change of ownership with a self inspection certificate. (b) Proof of the recording status of out of state brands must be presented to the director at the time of inspection.) <u>The time and mileage fee may be waived for private treaty transactions of ten head or less of cattle bearing the seller's Washington recorded brand and special sales of 4-H, FFA, and junior/youth groups. The time and milage waiver:</u> <u>(a) Will be limited to twelve waivers within a calendar year; and</u> <u>(b) Does not apply to multiple sales to the same buyer within a thirty-day period.</u></p> <p>(2) The livestock inspection fee for cattle is \$4.00 per head for cattle delivered to a USDA inspected slaughter facility with a daily capacity of no more than five hundred head of cattle.</p>

Certificate	Fees:
	(3) No inspection fee is charged for a calf that is inspected prior to moving out-of-state under an official temporary grazing permit if the calf is part of a cow-calf unit and the calf is identified with the owner's Washington state-recorded brand. (4) No inspection fee is charged for a dairy calf less than thirty days old that is delivered to a USDA inspected slaughter facility.
Inspection Certificate - Horse	(5) The livestock inspection fee for horses is \$3.50 per head or the time and mileage rate, whichever is greater, except:
Inspection Certificate - Groups of thirty or more horses	(6) The livestock inspection fee for groups of thirty or more horses is \$2.00 per head or the time and mileage fee, whichever is greater, if: (a) The horses are owned by one individual; and (b) The inspection is performed on one date and at one location; and (c) Only one certificate is issued.
Inspection Certificate - Minimum fee	(7) The minimum fee for a livestock inspection is \$5.00 . The minimum fee does not apply to livestock consigned to and inspected at a public livestock market, special sale, or a cattle processing plant.
Annual individual identification certificate for individual animals	(8)(a) The livestock inspection fee for an annual individual identification certificate for cattle and horses is \$20.00 per head or the time and mileage fee, whichever is greater. (b) The livestock inspection fee for an annual individual identification certificate for groups of thirty or more horses or cattle is \$5.00 per head or the time and mileage fee, whichever is greater, if: (i) The horses or cattle are owned by one individual; (ii) The inspection is performed on one date and at one location; and (iii) Only one certificate is issued.
Lifetime individual identification certificate	(9) A livestock inspection fee for a lifetime individual identification certificate for horses and cattle is \$60.00 per head or the time and mileage fee, whichever is greater.

NEW SECTION

WAC 16-610-066 Replacement copies of brand inspection documents. (1) Individuals can request replacement copies of inspection documents issued by the director which are held by the department.

(2) All requests for replacement copies will be submitted on AGR Form 930-7093 to the department.

(3) A twenty-five dollar fee will be charged per document for replacement copies and must accompany the form.

(4) Replacement copies will only be issued to a requestor whose name appears as the buyer, seller, or owner on the document being requested.

WSR 10-21-023

PERMANENT RULES

WASHINGTON STATE UNIVERSITY

[Filed October 11, 2010, 2:07 p.m., effective November 11, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: Washington State University is adding rules regarding meetings conducted by the university's board of regents, in accordance with RCW 42.30.075 and 42.30.080.

Citation of Existing Rules Affected by this Order: New WAC 504-07-010.

Statutory Authority for Adoption: RCW 28B.30.150.

Adopted under notice filed as WSR 10-15-111 on July 21, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 1, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 1, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 1, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 8, 2010.

Ralph T. Jenks, Director
Procedures, Records, and Forms
and University Rules Coordinator

Chapter 504-07 WAC

BOARD OF REGENTS

Date Adopted: October 8, 2010.

Ralph T. Jenks, Director
Procedures, Records, and Forms
and University Rules CoordinatorNEW SECTION

WAC 504-07-010 Board of regents meetings. (1) Regular meetings. Regular meetings of the board of regents, including committees thereof, are held pursuant to a schedule and at locations established annually by resolution of the board. The annual meeting schedule is published in the *Washington State Register*. Meetings may be canceled or rescheduled by the president of the university, with the concurrence of the president of the board.

(2) Rescheduled regular meetings. Any regular meeting of the board or its committees may be rescheduled by publishing notice of the changed date and/or location in the *Washington State Register* at least twenty days in advance of the rescheduled meeting date. If twenty days advance notice of a rescheduled meeting is not given, the meeting is conducted as a special meeting under RCW 42.30.080.

(3) All meetings. All meetings of the board or its committees are conducted in conformance with the laws of the state of Washington governing such meetings and the bylaws of the board.

WSR 10-21-024

PERMANENT RULES

WASHINGTON STATE UNIVERSITY

[Filed October 11, 2010, 2:07 p.m., effective November 11, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The university is updating the requirements and responsibilities regarding providing students with choices for purchasing course materials in accordance with recently amended RCW 28B.10.590.

Citation of Existing Rules Affected by this Order: Amending WAC 504-43-030.

Statutory Authority for Adoption: RCW 28B.30.150.

Adopted under notice filed as WSR 10-15-109 on July 21, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 1, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 1, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

AMENDATORY SECTION (Amending WSR 08-24-027, filed 11/24/08, effective 12/25/08)

WAC 504-43-030 Providing cost savings to students for course materials. (1) The affiliated bookstores for Washington State University (WSU) are incorporated as the students book corporation. The students book corporation is responsible for the following:

(a) Providing students the option of purchasing course materials that are unbundled whenever possible;

(b) Disclosing to faculty and students the retail costs of textbooks on a per book and per course basis and making such information publicly available;

(c) Disclosing publicly, when such information is available, how new editions vary from previous editions; ~~(and)~~

(d) Actively promoting and publicizing book buy-back programs; and

(e) Disclosing to students information on required course materials including, but not limited to, title, authors, edition, price, and International Standard Book Number (ISBN) at least four weeks before the start of the class for which the materials are required. The chief academic officer may waive the disclosure requirement provided in this subsection (1)(e), on a case-by-case basis, if students may reasonably expect that nearly all information regarding course materials is available four weeks before the start of the class for which the materials are required. The requirement provided in this subsection (1)(e) does not apply if the faculty member using the course materials is hired four weeks or less before the start of class.

(2) To provide cost savings to students for course materials when educational content is comparable as determined by faculty, WSU faculty and staff members are encouraged to:

(a) Consider adopting the least expensive edition of course materials available (~~when educational content is comparable~~);

(b) Consider adopting free, open textbooks when available;

(c) Work closely with ((publishers and the students book corporation to create bundles and packages if they provide a cost savings to students)) university librarians to put together collections of free on-line web and library resources.

WSR 10-21-025

PERMANENT RULES

WASHINGTON STATE UNIVERSITY

[Filed October 11, 2010, 2:08 p.m., effective November 11, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The university is updating the health and safety regulations for university property, chapter 504-36 WAC. To protect wildlife research, the university needs the ability to

further control access by dogs and other animals to certain portions of university property.

Citation of Existing Rules Affected by this Order: Amending WAC 504-36-020.

Statutory Authority for Adoption: RCW 28B.30.150.

Adopted under notice filed as WSR 10-15-110 on July 21, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 1, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 1, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 8, 2010.

Ralph T. Jenks, Director
Procedures, Records, and Forms
and University Rules Coordinator

AMENDATORY SECTION (Amending WSR 08-24-026, filed 11/24/08, effective 12/25/08)

WAC 504-36-020 Control of animals. This section governs the control of animals and pets on property owned or controlled by Washington State University.

(1) This section does not apply to animals owned by the university or under its care, custody, and/or control.

(2) Subsections (3) and (8) of this section do not apply to trained guide dogs or service animals that are being used by persons with disability.

(3) Animals are not permitted in university buildings, except in facilities that are the site of university-authorized events, such as stock shows, horse shows, parades, or demonstrations at sporting events, where the animals are participants in said events, or as allowed by university housing policies. The vice-president for business and finance, the president, the chancellor of a branch campus, or such other person as the president may designate, may waive this subsection for guide dogs in training or service animals in training, provided that such animals are present on campus with trainers or handlers who have a demonstrated history of training such animals.

~~((2) Livestock and horses are not permitted on university property, except as allowed in subsection (3)(e) of this section. Other))~~ (4) Animals are not permitted on university property unless under immediate control of their keeper, except as otherwise allowed under this rule. "Keeper" includes an owner, handler, trainer, or any person responsible for the control of an animal. "Under control" means the restraint of an animal by means of a leash or other device that physically restrains the animal to the keeper's immediate

proximity. An animal which is otherwise securely confined while in or upon any motor vehicle, including a trailer, is deemed to be under control.

~~((3))~~ (5) The requirement that animals be under immediate control of their keeper does not apply to:

(a) A dog being exercised in any area designated by the university as leash optional;

(b) A dog undergoing training at a certified dog obedience class on the university campus and authorized by the dean of the college of veterinary medicine, the vice-president for business and finance, the president, or the president's designee;

(c) A dog while being exhibited in an organized dog show on university property;

(d) A dog trained to aid law enforcement officers while being used for law enforcement purposes or during demonstrations to illustrate the dog's capabilities; ~~((and))~~

(e) A dog trained and under the control of a university farm manager to aid farm managers while moving or handling livestock; and

(f) An animal participating in a university-authorized event, such as a stock show, horse show, parade, extension or outreach event, or demonstrations at a sporting, teaching, or agricultural event.

~~((4))~~ (6) Any stray dog or other animal that is running loose on university property is subject to impound by local authorities in accordance with the municipal or county ordinances that apply to each campus.

~~((5))~~ (7) The keeper of any animal must remove for disposal any fecal matter deposited by the animal on university premises before the keeper leaves the area where the matter was deposited. This requirement does not apply to an individual who, by reason of disability, is unable to comply, or to individuals bringing animals to university-authorized events where arrangements have been made for the removal of fecal matter.

~~((6) This section does not apply to animals owned by the university or under its care, custody, and/or control.~~

~~(7) Subsection (1) of this section does not apply to trained guide dogs or service animals that are being used by persons with disability.)~~

(8) The vice-president for business and finance, the president, the chancellor of a branch campus, or such other person as designated by the president, may designate ~~((, will waive subsection (1) of this section for guide dogs in training or service animals in training, provided that such animals are present on campus with trainers or handlers who have a demonstrated history of training such animals))~~ areas on a campus otherwise open to the public as restricted from access by dogs or other animals even when under the control of their keepers for safety reasons or where the presence of dogs or other animals conflicts with the educational or research missions of the university.

WSR 10-21-035
PERMANENT RULES
DEPARTMENT OF
SOCIAL AND HEALTH SERVICES

(Aging and Disability Services Administration)
 [Filed October 12, 2010, 11:49 a.m., effective October 29, 2010]

Effective Date of Rule: October 29, 2010.

Other Findings Required by Other Provisions of Law as Precondition to Adoption or Effectiveness of Rule: Under RCW 74.46.380(3) a rule may become effective earlier than thirty-one days after filing when the agency establishes that effective date in the adopting order and finds that the earlier effective date is necessary because of imminent peril to the public health, safety, or welfare.

Section 958, chapter 37, Laws of 2010 1st sp. sess. declared the act necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately. The rules of this adopting order are necessary to implement chapter 37, Laws of 2010 1st sp. sess. and thus, are necessary to avoid imminent peril to the public health, safety, or welfare.

The rules have been in effect since July 1, 2010, through an emergency adoption, see WSR 10-14-057.

Purpose: ESSB 6444, section 206, supplemental operating budget (chapter 37, Laws of 2010 1st sp. sess.). Under chapter 37, Laws of 2010, the department increased the yearly license fee for licensed boarding homes from \$79 per bed to \$106 per bed effective July 1, 2010.

Effective July 1, 2010, the department increased the rates in WAC 388-105-0005 to cover the medicaid share of the license fee increase and the medicaid cost of new training needs.

Citation of Existing Rules Affected by this Order: Amending WAC 388-105-0005.

Statutory Authority for Adoption: RCW 74.39A.030(3).

Other Authority: Chapter 37, Laws of 2010, Biennial Appropriations Act section (ESSB 6444, section 206 (19)(a)).

Adopted under notice filed as WSR 10-18-099 on September 1, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 1, Repealed 0.

Date Adopted: October 8, 2010.

Katherine I. Vasquez
 Rules Coordinator

AMENDATORY SECTION (Amending WSR 09-20-011, filed 9/25/09, effective 10/26/09)

WAC 388-105-0005 The daily medicaid payment rates for clients assessed using the comprehensive assessment reporting evaluation (CARE) tool and that reside in adult family homes (AFH) and boarding homes contracted to provide assisted living (AL), adult residential care (ARC), and enhanced adult residential care (EARC) services. For contracted AFH and boarding homes contracted to provide AL, ARC, and EARC services, the department pays the following daily rates for care of a medicaid resident:

COMMUNITY RESIDENTIAL DAILY RATES FOR CLIENTS ASSESSED USING CARE					
KING COUNTY					
CARE CLASSIFICATION	AL Without Capital	AL With Capital	ARC	EARC	AFH
	Add-on	Add-on			
A Low	\$((66.45)) <u>66.65</u>	\$((71.87)) <u>72.07</u>	\$((46.99)) <u>47.19</u>	\$((46.99)) <u>47.19</u>	\$46.39
A Med	\$((71.95)) <u>72.15</u>	\$((77.37)) <u>77.57</u>	\$((53.32)) <u>53.52</u>	\$((53.32)) <u>53.52</u>	\$52.64
A High	\$((80.74)) <u>80.94</u>	\$((86.16)) <u>86.36</u>	\$((58.56)) <u>58.76</u>	\$((58.56)) <u>58.76</u>	\$58.90
B Low	\$((66.45)) <u>66.65</u>	\$((71.87)) <u>72.07</u>	\$((46.99)) <u>47.19</u>	\$((46.99)) <u>47.19</u>	\$46.62
B Med	\$((74.15)) <u>74.35</u>	\$((79.57)) <u>79.77</u>	\$((59.65)) <u>59.85</u>	\$((59.65)) <u>59.85</u>	\$59.19
B Med-High	\$((83.98)) <u>84.18</u>	\$((89.40)) <u>89.60</u>	\$((63.43)) <u>63.63</u>	\$((63.43)) <u>63.63</u>	\$63.42
B High	\$((88.41)) <u>88.61</u>	\$((93.83)) <u>94.03</u>	\$((72.51)) <u>72.71</u>	\$((72.51)) <u>72.71</u>	\$72.51

CARE CLASSIFICATION	AL Without Capital	AL With Capital	ARC	EARC	AFH
	Add-on	Add-on			
C Low	\$((71.95)) <u>72.15</u>	\$((77.37)) <u>77.57</u>	\$((53.32)) <u>53.52</u>	\$((53.32)) <u>53.52</u>	\$52.64
C Med	\$((80.74)) <u>80.94</u>	\$((86.16)) <u>86.36</u>	\$((66.93)) <u>67.13</u>	\$((66.93)) <u>67.13</u>	\$67.22
C Med-High	\$((100.51)) <u>100.71</u>	\$((105.93)) <u>106.13</u>	\$((89.22)) <u>89.42</u>	\$((89.22)) <u>89.42</u>	\$88.06
C High	\$((101.51)) <u>101.71</u>	\$((106.93)) <u>107.13</u>	\$((90.07)) <u>90.27</u>	\$((90.07)) <u>90.27</u>	\$89.29
D Low	\$((74.15)) <u>74.35</u>	\$((79.57)) <u>79.77</u>	\$((72.07)) <u>72.27</u>	\$((72.07)) <u>72.27</u>	\$68.52
D Med	\$((82.39)) <u>82.59</u>	\$((87.81)) <u>88.01</u>	\$((83.50)) <u>83.70</u>	\$((83.50)) <u>83.70</u>	\$83.87
D Med-High	\$((106.54)) <u>106.74</u>	\$((111.96)) <u>112.16</u>	\$((106.19)) <u>106.39</u>	\$((106.19)) <u>106.39</u>	\$100.92
D High	\$((114.81)) <u>115.01</u>	\$((120.23)) <u>120.43</u>	\$((114.81)) <u>115.01</u>	\$((114.81)) <u>115.01</u>	\$114.90
E Med	\$((138.75)) <u>138.95</u>	\$((144.17)) <u>144.37</u>	\$((138.75)) <u>138.95</u>	\$((138.75)) <u>138.95</u>	\$138.84
E High	\$((162.69)) <u>162.89</u>	\$((168.11)) <u>168.31</u>	\$((162.69)) <u>162.89</u>	\$((162.69)) <u>162.89</u>	\$162.79

COMMUNITY RESIDENTIAL DAILY RATES FOR CLIENTS ASSESSED USING CARE
METROPOLITAN COUNTIES*

CARE CLASSIFICATION	AL Without Capital	AL With Capital	ARC	EARC	AFH
	Add-on	Add-on			
A Low	\$((60.95)) <u>61.15</u>	\$((65.87)) <u>66.07</u>	\$((46.99)) <u>47.19</u>	\$((46.99)) <u>47.19</u>	\$46.39
A Med	\$((64.26)) <u>64.46</u>	\$((69.18)) <u>69.38</u>	\$((51.21)) <u>51.41</u>	\$((51.21)) <u>51.41</u>	\$50.55
A High	\$((78.54)) <u>78.74</u>	\$((83.46)) <u>83.66</u>	\$((55.84)) <u>56.04</u>	\$((55.84)) <u>56.04</u>	\$55.76
B Low	\$((60.95)) <u>61.15</u>	\$((65.87)) <u>66.07</u>	\$((46.99)) <u>47.19</u>	\$((46.99)) <u>47.19</u>	\$46.62
B Med	\$((69.74)) <u>69.94</u>	\$((74.66)) <u>74.86</u>	\$((56.49)) <u>56.69</u>	\$((56.49)) <u>56.69</u>	\$56.04
B Med-High	\$((79.00)) <u>79.20</u>	\$((83.92)) <u>84.12</u>	\$((60.07)) <u>60.27</u>	\$((60.07)) <u>60.27</u>	\$60.10
B High	\$((86.22)) <u>86.42</u>	\$((91.14)) <u>91.34</u>	\$((70.46)) <u>70.66</u>	\$((70.46)) <u>70.66</u>	\$70.46
C Low	\$((64.26)) <u>64.46</u>	\$((69.18)) <u>69.38</u>	\$((51.42)) <u>51.62</u>	\$((51.42)) <u>51.62</u>	\$50.93
C Med	\$((78.54)) <u>78.74</u>	\$((83.46)) <u>83.66</u>	\$((66.07)) <u>66.27</u>	\$((66.07)) <u>66.27</u>	\$65.58
C Med-High	\$((97.20)) <u>97.40</u>	\$((102.12)) <u>102.32</u>	\$((82.89)) <u>83.09</u>	\$((82.89)) <u>83.09</u>	\$81.82

CARE CLASSIFICATION	AL Without Capital	AL With Capital	ARC	EARC	AFH
	Add-on	Add-on			
C High	\$((98.17)) <u>98.37</u>	\$((103.09)) <u>103.29</u>	\$((88.17)) <u>88.37</u>	\$((88.17)) <u>88.37</u>	\$86.81
D Low	\$((69.74)) <u>69.94</u>	\$((74.66)) <u>74.86</u>	\$((71.08)) <u>71.28</u>	\$((71.08)) <u>71.28</u>	\$67.01
D Med	\$((80.14)) <u>80.34</u>	\$((85.06)) <u>85.26</u>	\$((81.83)) <u>82.03</u>	\$((81.83)) <u>82.03</u>	\$81.61
D Med-High	\$((103.04)) <u>103.24</u>	\$((107.96)) <u>108.16</u>	\$((103.56)) <u>103.76</u>	\$((103.56)) <u>103.76</u>	\$97.84
D High	\$((111.65)) <u>111.85</u>	\$((116.57)) <u>116.77</u>	\$((111.65)) <u>111.85</u>	\$((111.65)) <u>111.85</u>	\$111.16
E Med	\$((134.44)) <u>134.64</u>	\$((139.36)) <u>139.56</u>	\$((134.44)) <u>134.64</u>	\$((134.44)) <u>134.64</u>	\$133.95
E High	\$((157.23)) <u>157.43</u>	\$((162.15)) <u>162.35</u>	\$((157.23)) <u>157.43</u>	\$((157.23)) <u>157.43</u>	\$156.74

*Benton, Clark, Franklin, Island, Kitsap, Pierce, Snohomish, Spokane, Thurston, Whatcom, and Yakima counties.

COMMUNITY RESIDENTIAL DAILY RATES FOR CLIENTS ASSESSED USING CARE NONMETROPOLITAN COUNTIES**					
CARE CLASSIFICATION	AL Without Capital	AL With Capital	ARC	EARC	AFH
	Add-on	Add-on			
A Low	\$((59.87)) <u>60.07</u>	\$((65.11)) <u>65.31</u>	\$((46.99)) <u>47.19</u>	\$((46.99)) <u>47.19</u>	\$46.39
A Med	\$((64.26)) <u>64.46</u>	\$((69.50)) <u>69.70</u>	\$((50.16)) <u>50.36</u>	\$((50.16)) <u>50.36</u>	\$49.52
A High	\$((78.54)) <u>78.74</u>	\$((83.78)) <u>83.98</u>	\$((54.94)) <u>55.14</u>	\$((54.94)) <u>55.14</u>	\$54.73
B Low	\$((59.87)) <u>60.07</u>	\$((65.11)) <u>65.31</u>	\$((46.99)) <u>47.19</u>	\$((46.99)) <u>47.19</u>	\$46.62
B Med	\$((69.74)) <u>69.94</u>	\$((74.98)) <u>75.18</u>	\$((55.44)) <u>55.64</u>	\$((55.44)) <u>55.64</u>	\$55.00
B Med-High	\$((79.00)) <u>79.20</u>	\$((84.24)) <u>84.44</u>	\$((58.94)) <u>59.14</u>	\$((58.94)) <u>59.14</u>	\$58.92
B High	\$((86.22)) <u>86.42</u>	\$((91.46)) <u>91.66</u>	\$((66.64)) <u>66.84</u>	\$((66.64)) <u>66.84</u>	\$66.64
C Low	\$((64.26)) <u>64.46</u>	\$((69.50)) <u>69.70</u>	\$((50.16)) <u>50.36</u>	\$((50.16)) <u>50.36</u>	\$49.52
C Med	\$((78.54)) <u>78.74</u>	\$((83.78)) <u>83.98</u>	\$((62.45)) <u>62.65</u>	\$((62.45)) <u>62.65</u>	\$63.07
C Med-High	\$((97.20)) <u>97.40</u>	\$((102.44)) <u>102.64</u>	\$((79.72)) <u>79.92</u>	\$((79.72)) <u>79.92</u>	\$78.70
C High	\$((98.17)) <u>98.37</u>	\$((103.41)) <u>103.61</u>	\$((83.34)) <u>83.54</u>	\$((83.34)) <u>83.54</u>	\$82.10
D Low	\$((69.74)) <u>69.94</u>	\$((74.98)) <u>75.18</u>	\$((67.19)) <u>67.39</u>	\$((67.19)) <u>67.39</u>	\$63.37

CARE CLASSIFICATION	AL Without Capital	AL With Capital	ARC	EARC	AFH
	Add-on	Add-on			
D Med	\$((80.14)) <u>80.34</u>	\$((85.38)) <u>85.58</u>	\$((77.35)) <u>77.55</u>	\$((77.35)) <u>77.55</u>	\$77.17
D Med-High	\$((103.04)) <u>103.24</u>	\$((108.28)) <u>108.48</u>	\$((97.88)) <u>98.08</u>	\$((97.88)) <u>98.08</u>	\$92.52
D High	\$((105.53)) <u>105.73</u>	\$((110.77)) <u>110.97</u>	\$((105.53)) <u>105.73</u>	\$((105.53)) <u>105.73</u>	\$105.10
E Med	\$((127.07)) <u>127.27</u>	\$((132.31)) <u>132.51</u>	\$((127.07)) <u>127.27</u>	\$((127.07)) <u>127.27</u>	\$126.64
E High	\$((148.61)) <u>148.81</u>	\$((153.85)) <u>154.05</u>	\$((148.61)) <u>148.81</u>	\$((148.61)) <u>148.81</u>	\$148.19

** Nonmetropolitan counties: Adams, Asotin, Chelan, Clallam, Columbia, Cowlitz, Douglas, Ferry, Garfield, Grant, Grays Harbor, Jefferson, Kittitas, Klickitat, Lewis, Lincoln, Mason, Okanogan, Pacific, Pend Orielle, San Juan, Skagit, Skamania, Stevens, Wahkiakum, Walla Walla and Whitman.

**WSR 10-21-036
PERMANENT RULES
DEPARTMENT OF**

SOCIAL AND HEALTH SERVICES

(Aging and Disability Services Administration)

[Filed October 12, 2010, 12:04 p.m., effective October 29, 2010]

Effective Date of Rule: October 29, 2010.

Other Findings Required by Other Provisions of Law as Precondition to Adoption or Effectiveness of Rule: Under RCW 74.46.380(3) a rule may become effective earlier than thirty-one days after filing when the agency establishes that effective date in the adopting order and finds that the earlier effective date is necessary because of imminent peril to the public health, safety, or welfare.

Section 958, chapter 37, Laws of 2010 1st sp. sess. declared the act necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately. The rules of this adopting order are necessary to implement chapter 37, Laws of 2010 1st sp. sess. and thus, are necessary to avoid imminent peril to the public health, safety, or welfare.

The rules have been in effect since July 1, 2010, through an emergency adoption, see WSR 10-14-053.

Purpose: Beginning July 1, 2010 (fiscal year 2011), chapter 37, Laws of 2010 1st sp. sess. requires the department to increase the current annual renewal license fee for licensed boarding homes from \$79 to \$106 per bed.

Citation of Existing Rules Affected by this Order: Amending WAC 388-78A-3230.

Statutory Authority for Adoption: RCW 18.20.050.

Other Authority: Chapter 37, Laws of 2010, Biennial Appropriations Act section (ESSB 6444, Section 206 (19)(a)).

Adopted under notice filed as WSR 10-18-095 on September 1, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal

Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 1, Repealed 0.

Date Adopted: October 8, 2010.

Katherine I. Vasquez
Rules Coordinator

AMENDATORY SECTION (Amending WSR 04-16-065, filed 7/30/04, effective 9/1/04)

WAC 388-78A-3230 Fees. The boarding home must:

(1) Submit an annual license fee of (~~seventy-nine~~) one hundred six dollars per bed of the licensed resident bed capacity as determined by and in accordance with RCW 18.20.050;

(2) Submit an additional one hundred fifty dollars when billed by the department for:

(a) A third on-site visit required by the boarding home's failure to adequately correct problems identified in a statement of deficiencies; and

(b) A full out-of-sequence inspection resulting from information gathered during a complaint investigation.

(3) Submit an additional late fee in the amount of ten dollars per day from the license renewal date until the date of mailing the fee, as evidenced by the postmark; and

(4) Submit to construction review services a fee for the review of the construction documents per the review fee schedule that is based on the project cost.

Date Adopted: October 8, 2010.

Katherine I. Vasquez
Rules Coordinator

WSR 10-21-037

PERMANENT RULES

DEPARTMENT OF

SOCIAL AND HEALTH SERVICES

(Aging and Disability Services Administration)

[Filed October 12, 2010, 12:08 p.m., effective October 29, 2010]

Effective Date of Rule: October 29, 2010.

Other Findings Required by Other Provisions of Law as Precondition to Adoption or Effectiveness of Rule: Under RCW 74.46.380(3) a rule may become effective earlier than thirty-one days after filing when the agency establishes that effective date in the adopting order and finds that the earlier effective date is necessary because of imminent peril to the public health, safety, or welfare.

Section 958, chapter 37, Laws of 2010 1st sp. sess. declared the act necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately. The rules of this adopting order are necessary to implement chapter 37, Laws of 2010 1st sp. sess. and thus, are necessary to avoid imminent peril to the public health, safety, or welfare.

The rules have been in effect since July 1, 2010, through an emergency adoption, see WSR 10-14-054.

Purpose: Beginning July 1, 2010 (fiscal year 2011), chapter 37, Laws of 2010 1st sp. sess. requires the department to increase the current annual renewal license fee for nursing homes from \$275 to \$327 per bed.

Citation of Existing Rules Affected by this Order: Amending WAC 388-97-4160 and 388-97-4180.

Statutory Authority for Adoption: RCW 18.51.050 and 43.135.055.

Other Authority: Chapter 37, Laws of 2010, Biennial Appropriations Act, section (ESSB 6444, section 206 (19)(a)).

Adopted under notice filed as WSR 10-18-094 on September 1, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 2, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 2, Repealed 0.

AMENDATORY SECTION (Amending WSR 08-20-062, filed 9/24/08, effective 11/1/08)

WAC 388-97-4160 Initial nursing home license. (1) A complete nursing home license application must be:

(a) Submitted at least sixty days prior to the proposed effective date of the license on forms designated by the department;

(b) Signed by the proposed licensee or the proposed licensee's authorized representative;

(c) Notarized; and

(d) Reviewed by the department in accordance with this chapter.

(2) All information requested on the license application must be provided. At minimum, the nursing home license application will require the following information:

(a) The name and address of the proposed licensee, and any partner, officer, director, managerial employee, or owner of five percent or more of the proposed licensee;

(b) The names of the administrator, director of nursing services, and, if applicable, the management company;

(c) The specific location and the mailing address of the facility for which a license is sought;

(d) The number of beds to be licensed; and

(e) The name and address of all nursing homes that the proposed licensee or any partner, officer, director, managerial employee, or owner of five percent or more of the proposed licensee has been affiliated with in the past ten years.

(3) The proposed licensee must be:

(a) The individual or entity responsible for the daily operation of the nursing home;

(b) Denied the license if any individual or entity named in the application is found by the department to be unqualified.

(4) For initial licensure of a new nursing home, the proposed licensee must submit the annual license fee with the initial license application. The nonrefundable nursing home license fee is (~~two hundred seventy five~~) three hundred twenty seven dollars per bed per year.

(5) If any information submitted in the initial license application changes before the license is issued, the proposed licensee must submit a revised application containing the changed information.

(6) If a license application is pending for more than six months, the proposed licensee must submit a revised application containing current information about the proposed licensee or any other individuals or entities named in the application.

AMENDATORY SECTION (Amending WSR 08-20-062, filed 9/24/08, effective 11/1/08)

WAC 388-97-4180 Nursing home license renewal. (1) All nursing home licenses must be renewed annually.

(2) License renewals must be:

(a) Submitted at least thirty days prior to the license's expiration date on forms designated by the department;

(b) Signed by the current licensee; and

(c) Reviewed by the department in accordance with this chapter.

(3) The current licensee must provide all information on the license renewal form or other information requested by the department.

(4) The application for a nursing home license renewal must be made by the individual or entity currently licensed and responsible for the daily operation of the nursing home.

(5) The nursing home license renewal fee must be submitted at the time of renewal. The nonrefundable nursing home license renewal fee is ~~((two hundred seventy-five))~~ three hundred twenty seven dollars per bed per year.

(6) In unusual circumstances, the department may issue an interim nursing home license for a period not to exceed three months. The current licensee must submit the prorated nursing home license fee for the period covered by the interim license. The annual date of license renewal does not change when an interim license is issued.

(7) A change of nursing home ownership does not change the date of license renewal and fee payment.

WSR 10-21-043

PERMANENT RULES

DEPARTMENT OF REVENUE

[Filed October 13, 2010, 2:36 p.m., effective November 13, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The department has amended WAC 458-20-127 (Rule 127) to reflect the following recent legislative changes:

- ESHB 2075 (chapter 535, Laws of 2009) explains the application of the retail sales tax and use tax on the sale of magazines and periodicals that are transferred to the buyer electronically; and
- SB 6173 (chapter 563, Laws of 2009) changes the use of a resale certificate to a resellers permit to document a wholesale sale.

Rule 127 has also been amended to recognize RCW 82.08.02535, which provides a retail sales tax exemption for magazine or periodical sales for certain fundraising purposes. Editing changes for readability purposes were also made.

Citation of Existing Rules Affected by this Order: Amending WAC 458-20-127 Sales of newspapers, magazines and periodicals.

Statutory Authority for Adoption: RCW 82.32.300 and 82.01.060(2).

Adopted under notice filed as WSR 10-16-139 on August 4, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 13, 2010.

Alan R. Lynn

Rules Coordinator

AMENDATORY SECTION (Amending WSR 89-21-001, filed 10/5/89, effective 11/5/89)

WAC 458-20-127 Sales of newspapers, magazines and periodicals. (1) ~~((Retail sales tax.))~~ **Introduction.** This section explains the application of the business and occupation (B&O) tax, retail sales tax, and use tax to sales and/or use of newspapers, magazines, and periodicals. The tax reporting information in the section is limited to persons that purchase and resell these publications. The department of revenue (department) has adopted other sections providing tax reporting information to persons printing and/or publishing these publications and other printed materials.

• Persons printing and/or publishing newspapers, magazines, and periodicals should also refer to WAC 458-20-143.

• For information regarding the printing industry in general, see WAC 458-20-144.

• Persons duplicating printed materials for others should also refer to WAC 458-20-141.

• For information regarding potential litter tax liability, see WAC 458-20-243.

(2) **General tax application.** This subsection explains the B&O tax and retail sales tax responsibilities of persons selling newspapers, magazines, and periodicals to consumers, when the seller is not also the printer or publisher of the publication. Refer to subsection (4) of this section for information about tax reporting responsibilities of persons selling through organizers, captains, or others selling from house to house.

Where subscriptions or renewals of subscriptions are mailed directly by purchasers to publishers outside the state, the guidelines contained in WAC 458-20-193 and 458-20-221 apply to the obligation of sellers to collect retail sales or use tax.

(a) **Sales of printed magazines and periodicals.** Sales of magazines and periodicals to ~~((the reading public))~~ consumers by persons operating ~~((news stands))~~ newsstands, book stores, ~~((eigar))~~ department stores, drug stores and the like are sales at retail and are subject to the retailing B&O tax and retail sales tax. ~~((Sales to newsstands or stores which are sales for resale are not subject to the retail sales tax.))~~ Refer to WAC 458-20-143 for the definition of "periodical or magazine."

(b) **Magazines and periodicals sold as digital products.** Sales of magazines and periodicals that are transferred

electronically to the end user are subject to the retailing B&O tax and retail sales tax regardless of how they are accessed. For more information on the application of tax on digital products, refer to RCW 82.04.050, 82.04.192, and 82.04.257.

(c) Sales of newspapers. Sales of printed newspapers to consumers by persons operating newsstands, book stores, department stores, drug stores and the like are sales at retail and are subject to the retailing B&O tax. Sales of newspapers are specifically exempt from the retail sales tax per RCW 82.08.0253. Refer to WAC 458-20-143 for the definition of "newspaper."

(3) Retail sales tax exemptions. The retail sales tax does not apply to the following:

(a) Newspapers (refer to WAC 458-20-143 for a definition of "newspaper"); and

(b) Subscription sales of magazines and periodicals, including those transferred electronically to the buyer, if these sales are for the purpose of fund-raising by:

- Educational institutions as defined in RCW 82.04.170;

or

- Nonprofit organizations engaged in activities primarily for the benefit of boys and girls nineteen years of age and younger. (RCW 82.08.02535.)

(4) Sales by distributors. When magazines or periodicals are distributed to the final purchaser by a news company or distributor who effects such distribution through organizers, captains, or others selling from house to house or upon the streets, the news company or distributor is ~~((the one))~~ responsible for the collection and payment of the retail sales tax.

(a) Such news companies or distributors ~~((shall))~~ must collect from those selling the magazines or periodicals the retail sales tax upon the gross retail selling price of all magazines and periodicals taken by such persons.

~~((Registration certificates))~~ (b) Tax registration endorsements are not required for organizers, captains, or other persons selling magazines or other periodicals ~~((under such circumstances))~~ if they meet the conditions of WAC 458-20-101 (2)(a). ~~((Branch certificates))~~ Separate registration and license documents will be issued to the news company or magazine distributor for each of the local stations operated by such company. Such registration and license documents will reflect the same tax reporting account number as the news company or magazine distributor. For more information, refer to WAC 458-20-101(10).

~~((2) Where subscriptions or renewals of subscriptions are mailed directly by purchasers to publishers outside the state, the guidelines contained in WAC 458-20-193B and 458-20-221 apply to the obligation of publishers to collect sales or use tax.~~

This rule does not apply to the sale of newspapers. The law expressly exempts the sale of newspapers from the retail sales tax. (RCW 82.08.0253.) See WAC 458-20-143 for the definition of "newspaper."

~~((3) Use tax.))~~ (5) **Buyer's responsibility to remit deferred sales or use tax.** Where no retail sales tax is paid upon the purchase of, or subscription to, a magazine or periodical, the ~~((use tax is subsequently payable upon the use of the magazine or periodical in this state by the purchaser))~~ buyer or subscriber must remit the retail sales tax (commonly

referred to as "deferred sales tax") or use tax directly to the department unless specifically exempt by law.

Deferred sales or use tax should be reported on the use tax line of the buyer's excise tax return. For detailed information about use tax, refer to WAC 458-20-178 (Use tax).

WSR 10-21-044

PERMANENT RULES

DEPARTMENT OF REVENUE

[Filed October 13, 2010, 2:38 p.m., effective November 13, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: WAC 458-20-24003 explains the tax incentive programs available for persons engaged in qualified research and development or pilot scale manufacturing in five high technology areas. These incentive programs include:

- The sales and use tax deferral program provided by chapter 82.63 RCW; and
- The business and occupation tax credit program provided by RCW 82.04.4452.

This rule has been amended to recognize E2SHB 1597 (chapter 106, Laws of 2010). This legislation establishes that only those applications for the high technology deferral that have been approved are not confidential and subject to public disclosure.

Citation of Existing Rules Affected by this Order: Amending WAC 458-20-24003 Tax incentives for high technology businesses.

Statutory Authority for Adoption: RCW 82.32.300 and 82.01.060(2).

Adopted under notice filed as WSR 10-16-008 on July 21, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 1, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 13, 2010.

Alan R. Lynn
Rules Coordinator

AMENDATORY SECTION (Amending WSR 10-07-136, filed 3/23/10, effective 4/23/10)

WAC 458-20-24003 Tax incentives for high technology businesses. (1) **Introduction.** This section explains the

tax incentives, contained in chapter 82.63 RCW and RCW 82.04.4452, which apply to businesses engaged in research and development or pilot scale manufacturing in Washington in five high technology areas: Advanced computing, advanced materials, biotechnology, electronic device technology, and environmental technology. Eligibility for high technology or research and development tax incentives offered by the federal government or any other jurisdiction does not establish eligibility for Washington's programs.

This section contains examples that identify a number of facts and then state a conclusion. The examples should be used only as a general guide. The tax results in all situations must be determined after a review of all facts and circumstances. Assume all the examples below occur on or after June 10, 2004, unless otherwise indicated.

(2) **Organization of the section.** The information provided in this section is divided into three parts.

(a) Part I provides information on the sales and use tax deferral program under chapter 82.63 RCW.

(b) Part II provides information on the sales and use tax exemption available for persons engaged in certain construction activities for the federal government under RCW 82.04.190(6).

(c) Part III provides information on the business and occupation tax credit on research and developing spending under RCW 82.04.4452.

PART I SALES AND USE TAX DEFERRAL PROGRAM

(3) **Who is eligible for the sales and use tax deferral program?** A person engaged in qualified research and development or pilot scale manufacturing in Washington in the five high technologies areas is eligible for this deferral program for its eligible investment project.

(a) **What does the term "person" mean for purposes of this deferral program?** "Person" has the meaning given in RCW 82.04.030. Effective June 10, 2004, "person" also includes state universities as defined in RCW 28B.10.016. "Person" can be either a lessee or a lessor, who can apply separately for individual investment projects at the same site, if they comply with the other requirements of chapter 82.63 RCW.

(i) Effective June 10, 2004, the lessor or owner of the qualified building is not eligible for a deferral unless:

(A) The underlying ownership of the buildings, machinery, and equipment vests exclusively in the same person; or

(B) All of the following conditions are met:

(I) The lessor by written contract agrees to pass the economic benefit of the deferral to the lessee;

(II) The lessee that receives the economic benefit of the deferral agrees in writing with the department to complete the annual survey required under RCW 82.63.020(2);

(III) The lessee must receive an economic benefit from the lessor no less than the amount of tax deferred by the lessor; and

(IV) Upon request, the lessor must provide the department with written documentation to support the eligibility of the deferral, including any type of payment, credit, or other financial arrangement between the lessor or owner of the qualified building and the lessee.

For example, economic benefit of the deferral is passed through to the lessee when evidenced by written documentation that the amounts paid to the lessor for construction of tenant improvements are reduced by the amount of the sales tax deferred, or that the lessee receives more tenant improvements through a credit for tenant improvements or other mechanism in the lease equal to the amount of the sales tax deferred.

(ii) Prior to June 10, 2004, the lessor or owner of the qualified building is not eligible for a deferral unless the underlying ownership of the buildings, machinery, and equipment vests exclusively in the same person, or unless the lessor by written contract agrees to pass the economic benefit of the deferral to the lessee in the form of reduced rent payments.

(iii) The lessor of the qualified building who receives a letter of intent from a qualifying lessee may be eligible for deferral, assuming that all other requirements of chapter 82.63 RCW are met. At the time of application, the lessor must provide to the department a letter of intent by the lessee to lease the qualified building and any other information to prove that the lessee will engage in qualified research and development or pilot scale manufacturing once the building construction is complete. After the investment project is certified as operationally complete, the lessee must actually occupy the building as a lessee and engage in qualified research and development or pilot scale manufacturing. Otherwise, deferred taxes will be immediately due to the lessor, and interest will be assessed retroactively from the date of deferral.

(b) **What is "qualified research and development" for purposes of this section?** "Qualified research and development" means research and development performed within this state in the fields of advanced computing, advanced materials, biotechnology, electronic device technology, and environmental technology.

(c) **What is "research and development" for purposes of this section?** "Research and development" means activities performed to discover technological information, and technical and nonroutine activities concerned with translating technological information into new or improved products, processes, techniques, formulas, inventions, or software.

The term includes exploration of a new use for an existing drug, device, or biological product if the new use requires separate licensing by the Federal Food and Drug Administration under chapter 21 CFR, as amended.

The term does not include adaptation or duplication of existing products where the products are not substantially improved by application of the technology, nor does the term include surveys and studies, social science and humanities research, market research or testing, quality control, sale promotion and service, computer software developed for internal use, and research in areas such as improved style, taste, and seasonal design.

(i) A person need not both discover technological information and translate technological information into new or improved products, processes, techniques, formulas, inventions, or software in order to engage in research and development. A person may perform either activity alone and be engaged in research and development.

(ii) To discover technological information means to gain knowledge of technological information through purposeful investigation. The knowledge sought must be of something not previously known or, if known, only known by persons who have not made the knowledge available to the public.

(iii) Technological information is information related to the application of science, especially with respect to industrial and commercial objectives. Industrial and commercial objectives include both sale and internal use (other than internal use software). The translation of technological information into new or improved products, processes, techniques, formulas, inventions, or software does not require the use of newly discovered technological information to qualify as research and development.

(iv) The translation of technological information requires both technical and nonroutine activities.

(A) An activity is technical if it involves the application of scientific, engineering, or computer science methods or principles.

(B) An activity is nonroutine if it:

(I) Is undertaken to achieve a new or improved function, performance, reliability, or quality; and

(II) Is performed by engineers, scientists, or other similarly qualified professionals or technicians; and

(III) Involves a process of experimentation designed to evaluate alternatives where the capability or the method of achieving the new or improved function, performance, reliability, or quality, or the appropriate design of the desired improvement, is uncertain at the beginning of the taxpayer's research activities. A process of experimentation must seek to resolve specific uncertainties that are essential to attaining the desired improvement.

(v) A product is substantially improved when it functions fundamentally differently because of the application of technological information. This fundamental difference must be objectively measured. Examples of objective measures include increased value, faster operation, greater reliability, and more efficient performance. It is not necessary for the improvement to be successful for the research to qualify.

(vi) Computer software development may qualify as research and development involving both technical and non-routine activities concerned with translating technological information into new or improved software, when it includes the following processes: Software concept, software design, software design implementation, conceptual freeze, alpha testing, beta testing, international product localization process, and other processes designed to eliminate uncertainties prior to the release of the software to the market for sale. Research and development ceases when the software is released to the market for sale.

Postrelease software development may meet the definition of research and development under RCW 82.63.010(16), but only if it involves both technical and nonroutine activities concerned with translating technological information into improved software. All facts and circumstances are considered in determining whether postrelease software development meets the definition of research and development.

(vii) Computer software is developed for internal use if it is to be used only by the person by whom it is developed. If it is to be available for sale, lease, or license, it is not devel-

oped for internal use, even though it may have some internal applications. If it is to be available for use by persons, other than the person by whom it is developed, who access or download it remotely, such as through the internet, it is not usually deemed to be developed for internal use. However, remotely accessed software is deemed to be developed for internal use if its purpose is to assist users in obtaining goods, services, or information provided by or through the person by whom the software is developed. For example, software is developed for internal use if it enables or makes easier the ordering of goods from or through the person by whom the software is developed. On the other hand, a search engine used to search the world wide web is an example of software that is not developed for internal use because the search engine itself is the service sought.

(viii) Research and development is complete when the product, process, technique, formula, invention, or software can be reliably reproduced for sale or commercial use. However, the improvement of an existing product, process, technique, formula, invention, or software may qualify as research and development.

(d) What is "pilot scale manufacturing" for purposes of this section? "Pilot scale manufacturing" means design, construction, and testing of preproduction prototypes and models in the fields of biotechnology, advanced computing, electronic device technology, advanced materials, and environmental technology other than for commercial sale. "Commercial sale" excludes sales of prototypes or sales for market testing if the total gross receipts from such sales of the product, service, or process do not exceed one million dollars.

(e) What are the five high technology areas? The five high technology areas are as follows:

(i) Advanced computing. "Advanced computing" means technologies used in the designing and developing of computing hardware and software, including innovations in designing the full spectrum of hardware from hand-held calculators to super computers, and peripheral equipment.

(ii) Advanced materials. "Advanced materials" means materials with engineered properties created through the development of specialized processing and synthesis technology, including ceramics, high value-added metals, electronic materials, composites, polymers, and biomaterials.

(iii) Biotechnology. "Biotechnology" means the application of technologies, such as recombinant DNA techniques, biochemistry, molecular and cellular biology, genetics, including genomics, gene expression and genetic engineering, cell fusion techniques, and new bioprocesses, using living organisms, or parts of organisms, to produce or modify products, to improve plants or animals, to develop microorganisms for specific uses, to identify targets for small molecule pharmaceutical development, or to transform biological systems into useful processes and products or to develop microorganisms for specific uses.

(iv) Electronic device technology. "Electronic device technology" means technologies involving microelectronics; semiconductors; electronic equipment and instrumentation; radio frequency, microwave, and millimeter electronics; optical and optic-electrical devices; and data and digital communications and imaging devices.

(v) **Environmental technology.** "Environmental technology" means assessment and prevention of threats or damage to human health or the environment, environmental cleanup, and the development of alternative energy sources.

(A) The assessment and prevention of threats or damage to human health or the environment concerns assessing and preventing potential or actual releases of pollutants into the environment that are damaging to human health or the environment. It also concerns assessing and preventing other physical alterations of the environment that are damaging to human health or the environment.

For example, a research project related to salmon habitat restoration involving assessment and prevention of threats or damages to the environment may qualify as environmental technology, if such project is concerned with assessing and preventing potential or actual releases of water pollutants and reducing human-made degradation of the environment.

(I) Pollutants include waste materials or by-products from manufacturing or other activities.

(II) Environmental technology includes technology to reduce emissions of harmful pollutants. Reducing emissions of harmful pollutants can be demonstrated by showing the technology is developed to meet governmental emission standards. Environmental technology also includes technology to increase fuel economy, only if the taxpayer can demonstrate that a significant purpose of the project is to increase fuel economy and that such increased fuel economy does in fact significantly reduce harmful emissions. If the project is intended to increase fuel economy only minimally or reduce emissions only minimally, the project does not qualify as environmental technology. A qualifying research project must focus on the individual components that increase fuel economy of the product, not the testing of the entire product when everything is combined, unless the taxpayer can separate out and identify the specific costs associated with such testing.

(III) Environmental technology does not include technology for preventive health measures for, or medical treatment of, human beings.

(IV) Environmental technology does not include technology aimed to reduce impact of natural disasters such as floods and earthquakes.

(V) Environmental technology does not include technology for improving safety of a product.

(B) Environmental cleanup is corrective or remedial action to protect human health or the environment from releases of pollutants into the environment.

(C) Alternative energy sources are those other than traditional energy sources such as fossil fuels, nuclear power, and hydroelectricity. However, when traditional energy sources are used in conjunction with the development of alternative energy sources, all the development will be considered the development of alternative energy sources.

(4) What is eligible for the sales and use tax deferral program? This deferral program applies to an eligible investment project for sales and use taxes imposed on the construction, expansion, or renovation of qualified buildings and acquisition of qualified machinery and equipment.

(a) What is an "eligible investment project" for purposes of this section? "Eligible investment project" means

an investment project which either initiates a new operation, or expands or diversifies a current operation by expanding, renovating, or equipping an existing facility.

(b) What is an "investment project" for purposes of this section? "Investment project" means an investment in qualified buildings or qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction or improvement of the project. When an application for sales and use tax deferral is timely submitted, costs incurred before the application date are allowable, if they otherwise qualify.

(c) What is "qualified buildings" for purposes of this section? "Qualified buildings" means construction of new structures, and expansion or renovation of existing structures for the purpose of increasing floor space or production capacity, used for pilot scale manufacturing or qualified research and development.

(i) "Qualified buildings" is limited to structures used for pilot scale manufacturing or qualified research and development. "Qualified buildings" includes plant offices and other facilities that are an essential or an integral part of a structure used for pilot scale manufacturing or qualified research and development.

(A) "Office" means space used by professional, clerical, or administrative staff. For plant office space to be a qualified building, its use must be essential or integral to pilot scale manufacturing or qualified research and development. An office may be located in a separate building from the building used for pilot scale manufacturing or qualified research and development, but the office must be located at the same site as the qualified building in order to qualify. Each individual office may only qualify or disqualify in its entirety.

(B) A site is one or more immediately adjacent parcels of real property. Adjacent parcels of real property separated only by a public road comprise a single site.

(ii) "Qualified buildings" does not include construction of landscaping or most other work outside the building itself, even though the landscaping or other work outside the building may be required by the city or county government in order for the city or county to issue a permit for the construction of a building.

However, "qualified buildings" includes construction of specialized sewerage pipes connected to a qualified building that are specifically designed and used exclusively for pilot scale manufacturing or qualified research and development.

Also, "qualified buildings" includes construction of parking lots connected to or adjacent to the building if the parking lots are for the use of workers performing pilot scale manufacturing or qualified research and development in the building. Parking lots may be apportioned based upon its qualifying use.

(d) What is "multiple qualified buildings" for purposes of this section? "Multiple qualified buildings" means "qualified buildings" leased to the same person when such structures:

- (i) Are located within a five-mile radius; and
- (ii) The initiation of construction of each building begins within a sixty-month period.

(e) When is apportionment of qualified buildings appropriate? The deferral is allowable only in respect to

investment in the construction of a new building or the expansion or renovation of an existing building used in pilot scale manufacturing or qualified research and development. Where a building(s) is used partly for pilot scale manufacturing or qualified research and development and partly for purposes that do not qualify for deferral under this section, apportionment is necessary.

(f) **What is the apportionment method?** The applicable tax deferral will be determined as follows:

(i) Tax on the cost of construction of areas devoted solely to pilot scale manufacturing or qualified research and development may be deferred.

(ii) Tax on the cost of construction of areas not used at all for pilot scale manufacturing or qualified research and development may not be deferred.

(iii) Tax on the cost of construction of areas used in common for pilot scale manufacturing or qualified research and development and for other purposes, such as hallways, bathrooms, and conference rooms, may be deferred by apportioning the costs of construction on a square footage basis. The apportioned costs of construction eligible for deferral are established by using the ratio, expressed as a percentage, of the square feet of the construction, expansion, or renovation devoted to pilot scale manufacturing or qualified research and development, excluding areas used in common to the total square feet of the construction, expansion, or renovation, excluding areas used in common. That percentage is applied to the cost of construction of the common areas to determine the costs of construction eligible for tax deferral. Expressed as a formula, apportionment of the cost of the common areas is determined by:

$$\frac{\text{Square feet devoted to research and development or pilot scale manufacturing, excluding square feet of common areas}}{\text{Total square feet, excluding square feet of common areas}} = \text{Percentage of total cost of construction of common areas eligible for deferral}$$

(iv) The apportionment method described in (f)(i), (ii), and (iii) of this subsection must be used unless the applicant or recipient can demonstrate that another method better represents a reasonable apportionment of costs, considering all the facts and circumstances. An example is to use the number of employees in a qualified building that is engaged in pilot scale manufacturing or qualified research and development as the basis for apportionment, if this method is not easily manipulated to reflect a desired outcome, and it otherwise represents a reasonable apportionment of costs under all the facts and circumstances. This method may take into account qualified research and development or pilot scale manufacturing activities that are shifted within a building or from one building to another building. If assistance is needed to a tax-related question specific to your business under this subsection, you may request a tax ruling. To make a request contact the department's taxpayer information and education division at:

Department of Revenue
 Taxpayer Information and Education
 P.O. Box 47478

Olympia, WA 98504-7478
 fax 360-586-2463

(v) Example. A building to be constructed will be partially devoted to research and development and partially devoted to marketing, a nonqualifying purpose. The total area of the building is 100,000 square feet. Sixty thousand square feet are used only for research and development, 20,000 square feet are used only for marketing, and the remaining 20,000 square feet are used in common by research and development employees and marketing employees. Tax on the cost of constructing the 60,000 square feet used only for research and development may be deferred. Tax on the cost of constructing the 20,000 square feet used only for marketing may not be deferred. Tax on 75% of the cost of constructing the common areas may be deferred. (Sixty thousand square feet devoted solely to research and development divided by 80,000 square feet devoted solely to research and development and marketing results in a ratio expressed as 75%.)

(g) **What is "qualified machinery and equipment" for purposes of this section?** "Qualified machinery and equipment" means fixtures, equipment, and support facilities that are an integral and necessary part of a pilot scale manufacturing or qualified research and development operation. "Qualified machinery and equipment" includes: Computers; software; data processing equipment; laboratory equipment, instrumentation, and other devices used in a process of experimentation to develop a new or improved pilot model, plant process, product, formula, invention, or similar property; manufacturing components such as belts, pulleys, shafts, and moving parts; molds, tools, and dies; vats, tanks, and fermenters; operating structures; and all other equipment used to control, monitor, or operate the machinery. For purposes of this section, qualified machinery and equipment must be either new to the taxing jurisdiction of the state or new to the certificate holder, except that used machinery and equipment may be treated as qualified machinery and equipment if the certificate holder either brings the machinery and equipment into Washington or makes a retail purchase of the machinery and equipment in Washington or elsewhere.

(i) **What are "integral" and "necessary"?** Machinery and equipment is an integral and necessary part of pilot scale manufacturing or qualified research and development if the pilot scale manufacturing or qualified research and development cannot be accomplished without it. For example, a laboratory table is integral and necessary to qualified research and development. Likewise, telephones, computer hardware (e.g., cables, scanners, printers, etc.), and computer software (e.g., Word, Excel, Windows, Adobe, etc.) used in a typical workstation for an R&D personnel are integral and necessary to qualified research and development. Decorative artwork, on the other hand, is not integral and necessary to qualified research and development.

(ii) **Must qualified machinery and equipment be used exclusively for qualifying purposes in order to qualify?** Qualified machinery and equipment must be used exclusively for pilot scale manufacturing or qualified research and development to qualify for the deferral. Operating system software shared by accounting personnel, for example, is not used exclusively for qualified research and development. How-

ever, *de minimis* nonqualifying use will not cause the loss of the deferral. An example of *de minimis* use is the occasional use of a computer for personal e-mail.

(iii) **Is qualified machinery and equipment subject to apportionment?** Unlike buildings, if machinery and equipment is used for both qualifying and nonqualifying purposes, the costs cannot be apportioned. Sales or use tax cannot be deferred on the purchase or use of machinery and equipment used for both qualifying and nonqualifying purposes.

(iv) **To what extent is leased equipment eligible for the deferral?** In cases of leases of qualifying machinery and equipment, deferral of tax is allowed on payments made during the initial term of the lease, but not for extensions or renewals of the lease. Deferral of tax is not allowed for lease payments for any period after the seventh calendar year following the calendar year for which the project is certified as operationally complete.

(5) **What are the application and review processes?** Applicants must apply for deferral to the department of revenue before the initiation of construction of, or acquisition of equipment or machinery for the investment project. When an application for sales and use tax deferral is timely submitted, costs incurred before the application date are allowable, if they otherwise qualify. In the case of an investment project consisting of "multiple qualified buildings," applications must be made for, and before the initiation of construction of, each qualified building.

(a) **What is "initiation of construction" for purposes of this section?**

(i) **On or after June 10, 2004.**

(A) Initiation of construction means the date that a building permit is issued under the building code adopted under RCW 19.27.031 for:

(I) Construction of the qualified building, if the underlying ownership of the building vests exclusively with the person receiving the economic benefit of the deferral;

(II) Construction of the qualified building, if a lessor passes the economic benefits of the deferral to a lessee as provided in RCW 82.63.010(7); or

(III) Tenant improvements for a qualified building, if a lessor passes the economic benefits of the deferral to a lessee as provided in RCW 82.63.010(7).

(B) Initiation of construction does not include soil testing, site clearing and grading, site preparation, or any other related activities that are initiated before the issuance of a building permit for the construction of the foundation of the building.

(C) If the investment project is a phased project, initiation of construction must apply separately to each building. For purposes of this section, a "phased project" means construction of multiple buildings in different phases over the life of a project. A taxpayer may file a separate application for each qualified building, or the taxpayer may file one application for all qualified buildings. If a taxpayer files one application for all qualified buildings, initiation of construction must apply separately to each building.

(ii) **Prior to June 10, 2004.** Construction is initiated when workers start on-site building tasks. The initiation of construction does not include land clearing or site preparation

prior to excavation of the building site. Also, the initiation of construction does not include design or planning activities.

(b) **What is "acquisition of machinery and equipment" for purposes of this section?** "Acquisition of machinery and equipment" means the machinery and equipment is under the dominion and control of the recipient or its agent.

(c) **Lessor and lessee examples.**

(i) Prior to the initiation of construction, Owner/Lessor A enters into an agreement with Lessee B, a company engaged in qualified research and development. Under the agreement, A will build a building to house B's research and development activities, will apply for a tax deferral on construction of the building, will lease the building to B, and will pass on the entire value of the deferral to B. B agrees in writing with the department to complete annual surveys. A applies for the deferral before the date the building permit is issued. A is entitled to a deferral on building construction costs.

(ii) After construction has begun, Lessee C asks that certain tenant improvements be added to the building. Lessor D and Lessee C each agree to pay a portion of the cost of the improvements. D agrees with C in a written agreement that D will pass on the entire value of D's portion of the tax deferral to C, and C agrees in writing with the department to complete annual surveys. C and D each apply for a deferral on the costs of the tenant improvements they are legally responsible for before the date the building permit is issued for such tenant improvements. Both applications will be approved. While construction of the building was initiated before the applications were submitted, tenant improvements on a building under construction are deemed to be the expansion or renovation of an existing structure. Also, lessees are entitled to the deferral only if they are legally responsible and actually pay contractors for the improvements, rather than merely reimbursing lessors for the costs.

(iii) After construction has begun but before machinery or equipment has been acquired, Lessee E applies for a deferral on machinery and equipment. The application will be approved, and E is required to complete annual surveys. Even though it is too late to apply for a deferral of tax on building costs, it is not too late to apply for a deferral for the machinery and equipment.

(d) **How may a taxpayer obtain an application form?**

Application forms may be obtained at department of revenue district offices, by downloading from the department's web site (dor.wa.gov), by telephoning the telephone information center (800-647-7706), or by contacting the department's special programs division at:

Department of Revenue
Special Programs Division
Post Office Box 47477
Olympia, WA 98504-7477
fax 360-586-2163

Applicants must mail or fax applications to the special programs division at the address or fax number given above. Only those applications ((received)) which are approved by the department in connection with the deferral program are not confidential and are subject to public disclosure.

For purposes of this section, "applicant" means a person applying for a tax deferral under chapter 82.63 RCW, and "department" means the department of revenue.

(e) **What should an application form include?** The application form should include information regarding the location of the investment project, the applicant's average employment in Washington for the prior year, estimated or actual new employment related to the project, estimated or actual wages of employees related to the project, estimated or actual costs, and time schedules for completion and operation. The application form may also include other information relevant to the project and the applicant's eligibility for deferral.

(f) **What is the date of application?** The date of application is the earlier of the postmark date or the date of receipt by the department.

(g) **When will the department notify approval or disapproval of the deferral application?** The department must rule on an application within sixty days. If an application is denied, the department must explain in writing the basis for the denial. An applicant may appeal a denial within thirty days under WAC 458-20-100 (Appeals).

(6) **Can a lessee leasing "multiple qualified buildings" elect to treat the "multiple qualified buildings" as a single investment project?** Yes. If a lessee will conduct qualified research and development or pilot scale manufacturing within the "multiple qualified buildings" and desires to treat the "multiple qualified buildings" as a single investment project, the lessee may do so by making both a preliminary election and a final election therefore.

(a) **When must the lessee make the preliminary election to treat the "multiple qualified buildings" as a single investment project?** The lessee must make the preliminary election before a temporary certificate of occupancy, or its equivalent, is issued for any of the buildings within the "multiple qualified buildings."

(b) **When must the lessee make the final election to treat the "multiple qualified buildings" as a single investment project?** All buildings included in the final election must have been issued a temporary certificate of occupancy or its equivalent. The lessee must then make the final election for such buildings by the date that is the earlier of:

(i) Sixty months following the date that the lessee made the preliminary election; or

(ii) Thirty days after the issuance of the temporary certificate of occupancy, or its equivalent, for the last "qualified building" to be completed that will be included in the final election.

(c) **What occurs if the final election is not made by the deadline?** When a final election is not made by the deadline in (b)(i) or (ii) of this subsection, the qualified buildings will each be treated as individual investment projects under the original applications for those buildings.

(d) **How are preliminary and final elections made?** The preliminary and final elections must be made in the form and manner prescribed by the department. For information concerning the form and manner for making these elections contact the department's special programs division at:

Department of Revenue
Special Programs Division

Post Office Box 47477
Olympia, WA 98504-7477
fax 360-586-2163

(e) **Before the final election is made, can the lessee choose to exclude one or more of the buildings included in its preliminary election?** Yes. Before the final election is made, the lessee may remove one or more of the qualified buildings included in the preliminary election from the investment project. When a qualified building under the preliminary election is, for any reason, not included in the final election, the qualified building will be treated as an individual investment project under the original application for that building.

(f) **Application.** This subsection (6) applies to deferral applications received by the department after June 30, 2007.

(7) **What happens after the department approves the deferral application?** If an application is approved, the department must issue the applicant a sales and use tax deferral certificate.

The certificate provides for deferral of state and local sales and use taxes on the eligible investment project. The certificate will state the amount of tax deferral for which the recipient is eligible. It will also state the date by which the project will be operationally complete. The deferral is limited to investment in qualified buildings or qualified machinery and equipment. The deferral does not apply to the taxes of persons with whom the recipient does business, persons the recipient hires, or employees of the recipient.

For purposes of this section, "recipient" means a person receiving a tax deferral under chapter 82.63 RCW.

(8) **How should a tax deferral certificate be used?** A successful applicant, hereafter referred to as a recipient, must present a copy of the certificate to sellers of goods or retail services provided in connection with the eligible investment project in order to avoid paying sales or use tax. Sellers who accept these certificates in good faith are relieved of the responsibility to collect sales or use tax on transactions covered by the certificates. Sellers must retain copies of certificates as documentation for why sales or use tax was not collected on a transaction.

The certificate cannot be used to defer tax on repairs to, or replacement parts for, qualified machinery and equipment.

(9) **May an applicant apply for new deferral at the site of an existing deferral project?**

(a) The department must not issue a certificate for an investment project that has already received a deferral under chapter 82.60, 82.61, or 82.63 RCW. For example, replacement machinery and equipment that replaces qualified machinery and equipment is not eligible for the deferral. Also, if renovation is made from an existing building that has already received a deferral under chapter 82.60, 82.61, or 82.63 RCW for the construction of the building, the renovation is not eligible for the deferral.

(b) If expansion is made from an existing building that has already received a deferral under chapter 82.60, 82.61, or 82.63 RCW for the construction of the building, the expanded portion of the building may be eligible for the deferral. Acquisition of machinery and equipment to be used for the expanded portion of the qualified building may also be eligible.

(c) An investment project for qualified research and development that has already received a deferral may also receive an additional deferral certificate for adapting the investment project for use in pilot scale manufacturing.

(d) A certificate may be amended or a certificate issued for a new investment project at an existing facility.

(10) May an applicant or recipient amend an application or certificate? Applicants and recipients may make written requests to the special programs division to amend an application or certificate.

(a) Grounds for requesting amendment include, but are not limited to:

- (i) The project will exceed the costs originally stated;
- (ii) The project will take more time to complete than originally stated;
- (iii) The original application is no longer accurate because of changes in the project; and
- (iv) Transfer of ownership of the project.

(b) The department must rule on the request within sixty days. If the request is denied, the department must explain in writing the basis for the denial. An applicant or recipient may appeal a denial within thirty days under WAC 458-20-100 (Appeals).

(11) What should a recipient of a tax deferral do when its investment project is operationally complete?

(a) When the building, machinery, or equipment is ready for use, or when a final election is made to treat "multiple qualified buildings" as single investment project, the recipient must notify the special programs division in writing that the eligible investment project is operationally complete. The department must, after appropriate investigation: Certify that the project is operationally complete; not certify the project; or certify only a portion of the project. The certification will include the year in which the project is operationally complete. If the department certifies as an operationally complete investment project consisting of "multiple qualifying buildings," the certification is deemed to have occurred in the calendar year in which the final election is made.

(b) If all or any portion of the project is not certified, the recipient must repay all or a proportional part of the deferred taxes. The department will notify the recipient of the amount due, including interest, and the due date.

(c) The department must explain in writing the basis for not certifying all or any portion of a project. The decision of the department to not certify all or a portion of a project may be appealed under WAC 458-20-100 (Appeals) within thirty days.

(d) An investment project consisting of "multiple qualifying buildings" may not be certified as operationally complete unless the lessee furnishes the department with a bond, letter of credit, or other security acceptable to the department in an amount equal to the repayment obligation as determined by the department. The department may decrease the secured amount each year as the repayment obligation decreases under the provisions of RCW 82.63.045. If the lessee does not furnish the department with a bond, letter of credit, or other acceptable security equal to the amount of deferred tax, the qualified buildings will each be treated as individual investment projects under the original applications for those buildings.

(12) Is a recipient of a tax deferral required to submit annual surveys? Each recipient of a tax deferral granted under chapter 82.63 RCW must complete an annual survey. If the economic benefits of the deferral are passed to a lessee as provided in RCW 82.63.010(7), the lessee must agree to complete the annual survey and the applicant is not required to complete the annual survey. See WAC 458-20-268 (Annual surveys for certain tax adjustments) for more information on the requirements to file annual surveys.

(13) Is a recipient of tax deferral required to repay deferred taxes?

(a) When is repayment required? Deferred taxes must be repaid if an investment project is used for purposes other than qualified research and development or pilot scale manufacturing during the calendar year for which the department certifies the investment project as operationally complete or at any time during any of the succeeding seven calendar years. Taxes are immediately due according to the following schedule:

Year in which nonqualifying use occurs	% of deferred taxes due
1	100%
2	87.5%
3	75%
4	62.5%
5	50%
6	37.5%
7	25%
8	12.5%

Interest on the taxes, but not penalties, must be paid retroactively to the date of deferral. For purposes of this section, the date of deferral is the date tax-deferred items are purchased.

The lessee of an investment project consisting of "multiple qualified buildings" is solely liable for payment of any deferred tax determined to be due and payable beginning on the date the department certifies the product as operationally complete. This does not relieve any lessor of its obligation under RCW 82.63.010(7) and subsection (3)(a) of this section to pass the economic benefit of the deferral to the lessee.

(b) When is repayment not required?

(i) Deferred taxes need not be repaid if the investment project is used only for qualified research and development or pilot scale manufacturing during the calendar year for which the department certifies the investment project as operationally complete and during the succeeding seven calendar years.

(ii) Deferred taxes need not be repaid on particular items if the purchase or use of the item would have qualified for the machinery and equipment sales and use tax exemptions provided by RCW 82.08.02565 and 82.12.02565 (discussed in WAC 458-20-13601) at the time of purchase or first use.

(iii) Deferred taxes need not be repaid if qualified machinery and equipment on which the taxes were deferred is destroyed, becomes inoperable and cannot be reasonably repaired, wears out, or becomes obsolete and is no longer practical for use in the project. The use of machinery and

equipment which becomes obsolete for purposes of the project and is used outside the project is subject to use tax at the time of such use.

(14) **When will the tax deferral program expire?** The authority of the department to issue deferral certificates expires January 1, 2015.

(15) **Is debt extinguishable because of insolvency or sale?** The debt for deferred taxes will not be extinguished by the insolvency or other failure of the recipient.

(16) **Does transfer of ownership terminate tax deferral?** Transfer of ownership does not terminate the deferral. The deferral may be transferred to the new owner if the new owner meets all eligibility requirements for the remaining periods of the deferral. The new owner must apply for an amendment to the deferral certificate. If the deferral is transferred, the new owner is liable for repayment of deferred taxes under the same terms as the original owner. If the new owner is a successor to the previous owner under the terms of WAC 458-20-216 (Successors, quitting business) and the deferral is not transferred, the new owner's liability for deferred taxes is limited to those that are due for payment at the time ownership is transferred.

PART II

SALES AND USE TAX EXEMPTION FOR PERSONS ENGAGED IN CERTAIN CONSTRUCTION ACTIVITIES FOR THE FEDERAL GOVERNMENT

(17) **Persons engaged in construction activities for the federal government.** Effective June 10, 2004, persons engaged in the business of constructing, repairing, decorating, or improving new or existing buildings or other structures under, upon, or above real property of or for the United States, or any instrumentality thereof, are not liable for sales and use tax on tangible personal property incorporated into, installed in, or attached to such building or other structure, if the investment project would qualify for sales and use tax deferral under chapter 82.63 RCW if undertaken by a private entity. RCW 82.04.190(6).

PART III

BUSINESS AND OCCUPATION TAX CREDIT FOR RESEARCH AND DEVELOPMENT SPENDING

(18) **Who is eligible for the business and occupation tax credit?** RCW 82.04.4452 provides for a business and occupation tax credit for persons engaging in research and development in Washington in five areas of high technology: Advanced computing, advanced materials, biotechnology, electronic device technology, and environmental technology.

A person is eligible for the credit if its research and development spending in the calendar year for which credit is claimed exceeds 0.92 percent of the person's taxable amount for the same calendar year.

(a) **What does the term "person" mean for purposes of this credit?** "Person" has the meaning given in RCW 82.04.030.

(b) **What is "research and development spending" for purposes of this section?** "Research and development spending" means qualified research and development expenditures plus eighty percent of amounts paid to a person other

than a public educational or research institution to conduct qualified research and development.

(c) **What is "taxable amount" for purposes of this section?** "Taxable amount" means the taxable amount subject to business and occupation tax required to be reported on the person's combined excise tax returns for the year for which the credit is claimed, less any taxable amount for which a multiple activities tax credit is allowed under RCW 82.04.440. See WAC 458-20-19301 (Multiple activities tax credits) for information on the multiple activities tax credit.

(d) **What are "qualified research and development expenditures" for purposes of this section?** "Qualified research and development expenditures" means operating expenses, including wages, compensation of a proprietor or a partner in a partnership, benefits, supplies, and computer expenses, directly incurred in qualified research and development by a person claiming the business and occupation tax credit provided by RCW 82.04.4452. The term does not include amounts paid to a person other than a public educational or research institution to conduct qualified research and development. Nor does the term include capital costs and overhead, such as expenses for land, structures, or depreciable property.

(i) In order for an operating expense to be a qualified research and development expenditure, it must be directly incurred in qualified research and development. If an employee performs qualified research and development activities and also performs other activities, only the wages and benefits proportionate to the time spent on qualified research and development activities are qualified research and development expenditures under this section. The wages of employees who supervise or are supervised by persons performing qualified research and development are qualified research and development expenditures to the extent the work of those supervising or being supervised involves qualified research and development.

(ii) The compensation of a proprietor or a partner is determined in one of two ways:

(A) If there is net income for federal income tax purposes, the amount reported subject to self-employment tax is the compensation.

(B) If there is no net income for federal income tax purposes, reasonable cash withdrawals or cash advances are the compensation.

(iii) Depreciable property is any property with a useful life of at least a year. Expenses for depreciable property will not constitute qualified research and development expenditures even if such property may be fully deductible for federal income tax purposes in the year of acquisition.

(iv) Computer expenses do not include the purchase, lease, rental, maintenance, repair or upgrade of computer hardware or software. They do include internet subscriber fees, run time on a mainframe computer, and outside processing.

(v) Training expenses for employees are qualified research and development expenditures if the training is directly related to the research and development being performed. Training expenses include registration fees, materials, and travel expenses. Although the research and develop-

ment must occur in Washington, training may take place outside of Washington.

(vi) Qualified research and development expenditures include the cost of clinical trials for drugs and certification by Underwriters Laboratories.

(vii) Qualified research and development expenditures do not include legal expenses, patent fees, or any other expense not incurred directly for qualified research and development.

(viii) Stock options granted as compensation to employees performing qualified research and development are qualified research and development expenditures to the extent they are reported on the W-2 forms of the employees and are taken as a deduction for federal income tax purposes by the employer.

(ix) Preemployment expenses related to employees who perform qualified research and development are qualified research and development expenditures. These expenses include recruiting and relocation expenses and employee placement fees.

(e) What does it mean to "conduct" qualified research and development for purposes of this section? A person is conducting qualified research and development when:

(i) The person is in charge of a project or a phase of the project; and

(ii) The activities performed by that person in the project or the phase of the project constitute qualified research and development.

(iii) Examples.

(A) Company C is conducting qualified research and development. It enters into a contract with Company D requiring D to provide workers to perform activities under the direction of C. D is not entitled to the credit because D is not conducting qualified research and development. Its employees work under the direction of C. C is entitled to the credit if all other requirements of the credit are met.

(B) Company F enters into a contract with Company G requiring G to perform qualified research and development on a phase of its project. The phase of the project constitutes qualified research and development. F is not entitled to the credit because F is not conducting qualified research and development on that phase of the project. G, however, is entitled to the credit if all other requirements of the credit are met.

(f) What is "qualified research and development" for purposes of this section? "Qualified research and development" means research and development performed within this state in the fields of advanced computing, advanced materials, biotechnology, electronic device technology, and environmental technology.

(g) What is "research and development" for purposes of this section? See subsection (3)(c) of this section for more information on the definition of research and development.

(i) Example. A company that engages in environmental cleanup contracted to clean up a site. It had never faced exactly the same situation before, but guaranteed at the outset that it could do the job. It used a variety of existing technologies to accomplish the task in a combination it had never used

before. The company was not engaged in qualified research and development in performing this contract. While the company applied existing technologies in a unique manner, there was no uncertainty to attain the desired or necessary specifications, and therefore the outcome of the project was certain.

(ii) Example. Same facts as (g)(i) of this subsection, except that the company performed research on a technology that had been applied in other contexts but never in the context where the company was attempting to use it, and it was uncertain at the outset whether the technology could achieve the desired outcome in the new context. If the company failed, it would have to apply an existing technology that is much more costly in its cleanup effort. The company was engaged in qualified research and development with respect to the research performed in developing the technology.

(ii) Example. Company A is engaged in research and development in biotechnology and needs to perform standard blood tests as part of its development of a drug. It contracts with a lab, B, to perform the tests. The costs of the tests are qualified research and development expenditures for A, the company engaged in the research and development. Although the tests themselves are routine, they are only a part of what A is doing in the course of developing the drug. B, the lab contracted to perform the testing, is not engaged in research and development with respect to the drug being developed. B is neither discovering technological information nor translating technological information into new or improved products, processes, techniques, formulas, inventions, or software. B is not entitled to a credit on account of the compensation it receives for conducting the tests.

(h) What are the five high technology areas? See subsection (3)(e) of this section for more information.

(19) How is the business and occupation tax credit calculated?

(a) On or after July 1, 2004. The amount of the credit is calculated as follows:

(i) A person must first determine the greater of:

The person's qualified research and development expenditures;

or

Eighty percent of amounts received by a person other than a public educational or research institution as compensation for conducting qualified research and development.

(ii) Then the person subtracts, from the amount determined under (a)(i) of this subsection, 0.92 percent of its taxable amount. If 0.92 percent of the taxable amount exceeds the amount determined under (a)(i) of this subsection, the person is not eligible for the credit.

(iii) The credit is calculated by multiplying the amount determined under (a)(ii) of this subsection by the following:

(A) For the periods of July 1, 2004, to December 31, 2006, the person's average tax rate for the calendar year for which the credit is claimed;

(B) For the periods of January 1, 2007, to December 31, 2007, the greater of the person's average tax rate for the calendar year or 0.75 percent;

(C) For the periods of January 1, 2008, to December 31, 2008, the greater of the person's average tax rate for the calendar year or 1.0 percent;

(D) For the periods of January 1, 2009, to December 31, 2009, the greater of the person's average tax rate for the calendar year or 1.25 percent; and

(E) For the periods after December 31, 2009, 1.50 percent.

(iv) For the purposes of this section, "average tax rate" means a person's total business and occupation tax liability for the calendar year for which the credit is claimed, divided by the person's total taxable amount for the calendar year for which the credit is claimed.

(v) For purposes of calculating the credit, if a person's reporting period is less than annual, the person may use an estimated average tax rate for the calendar year for which the credit is claimed, by using the person's average tax rate for each reporting period. When the person files its last return for the calendar year, the person must make an adjustment to the total credit claimed for the calendar year using the person's actual average tax rate for the calendar year.

(vi) Examples.

(A) A business engaging in qualified research and development has a taxable amount of \$10,000,000 in a year. It pays \$80,000 in that year in wages and benefits to employees directly engaged in qualified research and development. The business has no other qualified research and development expenditures. Its qualified research and development expenditures of \$80,000 are less than \$92,000 (0.92 percent of its taxable amount of \$10,000,000). If a business's qualified research and development expenditures (or eighty percent of amounts received for the conduct of qualified research and development) are less than 0.92 percent of its taxable amount, it is not eligible for the credit.

(B) A business engaging in qualified research and development has a taxable amount of \$10,000,000 in 2005. Seven million dollars of this amount is taxable at the rate of 0.015 under the B&O tax classification for services and \$3,000,000 is taxable at the rate of 0.00484 under the B&O tax classification for royalties. The business pays \$119,520 in B&O tax for this reporting period. It pays \$200,000 in that year to employees directly engaged in qualified research and development. The business has no other qualified research and development expenditures.

In order to determine the amount of its credit, the business subtracts \$92,000 (0.92 percent of its taxable amount of \$10,000,000) from \$200,000, its qualified research and development expenditures. The resulting amount of \$108,000 multiplied by the business's average tax rate equals the amount of the credit.

The business's average tax rate in 2005 is determined by dividing its B&O tax of \$119,520 by its taxable amount of \$10,000,000. The result, 0.01195, is multiplied by \$108,000 to determine the amount of the credit. The credit is \$1,291 (\$1,290.60 rounded to the nearest whole dollar).

(b) **From July 1, 1998 to June 30, 2004.** The amount of the credit is equal to the greater of:

The person's qualified research and development expenditures;

or

Eighty percent of amounts received by a person other than a public educational or research institution as compensation for conducting qualified research and development multiplied by 0.00484 in the case of a nonprofit corporation or association; and

multiplied by 0.015 in the case of all other persons.

(c) **Prior to July 1, 1998.** The amount of the credit is equal to the greater of:

The person's qualified research and development expenditures;

or

Eighty percent of amounts received by a person other than a public educational or research institution as compensation for conducting qualified research and development

multiplied by 0.00515 in the case of a nonprofit corporation or association; and

multiplied by 0.025 in the case of all other persons.

(d) The credit for any calendar year may not exceed the lesser of two million dollars or the amount of business and occupation tax otherwise due for the calendar year.

(e) Credits may not be carried forward or carried back to other calendar years.

(20) Is the person claiming the business and occupation tax credit required to submit annual surveys? Each person claiming the credit granted under RCW 82.04.4452 must complete an annual survey. See WAC 458-20-268 (Annual surveys for certain tax adjustments) for more information on the requirements to file annual surveys.

(21) Is the business and occupation tax credit assignable? A person entitled to the credit because of qualified research and development conducted under contract for another person may assign all or a portion of the credit to the person who contracted for the performance of the qualified research and development.

(a) Both the assignor and the assignee must be eligible for the credit for the assignment to be valid.

(b) The total of the credit claimed and the credit assigned by a person assigning credit may not exceed the lesser of two million dollars or the amount of business and occupation tax otherwise due from the assignor in any calendar year.

(c) The total of the credit claimed, including credit received by assignment, may not exceed the lesser of two million dollars or the amount of business and occupation tax otherwise due from the assignee in any calendar year.

(22) What happens if a person has claimed the business and occupation tax credit earlier but is later found ineligible? If a person has claimed the credit earlier but is later found ineligible for the credit, then the department will declare the taxes against which the credit was claimed to be immediately due and payable. Interest on the taxes, but not penalties, must be paid retroactively to the date the credit was claimed.

(23) When will the business and occupation tax credit program expire? The business and occupation tax credit

program for high technology businesses expires January 1, 2015.

(24) **Do staffing companies qualify for the business and occupation tax credit program?** A staffing company may be eligible for the credit if its research and development spending in the calendar year for which credit is claimed exceeds 0.92 percent of the person's taxable amount for the same calendar year.

(a) **Qualifications of the credit.** In order to qualify for the credit, a staffing company must meet the following criteria:

(i) It must conduct qualified research and development through its employees;

(ii) Its employees must perform qualified research and development activities in a project or a phase of the project, without considering any activity performed:

(A) By the person contracting with the staffing company for such performance; or

(B) By any other person;

(iii) It must complete an annual survey by March 31st following any year in which the credit was taken; and

(iv) It must document any claim of the B&O tax credit.

(b) Examples.

(i) Company M, a staffing company, furnishes three employees to Company N for assisting a research project in electronic device technology. N has a manager and five employees working on the same project. The work of M's employees and N's employees combined as a whole constitutes qualified research and development. M's employees do not perform sufficient activities themselves to be considered performing qualified research and development. M does not qualify for the credit.

(ii) Company V, a staffing company, furnishes three employees to Company W for performing a phase of a research project in advanced materials. W has a manager and five employees working on other phases of the same project. V's employees are in charge of a phase of the project that results in discovery of technological information. The work of V's employees alone constitutes qualified research and development. V qualifies for the credit if all other requirements of the credit are met.

(iii) Same as (b)(ii) of this subsection, except that the phase of the research project involves development of computer software for W's internal use. The work of V's employees alone constitutes qualified research and development. V qualifies for the credit if all other requirements of the credit are met.

Chapter 82.60 RCW establishes a sales and use tax deferral program. These rules explain this program's eligible area criteria, hiring requirements, reporting and monitoring procedures, and tax repayment requirements. They also explain the application procedure and review process, how the deferral certificate is to be used, and the record-keeping requirements of the deferral program.

The department has amended these rules to recognize:

- HB 3014 (chapter 16, Laws of 2010 1st sp. sess.), which clarified the definition of manufacturing for applications filed prior to July 1, 2010, and changed the definition for those applications filed after June 30, 2010. The legislation also amended the definition of a qualifying county for applications filed after June 30, 2010; and
- E2SHB 1597 (chapter 106, Laws of 2010), which establishes that only those applications for the high technology deferral that have been approved are not confidential and subject to public disclosure.

Citation of Existing Rules Affected by this Order: Amending WAC 458-20-24001 Sales and use tax deferral—Manufacturing and research/development activities in high unemployment counties—Applications filed after June 30, 2010, and 458-20-24001A Sales and use tax deferral—Manufacturing and research/development activities in rural counties—Applications filed prior to July 1, 2010.

Statutory Authority for Adoption: RCW 82.32.300 and 82.01.060(2).

Adopted under notice filed as WSR 10-16-138 on August 4, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 2, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 2, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 14, 2010.

Alan R. Lynn
Rules Coordinator

WSR 10-21-052

PERMANENT RULES

DEPARTMENT OF REVENUE

[Filed October 14, 2010, 11:30 a.m., effective November 14, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: WAC 458-20-24001 (Rule 24001) and 458-20-24001A (Rule 24001A) explain the sales and use tax deferral program in qualifying counties and community enterprise zones.

AMENDATORY SECTION (Amending WSR 10-06-070, filed 2/25/10, effective 3/28/10)

WAC 458-20-24001 Sales and use tax deferral—Manufacturing and research/development activities in ((rural)) high unemployment counties—Applications filed after ((March 31, 2004)) June 30, 2010. (1) **Introduction.** Chapter 82.60 RCW establishes a sales and use tax deferral program. The purpose of the program is to promote economic stimulation, create employment opportunities, and reduce poverty in certain areas of the state. The legislature

established this program to be effective solely in those areas and under circumstances where the deferral is for investments that result in the creation of a specified minimum number of jobs or investment for a qualifying project.

(a) This deferral program applies to taxes imposed on the construction of qualified buildings or acquisition of qualified machinery and equipment and requires the recipient of the deferral to maintain the manufacturing or research and development activity for an eight-year period. This section does not address RCW 82.08.02565 and 82.12.02565, which provide a statewide sales and use tax exemption for machinery and equipment used directly in a manufacturing operation. Refer to WAC 458-20-13601 for more information regarding the statewide exemption.

(b) This program was first enacted in 1985. The legislature made major revisions to program criteria in 1993, 1994, 1995, 1996, 1999, ~~((and))~~ 2004, 2009, and 2010, specifically to the definitions of "eligible area," "eligible investment project," and "qualified building." Each revision created additional criteria for prospective applicants. ~~((This section sets forth the requirements for applications made after March 31, 2004.))~~ For applications made prior to ~~((April 1, 2004))~~ June 30, 2010, see WAC 458-20-24001A.

(c) The employment security department and the department of community, trade, and economic development administer programs for ~~((rural))~~ high unemployment counties and job training and should be contacted directly for information concerning these programs.

(2) Who is eligible for the sales and use tax deferral program? A person engaged in manufacturing or research and development activity is eligible for this deferral program for its eligible investment project.

(a) What does the term "person" mean for purposes of this section? "Person" has the meaning given in RCW 82.04.030. "Person" does not include the state of Washington or its institutions. "Person" can be either a lessee or a lessor, who can apply separately for individual investment projects at the same site, if they comply with the other requirements of chapter 82.60 RCW.

(i) The lessor or owner of the qualified building is not eligible for deferral unless:

(A) The underlying ownership of the buildings, machinery, and equipment vests exclusively in the same person; or

(B) ~~((All of the following conditions are met:~~

~~((H)))~~ The lessor has by written contract agreed to pass the economic benefit of the deferral to the lessee;

~~((H)))~~ (C) The lessee that receives the economic benefit of the deferral agrees in writing with the department to complete the annual survey required under RCW 82.60.070;

~~((H)))~~ (D) The economic benefit of the deferral passed to the lessee is no less than the amount of tax deferred by the lessor; and

~~((IV))~~ Upon request, the lessor must provide the department with written documentation to support the eligibility of the deferral, including (E) The economic benefit of the deferral being passed to the lessee is evidenced by written documentation of any type of payment, credit, or other financial arrangement between the lessor or owner of the qualified building and the lessee.

For example, economic benefit of the deferral is passed through to the lessee when evidenced by written documentation that the amounts paid to the lessor for construction of tenant improvements are reduced by the amount of the sales tax deferred, or that the lessee receives more tenant improvements through a credit for tenant improvements or other mechanism in the lease equal to the amount of the sales tax deferred.

(ii) The lessor of the qualified building who receives a letter of intent from a qualifying lessee may be eligible for deferral, assuming that all other requirements of chapter 82.60 RCW are met. At the time of application, the lessor, or another qualifying lessee must provide to the department a letter of intent by the lessee to lease the qualified building and any other information to prove that the lessee will engage in qualified research and development or pilot scale manufacturing once the building construction is complete. After the investment project is certified as operationally complete, the lessee must actually occupy the building as a lessee and engage in qualified research and development or pilot scale manufacturing. Otherwise, deferred taxes will be immediately due to the lessor, and interest will be assessed retroactively from the date of deferral.

(b) What is "manufacturing" for purposes of this section? "Manufacturing" has the meaning given in RCW 82.04.120. Manufacturing, in addition, includes ~~((computer programming, the production of computer software, and other computer-related services, and))~~ the activities performed by research and development laboratories and commercial testing laboratories ~~((Effective July 1, 2006, manufacturing also includes))~~, and the conditioning of vegetable seeds.

For purposes of this section, both manufacturers and processors for hire may qualify for the deferral program as being engaged in manufacturing activities. Refer to WAC 458-20-136 (Manufacturing, processing for hire, fabricating) for more information on processors for hire.

~~((For purposes of this section, "computer-related services" means activities such as programming for the manufactured product. It includes creating operating systems, software, and other similar goods that will be copied and sold as canned software. "Computer-related services" does not include information services, such as data or information processing. The activities performed by the manufacturer to test, correct, revise, or upgrade software or hardware before they are approved for sale to the consumer are considered computer-related services.))~~

For purposes of this section, "vegetable seeds" includes the seeds of those crops that are grown in gardens and on truck farms and are generally known and sold under the name of vegetable or herb seeds in this state. "Vegetable seeds" includes, but is not limited to, cabbage seeds, carrot seeds, onion seeds, tomato seeds, and spinach seeds. Vegetable seeds do not include grain seeds, cereal seeds, fruit seeds, flower seeds, tree seeds, and other similar properties.

(c) What is "research and development" for purposes of this section? "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun, but only when such activities are

intended to ultimately result in the production of a new, different, or useful substance or article of tangible personal property for sale. For purposes of this section, "commercial sales" excludes sales of prototypes or sales for market testing if the total gross receipts from such sales of the product, service, or process do not exceed one million dollars.

(3) What is eligible for the sales and use tax deferral program? This deferral program applies to an eligible investment project for sales and use taxes imposed on the construction, expansion, or renovation of qualified buildings and acquisition of qualified machinery and equipment.

(a) What is an "eligible investment project" for purposes of this section? "Eligible investment project" means an investment project in an eligible area. Refer to (g) of this subsection for more information on eligible area. "Eligible investment project" does not include an investment project undertaken by a light and power business as defined in RCW 82.16.010, other than that portion of a cogeneration project that is used to generate power for consumption within the manufacturing site of which the cogeneration project is an integral part. It also does not include an investment project that has already received a deferral under chapter 82.60 RCW.

(b) What is an "investment project" for purposes of this section? "Investment project" means an investment in qualified buildings or qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction of the project.

(c) What is "qualified buildings" for purposes of this section? "Qualified buildings" means construction of new structures, and expansion or renovation of existing structures for the purpose of increasing floor space or production capacity, used for manufacturing or research and development activities.

(i) "Qualified buildings" is limited to structures used for manufacturing and research and development activities. "Qualified buildings" includes plant offices and warehouses if such facilities are essential to or an integral part of a factory, mill, plant, or laboratory used for manufacturing or research and development.

(A) "Office" means space used by professional, clerical, or administrative staff. For plant office space to be a qualified building its use must be essential or integral to the manufacturing or research and development operation. Office space that is used by supervisors and their staff, by technicians, by payroll staff, by the safety officer, and by the training staff are examples of qualifying office space. An office may be located in a separate building from the building used for manufacturing or research and development activities, but the office must be located at the same site as the qualified building in order to qualify. Each individual office may only qualify or disqualify in its entirety.

(B) "Warehouse" means buildings or facilities used for the storage of raw materials or finished goods. A warehouse may be located in a separate building from the building used for manufacturing or research and development activities, but the warehouse must be located at the same site as the qualified building in order to qualify. Warehouse space may be apportioned based upon its qualifying use.

(C) A site is one or more immediately adjacent parcels of real property. Adjacent parcels of real property separated only by a public road comprise a single site.

(ii) "Qualified buildings" does not include construction of landscaping or most other work outside the building itself, even though the landscaping or other work outside the building may be required by the city or county government in order for the city or county to issue a permit for the construction of a building.

However, "qualified buildings" includes construction of specialized sewerage pipes connected to a qualified building that are specifically designed and used exclusively for manufacturing or research and development.

Also, "qualified buildings" includes construction of parking lots connected to or adjacent to the building if the parking lots are for the use of workers performing manufacturing or research and development in the building. Parking lots may be apportioned based upon its qualifying use.

(d) When is apportionment of qualified buildings appropriate? The deferral is allowable only in respect to investment in the construction of a new building or the expansion or renovation of an existing building used in manufacturing or research and development. Where a building(s) is used partly for manufacturing or research and development and partly for purposes that do not qualify for deferral under this section, apportionment is necessary.

(e) What are the apportionment methods? The deferral is determined by one of the following two apportionment methods. The first method of apportionment is based on square footage and does not require tracking the costs of materials for the qualifying/nonqualifying areas of a building. The second method of apportionment tracks the costs of materials used in the qualifying/nonqualifying areas, and it is primarily used by those industries with specialized building requirements.

(i) First method. The applicable tax deferral can be determined by apportionment according to the ratio of the square footage of that portion of the building(s) directly used for manufacturing or research and development purposes bears to the square footage of the total building(s).

Apportionment formula:

$$\frac{\text{Eligible square feet of building(s)}}{\text{Total square feet of building(s)}} = \text{Percent Eligible}$$

$$\text{Percent Eligible} \times \text{Total Project Costs} = \text{Eligible Costs.}$$

"Total Project Costs" means cost of multipurpose buildings and other improvement costs associated with the deferral project. Machinery and equipment are not included in this calculation. Common areas, such as hallways, bathrooms, and conference rooms, are not included in the square feet figure for either the numerator or the denominator. The cost of the common areas is multiplied by the percent eligible to determine the portion of the common area that is eligible for deferral.

$$\text{Eligible Costs} \times \text{Tax Rate} = \text{Eligible Tax Deferred.}$$

(ii) Second method. If the applicable tax deferral is not determined by the first method, it will be determined by

tracking the cost of construction of qualifying/nonqualifying areas as follows:

(A) Tax on the cost of construction of areas devoted solely to manufacturing or research and development may be deferred.

(B) Tax on the cost of construction of areas not used at all for manufacturing or research and development may not be deferred.

(C) Tax on the cost of construction of areas used in common for manufacturing or research and development and for other purposes, such as hallways, bathrooms, and conference rooms, may be deferred by apportioning the costs of construction on a square footage basis. The apportioned costs of construction eligible for deferral are established by using the ratio, expressed as a percentage, of the square feet of the construction, expansion, or renovation devoted to manufacturing or research and development, excluding areas used in common, to the total square feet of the construction, expansion, or renovation, excluding areas used in common. That percentage is applied to the cost of construction of the common areas to determine the costs of construction eligible for tax deferral. Expressed as a formula, apportionment of the cost of the common areas is determined by:

$$\frac{\text{Square feet devoted to manufacturing or research and development, excluding square feet of common areas}}{\text{Total square feet, excluding square feet of common areas}} = \text{Percentage of total cost of construction of common areas eligible for deferral}$$

(f) **What is "qualified machinery and equipment" for purposes of this section?** "Qualified machinery and equipment" means all new industrial and research fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing or research and development operation. "Qualified machinery and equipment" includes computers, desks, filing cabinets, photocopiers, printers, software, data processing equipment, laboratory equipment; manufacturing components such as belts, pulleys, shafts and moving parts; molds, tools and dies; operating structures; and all equipment used to control or operate machinery. It also includes machinery and equipment acquired under the terms of a lease by the recipient. "New" as used in this subsection means either new to the taxing jurisdiction of the state or new to the certificate holder.

For purposes of this section, "industrial fixture" means an item attached to a building or to land. Examples of "industrial fixtures" are fuel oil lines, boilers, cranes, and improvements to land such as concrete slabs.

(i) **Are qualified machinery and equipment subject to apportionment?** Qualified machinery and equipment are not subject to apportionment.

(ii) **To what extent is leased equipment eligible for the deferral?** The amount of tax deferral allowable for leased equipment is the amount of the consideration paid by the recipient to the lessor over the initial term of the lease, excluding any period of extension or option to renew, up to the last date for repayment of the deferred taxes. After that date, the recipient must pay the appropriate sales taxes to the lessor for the remaining term of the lease.

(g) **What is an "eligible area" for purposes of this section?** "Eligible area" means:

(i) **(~~Rural~~) Qualifying county.** A (~~rural~~) qualifying county is a county (~~with fewer than one hundred persons per square mile or a county smaller than two hundred twenty-five square miles as determined annually by the office of financial management and published by the department of revenue effective for the period July 1st through June 30th~~) that has an unemployment rate, as determined by the employment security department, which is at least twenty percent above the state average for the three calendar years immediately preceding the year in which the list of qualifying counties is established or updated, as the case may be.

The department, with the assistance of the employment security department, must establish a list of qualifying counties effective July 1, 2010. The list of qualifying counties is effective for a twenty-four-month period and must be updated by July 1st of the year that is two calendar years after the list was established or last updated, as the case may be; or

(ii) **Community empowerment zone (CEZ).** A "community empowerment zone" means an area meeting the requirements of RCW 43.31C.020 and officially designated as a CEZ by the director of the department of community, trade, and economic development (~~or a county containing a CEZ~~).

(h) **What if an investment project is located in an area that qualifies both as a (~~rural~~) high unemployment county and as a CEZ?** If an investment project is located in an area that qualifies under more than one type of eligible area, the department will automatically assign the project to the eligible area that imposes the least burden on the taxpayer and with the greatest benefit to the taxpayer. If the applicant elects to be bound by the requirements of the other potential eligible area, the applicant must make a written statement to that effect. For example, on October 1, (~~2004~~) 2010, (~~the~~) a city (~~of Yakima qualifies~~) in a high unemployment county qualifies as a CEZ, and the (~~entire~~) high unemployment county (~~of Yakima has fewer than one hundred persons per square mile~~) is on the list as a qualifying county. The CEZ requirements are more restrictive than qualifying counties (~~containing fewer than one hundred persons per square mile~~). The department will assign the project to the (~~"fewer than one hundred persons per square mile designation"~~) qualifying county designation unless the applicant elects to be bound by the CEZ requirements. Refer to subsection (4) of this section for more information on the application process.

(i) **Are there any hiring requirements for an investment project?** There may or may not be a hiring requirement, depending on the location of the project.

(i) **(~~Rural~~) High unemployment county.** There are no hiring requirements for qualifying projects located in (~~rural~~) high unemployment counties.

(ii) **Community empowerment zone (CEZ).** There are hiring requirements for qualifying projects located in CEZs or in counties containing CEZs. The applicant applies for a deferral of investment that correlates to the estimated number of persons to be hired based on the following formula:

$$\text{Number of qualified employment positions to be hired} \times \$750,000 = \text{amount of investment eligible for deferral}$$

Applicants must make good faith estimates of anticipated hiring. Refer to subsection (4) of this section for more information on the application process. The recipient must fill the positions by persons who at the time of hire are residents of the CEZ, as defined in (i)(ii) of this subsection. The department has instituted a geographic information system (GIS) to assist taxpayers in determining taxing jurisdiction boundaries, local tax rates, and a mapping and address lookup system to determine whether a specific address is within a CEZ. The system is available on the department's internet web site at <http://www.dor.wa.gov>. A recipient must fill the qualified employment positions by the end of the calendar year following the year in which the project is certified as operationally complete and retain the position during the entire tax year. Refer to subsection (7) of this section for more information on certification of an investment project as operationally complete. If the recipient does not fill the qualified employment positions by the end of the second calendar year following the year in which the project is certified as operationally complete, all deferred taxes are immediately due.

(A) What is a "qualified employment position" for purposes of this section? "Qualified employment position" means a permanent full-time employee employed in the eligible investment project during the entire tax year. The "entire tax year" means the full-time position is filled for a period of twelve consecutive months. "Full-time" means at least thirty-five hours a week, four hundred fifty-five hours a quarter, or one thousand eight hundred twenty hours a year.

(B) Who are residents of the CEZ? "Resident" means the person who fills the qualified employment position makes his or her home in the CEZ or the county in which the zone is located. A mailing address alone is insufficient to establish that a person is a resident.

(4) What are the application and review processes? An application for sales and use tax deferral under this program must be made prior to the initiation of construction, prior to the acquisition of machinery and equipment, and prior to the filling of qualified employment positions. Persons who apply after construction is initiated or finished or after acquisition of machinery and equipment are not eligible for the program. When an application for sales and use tax deferral is timely submitted, costs incurred before the application date are allowable, if they otherwise qualify. Applications for persons subject to hiring requirements must include information regarding the estimated total project cost and the qualified employment positions.

(a) What is "initiation of construction" for purposes of this section? "Initiation of construction," in regards to the construction, expansion, or renovation of buildings, means the commencement of on-site construction work. Neither planning nor land clearing prior to excavation of the building site constitutes the commencement of on-site construction work.

(b) What is "acquisition of machinery and equipment" for purposes of this section? "Acquisition of machinery and equipment" means the machinery and equipment is under the dominion and control of the recipient or its agent.

(c) How may a taxpayer obtain an application form? Application forms may be obtained at department of revenue

district offices, by downloading from the department's web site (dor.wa.gov), by telephoning the telephone information center (800-647-7706), or by contacting the department's special programs division at:

Department of Revenue
Special Programs Division
Post Office Box 47477
Olympia, WA 98504-7477
Fax 360-586-2163

Applicants must mail or fax applications to the special programs division at the address or fax number given above. Only those applications received by the department under chapter 82.60 RCW, which are approved, are not confidential and are subject to disclosure. RCW 82.60.100.

For purposes of this section, "applicant" means a person applying for a tax deferral under chapter 82.60 RCW, and "department" means the department of revenue.

(d) Will the department approve the deferral application? In considering whether to approve or deny an application for a deferral, the department will not approve an application for a project involving construction unless:

(i) The construction will begin within one year from the date of the application; or

(ii) The applicant shows proof that, if the construction will not begin within one year of construction, there is a specific and active program to begin construction of the project within two years from the date of application. Proof may include, but is not limited to:

(A) Affirmative action by the board of directors, governing body, or other responsible authority of the applicant toward an active program of construction;

(B) Itemized reasons for the proposed construction;

(C) Clearly established plans for financing the construction; or

(D) Building permits.

Similarly, after an application has been granted, a deferral certificate is no longer valid and should not be used if construction has not begun within one year from the date of application or there is not a specific and active program to begin construction within two years from the date of application. However, the department will grant requests to extend the period for which the certificate is valid if the holder of the certificate can demonstrate that the delay in starting construction is due to circumstances beyond the certificate holder's control such as the acquisition of building permit(s). Refer to subsection (6) of this section for more information on the use of tax deferral certificate.

(e) What is the date of application? "Date of application" means the date of the U.S. Post Office postmark, fax, or electronic transmittal, or when the application is hand delivered to the department. The statute in effect on the "date of application" will determine the program criteria the applicant must satisfy.

(f) When will the department notify approval or disapproval of the deferral application? The department will verify the information contained in the application and approve or disapprove the application within sixty days. If approved, the department will issue a tax deferral certificate.

If disapproved, the department will notify the applicant as to the reason(s) for disapproval.

(g) May an applicant request a review of department disapproval of the deferral application? The applicant may seek administrative review of the department's disapproval of an application within thirty days from the date of notice of the disallowance pursuant to the provisions of WAC 458-20-100 (Appeals). The filing of a petition for review with the department starts a review of departmental action.

(5) What happens after the department approves the deferral application? The department will issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW for an eligible investment project. The department will state on the certificate the amount of tax deferral for which the recipient is eligible. Recipients must keep track of how much tax is deferred.

For purposes of this section, "recipient" means a person receiving a tax deferral under this program.

(6) How should a tax deferral certificate be used? A tax deferral certificate issued under this program is for the use of the recipient for deferral of sales and use taxes due on each eligible investment project. Deferral is limited only to investment in qualified buildings or qualified machinery and equipment as defined in this section. Thus, sales and use taxes cannot be deferred on items that do not become part of the qualified buildings, machinery, or equipment. In addition, the deferral is not to be used to defer the taxes of the persons with whom the recipient does business, persons the recipient hires, or employees of the recipient.

The certificate holder must provide a copy of the tax deferral certificate to the seller at the time goods or services are purchased. The seller will be relieved of the responsibility for collection of the sales or use tax upon presentation of the certificate. The seller must retain a copy of the certificate as part of its permanent records for a period of at least five years. A blanket certificate may be provided by the certificate holder and accepted by the seller covering all such purchases relative to the eligible project. The seller is liable for business and occupation tax on all tax deferral sales.

For purposes of this section, "certificate holder" means an applicant to whom a tax deferral certificate has been issued.

(7) What are the processes of an investment project that is certified by the department as operationally complete? An applicant must provide the department with the estimated cost of the investment project at the time the application is made. Following approval of the application and issuance of a tax deferral certificate, a certificate holder must notify the department, in writing, when the value of the investment project reaches the estimated cost as stated on the tax deferral certificate.

For purposes of this section, "operationally complete" means the project is capable of being used for its intended purpose as described in the application.

(a) What should a certificate holder do if its investment project reaches the estimated costs but the project is not yet operationally complete? If a certificate holder has an investment project that has reached its level of estimated costs and the project is not operationally complete, the certifi-

cate holder may request an amended certificate stating a revised amount upon which the deferral taxes are requested. Requests must be mailed or faxed to the department.

(b) What should a certificate holder do when its investment project is operationally complete? The certificate holder must notify the department in writing when the ~~((construction))~~ investment project is operationally complete. The department will certify the date on which the project is operationally complete. The certificate holder of the deferral must maintain the manufacturing or research and development activity for eight years from this date.

(8) Is a recipient of tax deferral required to submit annual surveys? Each recipient of a tax deferral granted ~~((under chapter 82.60 RCW after June 30, 1994,))~~ must complete an annual survey. If the economic benefits of the deferral are passed to a lessee as provided in RCW 82.60.020(4), the lessee must agree to complete the annual survey and the applicant is not required to complete the annual survey. Refer to WAC 458-20-268 (Annual surveys for certain tax adjustments) for more information on the requirements to file annual surveys.

(9) Is a recipient of tax deferral required to repay deferred taxes? Repayment of tax deferred under chapter 82.60 RCW is excused, except as otherwise provided in RCW 82.60.070 and this subsection and subsection (10) of this section.

(a) Is repayment required for machinery and equipment exempt under RCW 82.08.02565 or 82.12.02565? Repayment of tax deferred under chapter 82.60 RCW is not required, and interest and penalties under RCW 82.60.070 will not be imposed, on machinery and equipment that qualifies for exemption under RCW 82.08.02565 or 82.12.02565.

(b) When is repayment required? The following subsections describe the various circumstances under which repayment of the deferral may occur. Outstanding taxes are determined by reference to the following table. ~~((The table presumes the taxpayer maintained eligibility for the entire year.))~~

Repayment Year	Percentage of Deferred Tax Waived
1 (Year operationally complete)	0%
2	0%
3	0%
4	10%
5	15%
6	20%
7	25%
8	30%

Any action taken by the department to disqualify a recipient for tax deferral or assess interest will be subject to administrative review pursuant to the provisions of WAC 458-20-100 (Appeals). The filing of a petition for review with the department starts a review of departmental action.

(i) Failure of investment project to satisfy general conditions. If, on the basis of the recipient's annual survey or other information, including that submitted by the employment security department, the department of revenue finds

that an investment project is not eligible for tax deferral for reasons other than failure to create the required number of qualified employment positions, the department will declare the amount of deferred taxes outstanding to be immediately due. ~~((An example of a disqualification under this section is a facility not being used for a manufacturing or research and development operation.))~~ No penalties or interest will be assessed on the deferred sales/use tax; however, all other penalties and interest applicable to excise tax assessments may be assessed and imposed. See subsection (10) of this section.

(ii) **Failure of investment project to satisfy required employment positions conditions.** If, on the basis of the recipient's annual survey or other information, the department finds that an investment project has been operationally complete and has failed to create the required number of qualified employment positions under subsection (3)(i) of this section, the amount of taxes deferred will be immediately due. There is no proration of the amount owed under this subsection. No penalties or interest will be assessed on the deferred sales/use tax; however, all other penalties and interest applicable to excise tax assessments may be assessed and imposed.

(10) When manufacturing or research and development activities are temporarily ceased. A person is not liable for the amount of deferred taxes outstanding for an investment project when the person temporarily ceases to use its qualified buildings and qualified machinery and equipment for manufacturing or research and development activities in a county with a population of less than twenty thousand persons for a period not to exceed twenty-four months from the date that the department sent its assessment for the amount of outstanding deferred taxes to the taxpayer.

(a) The relief from repayment of deferred taxes does not apply unless the number of qualified employment positions maintained at the investment project after manufacturing or research and development activities are temporarily ceased is at least ten percent of the number of qualified employment positions employed at the investment project at the time the deferral was approved by the department. If a person has been approved for more than one deferral under this chapter, relief from repayment of deferred taxes under this section does not apply unless the number of qualified employment positions maintained at the investment project after manufacturing or research and development activities are temporarily ceased is at least ten percent of the highest number of qualified employment positions at the investment project at the time any of the deferrals were approved by the department.

(b) If, at any time during the twenty-four-month period after the department has sent the taxpayer an assessment for outstanding deferred taxes resulting from the person temporarily ceasing to use its qualified buildings and qualified machinery and equipment for manufacturing or research and development activities, the number of qualified employment positions falls below the ten percent threshold in this subsection, the amount of deferred taxes outstanding for the project is immediately due.

(c) The lessor of an investment project for which a deferral has been granted who has passed the economic benefits of the deferral to the lessee is not eligible for relief from the payment of deferred taxes under this section.

(d) A person seeking relief from the payment of deferred taxes must apply to the department in a form and manner prescribed by the department. The application required must be received by the department within thirty days of the date that the department sent its assessment for outstanding deferred taxes resulting from the person temporarily ceasing to use its qualified buildings and qualified machinery and equipment for manufacturing or research and development activities. The department must approve applications that meet the requirements for relief from the payment of deferred taxes.

(e) A person is entitled to relief under this section only once.

(f) A person whose application for relief from the payment of deferred taxes has been approved must continue to file an annual survey as required under RCW 82.60.070(1) or any successor statute. In addition, the person must file, in a form and manner prescribed by the department, a report on the status of the business and the outlook for commencing manufacturing or research and development activities.

(11) When will the tax deferral program expire? No applications for deferral of taxes will be accepted after June 30, ~~((2010))~~ 2020.

~~((11))~~ (12) Is debt extinguishable because of insolvency or sale? Insolvency or other failure of the recipient does not extinguish the debt for deferred taxes nor will the sale, exchange, or other disposition of the recipient's business extinguish the debt for the deferred taxes.

~~((12))~~ (13) Does transfer of ownership terminate tax deferral? Transfer of ownership does not terminate the deferral. The deferral is transferred, subject to the successor meeting the eligibility requirements of chapter 82.60 RCW, for the remaining periods of the deferral. Any person who becomes a successor (see WAC 458-20-216) to such investment project is liable for the full amount of any unpaid, deferred taxes under the same terms and conditions as the original recipient of the deferral.

Any questions regarding the potential eligibility of deferrals to be transferred on the sale of a business, contact special programs as provided for in subsection (4)(c) of this section.

AMENDATORY SECTION (Amending WSR 06-17-007, filed 8/3/06, effective 9/3/06)

WAC 458-20-24001A Sales and use tax deferral—Manufacturing and research/development activities in rural counties—Applications filed prior to ~~((April 1, 2004))~~ July 1, 2010. (1) Introduction. Chapter 82.60 RCW establishes a sales and use tax deferral program. The purpose of the program is to promote economic stimulation, create employment opportunities, and reduce poverty in certain areas of the state. The legislature established this program to be effective solely in those areas and for those circumstances where the deferral is for investments that result in the creation of a specified minimum number of jobs or investment for a qualifying project.

The program applies to sales and use taxes on materials and labor and services rendered in the construction of qualified buildings or acquisition of qualified machinery and equipment and requires the recipient of the deferral to main-

tain the manufacturing or research and development activity for an eight-year period. This rule does not address RCW 82.08.02565 and 82.12.02565, which provide a statewide sales and use tax exemption for machinery and equipment used directly in a manufacturing operation. Refer to WAC 458-20-13601 for more information regarding the statewide exemption.

(2) Program background. This program was enacted in 1985. The legislature made major revisions to program criteria in 1993, 1994, 1995, 1996, 1999, ~~((and))~~ 2004, 2009, and 2010, specifically to the definitions of "eligible area," "eligible investment project," ~~((and))~~ "qualified building~~((-))~~," and "qualifying county." Each revision created additional criteria for prospective applicants. This rule is written in ~~((four))~~ five parts and covers applications made prior to ~~((April 1, 2004))~~ July 1, 2010. Each part sets forth the requirements on the basis of the period of time in which application is made. Refer to the year during which application was made for information on an individual application. For applications made after ~~((March 31, 2004))~~ June 30, 2010, see WAC 458-20-24001.

The employment security department and the department of community, trade, and economic development administer additional programs for distressed areas and job training and should be contacted directly for information concerning these programs.

PART I

Applications from March 31, 2004, to June 30, 2010

(101) Who is eligible for the sales and use tax deferral program? A person engaged in manufacturing or research and development activity is eligible for this deferral program for its eligible investment project.

(a) What does the term "person" mean for purposes of this section? "Person" has the meaning given in RCW 82.04.030. "Person" does not include the state of Washington or its institutions. "Person" can be either a lessee or a lessor, who can apply separately for individual investment projects at the same site, if they comply with the other requirements of chapter 82.60 RCW.

(i) The lessor or owner of the qualified building is not eligible for deferral unless:

(A) The underlying ownership of the buildings, machinery, and equipment vests exclusively in the same person; or

(B) All of the following conditions are met:

(I) The lessor has by written contract agreed to pass the economic benefit of the deferral to the lessee;

(II) The lessee that receives the economic benefit of the deferral agrees in writing with the department to complete the annual survey required under RCW 82.60.070;

(III) The economic benefit of the deferral passed to the lessee is no less than the amount of tax deferred by the lessor; and

(IV) Upon request, the lessor must provide the department with written documentation to support the eligibility of the deferral, including any type of payment, credit, or other financial arrangement between the lessor or owner of the qualified building and the lessee.

For example, economic benefit of the deferral is passed through to the lessee when evidenced by written documenta-

tion that the amounts paid to the lessor for construction of tenant improvements are reduced by the amount of the sales tax deferred, or that the lessee receives more tenant improvements through a credit for tenant improvements or other mechanism in the lease equal to the amount of the sales tax deferred.

(ii) The lessor of the qualified building who receives a letter of intent from a qualifying lessee may be eligible for deferral, assuming that all other requirements of chapter 82.60 RCW are met. At the time of application, the lessor must provide to the department a letter of intent by the lessee to lease the qualified building and any other information to prove that the lessee will engage in qualified research and development or pilot scale manufacturing once the building construction is complete. After the investment project is certified as operationally complete, the lessee must actually occupy the building as a lessee and engage in qualified research and development or pilot scale manufacturing. Otherwise, deferred taxes will be immediately due to the lessor, and interest will be assessed retroactively from the date of deferral.

(b) What is "manufacturing" for purposes of this section? "Manufacturing" has the meaning given in RCW 82.04.120. Manufacturing, in addition, includes:

(i) Computer programming, the production of computer software, and other computer-related services, but only when the computer programming, production of computer software, or other computer-related services are performed by a manufacturer as defined in RCW 82.04.110 and contribute to the production of a new, different, or useful substance or article or tangible personal property for sale (chapter 16, Laws of 2010);

(ii) The activities performed by research and development laboratories and commercial testing laboratories; and

(iii) Effective July 1, 2006, manufacturing also includes the conditioning of vegetable seeds.

For purposes of this section, both manufacturers and processors for hire may qualify for the deferral program as being engaged in manufacturing activities. Refer to WAC 458-20-136 (Manufacturing, processing for hire, fabricating) for more information on processors for hire.

For purposes of this section, "computer-related services" means activities such as programming for the manufactured product. It includes creating operating systems, software, and other similar goods that will be copied and sold as canned software. "Computer-related services" does not include information services, such as data or information processing. The activities performed by the manufacturer to test, correct, revise, or upgrade software or hardware before they are approved for sale to the consumer are considered computer-related services.

For purposes of this section, "vegetable seeds" includes the seeds of those crops that are grown in gardens and on truck farms and are generally known and sold under the name of vegetable or herb seeds in this state. "Vegetable seeds" includes, but is not limited to, cabbage seeds, carrot seeds, onion seeds, tomato seeds, and spinach seeds. Vegetable seeds do not include grain seeds, cereal seeds, fruit seeds, flower seeds, tree seeds, and other similar properties.

(c) What is "research and development" for purposes of this section? "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun, but only when such activities are intended to ultimately result in the production of a new, different, or useful substance or article of tangible personal property. (Chapter 16, Laws of 2010.) For purposes of this section, "commercial sales" excludes sales of prototypes or sales for market testing if the total gross receipts from such sales of the product, service, or process do not exceed one million dollars.

(102) What is eligible for the sales and use tax deferral program? This deferral program applies to an eligible investment project for sales and use taxes imposed on the construction, expansion, or renovation of qualified buildings and acquisition of qualified machinery and equipment.

(a) What is an "eligible investment project" for purposes of this section? "Eligible investment project" means an investment project in an eligible area. Refer to (g) of this subsection for more information on eligible area. "Eligible investment project" does not include an investment project undertaken by a light and power business as defined in RCW 82.16.010, other than that portion of a cogeneration project that is used to generate power for consumption within the manufacturing site of which the cogeneration project is an integral part. It also does not include an investment project that has already received a deferral under chapter 82.60 RCW.

(b) What is an "investment project" for purposes of this section? "Investment project" means an investment in qualified buildings or qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction of the project.

(c) What is "qualified buildings" for purposes of this section? "Qualified buildings" means construction of new structures, and expansion or renovation of existing structures for the purpose of increasing floor space or production capacity, used for manufacturing or research and development activities.

(i) "Qualified buildings" is limited to structures used for manufacturing and research and development activities. "Qualified buildings" includes plant offices and warehouses if such facilities are essential to or an integral part of a factory, mill, plant, or laboratory used for manufacturing or research and development.

(A) "Office" means space used by professional, clerical, or administrative staff. For plant office space to be a qualified building its use must be essential or integral to the manufacturing or research and development operation. Office space that is used by supervisors and their staff, by technicians, by payroll staff, by the safety officer, and by the training staff are examples of qualifying office space. An office may be located in a separate building from the building used for manufacturing or research and development activities, but the office must be located at the same site as the qualified building in order to qualify. Each individual office may only qualify or disqualify in its entirety.

(B) "Warehouse" means buildings or facilities used for the storage of raw materials or finished goods. A warehouse

may be located in a separate building from the building used for manufacturing or research and development activities, but the warehouse must be located at the same site as the qualified building in order to qualify. Warehouse space may be apportioned based upon its qualifying use.

(C) A site is one or more immediately adjacent parcels of real property. Adjacent parcels of real property separated only by a public road comprise a single site.

(ii) "Qualified buildings" does not include construction of landscaping or most other work outside the building itself even though the landscaping or other work outside the building may be required by the city or county government in order for the city or county to issue a permit for the construction of a building.

However, "qualified buildings" includes construction of specialized sewerage pipes connected to a qualified building that are specifically designed and used exclusively for manufacturing or research and development.

Also, "qualified buildings" includes construction of parking lots connected to or adjacent to the building if the parking lots are for the use of workers performing manufacturing or research and development in the building. Parking lots may be apportioned based upon its qualifying use.

(d) When is apportionment of qualified buildings appropriate? The deferral is allowable only in respect to investment in the construction of a new building or the expansion or renovation of an existing building used in manufacturing or research and development. Where a building(s) is used partly for manufacturing or research and development and partly for purposes that do not qualify for deferral under this section, apportionment is necessary.

(e) What are the apportionment methods? The deferral is determined by one of the following two apportionment methods. The first method of apportionment is based on square footage and does not require tracking the costs of materials for the qualifying/nonqualifying areas of a building. The second method of apportionment tracks the costs of materials used in the qualifying/nonqualifying areas, and it is primarily used by those industries with specialized building requirements.

(i) First method. The applicable tax deferral can be determined by apportionment according to the ratio of the square footage of that portion of the building(s) directly used for manufacturing or research and development purposes bears to the square footage of the total building(s).

Apportionment formula:

$$\frac{\text{Eligible square feet of building(s)}}{\text{Total square feet of building(s)}} = \text{Percent Eligible}$$

$$\text{Percent Eligible} \times \text{Total Project Costs} = \text{Eligible Costs.}$$

"Total Project Costs" means cost of multipurpose buildings and other improvement costs associated with the deferral project. Machinery and equipment are not included in this calculation. Common areas, such as hallways, bathrooms, and conference rooms, are not included in the square feet figure for either the numerator or the denominator. The cost of the common areas is multiplied by the percent eligible to determine the portion of the common area that is eligible for deferral.

Eligible Costs x Tax Rate = Eligible Tax Deferred.

(ii) **Second method.** If the applicable tax deferral is not determined by the first method, it will be determined by tracking the cost of construction of qualifying/nonqualifying areas as follows:

(A) Tax on the cost of construction of areas devoted solely to manufacturing or research and development may be deferred.

(B) Tax on the cost of construction of areas not used at all for manufacturing or research and development may not be deferred.

(C) Tax on the cost of construction of areas used in common for manufacturing or research and development and for other purposes, such as hallways, bathrooms, and conference rooms, may be deferred by apportioning the costs of construction on a square footage basis. The apportioned costs of construction eligible for deferral are established by using the ratio, expressed as a percentage, of the square feet of the construction, expansion, or renovation devoted to manufacturing or research and development, excluding areas used in common, to the total square feet of the construction, expansion, or renovation, excluding areas used in common. That percentage is applied to the cost of construction of the common areas to determine the costs of construction eligible for tax deferral. Expressed as a formula, apportionment of the cost of the common areas is determined by:

$$\frac{\text{Square feet devoted to manufacturing or research and development, excluding square feet of common areas}}{\text{Total square feet, excluding square feet of common areas}} = \frac{\text{Percentage of total cost of construction of common areas eligible for deferral}}{\text{Percentage of total cost of construction of common areas eligible for deferral}}$$

(f) **What is "qualified machinery and equipment" for purposes of this section?** "Qualified machinery and equipment" means all new industrial and research fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing or research and development operation. "Qualified machinery and equipment" includes computers, desks, filing cabinets, photocopiers, printers, software, data processing equipment, laboratory equipment; manufacturing components such as belts, pulleys, shafts and moving parts; molds, tools and dies; operating structures; and all equipment used to control or operate machinery. It also includes machinery and equipment acquired under the terms of a lease by the recipient. "New" as used in this subsection means either new to the taxing jurisdiction of the state or new to the certificate holder.

For purposes of this section, "industrial fixture" means an item attached to a building or to land. Examples of "industrial fixtures" are fuel oil lines, boilers, craneways, and improvements to land such as concrete slabs.

(i) **Are qualified machinery and equipment subject to apportionment?** Qualified machinery and equipment are not subject to apportionment.

(ii) **To what extent is leased equipment eligible for the deferral?** The amount of tax deferral allowable for leased equipment is the amount of the consideration paid by the recipient to the lessor over the initial term of the lease, excluding any period of extension or option to renew, up to the last date for repayment of the deferred taxes. After that

date, the recipient must pay the appropriate sales taxes to the lessor for the remaining term of the lease.

(g) **What is an "eligible area" for purposes of this section?** "Eligible area" means:

(i) **Rural county.** A rural county is a county with fewer than one hundred persons per square mile or a county smaller than two hundred twenty-five square miles as determined annually by the office of financial management and published by the department of revenue effective for the period July 1st through June 30th; or

(ii) **Community empowerment zone (CEZ).** A "community empowerment zone" means an area meeting the requirements of RCW 43.31C.020 and officially designated as a CEZ by the director of the department of commerce, or a county containing a CEZ.

(h) **What if an investment project is located in an area that qualifies both as a rural county and as a CEZ?** If an investment project is located in an area that qualifies under more than one type of eligible area, the department will automatically assign the project to the eligible area that imposes the least burden on the taxpayer and with the greatest benefit to the taxpayer. If the applicant elects to be bound by the requirements of the other potential eligible area, the applicant must make a written statement to that effect. For example, on October 1, 2004, the city of Yakima qualifies as a CEZ, and the entire county of Yakima has fewer than one hundred persons per square mile. The CEZ requirements are more restrictive than counties containing fewer than one hundred persons per square mile. The department will assign the project to the "fewer than one hundred persons per square mile designation" unless the applicant elects to be bound by the CEZ requirements. Refer to subsection (104) of this section for more information on the application process.

(i) **Are there any hiring requirements for an investment project?** There may or may not be a hiring requirement, depending on the location of the project.

(i) **Rural county.** There are no hiring requirements for qualifying projects located in rural counties.

(ii) **Community empowerment zone (CEZ).** There are hiring requirements for qualifying projects located in CEZs or in counties containing CEZs. The applicant applies for a deferral of investment that correlates to the estimated number of persons to be hired based on the following formula:

$$\frac{\text{Number of qualified employment positions to be hired} \times \$750,000}{\text{amount of investment eligible for deferral}}$$

Applicants must make good faith estimates of anticipated hiring. Refer to subsection (104) of this section for more information on the application process. The recipient must fill the positions by persons who at the time of hire are residents of the CEZ. The department has instituted a geographic information system (GIS) to assist taxpayers in determining taxing jurisdiction boundaries, local tax rates, and a mapping and address lookup system to determine whether a specific address is within a CEZ. The system is available on the department's internet web site at <http://www.dor.wa.gov>. A recipient must fill the qualified employment positions by the end of the calendar year following the year in which the project is certified as operationally complete and retain the position during the entire tax year. Refer to subsection (107) of

this section for more information on certification of an investment project as operationally complete. If the recipient does not fill the qualified employment positions by the end of the second calendar year following the year in which the project is certified as operationally complete, all deferred taxes are immediately due.

(A) What is a "qualified employment position" for purposes of this section? "Qualified employment position" means a permanent full-time employee employed in the eligible investment project during the entire tax year. The "entire tax year" means the full-time position is filled for a period of twelve consecutive months. "Full-time" means at least thirty-five hours a week, four hundred fifty-five hours a quarter, or one thousand eight hundred twenty hours a year.

(B) Who are residents of the CEZ? "Resident" means the person who fills the qualified employment position makes his or her home in the CEZ. A mailing address alone is insufficient to establish that a person is a resident.

(103) What are the application and review processes? An application for sales and use tax deferral under this program must be made prior to the initiation of construction, prior to the acquisition of machinery and equipment, and prior to the filling of qualified employment positions. Persons who apply after construction is initiated or finished or after acquisition of machinery and equipment are not eligible for the program. When an application for sales and use tax deferral is timely submitted, costs incurred before the application date are allowable, if they otherwise qualify. Applications for persons subject to hiring requirements must include information regarding the estimated total project cost and the qualified employment positions.

(a) What is "initiation of construction" for purposes of this section? "Initiation of construction," in regards to the construction, expansion, or renovation of buildings, means the commencement of on-site construction work. Neither planning nor land clearing prior to excavation of the building site constitutes the commencement of on-site construction work.

(b) What is "acquisition of machinery and equipment" for purposes of this section? "Acquisition of machinery and equipment" means the machinery and equipment is under the dominion and control of the recipient or its agent.

(c) How may a taxpayer obtain an application form? Application forms may be obtained at department of revenue district offices, by downloading from the department's web site (dor.wa.gov), by telephoning the telephone information center at 1-800-647-7706, or by contacting the department's special programs division at:

Department of Revenue
Special Programs Division
Post Office Box 47477
Olympia, WA 98504-7477
Fax 360-586-2163

Applicants must mail or fax applications to the special programs division at the address or fax number given above. Applications received by the department under chapter 82.60 RCW are not confidential and are subject to disclosure. RCW 82.60.100.

For purposes of this section, "applicant" means a person applying for a tax deferral under chapter 82.60 RCW, and "department" means the department of revenue.

(d) Will the department approve the deferral application? In considering whether to approve or deny an application for a deferral, the department will not approve an application for a project involving construction unless:

(i) The construction will begin within one year from the date of the application; or

(ii) The applicant shows proof that, if the construction will not begin within one year of construction, there is a specific and active program to begin construction of the project within two years from the date of application. Proof may include, but is not limited to:

(A) Affirmative action by the board of directors, governing body, or other responsible authority of the applicant toward an active program of construction;

(B) Itemized reasons for the proposed construction;

(C) Clearly established plans for financing the construction; or

(D) Building permits.

Similarly, after an application has been granted, a deferral certificate is no longer valid and should not be used if construction has not begun within one year from the date of application or there is not a specific and active program to begin construction within two years from the date of application. However, the department will grant requests to extend the period for which the certificate is valid if the holder of the certificate can demonstrate that the delay in starting construction is due to circumstances beyond the certificate holder's control such as the acquisition of building permit(s). Refer to subsection (106) of this section for more information on the use of tax deferral certificate.

(e) What is the date of application? "Date of application" means the date of the U.S. Post Office postmark, fax, or electronic transmittal, or when the application is hand delivered to the department. The statute in effect on the "date of application" will determine the program criteria the applicant must satisfy.

(f) When will the department notify approval or disapproval of the deferral application? The department will verify the information contained in the application and approve or disapprove the application within sixty days. If approved, the department will issue a tax deferral certificate. If disapproved, the department will notify the applicant as to the reason(s) for disapproval.

(g) May an applicant request a review of department disapproval of the deferral application? The applicant may seek administrative review of the department's disapproval of an application within thirty days from the date of notice of the disallowance pursuant to the provisions of WAC 458-20-10001 (Appeals). The filing of a petition for review with the department starts a review of departmental action.

(104) What happens after the department approves the deferral application? The department will issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW for an eligible investment project. The department will state on the certificate the amount of tax deferral for which the

recipient is eligible. Recipients must keep track of how much tax is deferred.

For purposes of this section, "recipient" means a person receiving a tax deferral under this program.

(105) How should a tax deferral certificate be used? A tax deferral certificate issued under this program is for the use of the recipient for deferral of sales and use taxes due on each eligible investment project. Deferral is limited only to investment in qualified buildings or qualified machinery and equipment as defined in this section. Thus, sales and use taxes cannot be deferred on items that do not become part of the qualified buildings, machinery, or equipment. In addition, the deferral is not to be used to defer the taxes of the persons with whom the recipient does business, persons the recipient hires, or employees of the recipient.

The certificate holder must provide a copy of the tax deferral certificate to the seller at the time goods or services are purchased. The seller will be relieved of the responsibility for collection of the sales or use tax upon presentation of the certificate. The seller must retain a copy of the certificate as part of its permanent records for a period of at least five years. A blanket certificate may be provided by the certificate holder and accepted by the seller covering all such purchases relative to the eligible project. The seller is liable for business and occupation tax on all tax deferral sales.

For purposes of this section, "certificate holder" means an applicant to whom a tax deferral certificate has been issued.

(106) What are the processes of an investment project that is certified by the department as operationally complete? An applicant must provide the department with the estimated cost of the investment project at the time the application is made. Following approval of the application and issuance of a tax deferral certificate, a certificate holder must notify the department, in writing, when the value of the investment project reaches the estimated cost as stated on the tax deferral certificate.

For purposes of this section, "operationally complete" means the project is capable of being used for its intended purpose as described in the application.

(a) What should a certificate holder do if its investment project reaches the estimated costs but the project is not yet operationally complete? If a certificate holder has an investment project that has reached its level of estimated costs and the project is not operationally complete, the certificate holder may request an amended certificate stating a revised amount upon which the deferral taxes are requested. Requests must be mailed or faxed to the department.

(b) What should a certificate holder do when its investment project is operationally complete? The certificate holder must notify the department in writing when the construction project is operationally complete. The department will certify the date on which the project is operationally complete. The certificate holder of the deferral must maintain the manufacturing or research and development activity for eight years from this date.

(107) Is a recipient of tax deferral required to submit annual surveys? Each recipient of a tax deferral granted under chapter 82.60 RCW after June 30, 1994, must complete an annual survey. If the economic benefits of the deferral are

passed to a lessee as provided in RCW 82.60.020(4), the lessee must agree to complete the annual survey and the applicant is not required to complete the annual survey. Refer to WAC 458-20-268 (Annual surveys for certain tax adjustments) for more information on the requirements to file annual surveys.

(108) Is a recipient of tax deferral required to repay deferred taxes? Repayment of tax deferred under chapter 82.60 RCW is excused, except as otherwise provided in RCW 82.60.070 and this subsection.

(a) Is repayment required for machinery and equipment exempt under RCW 82.08.02565 or 82.12.02565? Repayment of tax deferred under chapter 82.60 RCW is not required, and interest and penalties under RCW 82.60.070 will not be imposed, on machinery and equipment that qualifies for exemption under RCW 82.08.02565 or 82.12.02565.

(b) When is repayment required? The following subsections describe the various circumstances under which repayment of the deferral may occur. Outstanding taxes are determined by reference to the following table. The table presumes the taxpayer maintained eligibility for the entire year.

Repayment Year	Percentage of Deferred Tax Waived
1 (Year operationally complete)	0%
2	0%
3	0%
4	10%
5	15%
6	20%
7	25%
8	30%

Any action taken by the department to disqualify a recipient for tax deferral or assess interest will be subject to administrative review pursuant to the provisions of WAC 458-20-10001 (Appeals). The filing of a petition for review with the department starts a review of departmental action.

(i) Failure of investment project to satisfy general conditions. If, on the basis of the recipient's annual survey or other information, including that submitted by the employment security department, the department of revenue finds that an investment project is not eligible for tax deferral for reasons other than failure to create the required number of qualified employment positions, the department will declare the amount of deferred taxes outstanding to be immediately due. An example of a disqualification under this section is a facility not being used for a manufacturing or research and development operation. No penalties or interest will be assessed on the deferred sales/use tax; however, all other penalties and interest applicable to excise tax assessments may be assessed and imposed.

(ii) Failure of investment project to satisfy required employment positions conditions. If, on the basis of the recipient's annual survey or other information, the department finds that an investment project has been operationally complete and has failed to create the required number of qualified employment positions under subsection (102)(i) of

this section, the amount of taxes deferred will be immediately due. There is no proration of the amount owed under this subsection. No penalties or interest will be assessed on the deferred sales/use tax; however, all other penalties and interest applicable to excise tax assessments may be assessed and imposed.

(109) When will the tax deferral program expire? No applications for deferral of taxes will be accepted after June 30, 2010.

(110) Is debt extinguishable because of insolvency or sale? Insolvency or other failure of the recipient does not extinguish the debt for deferred taxes nor will the sale, exchange, or other disposition of the recipient's business extinguish the debt for the deferred taxes.

(111) Does transfer of ownership terminate tax deferral? Transfer of ownership does not terminate the deferral. The deferral is transferred, subject to the successor meeting the eligibility requirements of chapter 82.60 RCW, for the remaining periods of the deferral. Any person who becomes a successor (see WAC 458-20-216) to such investment project is liable for the full amount of any unpaid, deferred taxes under the same terms and conditions as the original recipient of the deferral.

PART ((+)) II

Applications from August 1, 1999, to March 31, 2004

((+)) (201) Definitions. The following definitions apply to applications made on and after August 1, 1999, and before April 1, 2004:

(a) "Acquisition of equipment or machinery" means the equipment and machinery is under the dominion and control of the recipient.

(b) "Applicant" means a person applying for a tax deferral under chapter 82.60 RCW.

(c) "Certificate holder" means an applicant to whom a tax deferral certificate has been issued.

(d) "Computer-related services" means activities such as programming for the manufactured product. It includes creating operating systems, software, and other similar goods that will be copied and sold as canned software. "Computer-related services" does not include information services, such as data or information processing. The activities performed by the manufacturer to test, correct, revise, or upgrade software or hardware before they are approved for sale to the consumer are considered computer-related services.

(e) "Date of application" means the date of the U.S. Post Office postmark, fax, or electronic transmittal, or when the application is hand delivered to the department. The statute in effect on the "date of application" will determine the program criteria the applicant must satisfy.

(f) "Department" means the department of revenue.

(g) "Eligible area" means:

(i) Rural county. A rural county is a county with fewer than one hundred persons per square mile as determined annually by the office of financial management and published by the department of revenue effective for the period July 1st through June 30th; or

(ii) Community empowerment zone (CEZ). A "community empowerment zone" means an area meeting the requirements of RCW 43.31C.020 and officially designated as a

CEZ by the director of the department of community, trade, and economic development or a county containing a CEZ.

(h) "Eligible investment project" means an investment project in an eligible area. "Eligible investment project" does not include an investment project undertaken by a light and power business as defined in RCW 82.16.010, other than that portion of a cogeneration project that is used to generate power for consumption within the manufacturing site of which the cogeneration project is an integral part. It also does not include an investment project that has already received a deferral under chapter 82.60 RCW.

(i) "Industrial fixture" means an item attached to a building or to land. Examples of "industrial fixtures" are fuel oil lines, boilers, craneways, and improvements to land such as concrete slabs.

(j) "Initiation of construction," in regards to the construction, expansion, or renovation of buildings, means the commencement of on-site construction work. Neither planning nor land clearing prior to excavation of the building site constitutes the commencement of on-site construction work.

(k) "Investment project" means an investment in qualified buildings or qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction of the project. When an application for sales and use tax deferral is timely submitted, costs incurred before the application date are allowable, if they otherwise qualify.

(l) "Manufacturing" has the meaning given in RCW 82.04.120. Manufacturing also includes computer programming, the production of computer software, and other computer-related services, but only when the computer programming, production of computer software, or other computer-related services are performed by a manufacturer as defined in RCW 82.04.110 and contribute to the production of a new, different, or useful substance or article of tangible personal property for sale; and the activities performed by research and development laboratories and commercial testing laboratories. (Chapter 16, Laws of 2010.)

(m) "Operationally complete" means the project is capable of being used for its intended purpose as described in the application.

(n) "Person" has the meaning given in RCW 82.04.030. "Person" does not include the state of Washington or its institutions. "Person" can be either a lessee or a lessor, who can apply separately for individual investment projects at the same site, if they comply with the other requirements of chapter 82.60 RCW. The lessor/owner of the structure is not eligible for deferral unless the underlying ownership of the buildings, machinery, or equipment vests in the lessor/owner, or unless the lessor has by written contract agreed to pass the economic benefit of the deferral to the lessee in the form of reduced rent payments.

(o) "Qualified buildings" means construction of new structures and expansion or renovation of existing structures for the purpose of increasing floor space or production capacity, used for manufacturing and research and development activities.

"Qualified buildings" are limited to structures used for manufacturing and research and development activities. "Qualified buildings" include plant offices and warehouses if such facilities are essential to or an integral part of a factory,

mill, plant, or laboratory. "Office" means space used by professional, clerical, or administrative staff. For plant office space to be a qualified building its use must be essential or integral to the manufacturing or research and development operation. Office space that is used by supervisors and their staff, by technicians, by payroll staff, by the safety officer, and by the training staff are examples of qualifying office space. "Warehouse" means buildings or facilities used for the storage of raw materials or finished goods.

(p) "Qualified employment position" means a permanent full-time employee employed in the eligible investment project during the entire tax year. The "entire tax year" means the full-time position is filled for a period of twelve consecutive months. Full-time means at least thirty-five hours a week, four hundred fifty-five hours a quarter, or one thousand eight hundred twenty hours a year.

(q) "Qualified machinery and equipment" means all new industrial and research fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing or research and development operation. "Qualified machinery and equipment" includes computers, desks, filing cabinets, photocopiers, printers, software, data processing equipment, laboratory equipment; manufacturing components such as belts, pulleys, shafts and moving parts; molds, tools and dies; operating structures; and all equipment used to control or operate machinery. It also includes machinery and equipment acquired under the terms of a lease by the recipient. "New" as used in this subsection means either new to the taxing jurisdiction of the state or new to the certificate holder.

(r) "Recipient" means a person receiving a tax deferral under this program.

(s) "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun. As used in this subsection, "commercial sales" excludes sales of prototypes or sales for market testing if the total gross receipts from such sales of the product, service, or process do not exceed one million dollars.

(t) "Resident" means the person who fills the qualified employment position makes his or her home in the CEZ. A mailing address alone is insufficient to establish that a person is a resident.

~~((2))~~ (202) **Issuance of deferral certificate.** The department will issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW for an eligible investment project. The department will state on the certificate the amount of tax deferral for which the recipient is eligible. Recipients must keep track of how much tax is deferred.

~~((3))~~ (203) **Eligible investment amount.** There may or may not be a hiring requirement, depending on the location of the project.

(a) **No hiring requirements.** There are no hiring requirements for qualifying projects located in counties with fewer than one hundred persons per square mile. Monitoring and reporting procedures are explained in subsection ~~((4))~~ (210) of this section. Buildings that will be used partly for manufacturing or research and development and partly for other purposes are eligible for a deferral on a proportionate

basis. Subsection ~~((4))~~ (204) of this section explains the procedure for apportionment.

(b) **Hiring requirements.** There are hiring requirements for qualifying projects located in CEZs or in counties containing CEZs. The applicant applies for a deferral of investment that correlates to the estimated number of persons to be hired based on the following formula:

$$\text{Number of qualified employment positions to be hired} \times \$750,000 = \text{amount of investment eligible for deferral}$$

Applicants must make good faith estimates of anticipated hiring. The recipient must fill the positions by persons who at the time of hire are residents of the CEZ. The department has instituted a geographic information system (GIS) to assist taxpayers in determining taxing jurisdiction boundaries, local tax rates, and a mapping and address lookup system to determine whether a specific address is within a CEZ. The system is available on the department's internet web site at <http://www.dor.wa.gov>. A recipient must fill the qualified employment positions by the end of the calendar year following the year in which the project is certified as operationally complete and retain the position during the entire tax year. If the recipient does not fill the qualified employment positions by the end of the second calendar year following the year in which the project is certified as operationally complete, all deferred taxes are immediately due.

~~((4))~~ (204) **Apportionment of costs between qualifying and nonqualifying investments.** The deferral is allowable only in respect to investment in the construction of a new building or the expansion or renovation of existing buildings used in manufacturing, research and development, or commercial testing laboratories.

(a) Where a building(s) is used partly for manufacturing or research and development and partly for purposes that do not qualify for deferral under this rule, the deferral will be determined by one of the following apportionment methods. The first method of apportionment is based on square footage and does not require tracking the costs of materials for the qualifying/nonqualifying areas of a building. The second method of apportionment tracks the costs of materials used in the qualifying/nonqualifying areas and is primarily used by those industries with specialized building requirements.

(i) The applicable tax deferral will be determined by apportionment according to the ratio of the square footage of that portion of the building(s) directly used for manufacturing or research and development purposes bears to the square footage of the total building(s).

Apportionment formula:

$$\frac{\text{Eligible square feet of building(s)}}{\text{Total square feet of building(s)}} = \text{Percent Eligible}$$

$$\text{Percent Eligible} \times \text{Total Project Costs} = \text{Eligible Costs.}$$

"Total Project Costs" means cost of multipurpose buildings and other improvement costs associated with the deferral project. Machinery and equipment are not included in this calculation. Common areas, such as hallways and bathrooms, are not included in the square feet figure for either the numerator or the denominator. The cost of the common areas

is multiplied by the percent eligible to determine the portion of the common area that is eligible for deferral.

Eligible Tax Deferred = Eligible Cost x Tax Rate.

(ii) If a building is used partly for manufacturing, research and development, or commercial testing and partly for other purposes, the applicable tax deferral shall be determined as follows:

(A) Tax on the cost of construction of areas devoted solely to manufacturing, research and development, or commercial testing may be deferred.

(B) Tax on the cost of construction of areas not used at all for manufacturing, research and development, or commercial testing may not be deferred.

(C) Tax on the cost of construction of areas used in common for manufacturing, research and development, or commercial testing and for other purposes, such as hallways, bathrooms, and conference rooms, may be deferred by apportioning the costs of construction on a square footage basis. The apportioned costs of construction eligible for deferral are established by using the ratio, expressed as a percentage, of the square feet of the construction, expansion, or renovation devoted to manufacturing, research and development, or commercial testing, excluding areas used in common to the total square feet of the construction, expansion, or renovation, excluding areas used in common. That percentage is applied to the cost of construction of the common areas to determine the costs of construction eligible for tax deferral. Expressed as a formula, apportionment of the cost of the common areas is determined by:

Square feet devoted to manufacturing, research and development, or commercial testing, excluding square feet of common areas	=	Percentage of total cost of construction of common areas eligible for deferral
Total square feet, excluding square feet of common areas		

(b) Qualified machinery and equipment is not subject to apportionment.

~~((5))~~ **(205) Leased equipment.** The amount of tax deferral allowable for leased equipment is the amount of the consideration paid by the recipient to the lessor over the initial term of the lease, excluding any period of extension or option to renew, up to the last date for repayment of the deferred taxes. After that date the recipient must pay the appropriate sales taxes to the lessor for the remaining term of the lease.

~~((6))~~ **(206) Application procedure and review process.** An application for sales and use tax deferral under this program must be made prior to the initiation of construction, prior to the acquisition of machinery and equipment, and prior to the filling of qualified employment positions. Persons who apply after construction is initiated or finished or after acquisition of machinery and equipment are not eligible for the program. Applications for persons subject to hiring requirements must include information regarding the estimated total project cost and the qualified employment positions.

(a) Application forms will be supplied to the applicant by the department upon request. The completed application may

be sent by fax to 360-586-2163 or mailed to the following address:

State of Washington
 Department of Revenue
 Special Programs
 P.O. Box 47477
 Olympia, WA 98504-7477

Applications and reports received by the department under chapter 82.60 RCW are not confidential and are subject to disclosure. (RCW 82.60.100.)

(b) In considering whether to approve or deny an application for a deferral, the department will not approve an application for a project involving construction unless:

(i) The construction will begin within one year from the date of the application; or

(ii) If the construction will not begin within one year of application, the applicant shows proof that there is a specific and active program to begin construction of the project within two years from the date of application. Proof may include, but is not limited to:

(A) Affirmative action by the board of directors, governing body, or other responsible authority of the applicant toward an active program of construction;

(B) Itemized reasons for the proposed construction;

(C) Clearly established plans for financing the construction; or

(D) Building permits.

Similarly, after an application has been granted, a deferral certificate is no longer valid and should not be used if construction has not begun within one year from the date of application or there is not a specific and active program to begin construction within two years from the date of application. However, the department will grant requests to extend the period for which the certificate is valid if the holder of the certificate can demonstrate that the delay in starting construction is due to circumstances beyond the certificate holder's control such as the acquisition of building permit(s).

(c) The department will verify the information contained in the application and approve or disapprove the application within sixty days. If approved, the department will issue a tax deferral certificate. If disapproved, the department will notify the applicant as to the reason(s) for disapproval.

(d) The applicant may seek administrative review of the department's disapproval of an application within thirty days from the date of notice of the disallowance pursuant to the provisions of WAC 458-20-100, appeals, small claims and settlements. The filing of a petition for review with the department starts a review of departmental action.

~~((7))~~ **(207) Eligible area criteria.** The office of financial management will determine annually the counties with fewer than one hundred persons per square mile. The department will update and distribute the list each year. The list will be effective on July 1 of each year.

If an investment project is located in an area that qualifies under more than one type of eligible area, the department will automatically assign the project to the eligible area that imposes the least burden on the taxpayer and with the greatest benefit to the taxpayer. If the applicant elects to be bound by the requirements of the other potential eligible area, the appli-

cant must make a written statement to that effect. For example, on October 1, 1999, the city of Yakima qualifies as a CEZ, and the entire county of Yakima has fewer than one hundred persons per square mile. The CEZ requirements are more restrictive than counties containing fewer than one hundred persons per square mile. The department will assign the project to the "fewer than one hundred persons per square mile designation" unless the applicant elects to be bound by the CEZ requirements.

~~((8))~~ **(208) Use of the certificate.** A tax deferral certificate issued under this program is for the use of the recipient for deferral of sales and use taxes due on each eligible investment project. Deferral is limited only to investment in qualified building or qualified machinery and equipment as defined in Part I. Thus, sales and use taxes cannot be deferred on items that do not become part of the qualified buildings, machinery, or equipment. In addition, the deferral is not to be used to defer the taxes of the persons with whom the recipient does business, persons the recipient hires, or employees of the recipient.

The tax deferral certificate is to be used in a manner similar to that of a resale certificate as set forth in WAC 458-20-102, Resale certificates. The certificate holder must provide a copy of the tax deferral certificate to the seller at the time goods or services are purchased. The seller will be relieved of the responsibility for collection of the sales or use tax upon presentation of the certificate. The seller must retain a copy of the certificate as part of its permanent records for a period of at least five years. A blanket certificate may be provided by the certificate holder and accepted by the seller covering all such purchases relative to the eligible project. The seller is liable for business and occupation tax on all tax deferral sales.

~~((9))~~ **(209) Project operationally complete.** An applicant must provide the department with the estimated cost of the investment project at the time the application is made. Following approval of the application and issuance of a tax deferral certificate, a certificate holder must notify the department, in writing, when the value of the investment project reaches the estimated cost as stated on the tax deferral certificate.

(a) If a certificate holder has reached its level of estimated costs and the project is not operationally complete, the certificate holder may request an amended certificate stating a revised amount upon which the deferral taxes are requested. Requests must be mailed or faxed to the department.

(b) The certificate holder must notify the department in writing when the construction project is operationally complete. The department will certify the date on which the project is operationally complete. The recipient of the deferral must maintain the manufacturing or research and development activity for eight years from this date.

~~((10))~~ **(210) Reporting and monitoring procedure.**

(a) **Requirement to submit annual reports.** Each recipient of a tax deferral under chapter 82.60 RCW must submit a report on December 31st of the year in which the investment project is certified by the department as having been operationally completed and on December 31st of each of the seven succeeding calendar years. The report must be made to the department in a form and manner prescribed by

the department. If the recipient fails to submit a report or submits an inadequate or falsified report, the department may declare the amount of deferred taxes outstanding to be immediately due and payable. An inadequate or falsified report is one that contains material omissions or contains knowingly false statements and information.

(b) **Requirement to submit annual surveys.** Effective April 1, 2004, each recipient of a tax deferral granted under chapter 82.60 RCW after June 30, 1994, must complete an annual survey **instead of an annual report.** If the economic benefits of the deferral are passed to a lessee as provided in RCW 82.60.020(4), the lessee must agree to complete the annual survey and the applicant is not required to complete the annual survey. Refer to WAC 458-20-268 (Annual surveys for certain tax adjustments) for more information on the requirements to file annual surveys.

~~((11))~~ **(211) Repayment of deferred taxes.** Repayment of tax deferred under chapter 82.60 RCW is excused, except as otherwise provided in RCW 82.60.070 and this subsection.

(a) Repayment of tax deferred under chapter 82.60 RCW is not required, and interest and penalties under RCW 82.60.070 will not be imposed, on machinery and equipment that qualifies for exemption under RCW 82.08.02565 or 82.12.02565.

(b) The following subsections describe the various circumstances under which repayment of the deferral may occur. Outstanding taxes are determined by reference to the following table. The table presumes the taxpayer maintained eligibility for the entire year.

Repayment Year	Percentage of Deferred Tax Waived
1 (Year operationally complete)	0%
2	0%
3	0%
4	10%
5	15%
6	20%
7	25%
8	30%

Any action taken by the department to disqualify a recipient for tax deferral or assess interest will be subject to administrative review pursuant to the provisions of WAC 458-20-100, appeals, small claims and settlements. The filing of a petition for review with the department starts a review of departmental action.

(c) **Failure of investment project to satisfy general conditions.** If, on the basis of the recipient's annual report or other information, including that submitted by the employment security department, the department of revenue finds that an investment project is not eligible for tax deferral for reasons other than failure to create the required number of qualified employment positions, the department will declare the amount of deferred taxes outstanding to be immediately due. An example of a disqualification under this section is a facility not being used for a manufacturing or research and development operation.

(d) **Failure of investment project to satisfy required employment positions conditions.** If, on the basis of the recipient's annual report or other information, the department finds that an investment project has been operationally complete and has failed to create the required number of qualified employment positions, the amount of taxes deferred will be immediately due. There is no proration of the amount owed under this subsection. No penalties or interest will be assessed on the deferred sales/use tax; however, all other penalties and interest applicable to excise tax assessments may be assessed and imposed.

~~((12))~~ **(212) Debt not extinguished because of insolvency or sale.** Insolvency or other failure of the recipient does not extinguish the debt for deferred taxes nor will the sale, exchange, or other disposition of the recipient's business extinguish the debt for the deferred taxes. Transfer of ownership does not terminate the deferral. The deferral is transferred, subject to the successor meeting the eligibility requirements of chapter 82.60 RCW, for the remaining periods of the deferral. Any person who becomes a successor (see WAC 458-20-216) to such investment project is liable for the full amount of any unpaid, deferred taxes under the same terms and conditions as the original recipient of the deferral.

~~((13))~~ **(213) Disclosure of information.** Applications and reports received by the department under chapter 82.60 RCW are not confidential and are subject to disclosure. (RCW 82.60.100.) Effective April 1, 2004, all information collected in annual surveys, except the amount of tax deferral taken, is confidential and not subject to disclosure. Information on the amount of tax deferral taken in annual surveys is not confidential and may be disclosed to the public upon request.

PART ~~((#))~~ III

Applications from July 1, 1995, to July 31, 1999

~~((14))~~ **(301) Definitions.** For the purposes of this part, the following definitions apply for applications made on and after July 1, 1995, and before August 1, 1999:

(a) "Acquisition of equipment or machinery" means the equipment and machinery is under the dominion and control of the recipient.

(b) "Applicant" means a person applying for a tax deferral under chapter 82.60 RCW.

(c) "Certificate holder" means an applicant to whom a tax deferral certificate has been issued.

(d) "Computer-related services" means services that are connected or interact directly in the manufacture of computer hardware or software or the programming of the manufactured hardware. This includes the manufacture of hardware such as chips, keyboards, monitors, any other hardware, and the components of these items. It includes creating operating systems and software that will be copied and sold as canned software. "Computer-related services" does not include information services. The activities performed by the manufacturer to test, correct, revise, or upgrade software or hardware before they are approved for sale to the consumer are considered computer-related services.

(e) "Department" means the department of revenue.

(f) "Eligible area" means one of the areas designated according to the following classifications:

(i) Unemployment county. A county in which the average level of unemployment for the three calendar years preceding the year in which an application is filed exceeds the average state unemployment for those years by twenty percent. In making this calculation, the department will compare the county's average unemployment rate in the prior three years to one hundred twenty percent of the state's average unemployment rate based on official unemployment figures published by the department of employment security;

(ii) Median income county. On and after June 6, 1996, a county that has a median household income that is less than seventy-five percent of the state median income for the previous three years;

(iii) MSA. A metropolitan statistical area, as defined by the Office of Federal Statistical Policy and Standards, United States Department of Commerce, in which the average level of unemployment for the calendar year immediately preceding the year in which an application is filed under chapter 82.60 RCW exceeds the average state unemployment for such calendar year by twenty percent;

(iv) CEZ and county containing a CEZ. A designated community empowerment zone (CEZ) approved under RCW 43.63A.700 or a county containing such a community empowerment zone;

(v) Timber impact area towns. A town with a population of less than twelve hundred persons that is located in a county that is a timber impact area, as defined in RCW 43.31.601, but that is not an unemployment county as defined in Part I;

(vi) Governor's designation county. A county designated by the governor as an eligible area under RCW 82.60.047; or

(vii) Contiguous county. A county that is contiguous to an unemployment county or a governor's designation county.

(g)(i) "Eligible investment project" means:

(A) An investment project in an unemployment county, a median income county, an MSA, a timber impact area town, or a governor's designation county; or

(B) That portion of an investment project in a CEZ, a county containing a CEZ, or a contiguous county, that is directly utilized to create at least one new full-time qualified employment position for each seven hundred fifty thousand dollars of investment.

(ii) "Eligible investment project" does not include an investment project undertaken by a light and power business as defined in RCW 82.16.010, other than that portion of a cogeneration project that is used to generate power for consumption within the manufacturing site of which the cogeneration project is an integral part. It also does not include an investment project that has already received a deferral under chapter 82.60 RCW.

(h) "Industrial fixture" means an item attached to a building or to land. Fixtures become part of the real estate to which they are attached and upon attachment are classified as real property, not personal property. Examples of "industrial fixtures" are fuel oil lines, boilers, craneways, and certain concrete slabs.

(i) "Initiation of construction," in regards to the construction, expansion, or renovation of buildings, means the commencement of on-site construction work. Land clearing prior to excavation of the building site does not commence construction nor does planning commence construction.

(j) "Investment project" means an investment in qualified buildings or qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction of the project. When an application for sales and use tax deferral is timely submitted, costs incurred before the application date are allowable, if they otherwise qualify.

(k) "Manufacturing" has the meaning given in RCW 82.04.120. Manufacturing, for purposes of the distressed area deferral program, also includes computer programming, the production of computer software, and other computer-related services, but only when the computer programming, production of computer software, or other computer-related services are performed by a manufacturer as defined under RCW 82.04.110 and contribute to the production of a new, different, or useful substance or article of tangible personal property for sale; and the activities performed by research and development laboratories and commercial testing laboratories. (Chapter 16, Laws of 2010.)

(l) "Operationally complete" means the project is capable of being used for its intended purpose as described in the application.

(m) "Person" has the meaning given in RCW 82.04.030. "Person" does not include the state of Washington or its institutions. "Person" can be either a lessee or a lessor, who can apply separately for individual investment projects at the same site, if they comply with the other requirements of chapter 82.60 RCW. The lessor/owner of the structure is not eligible for deferral unless the underlying ownership of the buildings, machinery, or equipment vests exclusively in the lessor/owner, or unless the lessor has by written contract agreed to pass the economic benefit of the deferral to the lessee in the form of reduced rent payments.

(n) "Qualified buildings" means construction of new structures, and expansion or renovation of existing structures for the purpose of increasing floor space or production capacity, used for manufacturing and research and development activities.

"Qualified buildings" are limited to structures used for manufacturing and research and development activities. "Qualified buildings" include plant offices and warehouses if such facilities are essential or an integral part of a factory, mill, plant, or laboratory. "Office" means space used by professional, clerical, or administrative staff. For plant office space to be a qualified building its use must be essential or integral to the manufacturing or research and development operation. Office space that is used by supervisors and their staff, by technicians, by payroll staff, by the safety officer, and by the training staff are examples of qualifying office space. "Warehouse" means facilities used for the storage of raw materials or finished goods.

(o) "Qualified employment position" means a permanent full-time employee employed in the eligible investment project during the entire tax year. The "entire tax year" means the full-time position is filled for a period of twelve consecutive months. "Full time" means at least 35 hours a week, 455 hours a quarter, or 1,820 hours a year.

(p) "Qualified machinery and equipment" means all new industrial and research fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing or research and development operation. "Qualified

machinery and equipment" includes computers, desks, filing cabinets, photocopiers, printers, software, data processing equipment, laboratory equipment; manufacturing components such as belts, pulleys, shafts and moving parts; molds, tools and dies; operating structures; and all equipment used to control or operate machinery. It also includes machinery and equipment acquired under the terms of a lease by the recipient. "New" as used in this subsection means either new to the taxing jurisdiction of the state or new to the certificate holder.

(q) "Recipient" means a person receiving a tax deferral under this program.

(r) "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun. As used in this subsection, "commercial sales" excludes sales of prototypes or sales for market testing if the total gross receipts from such sales of the product, service, or process do not exceed one million dollars.

~~((15))~~ (302) **Issuance of deferral certificate.** The department will issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW for an eligible investment project. The department will state on the certificate the amount of tax deferral for which the recipient is eligible. Recipients must keep track of how much tax is deferred.

~~((16))~~ (303) **Eligible investment amount.** There may or may not be a hiring requirement, depending on the location of the project.

(a) **No hiring requirements.** There are no hiring requirements for qualifying projects located in distressed counties, MSAs, median income counties, governor-designated counties, or timber impact towns. Monitoring and reporting procedures are explained in subsection ~~((23))~~ (310) of this section. Buildings that will be used partly for manufacturing or research and development and partly for other purposes are eligible for a deferral on a proportionate basis. Subsection ~~((17))~~ (304) of this section explains the procedure for apportionment.

(b) **Hiring requirements.** There are hiring requirements for qualifying projects located in CEZs, in counties containing CEZs, or in contiguous counties. Total qualifying project costs, including any part of the project that would qualify under RCW 82.08.02565 and 82.12.02565, must be examined to determine the number of positions associated with the project. An applicant who knows at the time of application that he or she will not fill the required qualified employment positions is not eligible for the deferral. Applicants must make good faith estimates of anticipated hiring. The applicant applies for a deferral of investment that correlates to the estimated number of persons to be hired. The investment must include the sales price of machinery and equipment eligible for the sales and use tax exemption under RCW 82.08.02565 and 82.12.02565. An applicant can amend the number of persons hired until completion of the project. The qualified employment positions filled by December 31 of the year of completion are the benchmark to be used during the next seven years in determining hiring compliance.

(i) Total qualifying project costs are divided by seven hundred fifty thousand, the result being the qualified employment positions.

(ii) In addition, the number of qualified employment positions created by an investment project will be reduced by the number of full-time employment positions maintained by the recipient in any other community in this state that are displaced as a result of the investment project. This reduction requires a reexamination of whether the seventy-five percent hiring requirement (as explained below) is met.

(iii) This number, which is the result of (i) and (ii) of this subsection, is the number of positions used as the benchmark over the life of the deferral. For recipients locating in a CEZ or a county containing a CEZ, seventy-five percent of the new positions must be filled by residents of a CEZ located in the county where the project is located. The department has instituted a geographic information system (GIS) to assist taxpayers in determining taxing jurisdiction boundaries, local tax rates, and a mapping and address lookup system to determine whether a specific address is within a CEZ. The system is available on the department's internet web site at <http://www.dor.wa.gov>. For recipients located in a contiguous county, residents of an adjacent unemployment or governor-designated county must fill seventy-five percent of the new positions.

(iv) The qualified employment positions are reviewed each year, beginning December 31st of the year the project is operationally complete and each year for seven years. If the recipient has failed to create the requisite number of positions, the department will issue an assessment as explained under subsection ~~((24))~~ (311) of this section.

(v) In addition to the hiring requirements for new positions under (b) of this subsection, the recipient of a deferral for an expansion or diversification of an existing facility must ensure that he or she maintains the same percentage of employment positions filled by residents of the contiguous county or the CEZ that existed prior to the application being made. This percentage must be maintained for seven years.

(vi) Qualified employment positions do not include those positions filled by persons hired in excess of the ratio of one employee per required dollar of investment for which a deferral is granted. In the event an employee is either voluntarily or involuntarily separated from employment, the employment position will be considered filled if the employer is either training or actively recruiting a replacement employee, so long as the position is not actually vacant for any period in excess of thirty consecutive days.

~~((17))~~ (304) **Apportionment of costs between qualifying and nonqualifying investments.** The deferral is allowable only in respect to investment in the construction of a new building or the expansion or renovation of existing buildings used in manufacturing, research and development, or commercial testing.

(a) Where a building(s) is used partly for manufacturing, research and development, or commercial testing and partly for purposes that do not qualify for deferral under this rule, the deferral will be determined by apportionment of the total project costs. The applicable tax deferral will be determined by apportionment according to the ratio of the square footage of that portion of the building(s) directly used for manufacturing, research and development, or commercial testing purposes bears to the square footage of the total building(s).

Apportionment formula:

$$\frac{\text{Eligible square feet of building(s)}}{\text{Total square feet of building(s)}} = \text{Percent Eligible}$$

Percent Eligible x Total Project Costs = Eligible Costs.

"Total Project Costs" means cost of multipurpose buildings and other improvement costs associated with the deferral project. Machinery and equipment are not included in this calculation. Common areas, such as hallways and bathrooms, are not included in the square feet figure for either the numerator or the denominator. The cost of the common areas is multiplied by the percent eligible to determine the portion of the common area that is eligible for deferral.

Eligible Tax Deferred = Eligible Cost x Tax Rate.

(b) Qualified machinery and equipment is not subject to apportionment.

~~((18))~~ (305) **Leased equipment.** The amount of tax deferral allowable for leased equipment is the amount of the consideration paid by the recipient to the lessor over the initial term of the lease, excluding any period of extension or option to renew, up to the last date for repayment of the deferred taxes. After that date the recipient must pay the appropriate sales taxes to the lessor for the remaining term of the lease.

~~((19))~~ (306) **Application procedure and review process.** An application for sales and use tax deferral under this program must be made prior to the initiation of construction and the acquisition of machinery and equipment. Persons who apply after construction is initiated or after acquisition of machinery and equipment are not eligible for the program. Applications for persons subject to hiring requirements must include information regarding the estimated total project cost and the qualified employment positions.

(a) Application forms will be supplied to the applicant by the department upon request. The completed application may be sent by fax to 360-586-2163 or mailed to the following address:

State of Washington
Department of Revenue
Special Programs
P.O. Box 47477
Olympia, WA 98504-7477

(b) The department will verify the information contained in the application and approve or disapprove the application within sixty days. If approved, the department will issue a tax deferral certificate. If disapproved, the department will notify the applicant as to the reason(s) for disapproval. The U.S. Post Office postmark or fax date will be used as the date of application.

(c) The applicant may seek administrative review of the department's disapproval of an application within thirty days from the date of notice of disallowance pursuant to the provisions of WAC 458-20-100, appeals, small claims and settlements. The filing of a petition for review with the department starts a review of departmental action.

~~((20))~~ (307) **Eligible area criteria.** The statewide and county unemployment statistics last published by the depart-

ment will be used to determine eligible areas based on unemployment. Median income county designation is based on data produced by the office of financial management and made available to the department on November 1 of each year. The timber impact town designation is based on information provided by the department of employment security.

If an investment project is located in an area that qualifies under more than one type of eligible area, the department will automatically assign the project to the eligible area that imposes the least burden on the taxpayer and with the greatest benefit to the taxpayer. If the applicant elects to be bound by the requirements of the other potential eligible area, the applicant must make a written statement to that effect. For example, on May 1, 1998, the city of Yakima qualifies as a CEZ, and the entire county of Yakima qualifies as an unemployment county. The CEZ requirements are more restrictive than the unemployment county requirements. The department will assign the project to the distressed area eligible area unless the applicant elected to be bound by the CEZ requirements.

~~((21))~~ **(308) Use of the certificate.** A tax deferral certificate issued under this program is for the use of the recipient for deferral of sales and use taxes due on each eligible investment project. Deferral is limited only to investment in qualified building or qualified machinery and equipment as defined in ~~((this Part H))~~ **subsection (301) of this section.** Thus, sales and use taxes cannot be deferred on items that do not become part of the qualified buildings, machinery, or equipment. In addition, the deferral is not to be used to defer the taxes of the persons with whom the recipient does business, persons the recipient hires, or employees of the recipient.

The tax deferral certificate is used in a manner similar to that of a resale certificate as set forth in WAC 458-20-102, Resale certificates. The certificate holder must provide a copy of the tax deferral certificate to the seller at the time goods or services are purchased. The seller is relieved of the responsibility for collection of the sales or use tax upon presentation of the certificate. The seller must retain a copy of the certificate as part of its permanent records for a period of at least five years. A blanket certificate may be provided by the certificate holder and accepted by the seller covering all such purchases relative to the eligible project. The seller is liable for business and occupation tax on all tax deferral sales.

~~((22))~~ **(309) Project operationally complete.** An applicant must provide the department with the estimated cost of the investment project at the time the application is made. Following approval of the application and issuance of a deferral certificate, a certificate holder must notify the department, in writing, when the value of the investment project reaches the estimated cost as stated on the tax deferral certificate.

(a) If a certificate holder has reached its level of estimated costs and the project is not operationally complete, the certificate holder may request an amended certificate stating a revised amount upon which the deferral is requested. Requests must be mailed or faxed to the department.

(b) The certificate holder must notify the department in writing when the construction project is operationally complete. The department will certify the date on which the proj-

ect was operationally complete. The recipient of the deferral must maintain the manufacturing or research and development activity for eight years from this date.

~~((23))~~ **(310) Reporting and monitoring procedure.**

(a) Requirement to submit annual reports. Each recipient of a deferral granted after July 1, 1995, must submit a report to the department on December 31st of the year in which the investment project is certified by the department as having been operationally completed, and on December 31st of each of the seven succeeding calendar years. The report must be made to the department in a form and manner prescribed by the department. The report must contain information regarding the actual employment related to the project and any other information required by the department. If the recipient fails to submit a report or submits an inadequate or falsified report, the department may declare the amount of deferred taxes outstanding to be immediately due and payable. An inadequate or falsified report is one that contains material omissions or contains knowingly false statements and information.

(b) **Requirement to submit annual surveys.** Effective April 1, 2004, each recipient of a tax deferral granted under chapter 82.60 RCW after June 30, 1994, must complete an annual survey **instead of an annual report.** If the economic benefits of the deferral are passed to a lessee as provided in RCW 82.60.020(4), the lessee must agree to complete the annual survey and the applicant is not required to complete the annual survey. Refer to WAC 458-20-268 (Annual surveys for certain tax adjustments) for more information on the requirements to file annual surveys.

~~((24))~~ **(311) Repayment of deferred taxes.** Repayment of tax deferred under chapter 82.60 RCW is excused, except as otherwise provided in RCW 82.60.070 and this subsection, on an investment project for which a deferral has been granted under chapter 82.60 RCW after June 30, 1994.

(a) Taxes deferred under this chapter need not be repaid on machinery and equipment for lumber and wood product industries, and sales of or charges made for labor and services, of the type which qualified for exemption under RCW 82.08.02565 or 82.12.02565.

(b) The following describes the various circumstances under which repayment of the deferral may be required. Outstanding taxes are determined by reference to the following table. The table presumes the taxpayer maintained eligibility for the entire year.

Repayment Year	Percentage of Deferred Tax Waived
1 (Year operationally complete)	0%
2	0%
3	0%
4	10%
5	15%
6	20%
7	25%
8	30%

Any action taken by the department to disqualify a recipient for tax deferral or require payment of all or part of deferred taxes is subject to administrative review pursuant to

the provisions of WAC 458-20-100, appeals, small claims and settlements. The filing of a petition for review with the department starts a review of departmental action. See subsection (24)(d) of this section for repayment and waiver for deferrals with hiring requirements.

(c) **Failure of investment project to satisfy general conditions.** If, on the basis of the recipient's annual report or other information, including that submitted by the department of employment security, the department finds that an investment project is not eligible for tax deferral for reasons other than failure to create the required number of qualified employment positions, the department will declare the amount of deferred taxes outstanding to be immediately due. For example, a reason for disqualification would be that the facilities are not used for a manufacturing or research and development operation.

(d) **Failure of investment project to satisfy required employment positions conditions.** If, on the basis of the recipient's annual report or other information, the department finds that an investment project has been operationally complete for three years and has failed to create the required number of qualified employment positions, the amount of taxes deferred will be immediately due. The department will assess interest at the rate and as provided for delinquent excise taxes under RCW 82.32.050 (retroactively to the date the application was filed). There is no proration of the amount owed under this subsection. No penalties will be assessed.

(e) **Failure of investment project to satisfy employee residency requirements.** If, on the basis of the recipient's annual report or other information, the department finds that an investment project under RCW 82.60.040 (1)(b) or (c) has failed to comply with any requirement of RCW 82.60.045 for any calendar year for which reports are required under this subsection, twelve and one-half percent of the amount of deferred taxes will be immediately due. For each year a deferral's requirements are met twelve and one-half percent of the amount of deferred taxes will be waived. The department will assess interest at the rate provided for delinquent excise taxes under RCW 82.32.050, retroactively to the date the application was filed. Each year the employment requirement is met, twelve and one-half percent of the deferred tax will be waived, if all other program requirements are met. No penalties will be assessed.

(f) The department of employment security makes and certifies to the department all determinations of employment and wages required under this subsection.

~~((25))~~ **(312) Debt not extinguished because of insolvency or sale.** Insolvency or other failure of the recipient does not extinguish the debt for deferred taxes nor will the sale, exchange, or other disposition of the recipient's business extinguish the debt for the deferred taxes. Transfer of ownership does not terminate the deferral. The deferral is transferred, subject to the successor meeting the eligibility requirements of this chapter, for the remaining periods of the deferral. Any person who becomes a successor (see WAC 458-20-216) to such investment project is liable for the full amount of any unpaid, deferred taxes under the same terms and conditions as the original recipient.

~~((26))~~ **(313) Disclosure of information.** Applications and reports received by the department under chapter 82.60

RCW are not confidential and are subject to disclosure. (RCW 82.60.100.) Effective April 1, 2004, all information collected in annual surveys, except the amount of tax deferral taken, is confidential and not subject to disclosure. Information on the amount of tax deferral taken in annual surveys is not confidential and may be disclosed to the public upon request.

PART ~~((#))~~ **IV**

Applications from July 1, 1994, to June 30, 1995

~~((27))~~ **(401) Definitions.** For the purposes of this part, the following definitions apply for applications made on and after July 1, 1994, and before July 1, 1995.

(a) "Acquisition of equipment or machinery" means the date the equipment and machinery is under the dominion and control of the recipient.

(b) "Applicant" means a person applying for a tax deferral under chapter 82.60 RCW.

(c) "Certificate holder" means an applicant to whom a tax deferral certificate has been issued.

(d) "Computer-related services" means services that are connected or interact directly in the manufacture of computer hardware or software or the programming of the manufactured hardware. This includes the manufacture of hardware such as chips, keyboards, monitors, any other hardware, and the components of these items. It includes creating operating systems and software that will be copied and sold as canned software. "Computer-related services" does not include information services. The activities performed by the manufacturer to test, correct, revise, and upgrade software or hardware before they are approved for sale to the consumer are considered computer-related services in this instance.

(e) "Department" means the department of revenue.

(f) "Eligible area" means:

(i) Unemployment county. A county in which the average level of unemployment for the three calendar years preceding the year in which an application is filed exceeds the average state unemployment for those years by twenty percent. The department may compare the county's average unemployment rate in the prior three years to one hundred twenty percent of the state's average unemployment rate based on official unemployment figures published by the department of employment security;

(ii) MSA. A metropolitan statistical area, as defined by the Office of Federal Statistical Policy and Standards, United States Department of Commerce, in which the average level of unemployment for the calendar year immediately preceding the year in which an application is filed under chapter 82.60 RCW exceeds the average state unemployment for such calendar year by twenty percent;

(iii) CEZ. A designated community empowerment zone approved under RCW 43.63A.700;

(iv) Timber impact area towns. A town with a population of less than twelve hundred persons that is located in a county that is a timber impact area, as defined in RCW 43.31.601, but that is not an unemployment county as defined in this subsection;

(v) Contiguous county. A county that is contiguous to an unemployment county or a governor's designation county; or

(vi) Governor's designation county. A county designated by the governor as an eligible area under RCW 82.60.047.

(g)(i) "Eligible investment project" means that portion of an investment project which:

(A) Is directly utilized to create at least one new full-time qualified employment position for each seven hundred fifty thousand dollars of investment on which a deferral is requested; and

(B) Either initiates a new operation, or expands or diversifies a current operation by expanding, equipping, or renovating an existing facility with costs in excess of twenty-five percent of the true and fair value of the facility prior to improvement. "Improvement" means the physical alteration by significant expansion, modernization, or renovation of an existing facility, excluding land, where the cost of such expansion, etc., exceeds twenty-five percent of the true and fair value of the existing facility prior to the initiation of the expansion or renovation. The term "improvement" is further defined to include those portions of an existing facility which do not increase the usable floor space, but is limited to the renovation, modernization, or any other form of alteration or addition and the equipment and machinery installed therein during the course of construction. The twenty-five percent test may be satisfied by considering the value of both the building and machinery and equipment; however, at least forty percent of the total renovation costs must be attributable to the physical renovation of the building structure alone. "True and fair value" means the value listed on the assessment roles as determined by the county assessor for the buildings or equipment for ad valorem property tax purposes at the time of application.

(ii) "Eligible investment project" does not include either an investment project undertaken by a light and power business as defined in RCW 82.16.010, other than cogeneration projects that are both an integral part of a manufacturing facility and owned at least fifty percent by the manufacturer, or investment projects that have already received deferrals under chapter 82.60 RCW.

(h) "Industrial fixture" means an item attached to a building or to land. Fixtures become part of the real estate to which they are attached and upon attachment are classified as real property, not personal property. Examples of "industrial fixtures" are fuel oil lines, boilers, craneways, and certain concrete slabs.

(i) "Initiation of construction," in regards to the construction of new buildings, means the commencement of on-site construction work.

(j) "Initiation of construction," in regards to the construction of expanding or renovating existing structures for the purpose of increasing floor space or production capacity used for manufacturing and research and development, means the commencement of the new construction by renovation, modernization, or expansion, by physical alteration.

(k) "Investment project" means an investment in qualified buildings or qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction of the project. A person who does not build or remodel his or her own building, but leases from a third party, is eligible for sales and use tax deferral on the machinery and equipment provided that an investment in qualified

machinery and equipment is made by such person and a new structure used to house the manufacturing activities is constructed.

(l) "Manufacturing" has the meaning given in RCW 82.04.120. Manufacturing, for purposes of the distressed area deferral program, also includes computer programming, the production of computer software, and other computer-related services, but only when the computer programming, production of computer software, or other computer-related services are performed by a manufacturer as defined in RCW 82.04.-110 and contribute to the production of a new, different, or useful substance or article of tangible personal property for sale; and the activities performed by research and development laboratories and commercial testing laboratories. (Chapter 16, Laws of 2010.)

(m) "Operationally complete" means the project is capable of being used for its intended purpose as described in the application.

(n) "Person" has the meaning given in RCW 82.04.030. "Person" does not include the state of Washington or its institutions. "Person" can be either a lessee or a lessor, who can apply separately for individual investment projects at the same site, if they comply with the other requirements of chapter 82.60 RCW. The lessor/owner of the structure is not eligible for deferral unless the underlying ownership of the buildings, machinery, or equipment vests exclusively in the lessor/owner, or unless the lessor has by written contract agreed to pass the economic benefit of the deferral to the lessee in the form of reduced rent payments.

(o) "Qualified buildings" are limited to structures used for manufacturing and research and development activities. "Qualified buildings" include plant offices and warehouses if such facilities are essential or an integral part of a factory, mill, plant, or laboratory. "Office" means space used by professional, clerical, or administrative staff. For plant office space to be a qualified building its use must be essential or integral to the manufacturing or research and development operation. Office space that is used by supervisors and their staff, by technicians, by payroll staff, by the safety officer, and by the training staff are examples of qualifying office space. "Warehouse" means facilities used for the storage of raw materials or finished goods.

(p) "Qualified employment position" means a permanent full-time employee employed in the eligible investment project during the entire tax year. The "entire tax year" means the full-time position is filled for a period of twelve consecutive months. "Full time" means at least 35 hours per week, 455 hours a quarter, or 1,820 hours a year.

(q) "Qualified machinery and equipment" means all new industrial and research fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing operation or research and development operation. "Qualified machinery and equipment" includes: Computers, software, data processing equipment, laboratory equipment; manufacturing components such as belts, pulleys, shafts and moving parts; molds, tools and dies; operating structures; and all equipment used to control or operate machinery. It also includes machinery and equipment acquired under the terms of a lease by the recipient. "New" as used in this subsection

means either new to the taxing jurisdiction of the state or new to the certificate holder.

(r) "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun. As used in this subsection, "commercial sales" excludes sales of prototypes or sales for market testing if the total gross receipts from such sales of the product, service, or process do not exceed one million dollars.

(s) "Recipient" means a person receiving a tax deferral under this program.

~~((28))~~ **(402) Issuance of deferral certificate.** The department will issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW for an eligible investment project. The department will state on the certificate the amount of tax deferral for which the recipient is eligible. Recipients must keep track of how much tax is deferred.

~~((29))~~ **(403) Eligible investment amount.**

(a) Projects located in unemployment counties, MSAs, governor-designated counties, or timber impact towns are eligible for a deferral on the portion of the investment project that represents one new qualified employment position for each seven hundred fifty thousand dollars of investment. The eligible amount is computed by dividing the total qualifying project costs by seven hundred fifty thousand, the result being the qualified employment positions. In addition, the number of qualified employment positions created by an investment project will be reduced by the number of full-time employment positions maintained by the recipient in any other community in this state that are displaced as a result of the investment project. This is the number of positions used as the hiring benchmark. The qualified employment positions must be filled by the end of year three. Monitoring and reporting procedures are set forth in subsection ~~((36))~~ **(410)** of this section. In addition, buildings that will be used partly for manufacturing or research and development and partly for other purposes are eligible for a deferral on a proportionate basis. Subsection ~~((30))~~ **(404)** of this section explains the procedure for apportionment.

(b) Projects located in CEZs, counties containing CEZs, or counties contiguous to an eligible county, are eligible for a deferral if the project meets specific hiring requirements. The recipient is eligible for a deferral on the portion of the investment project that represents one new qualified employment position for each seven hundred fifty thousand dollars of investment. The eligible amount is computed by dividing the total qualifying project costs by seven hundred fifty thousand, the result being the qualified employment positions. This is the number of positions used as the hiring benchmark over the life of the deferral. The qualified employment positions are reviewed each year, beginning December 31st of the year the project is operationally complete and each year for seven years. Monitoring and reporting procedures are set forth in subsection ~~((36))~~ **(410)** of this section. In addition, buildings that will be used partly for manufacturing or research and development and partly for other purposes are eligible for a deferral on a proportionate basis. Subsection ~~((30))~~ **(404)** of this section explains the procedure for apportionment.

(c) In addition to the hiring requirements for new positions under (b) of this subsection, the recipient of a deferral for an expansion or diversification of an existing facility must ensure that he or she maintains the same percentage of employment positions filled by residents of the contiguous county or the CEZ that existed prior to the application being made. This percentage must be maintained for seven years. The department has instituted a geographic information system (GIS) to assist taxpayers in determining taxing jurisdiction boundaries, local tax rates, and a mapping and address lookup system to determine whether a specific address is within a CEZ. The system is available on the department's internet web site at <http://www.dor.wa.gov>.

(d) Qualified employment positions does not include those persons hired in excess of the ratio of one employee per required dollar of investment for which a deferral is granted. In the event an employee is either voluntarily or involuntarily separated from employment, the employment position will be considered filled if the employer is either training or actively recruiting a replacement employee so long as the position is not actually vacant for any period in excess of thirty consecutive days.

~~((30))~~ **(404) Apportionment of costs between qualifying and nonqualifying investments.** The deferral is allowable only in respect to investment in the construction of a new building or the expansion or renovation of existing buildings used in manufacturing, research and development.

(a) Where a building(s) is used partly for manufacturing or research and development and partly for purposes which do not qualify for deferral under this rule, the deferral will be determined by apportionment of the total project costs. The applicable tax deferral will be determined by apportionment according to the ratio of the square footage of that portion of the building(s) directly used for manufacturing or research and development purposes bears to the square footage of the total building(s).

Apportionment formula:

$$\frac{\text{Eligible square feet of building(s)}}{\text{Total square feet of building(s)}} = \text{Percent Eligible}$$

$$\text{Percent Eligible} \times \text{Total Project Costs} = \text{Eligible Costs.}$$

"Total Project Costs" means cost of multipurpose buildings and other improvement costs associated with the deferral project. Machinery and equipment are not included in this calculation. Common areas, such as hallways and bathrooms, are not included in the square feet figure for either the numerator or the denominator. The cost of the common areas is multiplied by the percent eligible to determine the portion of the common area that is eligible for deferral.

$$\text{Eligible Tax Deferred} = \text{Eligible Cost} \times \text{Tax Rate.}$$

(b) Qualified machinery and equipment is not subject to apportionment.

~~((31))~~ **(405) Leased equipment.** The amount of tax deferral allowable for leased equipment is the amount of the consideration paid by the recipient to the lessor over the initial term of the lease, excluding any period of extension or option to renew, up to the last date for repayment of the

deferred taxes. After that date the recipient must pay the appropriate sales taxes to the lessor for the remaining term of the lease.

~~((32))~~ **(406) Application procedure and review process.** An application for sales and use tax deferral under this program must be made prior to the initiation of construction and the acquisition of machinery and equipment. Persons who apply after construction is initiated or after acquisition of machinery and equipment are not eligible for the program.

(a) Application forms will be supplied to the applicant by the department upon request. The completed application may be sent by fax to 360-586-2163 or mailed to the following address:

State of Washington
Department of Revenue
Special Programs
P.O. Box 47477
Olympia, WA 98504-7477

(b) The department will verify the information contained in the application and approve or disapprove the application within sixty days. If approved, the department will issue a tax deferral certificate. If disapproved, the department will notify the applicant as to the reason(s) for disapproval. The U.S. Post Office postmark or fax date will be used as the date of application.

(c) The applicant may seek administrative review of the department's disapproval of an application within thirty days from the date of notice of disallowance pursuant to the provisions of WAC 458-20-100, appeals, small claims and settlements. The filing of a petition for review with the department starts a review of departmental action.

~~((33))~~ **(407) Eligible area criteria.** The department will use the statewide and county unemployment statistics as last published by the department. Timber impact town designation is based on information provided by the department of employment security. The department will update the list of eligible areas by county, annually.

~~((34))~~ **(408) Use of the certificate.** A tax deferral certificate issued under this program will be for the use of the recipient for deferral of sales and use taxes due on each eligible investment project. Deferral is limited only to investment in qualified buildings or qualified machinery and equipment as defined in ~~((this Part III))~~ **subsection (401) of this section.** Thus, sales and use taxes cannot be deferred on items that do not become part of the qualified buildings, machinery, or equipment. In addition, the deferral is not to be used to defer the taxes of the persons with whom the recipient does business, persons the recipient hires, or employees of the recipient. The tax deferral certificate is to be used in a manner similar to that of a resale certificate as set forth in WAC 458-20-102, Resale certificates. The certificate holder must provide a copy of the tax deferral certificate to the seller at the time goods or services are purchased. The seller will be relieved of the responsibility for collection of the sales or use tax upon presentation of the certificate. The seller must retain a copy of the certificate as part of its permanent records for a period of at least five years. A blanket certificate may be provided by the certificate holder and accepted by the seller covering all such purchases relative to the eligible project. The seller is

liable for business and occupation tax on all tax deferral sales.

~~((35))~~ **(409) Project operationally complete.** An applicant must provide the department with the estimated cost of the investment project at the time the application is made. Following approval of the application and issuance of a tax deferral certificate, a certificate holder must notify the department, in writing, when the value of the investment project reaches the estimated cost as stated on the tax deferral certificate.

(a) If a certificate holder has reached its level of estimated costs and the project is not operationally complete, the certificate holder may request an amended certificate stating a revised amount upon which the deferral of sales and use taxes is requested. Requests must be mailed or faxed to the department.

(b) The certificate holder must notify the department in writing when the construction project is operationally complete. The department will certify the date on which the project was operationally complete. The recipient of the deferral must maintain the manufacturing or research and development activity for eight years from this date.

(c) The recipient will be notified in writing of the total amount of deferred taxes, the date(s) upon which the deferred taxes must be paid, and any reports required to be submitted in the subsequent years. If the department disallows any portion of the amount of sales and use taxes requested for deferral, the recipient may seek administrative review of the department's action within thirty days from the date of the notice of disallowance pursuant to the provisions of WAC 458-20-100, appeals, small claims and settlements. The filing of a petition for review with the department starts a review of departmental action.

~~((36))~~ **(410) Reporting and monitoring procedure.**

(a) Requirement to submit annual reports. Each recipient of a sales and use tax deferral must submit a report to the department on December 31st of the year in which the investment project is certified by the department as having been operationally completed, and on December 31st of each of the seven succeeding calendar years. The report must be made to the department in a form and manner prescribed by the department. The report must contain information regarding the actual employment related to the project and any other information required by the department. If the recipient fails to submit a report or submits an inadequate or falsified report, the department may declare the amount of deferred taxes outstanding to be immediately due and payable. An inadequate or falsified report is one that contains material omissions or contains knowingly false statements and information.

(b) Requirement to submit annual surveys. Effective April 1, 2004, each recipient of a tax deferral granted under chapter 82.60 RCW after June 30, 1994, must complete an annual survey **instead of an annual report.** If the economic benefits of the deferral are passed to a lessee as provided in RCW 82.60.020(4), the lessee must agree to complete the annual survey and the applicant is not required to complete the annual survey. Refer to WAC 458-20-268 (Annual surveys for certain tax adjustments) for more information on the requirements to file annual surveys.

~~((37))~~ (411) **Repayment of deferred taxes.** Repayment of tax deferred under chapter 82.60 RCW is excused, except as otherwise provided in RCW 82.60.070 and this subsection on an investment project for which a deferral has been granted under chapter 82.60 RCW after June 30, 1994.

(a) The following describes the various circumstances under which repayment of the deferral may be required. Outstanding taxes are determined by reference to the following table. The table presumes the taxpayer maintained eligibility for the entire year. See subsection (c) for repayment and waiver for deferrals with hiring requirements.

Repayment Year	Percentage of Deferred Tax Waived
1 (Year operationally complete)	0%
2	0%
3	0%
4	10%
5	15%
6	20%
7	25%
8	30%

Any action taken by the department to disqualify a recipient for tax deferral or require payment of all or part of deferred taxes is subject to administrative review pursuant to the provisions of WAC 458-20-100, appeals, small claims and settlements. The filing of a petition for review with the department starts a review of departmental action.

(b) **Failure of investment project to satisfy general conditions.** If, on the basis of the recipient's annual report or other information, including that submitted by the department of employment security, the department finds that an investment project is not eligible for tax deferral, other than failure to create the required number of positions, the department will declare the amount of deferred taxes outstanding to be immediately due. For example, a reason for disqualification would be that the facility is not used for manufacturing or research and development operations.

(c) **Failure of investment project to satisfy employment positions conditions.** If, on the basis of the recipient's annual report or other information, the department finds that an investment project has been operationally complete for three years and has failed to create the required number of qualified employment positions, the amount of taxes deferred will be immediately due. The department will assess interest at the rate and as provided for delinquent excise taxes under RCW 82.32.050 (retroactively to the date of deferral). No penalties will be assessed.

(d) **Failure of investment project to satisfy employee residency requirements.** If, on the basis of the recipient's annual report or other information, the department finds that an investment project under RCW 82.60.040 (1)(b) or (c) has failed to comply with the special hiring requirements of RCW 82.60.045 for any calendar year for which reports are required under this subsection, twelve and one-half percent of the amount of deferred taxes will be immediately due. For each year a deferral's requirements are met twelve and one-half percent of the amount of deferred taxes will be waived.

The department will assess interest at the rate provided for delinquent excise taxes under RCW 82.32.050, retroactively to the date of deferral. No penalties will be assessed.

(e) The department of employment security makes and certifies to the department all determinations of employment and wages required under this subsection, per request.

~~((38))~~ (412) **Debt not extinguished because of insolvency or sale.** Insolvency or other failure of the recipient does not extinguish the debt for deferred taxes nor will the sale, exchange, or other disposition of the recipient's business extinguish the debt for the deferred taxes. Transfer of ownership does not terminate the deferral. The deferral is transferred, subject to the successor meeting the eligibility requirements of this chapter, for the remaining periods of the deferral. Any person who becomes a successor (see WAC 458-20-216) to such investment project is liable for the full amount of any unpaid, deferred taxes under the same terms and conditions as the original recipient.

~~((39))~~ (413) **Disclosure of information.** Applications and reports received by the department under chapter 82.60 RCW are not confidential and are subject to disclosure. (RCW 82.60.100.) Effective April 1, 2004, all information collected in annual surveys, except the amount of tax deferral taken, is confidential and not subject to disclosure. Information on the amount of tax deferral taken in annual surveys is not confidential and may be disclosed to the public upon request.

PART ~~((4))~~ V

Applications from July 1, 1992, to June 30, 1994

~~((40))~~ (501) **Definitions.** For the purposes of this part, the following definitions apply for applications made after July 1, 1992, but before July 1, 1994:

(a) "Acquisition of equipment or machinery" means the equipment and machinery is under the dominion and control of the recipient.

(b) "Applicant" means a person applying for a tax deferral under chapter 82.60 RCW.

(c) "Certificate holder" means an applicant to whom a tax deferral certificate has been issued.

(d) "Computer-related services" means services that are connected or interact directly in the manufacture of computer hardware or software or the programming of the manufactured hardware. This includes the manufacture of hardware such as chips, keyboards, monitors, any other hardware, and the components of these items. It includes creating operating systems and software that will be copied and sold as canned software. "Computer-related services" does not include information services. The activities performed by the manufacturer to test, correct, revise, and upgrade software or hardware before they are approved for sale to the consumer are considered computer-related services in this instance.

(e) "Department" means the department of revenue.

(f) "Eligible area" means:

(i) Unemployment county. A county in which the average level of unemployment for the three calendar years preceding the year in which an application is filed exceeds the average state unemployment for those years by twenty percent. The department may compare the county's average unemployment rate in the prior three years to one hundred

twenty percent of the state's average unemployment rate based on official unemployment figures published by the department of employment security;

(ii) MSA. A metropolitan statistical area, as defined by the Office of Federal Statistical Policy and Standards, United States Department of Commerce, in which the average level of unemployment for the calendar year immediately preceding the year in which an application is filed under chapter 82.60 RCW exceeds the average state unemployment for such calendar year by twenty percent; or

(iii) CEZ. Beginning July 1, 1993, a designated community empowerment zone approved under RCW 43.63A.700.

(g)(i) "Eligible investment project" means that portion of an investment project which:

(A) Is directly utilized to create at least one new full-time qualified employment position for each three hundred thousand dollars of investment on which a deferral is requested; and

(B) Either initiates a new operation, or expands or diversifies a current operation by expanding, or renovating an existing building with costs in excess of twenty-five percent of the true and fair value of the plant complex prior to improvement. "Improvement" means the physical alteration by significant expansion, modernization, or renovation of an existing plant complex, excluding land, where the cost of such expansion, etc., exceeds twenty-five percent of the true and fair value of the existing plant complex prior to the initiation of the expansion or renovation. The term "improvement" is further defined to include those portions of an existing building which do not increase the usable floor space, but is limited to the renovation, modernization, or any other form of alteration or addition and the equipment and machinery installed therein during the course of construction. The twenty-five percent test may be satisfied by considering the value of both the building and machinery and equipment; however, at least forty percent of the total renovation costs must be attributable to the physical renovation of the building structure alone. "True and fair value" means the value listed on the assessment rolls as determined by the county assessor for the land, buildings, or equipment for ad valorem property tax purposes at the time of application; or

(C) Acquires machinery and equipment to be used for either manufacturing or research and development. The lessor/owner of the structure is not eligible for a deferral unless the underlying ownership of the buildings, machinery, and equipment vests exclusively in the same person.

(ii) "Eligible investment project" does not include any portion of an investment project undertaken by a light and power business as defined in RCW 82.16.010 or investment projects that have already received deferrals under chapter 82.60 RCW.

(h) "Industrial fixture" means an item attached to a building or to land. Fixtures become part of the real estate to which they are attached and upon attachment are classified as real property, not personal property. Examples of "industrial fixtures" are fuel oil lines, boilers, craneways, and certain concrete slabs.

(i) "Initiation of construction," in regards to the construction of new buildings, means the commencement of on-site construction work.

(j) "Initiation of construction," in regards to the construction of expanding or renovating existing structures for the purpose of increasing floor space or production capacity used for manufacturing and research and development, means the commencement of new construction by renovation, modernization, or expansion, by physical alteration.

(k) "Investment project" means an investment in qualified buildings and qualified machinery and equipment, including labor and services rendered in the planning, installation, and construction of the project.

(l) "Manufacturing" has the meaning given in RCW 82.04.120. Manufacturing, for purposes of the distressed area deferral program, also includes computer programming, the production of computer software, and other computer-related services, but only when the computer programming, production of computer software, or other computer-related services are performed by a manufacturer as defined in RCW 82.04.110 and contribute to the production of a new, different, or useful substance or article of tangible personal property for sale; and the activities performed by research and development laboratories and commercial testing laboratories. (Chapter 16, Laws of 2010.)

(m) "Operationally complete" means the project is capable of being used for its intended purpose as described in the application.

(n) "Person" has the meaning given in RCW 82.04.030. "Person" does not include the state of Washington or its institutions. "Person" can be either a lessee or a lessor, who can apply separately for individual investment projects at the same site, if they comply with the other requirements of this chapter. The lessor/owner of the structure is not eligible for deferral unless the underlying ownership of the buildings, machinery, or equipment vests in the lessor/owner.

(o) "Qualified buildings" are limited to structures used for manufacturing and research and development activities. "Qualified buildings" include plant offices and warehouses if such facilities are essential or an integral part of a factory, mill, plant, or laboratory. "Office" means space used by professional, clerical, or administrative staff. For plant office space to be a qualified building, its use must be essential or integral to the manufacturing or research and development operation. Office space that is used by supervisors and their staff, by technicians, by payroll staff, by the safety officer, and by the training staff are examples of qualifying office space. "Warehouse" means facilities used for the storage of raw materials or finished goods.

(p) "Qualified employment position" means a permanent full-time employee employed in the eligible investment project during the entire tax year. The "entire tax year" means the full-time position is filled for a period of twelve consecutive months. "Full time" means at least 35 hours a week, 455 hours a quarter, or 1,820 hours a year.

(q) "Qualified machinery and equipment" means all new industrial and research fixtures, equipment, and support facilities that are an integral and necessary part of a manufacturing operation or research and development operation. "Qualified machinery and equipment" includes: Computers, software, data processing equipment, laboratory equipment; manufacturing components such as belts, pulleys, shafts and moving parts; molds, tools and dies; operating structures; and

all equipment used to control or operate machinery. It also includes machinery and equipment acquired under the terms of a long- or short-term lease by the recipient. "New" as used in this subsection means either new to the taxing jurisdiction of the state or new to the certificate holder.

(r) "Recipient" means a person receiving a tax deferral under this program.

(s) "Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun. As used in this subsection, "commercial sales" excludes sales of prototypes or sales for market testing if the total gross receipts from such sales of the product, service, or process do not exceed one million dollars.

~~((41))~~ **(502) Issuance of deferral certificate.** The department will issue a sales and use tax deferral certificate for state and local sales and use taxes due under chapters 82.08, 82.12, and 82.14 RCW for an eligible investment project. The department will state on the certificate the amount of tax deferral for which the recipient is eligible. Recipients must keep track of how much deferral is taken.

~~((42))~~ **(503) Eligible investment amount.** Recipients are eligible for a deferral on investment used to create employment positions.

(a) Total qualifying project costs must be examined to determine the number of positions associated with the project. Total qualifying project costs are divided by three hundred thousand, the result being the qualified employment positions. This is the number of positions used as the hiring benchmark at the end of year three. The qualified employment positions are reviewed in the third year, following December 31st of the year the project is operationally complete. If the recipient has failed to create the requisite number of positions, the department will issue an assessment under subsection ~~((50))~~ **(511)** of this section. Buildings that will be used partly for manufacturing or research and development and partly for other purposes are eligible for a deferral on a proportionate basis. Subsection ~~((43))~~ **(504)** of this section explains the procedure for apportionment.

(b) Qualified employment positions does not include those persons hired in excess of the ratio of one employee per required dollar of investment for which a deferral is granted. In the event an employee is either voluntarily or involuntarily separated from employment, the employment position will be considered filled if the employer is either training or actively recruiting a replacement employee so long as the position is not actually vacant for any period in excess of thirty consecutive days.

~~((43))~~ **(504) Apportionment of costs between qualifying and nonqualifying investments.** The deferral is allowable only in respect to investment in the construction of a new building or the expansion or renovation of existing buildings directly used in manufacturing, research and development, or commercial testing laboratories.

(a) Where a building(s) is used partly for manufacturing or research and development, or commercial testing and partly for purposes, which do not qualify for deferral under this rule, the deferral will be determined by apportionment of the total project costs. The applicable tax deferral will be determined by apportionment according to the ratio of the

square footage of that portion of the building(s) directly used for manufacturing or research and development purposes bears to the square footage of the total building(s).

Apportionment formula:

$$\frac{\text{Eligible square feet of building(s)}}{\text{Total square feet of building(s)}} = \text{Percent Eligible}$$

Percent Eligible x Total Project Costs = Eligible Costs.

"Total Project Costs" means cost of multipurpose buildings and other improvement costs associated with the deferral project. Machinery and equipment are not included in this calculation. Common areas, such as hallways and bathrooms, are not included in the square feet figure for either the numerator or the denominator. The cost of the common areas is multiplied by the percent eligible to determine the portion of the common area that is eligible for deferral.

Eligible Tax Deferred = Eligible Cost x Tax Rate.

(b) Qualified machinery and equipment is not subject to apportionment.

~~((44))~~ **(505) Leased equipment.** The amount of tax deferral allowable for leased equipment is the amount of the consideration paid by the recipient to the lessor over the initial term of the lease, excluding any period of extension or option to renew, up to the last date for repayment of the deferred taxes. After that date the recipient must pay the appropriate sales taxes to the lessor for the remaining term of the lease.

~~((45))~~ **(506) Application procedure and review process.** An application for sales and use tax deferral under this program must be made prior to the initiation of construction and the acquisition of equipment or machinery. Persons who apply after construction is initiated or finished or after acquisition of machinery and equipment are not eligible for the program.

(a) Application forms will be supplied to the applicant by the department upon request. The completed application may be sent by fax to 360-586-2163 or mailed to the following address:

State of Washington
Department of Revenue
Special Programs
P.O. Box 47477
Olympia, WA 98504-7477

(b) The department will verify the information contained in the application and either approve or disapprove the application within sixty days. If approved, the department will issue a tax deferral certificate. If disapproved, the department will notify the applicant as to the reason(s) for disapproval. The U.S. Post Office postmark or fax date will be used as the date of application.

(c) The applicant may seek administrative review of the department's refusal to issue a certificate pursuant to the provisions of WAC 458-20-100, appeals, small claims and settlements, within thirty days from the date of notice of the department's refusal, or within any extension of such time

granted by the department. The filing of a petition for review with the department starts a review of departmental action.

~~((46))~~ **(507) Unemployment criteria.** For purposes of making application for tax deferral and of approving such applications, the statewide and county unemployment statistics last published by the department will be used to determine eligible areas. The department will update the list of eligible areas by county, on an annual basis.

~~((47))~~ **(508) Use of the certificate.** A tax deferral certificate issued under this program is for the use of the recipient for deferral of sales and use taxes due on each eligible investment project. Deferral is limited only to investment in qualified buildings or qualified machinery and equipment as defined in ~~((this Part IV))~~ **subsection (501) of this section.** Thus, sales and use taxes cannot be deferred on items that do not become part of the qualified buildings, machinery, or equipment.

The tax deferral certificate is to be used in a manner similar to that of a resale certificate as set forth in WAC 458-20-102, Resale certificates. The certificate holder must provide a copy of the tax deferral certificate to the seller at the time goods or services are purchased. The seller will be relieved of the responsibility for collection of the sales or use tax upon presentation of the certificate. The seller must retain a copy of the certificate as part of its permanent records for a period of at least five years. A blanket certificate may be provided by the certificate holder and accepted by the seller covering all such purchases relative to the eligible project. The seller is liable for business and occupation tax on all tax deferral sales. The deferral certificate is to defer the taxes of the recipient. For example, the deferral is not to be used to defer the taxes of the persons with whom the recipient does business, persons the recipient hires, or employees of the recipient.

~~((48))~~ **(509) Project operationally complete.** An applicant must provide the department with the estimated cost of the investment project at the time the application is made. Following approval of the application and issuance of a tax deferral certificate, a certificate holder must notify the department, in writing, when the value of the investment project reaches the estimated cost as stated on the tax deferral certificate.

(a) If a certificate holder has reached its level of estimated costs and the project is not operationally complete, the certificate holder may request an amended certificate stating a revised amount upon which the deferral of sales and use taxes is requested. Requests must be mailed or faxed to the department.

(b) The certificate holder must notify the department in writing when the construction project is operationally complete. The department will certify the date on which the project was operationally complete. The recipient of the deferral must maintain the manufacturing or research and development activity for eight years from this date.

(c) The recipient will be notified in writing of the total amount of deferred taxes, the date(s) upon which the deferred taxes must be paid, and any reports required to be submitted in the subsequent years. If the department disallows all or any portion of the amount of sales and use taxes requested for deferral, the recipient may seek administrative review of the department's action pursuant to the provisions of WAC 458-

20-100, within thirty days from the date of the notice of disallowance.

~~((49))~~ **(510) Reporting and monitoring procedure.** Requirement to submit annual reports. Each recipient of a sales and use tax deferral must submit a report to the department on December 31st of each year during the repayment period until the tax deferral is repaid. The report must be made to the department in a form and manner prescribed by the department. The report must contain information regarding the actual employment related to the project and any other information required by the department. If the recipient fails to submit a report or submits an inadequate or falsified report, the department may declare the amount of deferred taxes outstanding to be immediately assessed and payable. An inadequate or falsified report is one that contains material omissions or contains knowingly false statements and information.

~~((50))~~ **(511) Repayment of deferred taxes.** The recipient must begin paying the deferred taxes in the third year after the date certified by the department as the date on which the construction project has been operationally completed.

(a) The first payment will be due on December 31st of the third calendar year after such certified date, with subsequent annual payments due on December 31st of the following four years, with amounts of payment scheduled as follows:

Repayment Year	Percentage of Deferred Tax Repaid
1 (Year certified operationally complete)	0%
2	0%
3	0%
4	10%
5	15%
6	20%
7	25%
8	30%

(b) The department may authorize an accelerated repayment schedule upon request of the recipient. Interest will not be charged on any taxes deferred under this part during the period of deferral, although other penalties and interest applicable to delinquent excise taxes may be assessed and imposed for any delinquent payments during the repayment period pursuant to chapter 82.32 RCW.

(c) Taxes deferred on the sale or use of labor directly applied in the construction of an investment project for which deferral has been granted need not be repaid, provided eligibility for the granted tax deferral has been perfected by meeting all of the eligibility requirements, based upon the recipient's annual December 31 reports and any other information available to the department. The recipient must establish, by clear and convincing evidence, the value of all construction and installation labor for which repayment of sales tax is sought to be excused. Such evidence must include, but is not limited to: A written, signed, and dated itemized billing from construction/installation contractors or independent third party labor providers which states the value of labor charged separately from the value of materials. This information must

be maintained in the recipient's permanent records for the department's review and verification. In the absence of such itemized billings in its permanent records, no recipient may be excused from repayment of sales tax on the value of labor in an amount exceeding thirty percent of its gross construction or installation contract charges. The value of labor for which an excuse from repayment of sales or use tax may be received will not exceed the value which is subject to such taxes under the general provisions of chapters 82.08 and 82.12 RCW.

(d) **Failure of investment project to satisfy general conditions.** If, on the basis of the recipient's annual report or other information, including that submitted by the department of employment security, the department finds that an investment project is not eligible for tax deferral for reasons other than failure to create the required number of qualified employment positions, the department will declare the amount of deferred taxes outstanding to be immediately due. For example, a reason for disqualification would be the facility is not used for a manufacturing or research and development operation.

(e) **Failure of investment project to satisfy required employment positions.** If, on the basis of the recipient's annual report or other information, the department finds that an investment project has been operationally complete for three years and has failed to create the required number of qualified employment positions, the department will assess interest but not penalties, on the deferred taxes for the project. The department will assess interest at the rate provided for delinquent excise taxes under RCW 82.32.050, retroactively to the date of the date of deferral. No penalties will be assessed.

(f) The department of employment security makes and certifies to the department all determinations of employment and wages required under this subsection, per request.

(g) Any action taken by the department to assess interest or disqualify a recipient for tax deferral will be subject to administrative review pursuant to the provisions of WAC 458-20-100, appeals, small claims and settlements. The filing of a petition for review with the department starts a review of departmental action.

~~((51))~~ **(512) Debt not extinguished because of insolvency or sale.** Insolvency or other failure of the recipient does not extinguish the debt for deferred taxes nor will the sale, exchange, or other disposition of the recipient's business extinguish the debt for the deferred taxes. Transfer of ownership does not terminate the deferral. The deferral is transferred, subject to the successor meeting the eligibility requirements of this chapter, for the remaining periods of the deferral. Any person who becomes a successor (see WAC 458-20-216) to such investment project will be liable for the full amount of any unpaid, deferred taxes under the same terms and conditions as the original recipient.

~~((52))~~ **(513) Disclosure of information.** Applications and reports received by the department under chapter 82.60 RCW are not confidential and are subject to disclosure. (RCW 82.60.100.)

**WSR 10-21-055
PERMANENT RULES
HORSE RACING COMMISSION**

[Filed October 14, 2010, 1:19 p.m., effective November 14, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: Raises license fees four percent to cover the rising cost of the licensing program as required by RCW 67.16.020(1). The Washington horse racing commission is authorized by HB 1244, section 147 to raise license fees during the 2009-2011 biennium.

Citation of Existing Rules Affected by this Order: Amending WAC 260-36-085.

Statutory Authority for Adoption: RCW 67.16.020.

Other Authority: HB 1244, section 147.

Adopted under notice filed as WSR 10-18-091 on September 1, 2010.

Changes Other than Editing from Proposed to Adopted Version: The proposed amendments in the CR-102 represented a five percent increase in license fees. The amendments adopted represent a four percent increase in license fees.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 1, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 1, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 14, 2010.

Douglas L. Moore
Deputy Secretary

AMENDATORY SECTION (Amending WSR 09-21-014, filed 10/9/09, effective 11/9/09)

WAC 260-36-085 License and fingerprint fees. The following are the license fees for any person actively participating in racing activities:

Apprentice jockey	\$ ((80.00)) <u>83.00</u>
Assistant trainer	\$ ((38.00)) <u>40.00</u>
Association employee—management	\$ ((26.00)) <u>27.00</u>
Association employee—hourly/seasonal	\$ ((16.00)) <u>17.00</u>
Association volunteer nonpaid	No fee

Authorized agent	\$(26.00) <u>27.00</u>
Clocker	\$(26.00) <u>27.00</u>
Exercise rider	\$(80.00) <u>83.00</u>
Groom	\$(26.00) <u>27.00</u>
Honorary licensee	\$(16.00) <u>17.00</u>
Jockey agent	\$(80.00) <u>83.00</u>
Jockey	\$(80.00) <u>83.00</u>
Other	\$(26.00) <u>27.00</u>
Owner	\$(80.00) <u>83.00</u>
Pony rider	\$(80.00) <u>83.00</u>
Service employee	\$(26.00) <u>27.00</u>
Spouse groom	\$(26.00) <u>27.00</u>
Stable license	\$(49.00) <u>51.00</u>
Trainer	\$(80.00) <u>83.00</u>
Vendor	\$(122.00) <u>127.00</u>
Veterinarian	\$(122.00) <u>127.00</u>

The license fee for multiple licenses may not exceed ~~\$(122.00)~~ 127.00, except persons applying for owner, veterinarian or vendor license must pay the license fee established for each of these licenses.

The following are examples of how this section applies:

Example one - A person applies for the following licenses: Trainer (~~\$(80.00)~~ 83.00), exercise rider (~~\$(80.00)~~ 83.00), and pony rider (~~\$(80.00)~~ 83.00). The total license fee for these multiple licenses would only be ~~\$(122.00)~~ 127.00.

Example two - A person applies for the following licenses: Owner (~~\$(80.00)~~ 83.00), trainer (~~\$(80.00)~~ 83.00) and exercise rider (~~\$(80.00)~~ 83.00). The total cost of the trainer and exercise rider license would be ~~\$(122.00)~~ 127.00. The cost of the owner license (~~\$(80.00)~~ 83.00) would be added to the maximum cost of multiple licenses (~~\$(122.00)~~ 127.00) for a total license fee of ~~\$(202.00)~~ 210.00.

Example three - A person applies for the following licenses: Owner (~~\$(80.00)~~ 83.00), vendor (~~\$(122.00)~~ 127.00), and exercise rider (~~\$(80.00)~~ 83.00). The license fees for owner (~~\$(80.00)~~ 83.00) and vendor (~~\$(122.00)~~ 127.00)

127.00 are both added to the license fee for exercise rider (~~\$(80.00)~~ 83.00) for a total license fee of ~~\$(282.00)~~ 293.00.

In addition to the above fees, except for association volunteers (nonpaid) at Class C race meets, a \$10.00 fee will be added to cover the costs of conducting a fingerprint-based background check. The background check fee will be assessed only once annually per person regardless of whether the person applies for more than one type of license in that year.

The commission will review license and fingerprint fees annually to determine if they need to be adjusted to comply with RCW 67.16.020.

**WSR 10-21-057
PERMANENT RULES
BEEF COMMISSION**

[Filed October 15, 2010, 7:11 a.m., effective November 15, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The Washington beef commission is aligning the assessment rate found in WAC 60-12-010 with the rates listed in RCW 16.67.120 and 16.67.122, which is the accurate amount currently being assessed. The change will also ensure consistency with the federal Beef Promotion Act and clarify when assessments are to be collected. WAC 60-12-020 Collection of assessments, sets forth the procedures for collecting state-authorized assessments as described in RCW 16.67.120, 16.67.122, and 16.67.130 including penalties for past due assessments.

Citation of Existing Rules Affected by this Order: Amending WAC 60-12-010.

Statutory Authority for Adoption: RCW 43.17.240, chapters 16.67 and 34.05 RCW.

Adopted under notice filed as WSR 10-17-042 on August 11, 2010.

Changes Other than Editing from Proposed to Adopted Version: Clarifying language was added to the last sentence in WAC 60-12-010 (1)(b) to clarify when an assessment will be collected. The specific language added is "... unless the assessment has not been paid in the state of origin." This is clarifying language only and is not substantially different from the proposed rule.

Number of Sections Adopted in Order to Comply with Federal Statute: New 1, Amended 1, Repealed 0; Federal Rules or Standards: New 1, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 1, Amended 1, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 15, 2010.

Patti Brumbach
Executive Director

AMENDATORY SECTION (Amending WSR 95-10-097, filed 5/3/95, effective 6/3/95)

WAC 60-12-010 Levy of assessment. (1) Pursuant to the National Beef Promotion and Research Program, 7 USC S 2901, et seq., RCW 16.67.120 and 16.67.122, the Washington state beef commission levies an assessment of one dollar and fifty cents per head on all Washington cattle sold in this state or elsewhere, provided that no assessment shall be collected with reference to the following:

(a) Sales by a person who purchased cattle solely for resale when such resale occurs within ten days from such person's purchase of the cattle and when any assessment due in connection with that original purchase has been paid. In order to qualify for this exception, such persons additionally must present ~~((a))~~ the designated collecting person with their certification of ((their)) nonproducer status ((under this section)) form, along with a brand inspection certificate, a bill of sale or other documentation establishing the date of their purchase of the cattle. Such documentation must be presented at the time of sale to the ~~((person responsible for collecting the assessment))~~ designated collection person.

(b) Sales of cattle where the cattle that have been transported into Washington from another state for the purpose of sale and the sale takes place within thirty days of the cattle entering the state unless the assessment has not been paid in the state of origin.

(2) Assessments shall be paid by and shall be collected from the seller of the cattle. The term seller shall not include an agent or representative who is compensated in connection with the sale solely on a commission, handling fee or other service fee basis.

(3)(a) A designated collecting person is defined as either a state department of agriculture brand inspector where a brand inspection is conducted in conjunction with a sale or the buyer of the cattle where no brand inspection is conducted in connection with the sale.

(b) Where a brand inspection is conducted in conjunction with a sale, brand inspectors employed by the state department of agriculture may collect the assessment from the seller of the cattle. Where no brand inspection is conducted in connection with the sale, the buyer of the cattle shall collect the assessment from the cattle seller at the time of the sale. All assessments so collected shall be transmitted directly to the Washington state beef commission by the fifteenth of the month after the month of collection.

(4) That portion of each assessment remitted to the Washington state beef commission for purposes of providing funds for a National Beef Promotion and Research Program under 7 USC S 2901, et seq. ~~((and RCW 16.67.122))~~ shall be remitted to the cattlemen's beef promotion and research board by the Washington state beef commission.

NEW SECTION

WAC 60-12-020 Collection of assessment. (1) Collection of the federal beef check-off assessment shall be accomplished as set forth in the Beef Promotion and Research Act of 1985, 7 USC §§ 2901-11 and the federal Beef Promotion and Research Order, 7 C.F.R. §§ 1260.301 - 1260.316 (Subpart B), referred to in chapter 16.67 RCW as "the federal order."

(2) Procedures for collecting state-authorized assessments are not covered by the federal order and shall be as set forth in RCW 16.67.120(2), 16.67.122, 16.67.130 and this rule.

(3) All state-authorized assessments levied under chapter 16.67 RCW shall be due and payable on the 15th day of the month following the month in which the assessed transaction occurred.

(4) Pursuant to RCW 16.67.130, in the event a person who owes a state-authorized assessment fails to pay the full amount within the time set forth in subsection (3) of this section, the commission is authorized to and shall add an amount of ten percent to the unpaid assessments to defray the cost of collecting the assessment.

(5) Interest at the rate of one percent per month shall accrue on past due assessments pursuant to RCW 43.17.240, starting on the date the assessment became past due.

(6) The commission may assign past due assessments to a state-contracted collection agency to pursue collection. Under RCW 19.16.500, at least thirty days prior to assigning a past due assessment to a collection agency, the commission shall attempt to advise the person who owes the assessment of the existence of the debt and that the debt may be assigned to a collection agency for collection if the debt is not paid.

(7) The commission may bring a civil action under RCW 16.67.130 against any person who owes a past due state-authorized assessment in a state court of competent jurisdiction for the collection thereof, together with ten percent late fee, interest from the date the debt became past due and any other necessary reasonable costs including attorney's fees.

(8) Any civil action for the collection of past due assessments may be combined with an action to collect any past due Washington state department of agriculture brand inspection fees imposed under chapter 16.57 or 16.65 RCW or 16-610 WAC when owed from the same person.

WSR 10-21-058
PERMANENT RULES
GROWTH MANAGEMENT
HEARINGS BOARD

[Filed October 15, 2010, 10:02 a.m., effective October 15, 2010, 10:02 a.m.]

Effective Date of Rule: Upon filing.

Other Findings Required by Other Provisions of Law as Precondition to Adoption or Effectiveness of Rule: RCW 34.05.380 (3)(a) permits a rule to become effective immediately upon its filing if required by a statutory provision. During the 2010 legislative session, chapter 36.70A RCW was substantially amended to consolidate the three boards into a single entity with a panel structure. These rules reflect this

new unified structure. Notice of emergency rule making was published in WSR 10-11-028 and notice of expedited rule making was published in WSR 10-15-012.

Purpose: These amendments reflect the consolidation of the three growth management hearings boards into a single, statewide board and address the creation of regional panels to hear challenges brought before the board. Amendments are related to internal operation of the board and include:

1. Amend sections of chapter 242-02 WAC to reflect a single board, including number of members.
2. Add a section, pursuant to SHB [SSB] 6214, to provide parameters for the establishment of regional panels.
3. Modifying quorum voting procedures and meeting schedules to reflect new structure and regional panel composition.

Citation of Existing Rules Affected by this Order: Amending WAC 242-02-010, 242-02-020, 242-02-030, 242-02-040, 242-02-050, 242-02-052, 242-02-054, 242-02-070, 242-02-072, 242-02-074, 242-02-075, 242-02-076, 242-02-080, 242-02-090, 242-02-110, 242-02-120, 242-02-150, 242-02-220, 242-02-230, 242-02-240, 242-02-260, 242-02-280, 242-02-290, 242-02-310, 242-02-320, 242-02-330, 242-02-340, 242-02-410, 242-02-420, 242-02-510, 242-02-520, 242-02-521, 242-02-522, 242-02-530, 242-02-532, 242-02-534, 242-02-540, 242-02-550, 242-02-552, 242-02-558, 242-02-560, 242-02-570, 242-02-582, 242-02-610, 242-02-634, 242-02-650, 242-02-660, 242-02-670, 242-02-680, 242-02-710, 242-02-720, 242-02-810, 242-02-830, 242-02-831, 242-02-832, 242-02-833, 242-02-834, 242-02-880, 242-02-890, 242-02-891, 242-02-89201, 242-02-894, 242-02-896, and 242-02-898.

Statutory Authority for Adoption: RCW 36.70A.270(7).

Adopted under notice filed as WSR 10-15-012 on July 27 [8], 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 1, Amended 64, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 1, Amended 64, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 6, 2010.

James J. McNamara
Chair, Rules Committee

AMENDATORY SECTION (Amending WSR 03-15-047, filed 7/11/03, effective 8/11/03)

WAC 242-02-010 Organization. ~~((Three))~~ The growth management hearings board~~((s were))~~ was established pursuant to chapter 36.70A RCW. ~~((Each))~~ The board is an inde-

pendent quasi-judicial agency of the state of Washington with ~~((three))~~ seven members appointed by the governor who are qualified by experience or training in matters pertaining to land use planning. These rules were developed, adopted, and amended ~~((jointly))~~ by ~~((all three))~~ the board~~((s))~~ pursuant to RCW 36.70A.270(7). They should be read in conjunction with the act and the Administrative Procedure Act, chapter 34.05 RCW.

NEW SECTION

WAC 242-02-015 Regional panels. (1) Each petition for review that is filed with the growth management hearings board shall be heard and decided by a regional panel of growth management hearings board members. Regional panels shall be constituted as follows:

(a) Central Puget Sound region. A three-member Central Puget Sound panel shall be selected to hear matters pertaining to cities and counties located within the region comprised of King, Pierce, Snohomish, and Kitsap counties.

(b) Eastern Washington region. A three-member Eastern Washington panel shall be selected to hear matters pertaining to cities and thirty-two counties that are required or choose to plan under RCW 36.70A.040 and are located east of the crest of the Cascade mountains.

(c) Western Washington region. A three-member Western Washington panel shall be selected to hear matters pertaining to cities and counties that are required or choose to plan under RCW 36.70A.040, are located west of the crest of the Cascade mountains, and are not included in the Central Puget Sound region. Skamania County, if it is required or chooses to plan under RCW 36.70A.040, may elect to be included within either the Western Washington region or the Eastern Washington region.

(2)(a) Each regional panel selected to hear and decide cases shall consist of three board members, at least a majority of whom shall reside within the region in which the case arose, unless such members cannot sit on a particular case because of recusal or disqualification, or unless the board administrative officer determines that there is an emergency including, but not limited to, the unavailability of a board member due to illness, absence, vacancy, or significant workload imbalance. The presiding officer of each case shall reside within the region in which the case arose, unless the board administrative officer determines that there is an emergency.

(b) Except as provided otherwise in (b) of this subsection, each regional panel must:

(i) Include one member admitted to practice law in this state;

(ii) Include one member who has been a city or county elected official; and

(iii) Reflect the political composition of the board. The requirements of (b) of this subsection may be waived by the board administrative officer due to member unavailability, significant workload imbalances, or other reasons.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-020 Function—Local deference. (1)

The function of ~~((a))~~ the board is to make informed decisions on appeals arising from implementation of the Growth Management Act in a clear, consistent, timely, and impartial manner that recognizes regional diversity.

(2) The legislature requires growth management planning to occur in compliance with the goals and requirements of the act. The responsibility for managing local growth and shaping a county's or city's future rests with the local community. The board~~((s))~~ will grant deference to counties and cities in how they plan for and manage growth.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-030 Jurisdiction. This section is

intended to be general and informational only, and failure to list matters over which ~~((a))~~ the board has jurisdiction at law shall not constitute any waiver of or withdrawal from such jurisdiction.

(1) Geographic jurisdiction. Each ~~((board))~~ panel shall hear only those matters pertaining to the cities and counties located within its jurisdictional boundaries. The boundaries are as follows:

(a) The Eastern Washington ~~((board))~~ regional panel includes all counties and the cities now or subsequently located within these counties that are required or choose to plan under RCW 36.70A.040 and are located east of the crest of the Cascade mountains;

(b) The Central Puget Sound ~~((board))~~ regional panel includes and is limited to King, Pierce, Snohomish and Kitsap counties, and the cities now or subsequently located within those counties; and

(c) The Western Washington ~~((board))~~ regional panel includes all counties and the cities now or subsequently located within those counties that are required or choose to plan under RCW 36.70A.040 and are located west of the crest of the Cascade mountains and are not included in the Central Puget Sound ~~((board))~~ regional panel boundaries;

(d) Skamania County, should it be required or choose to plan under RCW 36.70A.040, may elect to be included within the jurisdictional boundaries of the Western or Eastern Washington ~~((boards))~~ regional panels.

(2) Subject matter jurisdiction. ~~((Each))~~ The board shall hear and determine petitions alleging that a state agency, county, or city is not in compliance with the requirements of the act, or chapter 90.58 RCW as it relates to the adoption or amendment of shoreline master programs, or chapter 43.21C RCW as it relates to plans, development regulations, and amendments adopted under the act or chapter 90.58 RCW; or, petitions from cities or the governor relating to an adopted county-wide planning policy; or, that the twenty-year growth management planning projections adopted by the office of financial management pursuant to RCW 43.62.035 should be adjusted.

(3) Jurisdictional issues. Any party to a proceeding before ~~((a))~~ the board and its regional panel may, by motion, challenge the jurisdiction of ~~((that board))~~ the panel in any

petition for review. ~~((A))~~ The board may, upon its own motion, raise such an issue.

AMENDATORY SECTION (Amending WSR 09-21-039, filed 10/13/09, effective 11/13/09)

WAC 242-02-040 Definitions. As used in this title, the following terms shall have the following meaning:

(1) "Act" means the Growth Management Act, chapter 36.70A RCW, and subsequent amendments.

(2) "Board" means ~~((the Eastern Washington, Western Washington or Central Puget Sound))~~ the growth management hearings board or a panel of the board hearing a matter.

(3) "Final decision" means:

(a) Any final order as provided in RCW 36.70A.300; or

(b) Any other written finding, determination or order of the board which finally determines a legal right, duty, or other legal interest of the parties in the case and which clearly states such written finding, determination or order that it is a final decision subject to appeal to superior court.

(4) "Hearing examiner" means an authorized agent of a board who has a demonstrated knowledge of land use planning and law, appointed to assist the board in the performance of its hearing function as delegated by the board as provided by the act.

~~((5))~~ ~~((("Joint boards" means the three independent boards meeting or acting jointly.~~

~~((6))~~ ~~((("Office of the growth management hearings board((s))" means the administrative office of the ((three growth management hearings)) board((s)) established ((in RCW 36.70A.250)) pursuant to RCW 36.70A.270(2).~~

~~((7))~~ ~~((6))~~ "Participant" means any person with standing to challenge a legislative action as set forth in RCW 36.70A.-330(2).

~~((8))~~ ~~((7))~~ "Party" means any person named in the caption of a case before ~~((a))~~ the board.

~~((9))~~ ~~((8))~~ "Person" means any individual, partnership, corporation, association, state agency, governmental subdivision or unit, or public or private organization or entity of any character.

~~((10))~~ ~~((9))~~ "Petitioner" means a person who appeals any matter or who brings a petition for rule making to the board. A petitioner is a party to a case before the board.

~~((11))~~ ~~((10))~~ "Presiding officer" means any member of ~~((a))~~ the board, or a hearing examiner, who is assigned to conduct a conference or hearing as directed by ~~((a))~~ the board. The presiding officer shall be designated pursuant to WAC 242-02-521 and have authority as provided by WAC 242-02-522.

~~((12))~~ ~~((11))~~ "Publication" means:

(a) For a city, the date the city publishes the ordinance or summary of the ordinance adopting a comprehensive plan, development regulations or subsequent amendment, as is required to be published, or the date the city publishes notice that the shoreline master program or amendment has been approved or disapproved by the department of ecology;

(b) For a county, the date the county publishes the notice that it has adopted a comprehensive plan, development regulations or other enactments, or subsequent amendments pursuant to RCW 36.70A.290(2), or the date the county pub-

lishes notice that the shoreline master program or amendment has been approved or disapproved by the department of ecology.

~~((13))~~ (12) "Respondent" means a person who is named as a responding party in any petition for review before ~~((a))~~ the board.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-050 Rules. These rules shall govern the ~~((joint boards))~~ board's adoption or amendment of ~~((joint))~~ rules, and all practice and procedure for hearings before ~~((a))~~ the board. Where a time frame is different in these rules from those in chapter 10-08 WAC, it is because ~~((a))~~ the board is required to act pursuant to the time frames set forth in the act.

AMENDATORY SECTION (Amending WSR 09-23-009, filed 11/5/09, effective 12/6/09)

WAC 242-02-052 Petition for rule making. (1) Right to petition for rule making. Any person may petition the ~~((joint))~~ board~~((s))~~ for the adoption, amendment, or repeal of any rule. Said petition shall be filed with the ~~((joint boards in care of the))~~ board at its office ~~((of growth management hearings boards))~~.

(2) Form of petition. The form of the petition for adoption, amendment, or repeal of any rule shall generally adhere to the following:

(a) A caption in the following form:

BEFORE THE JOINT GROWTH MANAGEMENT
HEARINGS BOARD~~((s))~~
STATE OF WASHINGTON

No.

In the matter of
the Petition of
(Name of Petitioner)
for Rule Making

PETITION FOR RULE MAKING

(b) The body of the petition shall be set out in numbered paragraphs. The first paragraph shall state the name and address of the petitioning party and whether the petitioner seeks the adoption of a new rule or rules, or amendment or repeal of an existing rule or rules. The second paragraph, in case of a proposed new rule or amendment of an existing rule, shall set forth the desired rule in its entirety. Where the petition is for repeal of an existing rule, such shall be stated and the rule proposed to be repealed shall either be set forth in full or shall be referred to by board rule number. The third paragraph shall set forth concisely the reasons for the proposal of the petitioner and shall contain a statement as to the interests of the petitioner and the subject matter of the rule. Additional numbered paragraphs may be used to give full explanation of petitioner's reason for the action sought.

(c) The petition shall be dated and signed by the party named in the first paragraph or by the petitioner's attorney or other authorized representative. The original and nine copies shall be filed with the ~~((appropriate))~~ board ~~((at its office))~~.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-02-054 Petition for rule making—Consideration and disposition. (1) Each petition for the adoption, amendment, or repeal of a rule shall be considered by the ~~((joint))~~ board~~((s))~~, and the ~~((joint))~~ board~~((s))~~ may, in ~~((their))~~ its discretion, solicit comments or invite discussion concerning the matter prior to disposition of the petition.

(2) Consideration of petitions. All petitions shall be considered by the ~~((joint))~~ board~~((s or representatives designated by each board,))~~ and the ~~((joint))~~ board~~((s))~~ may, in ~~((their))~~ its discretion, hold meetings for the further consideration and discussion of the requested adoption, amendment, or repeal of any rule.

(3) Notification of disposition of petition. The ~~((joint))~~ board~~((s))~~ or designated representatives shall notify the petitioner within a reasonable time of the disposition, if any, of the petition.

AMENDATORY SECTION (Amending WSR 09-21-041, filed 10/13/09, effective 11/13/09)

WAC 242-02-070 Quorum. ~~((1) Joint boards. For the purpose of adopting, amending, or repealing these rules or transacting other administrative business, at least two members of each board shall constitute a quorum of the joint boards. A quorum being present, any action may be taken upon the vote of the majority of the joint board members.~~

(2) Individual board. For purposes of making orders or decisions or transacting other official administrative business for an individual board, two members of a board shall constitute a quorum and may act even though one position on the board is vacant. One member or designated hearing examiner may hold hearings and take testimony. The findings of such member or hearing examiner shall not become final until approved by a majority of the board. A board member who does not attend a hearing shall review a transcript or recording of the hearing before signing the decision.) Board quorum. For the purpose of adopting, amending, or repealing these rules or transacting other administrative business, at least four members of the board shall constitute a quorum of the board. A quorum being present, any action may be taken upon the vote of the majority of the board members.

Panel quorum. For purposes of making orders or decisions in a case, two members of a panel shall constitute a quorum and may act even though one panel member is absent. One member or designated hearing examiner may hold hearings and take testimony. The findings of such member or hearing examiner shall not become final until approved by a majority of the panel. A panel member who does not attend a hearing shall review a transcript or recording of the hearing before signing the decision.

AMENDATORY SECTION (Amending WSR 09-21-039, filed 10/13/09, effective 11/13/09)

WAC 242-02-072 Board office. (1) The administration of the ~~((three))~~ board~~((s))~~ is consolidated in one office - the office of the growth management hearings board~~((s))~~:

~~((Office of the))~~

Growth Management Hearings Board((s))
319 - 7th Avenue S.E., Suite 103
Olympia, WA 98501
P.O. Box 40953
Olympia, WA 98504-0953
360-586-0260
360-664-8975 Fax
e-mail: eastern@ew.gmhb.wa.gov
e-mail: western@wwgmhb.wa.gov
e-mail: central@cps.gmhb.wa.gov
web site: www.gmhb.wa.gov

(2) The filing of all petitions, briefs, exhibits, and other documents related to any proceeding before an individual board shall be made to the office of the growth management hearings board((s)), with specific indication of the appropriate ~~((board's))~~ regional panel's name - Eastern, Western, or Central Puget Sound.

AMENDATORY SECTION (Amending WSR 09-21-041, filed 10/13/09, effective 11/13/09)

WAC 242-02-074 Regular meetings. (1) Regular meetings of ~~((each))~~ the board will be held at the office of the growth management hearings board((s)), or a designated location ~~((at the following times:~~

~~((a) Eastern Washington board — on the first Wednesday of each month at 10:00 a.m. or following any scheduled hearing on that date.~~

~~((b) Western Washington board — on the second Wednesday of each month at 11:00 a.m. or following any scheduled hearing on that date.~~

~~((c) Central Puget Sound board — on the first Monday of each month at 10:00 a.m. or following any scheduled hearing on that date))~~ on the first Wednesday of each month at 10:00 a.m. or following any scheduled hearing on that date. Meetings may be held telephonically.

(2) The ~~((joint))~~ board((s)) shall meet annually at a time and location to be announced.

~~((3) An individual board shall make available the location of such a meeting if it is not to be held at the office of the growth management hearings boards.))~~

AMENDATORY SECTION (Amending WSR 09-21-041, filed 10/13/09, effective 11/13/09)

WAC 242-02-075 Special meeting. (1) A special meeting of the ~~((joint))~~ board((s)) may be called at the request of any ~~((three))~~ two of the ~~((nine))~~ board members. To call a special meeting, a written notice of the meeting shall be posted on the ~~((boards'))~~ board's web site and personally e-mailed to:

(a) Each member of the board((s)); and

(b) Each general circulation newspaper, television or radio station which has on file with the board((s)) a written request to be notified of special meetings.

(2) The written notice shall state the date and time of the meeting, and shall specify the business to be transacted by the board((s)). The board((s)) will not take final action on any matter that is not specified in the written notice.

(3) Notices of special meetings shall be sent by e-mail:

(a) One day (twenty-four hours) before the scheduled meeting; except

(b) When a special meeting is called to consider rule changes pursuant to chapter 34.05 RCW, the notice shall be sent at least twenty days prior to the meeting; and except

(c) In the event of an emergency requiring board action, the notice and timing requirements may be waived as provided in RCW 42.30.080.

(4) The special meeting shall be chaired by ~~((one of the board members who called the meeting))~~ the administrative officer.

(5) A special meeting may be held by telephone conference call.

~~((Two members of each board will constitute a quorum for a special meeting.~~

~~((7))~~ Members of the public may attend a special meeting by appearing at ~~((any of))~~ the ~~((three))~~ board office((s)), or the location of the special meeting, at the date and time set for the meeting.

AMENDATORY SECTION (Amending WSR 03-15-047, filed 7/11/03, effective 8/11/03)

WAC 242-02-076 Annual and semiannual ~~((joint))~~ board((s)) meetings. (1) The annual ~~((joint))~~ board((s)) meeting will be held on the first Thursday and first Friday of October of each year. The annual meeting will be held in person.

(a) In odd-numbered years the annual ~~((joint))~~ board((s)) meeting will be held within the Central Puget Sound ~~((board's))~~ region.

(b) In even-numbered years the annual ~~((joint))~~ board((s)) meeting will be held within the Eastern Washington ~~((board's))~~ region.

(c) The location, time and agenda for the annual ~~((joint))~~ board((s)) meeting will be posted on the ~~((boards'))~~ board's web site (www.gmhb.wa.gov) in September of each year.

(2) The semiannual ~~((joint))~~ board((s)) meeting will be held on the last Thursday in April each year. The semiannual meeting will be held in person.

(a) Each year the semiannual ~~((joint))~~ board((s)) meeting will be held within the Western Washington ~~((board's))~~ region.

(b) The location, time and agenda for the semiannual ~~((joint))~~ board((s)) meeting will be posted on the ~~((boards'))~~ board's web site (www.gmhb.wa.gov) in March of each year.

AMENDATORY SECTION (Amending WSR 09-23-009, filed 11/5/09, effective 12/6/09)

WAC 242-02-080 Form and size of documents. Documents, other than exhibits, shall be provided in the manner indicated in ~~((a))~~ the board's prehearing order.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-02-090 Case numbering. ~~((Each))~~ The board shall assign a case number to each petition for review which shall be the official reference number for purposes of

identification. The first two digits of the case number shall correspond to the last two digits of the calendar year in which the petition was filed. The third digit shall designate which ~~((board))~~ regional panel has jurisdiction over the matter. The Eastern Washington ~~((board))~~ panel shall use the digit "1"; the Western Washington ~~((board))~~ panel shall use the digit "2"; and the Central Puget Sound ~~((board))~~ panel shall use the digit "3." The last four digits shall be numbered sequentially in order of receipt.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-110 Appearance and practice before ~~((a))~~ the board—Who may appear. Practice before ~~((a))~~ the board shall be open to the following persons who have met the standing requirements of chapter 36.70A RCW:

- (1) A party or participant to a case before the board may appear personally or, by a duly authorized representative;
- (2) Attorneys at law practicing before the board must be duly qualified and entitled to practice in the courts of the state of Washington; and
- (3) Other persons permitted by law.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-02-120 Rules of professional conduct. All persons appearing in proceedings before ~~((a))~~ the board in a representative capacity shall conform to the rules of professional conduct required of attorneys before the courts of Washington. If any such person does not conform to such rules, the board may decline to permit such person to appear in a representative capacity in any current or future proceeding before ~~((the))~~ the board or impose other appropriate sanctions.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-02-150 Teleconference proceeding. (1) At the discretion of ~~((a))~~ the board or a presiding officer, or where the parties agree and where the rights of the parties will not be prejudiced, all or part of any hearing, prehearing, or motion hearing may be conducted by telephone, television, or other electronic means. Each party in the proceeding must have an opportunity to participate effectively in, to hear, and if technically and economically feasible, to see the entire proceeding while it is taking place.

(2) The board may require documentary evidence, motions, and briefs to be submitted sufficiently in advance of the teleconference proceeding to insure fair consideration and presentation of the issues. All such material shall also be served on other parties at the time of filing with ~~((a))~~ the board.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-220 Petition for review—Time for filing. (1) A petition relating to whether or not an adopted com-

prehensive plan, development regulation, shoreline master program or subsequent amendments, is in compliance with the goals and requirements of the act or chapter 90.58 or 43.21C RCW shall be filed with ~~((a))~~ the board within sixty days from the date of publication by the legislative body of the county or city as specified by RCW 36.70A.290(2).

(2) A petition relating to an adopted county-wide planning policy shall be filed within sixty days of its adoption as specified in RCW 36.70A.210(6).

(3) A petition alleging that the twenty-year growth management planning population projections adopted by the office of financial management pursuant to RCW 43.62.035 should be adjusted can be filed at any time.

(4) For all other matters, a petition must be filed with ~~((a))~~ the board within sixty days of the final written decision, order, determination, publication, or action being entered.

(5) A petition relating to the failure of a state agency, city or county to take an action by a deadline specified in the act may be brought at any time after the deadline for action has passed.

AMENDATORY SECTION (Amending WSR 09-23-009, filed 11/5/09, effective 12/6/09)

WAC 242-02-230 Petition for review—Service and filing. (1) At least one copy of the petition for review shall be filed with the board by electronic mail, as provided in WAC 242-02-240, unless a petitioner does not have the technological capacity to do so. The original and four copies of the petition for review shall be filed with ~~((a))~~ the board personally, or by first class, certified, or registered mail. Filings may also be made with ~~((a))~~ the board by telefacsimile transmission as provided in WAC 242-02-240. A copy of the petition for review shall be personally served upon all other named parties or deposited in the mail and postmarked on or before the date filed with the board. When a county is a party, the county auditor shall be served in noncharter counties and the agent designated by the legislative authority in charter counties. The mayor, city manager, or city clerk shall be served when a city is a party. When the state of Washington is a party, the office of the attorney general shall be served at its main office in Olympia unless service upon the state is otherwise provided by law. Proof of service may be filed with the board pursuant to WAC 242-02-340.

(2) ~~((A))~~ The board may dismiss a case for failure to substantially comply with subsection (1) of this section.

AMENDATORY SECTION (Amending WSR 09-23-009, filed 11/5/09, effective 12/6/09)

WAC 242-02-240 Date of filing—Facsimile and electronic mail. (1) The date of filing shall be the date of actual receipt by ~~((a))~~ the board at ~~((the))~~ its office ~~((of the growth management hearings boards))~~. The date stamp placed on the petition shall be presumptive evidence of the date of receipt.

(2) Filing of any documents with ~~((a))~~ the board by electronic mail or telefacsimile transmission is at the risk of the sender and shall not be deemed complete unless the following procedures are strictly observed:

(a) An electronic mail or telefacsimile document will only be stamped "received" by the board between the hours

of 8:00 a.m. and 5:00 p.m. excluding Saturdays, Sundays, and legal holidays. Any transmission not completed before 5:00 p.m. will be stamped received on the following business day. The date and time indicated by the board's telefacsimile machine or receiving computer shall be presumptive evidence of the date and time of receipt of transmission.

(b) The original document and four copies shall be mailed and postmarked or otherwise transmitted to the board on or before the date of sending the telefacsimile transmission or electronic mail.

(c) Documents over fifteen pages in length may not be filed by telefacsimile without prior approval of the presiding officer.

(3) A telefacsimile or electronic mail copy shall constitute an original solely for the purpose of establishing the date a document was filed.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-260 Amendments to petitions for review and answers. (1) A petition for review or answer may be amended as a matter of right until thirty days after its date of filing.

(2) Thereafter any amendments shall be requested in writing by motion, and will be made only after approval by ((a)) the board or presiding officer. Amendments shall not be freely granted and may be denied upon a showing by the adverse party of unreasonable and unavoidable hardship, or by ((a)) the board's finding that granting the same would adversely impact ((a)) the board's ability to meet the time requirements of RCW 36.70A.300 for issuing a final order. The board may, upon motion of a party or upon its own motion, require a more complete statement of the nature of the claim or defense or any other matter stated in a pleading.

AMENDATORY SECTION (Amending WSR 04-21-046, filed 10/15/04, effective 11/15/04)

WAC 242-02-280 Amicus. (1) Any person whose interest may be substantially affected by a proceeding before ((a)) the board may, by motion, request status as an amicus in the case.

(2) A motion to file an amicus curiae brief must include a statement of:

(a) Applicant's interest and the person or group applicant represents;

(b) Applicant's familiarity with the issues involved in the matter and with the scope of the argument presented or to be presented by the parties;

(c) Specific issues to which the amicus curiae brief will be directed; and

(d) Applicant's reason for believing that additional argument is necessary on these specific issues. The brief of amicus curiae may be filed with the motion but must be filed no later than the time set for the filing of the brief for the party whose position the amicus supports.

(3) If the person qualifies for amicus, the presiding officer may impose conditions upon the amicus's participation in the proceedings, either at the time that amicus status is granted or at any subsequent time.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-290 Direct review by superior court—Procedures. RCW 36.70A.295 provides for direct review by superior court of a petition for review filed with ((a)) the board if:

(1) All parties to the board proceeding agree to direct review by superior court;

(2) The parties file a direct review agreement, signed by all parties, or their designated representatives, with the ((appropriate)) board;

(3) The direct review agreement includes agreement to proper venue; and

(4) The direct review agreement is filed with the ((appropriate)) board within ten days after the petition for review is filed, or if multiple petitions have been filed and the board has consolidated the petitions, within ten days after the board serves notice of consolidation.

AMENDATORY SECTION (Amending WSR 04-21-046, filed 10/15/04, effective 11/15/04)

WAC 242-02-310 Service of papers. (1) Parties filing pleadings, briefs, exhibits and other documents or papers with ((a)) the board shall also serve copies upon all other parties no later than the date upon which they were filed with the board. Parties served shall be those included on the declaration of service list attached to the board's prehearing order, or amended prehearing order.

(2) Service upon a party's attorney or other authorized representative shall be considered valid service for all purposes upon the party represented.

(3) Final decisions of the board shall be served upon the parties and their attorney or representative of record, if any.

AMENDATORY SECTION (Amending WSR 09-23-009, filed 11/5/09, effective 12/6/09)

WAC 242-02-320 Method of service. Service of papers, specified in WAC 242-02-310(1), shall be made by electronic mail unless the party does not have the technological capacity to do so. Service may also be made personally, by first class, registered or certified mail, or by telefacsimile transmission. If service is by electronic mail or telefacsimile, an original and four copies shall be properly addressed to ((a)) the board, deposited in the mail, and postmarked no later than the same day. Exhibits shall not be served electronically but shall be deemed timely filed if included in the mailed copies.

AMENDATORY SECTION (Amending WSR 09-23-009, filed 11/5/09, effective 12/6/09)

WAC 242-02-330 Service of papers—When complete. (1) Papers required to be filed with ((a)) the board shall be deemed filed upon actual receipt during office hours at the board's office.

(2) All facsimile and electronic mail transmissions are sent at the risk of the sender and only pursuant to the procedures specified in WAC 242-02-240.

(3) This section shall not extend any applicable time for appeal to ((a)) the board nor extend the time for providing notice of appeal to any named party.

AMENDATORY SECTION (Amending WSR 09-23-009, filed 11/5/09, effective 12/6/09)

WAC 242-02-340 Proof of service—Declaration.

Where proof of service is required by this chapter, by statute, or upon ((a)) the board's request, filing the original document with the board and serving copies upon all attorneys or other authorized representatives of record and upon parties not represented together with one of the following documents shall constitute proof of service:

- (1) An acknowledgment of service;
- (2) A certificate that the person signing the certificate did on the date of the certificate serve the papers upon each party or the party's attorney or other authorized representative of record in the proceeding by delivering a copy thereof in person to the named individuals;
- (3) A certificate that the person signing the certificate did on the date of the certificate serve the papers upon all parties of record in the case by:
 - (a) Mailing a copy, properly addressed with postage prepaid, to each party or that party's attorney or other authorized representative; or
 - (b) Transmitting a copy by electronic mail or telefacsimile, and on the same day mailing a copy to each party in the case or that party's attorney, or other authorized representative; or
 - (c) Depositing a copy, properly addressed with charges prepaid, with a commercial parcel delivery company or courier service.

AMENDATORY SECTION (Amending WSR 94-07-033, filed 3/9/94, effective 4/9/94)

WAC 242-02-410 Discovery—Limitation. (1) Discovery shall not be permitted except upon an order of ((a)) the board or its presiding officer.

(2) Insofar as applicable and not in conflict with this chapter, when discovery has been authorized by ((a)) the board or presiding officer, the statutes and court rules regarding pretrial procedures in civil cases in superior courts of the state of Washington shall be used. Such statutes and rules shall include but shall not be limited to those rules pertaining to discovery of evidence by parties to civil actions.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-420 Subpoena—Issuance. (1) Subpoenas shall be issued and enforced, and witness fees paid, as provided in RCW 34.05.446 and court rules.

(2) Every subpoena shall identify the party causing its issuance. Subpoenas may be issued by ((a)) the board or by an attorney of record. The person issuing shall sign the subpoena. Parties desiring subpoenas to be signed by ((a)) the board shall make a showing of relevance and reasonable scope of the testimony or evidence sought and shall prepare the subpoenas for issuance, send them to the board's office

for signature, and, upon return, shall make arrangements for service.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-510 Notice of hearing—Setting of time and place.

(1) Within ten days of the filing of a petition for review, unless a petition for review has been removed to superior court, pursuant to WAC 242-02-290 through 242-02-295, ((a)) the board or presiding officer will schedule a hearing date and notify the parties of the date.

(2) The board or presiding officer will thereafter schedule a place for the hearing.

(3) A written notice of the date and location of the hearing shall be sent to all parties not less than twenty days prior to the hearing date.

(4) The notice shall identify the appeal to be heard, the names of the parties to the appeal and their attorneys or other authorized representatives, if any, and shall specify the time and place of hearing. The notice shall include the information specified in RCW 34.05.434 and if the hearing is to be conducted by teleconference call the notice shall so state.

(5) The notice shall state that if a limited-English-speaking or hearing impaired party or witness needs an interpreter, a qualified interpreter will be appointed and that there will be no cost to the party or witness. The notice shall include a form for a party to indicate if an interpreter is needed and identification of the primary language, or if a participant is hearing impaired.

(6) The notice may also include an order fixing the pre-hearing date and/or deadlines as provided in these rules.

(7) Defects in notice may be waived if the waiver is knowing and voluntary.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-520 Record. Within thirty days of service of a petition for review, the respondent shall file with the board and serve a copy on the parties of an index of all material used in taking the action which is the subject of the petition for review. The index shall contain sufficient identifying information to enable unique documents to be distinguished. In addition, the written or tape-recorded record of the legislative proceedings where action was taken shall be available to the parties for inspection.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-521 Designation of presiding officer. ((A)) The board shall designate the presiding officer for each case at the time it issues its notice of hearing pursuant to WAC 242-02-510. In the event the presiding officer subsequently changes, the board shall promptly notify the parties.

AMENDATORY SECTION (Amending WSR 00-09-094, filed 4/19/00, effective 5/20/00)

WAC 242-02-522 Presiding officer—Powers and duties. It shall be the duty of the presiding officer to conduct conferences or hearings as directed by ((a)) the board in an impartial and orderly manner. The presiding officer shall have the authority, subject to the other provisions of the act or these rules to:

(1) Inspect the petition for review to determine whether, on its face, compliance with the jurisdictional and standing requirements of the act is shown, and if compliance is not shown, to recommend an action or to refer the issue to the full board for resolution;

(2) Take appropriate action with respect to the qualifications of the parties or the parties' attorney(s) or other authorized representative(s) to appear before ((a)) the board;

(3) Administer oaths and affirmations if witnesses are permitted to testify;

(4) Issue subpoenas as provided in RCW 34.05.446;

(5) Rule on all procedural matters, objections and motions unless a board determination is required;

(6) Rule on all evidentiary matters including offers of proof;

(7) When applicable, question witnesses called by the parties in an impartial manner as needed to develop any facts deemed necessary to fairly and adequately decide the issue;

(8) Issue orders joining other parties, on motion of any party, when it appears that such other parties may have an interest in, or may be affected by the case;

(9) Consolidate cases for hearing when such consolidation will expedite disposition and avoid duplication of testimony and when consolidation will not unduly prejudice the rights of any party;

(10) Hold conferences for the settlement or amplification of the issues;

(11) Regulate the course of the case;

(12) Encourage the parties to stipulate to the admissibility of documents in advance of a hearing and to rule on issues concerning the content of the record;

(13) Limit the length of a brief or impose format restrictions;

(14) Sign and file certificates of agreement acknowledging receipt of timely, complete, executed agreements for direct review by superior court;

(15) Rule on requests for settlement extensions;

(16) Waive any requirement of these rules unless a party shows that it would be prejudiced by such a waiver; and

(17) Take any other action necessary and authorized by these rules, the act, or the Administrative Procedure Act, chapter 34.05 RCW.

AMENDATORY SECTION (Amending WSR 09-23-009, filed 11/5/09, effective 12/6/09)

WAC 242-02-530 Motions—Requirements. (1) A motion is an application for an order or ruling. Every motion shall be in writing, unless made during a hearing; shall state with particularity the grounds; and shall set forth the relief or order sought. An original and four copies of the motion shall be filed with ((a)) the board and a copy served on each oppos-

ing party or that party's attorney or other authorized representative.

(2) All motions shall be properly captioned and signed by the moving party or that party's attorney or other authorized representative.

(3) The motion shall specify the amount of time required for argument, whether appearance by telecommunication is requested, and the names, telephone numbers, and electronic mail addresses of all parties served with the motion.

(4) Dispositive motions on a limited record, similar to a motion for summary judgment in superior court or a motion on the merits in the appellate courts, are permitted. Time frames for making and responding to such a motion shall be established by the presiding officer.

(5) Motions to disqualify a hearing examiner acting as the presiding officer, or a board member, for bias, prejudice, interest or other cause, with supporting affidavit(s), may be filed with ((a)) the board.

(6) Any party may bring a motion for the board to decide a challenge to compliance with the notice and public participation requirements of the act raised in the petition for review, provided that the evidence relevant to the challenge is limited. If such a motion is timely brought, the presiding officer or the board shall determine whether to decide the notice and public participation issue(s) on motion or whether to continue those issues to the hearing on the merits.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-532 Motions—Time for filing and hearing. (1) A motion can be filed at any time unless otherwise specified in these rules or by ((a)) the board or presiding officer.

(2) After prehearing or other order. If a prehearing order or other order has been entered establishing a deadline for filing motions, no written motion may be filed after the date specified in the order without written permission of the board or presiding officer.

(3) ((A)) The board or presiding officer, after taking into consideration when the motion was received and the complexity of the issues raised, may, in its discretion, schedule a hearing for argument of a motion at the time of a prehearing conference or at a separate hearing time, or may defer consideration of the motion until commencement of the hearing on the petition for review. ((A)) The board or presiding officer may also limit argument on a motion to briefs.

(4) A motion, other than a dispositive motion or a motion to supplement the record, is deemed denied unless the board takes action within twenty days of filing of the motion.

AMENDATORY SECTION (Amending WSR 09-23-009, filed 11/5/09, effective 12/6/09)

WAC 242-02-534 Response to motions. (1) A party served with a motion shall have ten days from the date of service of the motion to respond to it, unless otherwise directed by the presiding officer. A response to the motion shall be filed with ((a)) the board and a copy served on the opposing party/parties.

(2) The response shall specify the amount of time required for argument, whether appearance by telecommunication is requested, and the names, telephone numbers, and electronic mail addresses of all parties served with the response.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-540 New or supplemental evidence. Generally, ((a)) the board will review only the record developed by the city, county, or state in taking the action that is the subject of review by the board. A party by motion may request that ((a)) the board allow such additional evidence as would be necessary or of substantial assistance to the board in reaching its decision, and shall state its reasons. ((A)) The board may order, at any time, that new or supplemental evidence be provided.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-550 Prehearing conference. A prehearing conference is optional at the discretion of the presiding officer. The purpose of a prehearing conference is to:

- (1) Determine the feasibility of and encourage settlement of the matter or any portion thereof;
- (2) Obtain a stipulation of relevant facts including ((a)) the board's jurisdiction and the party's standing in the matter;
- (3) Obtain agreement as to the issues of law and fact presented and their simplification, limitation, or resolution;
- (4) Determine the qualifications of expert witnesses, if they are permitted to testify;
- (5) Receive any motions concerning qualification of individual board members to hear the matter;
- (6) Obtain information as to the number of expert and/or lay witnesses expected to be called by the parties and their names, addresses and telephone numbers;
- (7) Set subsequent deadlines, if and when appropriate, for filing final exhibit and witness lists, filing motions, and completing discovery; establish a briefing schedule, limit the length of briefs; and decide other matters related to the conduct of the hearing;
- (8) Determine the approximate time necessary for the presentation of evidence and/or argument of the respective parties; and
- (9) Obtain all other information which may aid in the prompt disposition of the matter.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-02-552 Prehearing conference—When held. (1) ((A)) The board or presiding officer may order a prehearing conference on not less than seven days notice mailed to each party at a time and place fixed by ((a)) the board or presiding officer.

(2) At any time prior to a hearing on a petition for review, any party may file a written application with ((a)) the board requesting a prehearing conference.

AMENDATORY SECTION (Amending WSR 94-07-033, filed 3/9/94, effective 4/9/94)

WAC 242-02-558 Prehearing conference—Agreements. At the conclusion of a prehearing conference, the presiding officer may require the parties to submit a proposed prehearing order. The presiding officer will issue an order reciting the action taken at the conference and any agreements of the parties or decisions of the presiding officer. The order may include provisions pertaining to:

- (1) Jurisdiction and standing;
 - (2) Issues;
 - (3) Admissions;
 - (4) Witnesses, if permitted;
 - (5) Time, location and length of hearings;
 - (6) Authenticity and/or admissibility of exhibits;
 - (7) Qualification of witnesses, if permitted;
 - (8) Rulings of the board prior to the prehearing conference;
 - (9) Rulings of the presiding officer; and
 - (10) Any other matters that may expedite the hearing.
- Any objection to such order shall be made in writing within seven days after the date the order is dated. ((A)) The board shall serve its prehearing order on the same day that the order is dated. The order shall control ensuing proceedings unless modified for good cause by a subsequent order.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-560 Settlement extensions—Continuances. (1) If additional time is necessary to achieve settlement of a dispute that is an issue in a petition before ((a)) the board, ((a)) the board may extend the one hundred eighty-day time limit for issuing a final decision and order, as provided in RCW 36.70A.300 (2)(b). ((A)) The board may authorize one, or more, extensions of up to ninety days each.

(2) A request for a settlement extension must be filed with ((a)) the board not later than seven days before the date scheduled for the hearing on the merits of the petition.

(3) ((A)) The board may grant a request for a settlement extension if:

- (a) The request was timely filed; and
- (b)(i) All parties named in the caption of the petition, agree to and sign the request; or
- (ii) A petitioner and respondent agree to and sign the request and the board determines that a negotiated settlement between the remaining parties could resolve significant issues in dispute.

(4) Continuances of hearings will be granted only on ((a)) the board's initiative or upon timely request of a party setting forth in detail the reasons for such a request and a date by which such reason will no longer apply. The board will continue the matter only upon a finding of good cause and in order to prevent manifest injustice.

AMENDATORY SECTION (Amending WSR 08-10-029, filed 4/28/08, effective 5/29/08)

WAC 242-02-570 Briefs. (1) A petitioner, or a moving party when a motion has been filed, shall submit a brief on

each legal issue it expects ((a)) the board to determine. Failure by such a party to brief an issue shall constitute abandonment of the unbrieffed issue. Briefs shall enumerate and set forth the legal issue(s) as specified in the prehearing order if one has been entered.

(2) The original and four copies of briefs and exhibits not previously filed with the board in the pending case and that are cited in the brief shall be filed with ((a)) the board at least five business days prior to the hearing unless otherwise provided by ((a)) the board or presiding officer. When briefs and exhibits are filed, a copy shall also be served on each party, unless otherwise directed by ((a)) the board or presiding officer. ((A)) The board or presiding officer may permit or require the filing of additional briefs.

(3) Clarity and brevity are expected to assist ((a)) the board in meeting its statutorily imposed time limits. A presiding officer may limit the length of a brief and impose format restrictions.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-02-582 Waiver of parties' appearance.

Upon stipulation by all parties, or upon order of the board, a matter may be submitted to ((a)) the board or presiding officer without oral argument or appearance. The board or presiding officer, in its discretion, may require appearance for oral argument.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-02-610 Hearing—Testimony under oath—Interpreters. (1) All testimony to be considered by ((a)) the board or presiding officer shall be sworn, and each person shall swear or affirm that the testimony to be given shall be the truth, the whole truth, and nothing but the truth, or according to the provisions of RCW 5.28.020 through 5.28.060.

(2) Every interpreter shall, before beginning to interpret, take an oath that a true interpretation will be made to the person being examined of all the proceedings in a language or in a manner which the person understands, and that the interpreter will repeat the statements of the person being examined to the presiding officer, in the English language, to the best of the interpreter's skill and judgment.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-634 Standard of proof. Where a petition for review alleges a lack of compliance with the Growth Management Act, ((a)) the board shall find compliance unless it determines that the action by the state agency, county or city is clearly erroneous in view of the entire record before the board and in light of the goals and requirements of the act.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-650 Rules of evidence—Admissibility criteria. (1) All relevant evidence, including hearsay evidence, is admissible if, in the opinion of the presiding officer, the offered evidence is the kind of evidence upon which reasonably prudent persons are accustomed to rely in the conduct of their affairs. The presiding officer shall exclude evidence that is excludable on constitutional or statutory grounds or on the basis of evidentiary privilege recognized in the courts of this state. The presiding officer shall exclude evidence that is irrelevant, immaterial, or unduly repetitious.

(2) ((A)) The board's experience, technical knowledge, competency, and specialized knowledge may be used in evaluation of evidence.

(3) If not inconsistent with subsection (1) of this section, the presiding officer shall refer to, but shall not be bound by, the Washington rules of evidence.

(4) Documentary evidence may be submitted in the form of copies or excerpts, or by incorporation by reference.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-660 Official notice—Matters of law. ((A)) The board or presiding officer may officially notice:

(1) Federal law. The Constitution; congressional acts, resolutions, records, journals, and committee reports; decisions of federal courts and administrative agencies; executive orders and proclamations; and all rules, orders, and notices published in the Federal Register.

(2) Washington state law. The Constitution of the state of Washington; decisions of the state courts; acts, resolutions, records, journals, and committee reports of the legislature; decisions of administrative agencies of the state of Washington; executive orders and proclamations by the governor; all rules, orders, and notices filed with the code reviser; and codes or standards that have been adopted by an agency of this state or by a nationally recognized organization or association.

(3) Laws of other states. The constitutions of other states; decisions of state courts; acts, resolutions, records, journals and committee reports of other state legislatures; decisions of other states administrative agencies; executive orders and proclamations issued by a governor of another state; and codes or standards that have been adopted by an agency of another state.

(4) Counties and cities. Ordinances, resolutions, and motions enacted by cities, counties, or other municipal subdivisions of the state of Washington.

(5) Federally recognized Indian tribes, Constitutions, ordinances, resolutions and motions enacted by federally recognized Indian tribes.

(6) Growth management hearings board((s)). Orders and decisions of ((amy)) the board((-

~~(7) Joint boards.))~~ and the board's rules of practice and procedure.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-670 Official notice—Material facts. In the absence of conflicting evidence, ((a)) the board or presiding officer, upon request made before or during a hearing, may officially notice:

(1) Business customs. General customs and practices followed in the transaction of business.

(2) Notorious facts. Facts so generally and widely known to all well-informed persons as not to be subject to reasonable dispute or specific facts which are capable of immediate and accurate demonstration by resort to accessible sources of generally accepted authority, including, but not exclusively, facts stated in any publication authorized or permitted by law to be made by any federal or state officer, department, or agency.

(3) Technical or scientific facts. Technical or scientific facts within ((a)) the board's specialized knowledge.

(4) Request. Any party may request, orally or in writing, that official notice be taken of a material fact. The board or presiding officer may take official notice of a material fact on its own initiative.

(5) Notice. Parties shall be notified either before or during a hearing of the material fact(s) proposed to be officially noticed, and shall be afforded the opportunity to contest such facts and materials.

(6) Statement.

(a) In determining whether to take official notice of material facts, the presiding officer may consult any source of pertinent information, whether or not furnished by any party and whether or not admissible under the rules of evidence.

(b) If official notice of a material fact is taken, it shall be clearly and precisely stated and made part of the record.

(c) Where a decision of ((a)) the board rests in whole or in part upon official notice of a material fact, such fact shall be clearly and precisely stated in such decision.

AMENDATORY SECTION (Amending WSR 94-07-033, filed 3/9/94, effective 4/9/94)

WAC 242-02-680 Hearings—Board questions. A hearing examiner or any member of ((a)) the board may, at any time during the hearing, ask clarifying questions as necessary to understand the evidence or argument.

AMENDATORY SECTION (Amending WSR 97-04-008, filed 1/24/97, effective 3/1/97)

WAC 242-02-710 Failure to attend—Default or dismissal—Setting aside. (1) When a party to a proceeding has, after proper notice, failed to attend a hearing or any other matter before ((a)) the board or presiding officer, a motion for default or dismissal may be sought by any party to the case or raised by ((a)) the board upon its own motion or by a presiding officer. Any order granting the motion shall include a statement of the grounds for the order and shall be served upon all parties to the case.

(2) Within seven days after service of the default order or dismissal under subsection (1) of this section, the party against whom the order was entered may file a written objec-

tion requesting that the order be vacated and stating the specific grounds relied upon. The board may, for good cause, set aside an order of dismissal or default.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-02-720 Dismissal of action. Any action may be dismissed by ((a)) the board:

(1) When all parties stipulate;

(2) Upon motion of the petitioner or respondent prior to the presentation of the respondent's case;

(3) Upon motion by the respondent alleging that the petitioner has failed to prosecute the case, failed to comply with these rules, or failed to follow any order of the board; or

(4) Upon ((a)) the board's own motion for failure by the parties to comply with these rules or any order of the board.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-02-810 Presentation of post hearing matters. Unless requested by or authorized by ((a)) the board, no post hearing evidence, documents, briefs, or motions will be accepted. ((A)) The board may request submission of proposed findings of fact, conclusions of law, and final order from any or all parties.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-830 Final decision and order—Basis. (1) When the hearing on the petition for review has been held and the record reviewed by a majority of ((a-board)) the panel hearing the matter, a written final decision and order shall be issued that contains appropriate findings and conclusions, and articulates the basis for the final decision and order.

(2) The board will not issue advisory opinions on issues not presented to the board in the petition for review's statement of the issues, as modified by any prehearing order.

(3) Except as provided in RCW 36.70A.300 (2)(b) and WAC 242-02-560, the final decision and order shall be issued by ((a)) the board within one hundred eighty days of receipt of the petition for review, or if multiple petitions are filed, within one hundred eighty days of receipt of the last petition that is consolidated.

AMENDATORY SECTION (Amending WSR 06-12-019, filed 5/26/06, effective 6/26/06)

WAC 242-02-831 Final decision and order—Compliance, noncompliance, invalidity. (1) In its final decision and order, ((a)) the board shall either:

(a) Find that the state agency, county or city is in compliance with the requirements of chapter 36.70A RCW, chapter 90.58 RCW as it relates to the adoption or amendment of shoreline master programs, or chapter 43.21C RCW as it relates to adoption of plans, development regulations, and amendments thereto, under RCW 36.70A.040 or chapter 90.58 RCW; or

(b) Find that the state agency, county or city is not in compliance with the requirements of chapter 36.70A RCW, chapter 90.58 RCW as it relates to the adoption or amendment of shoreline master programs, or chapter 43.21C RCW as it relates to adoption of plans, development regulations, and amendments thereto, under RCW 36.70A.040 or chapter 90.58 RCW, in which case the board shall remand the matter to the state agency, county or city and specify a time for compliance. The period of remand shall extend to the date the board issues its next order on compliance.

(2) In its final decision and order, ((a)) the board may determine that part or all of a comprehensive plan or development regulations are invalid if the board:

(a) Makes a finding of noncompliance and issues an order of remand;

(b) Includes in its final decision and order a determination, supported by findings of fact and conclusions of law, that the continued validity of part or parts of the plan or regulation would substantially interfere with the fulfillment of the goals of the act; and

(c) Specifies the part or parts, if applicable, of the plan or regulation that are determined to be invalid and the reasons for invalidity.

(3) The effect of a determination of invalidity is as set forth in RCW 36.70A.302.

AMENDATORY SECTION (Amending WSR 08-10-029, filed 4/28/08, effective 5/29/08)

WAC 242-02-832 Reconsideration. (1) After issuance of a final decision any party may file a motion for reconsideration with ((a)) the board in accordance with subsection (2) of this section. Such motion must be filed within ten days of service of the final decision. The original and four copies of the motion for reconsideration shall be filed with the board. At the same time, copies shall be served on all parties of record. Within five days of filing the motion for reconsideration, a party may file an answer to the motion for reconsideration without direction or request from the board. ((A)) The board may require other parties to supply an answer. All answers to motions for reconsideration shall be served on all parties of record.

(2) A motion for reconsideration shall be based on at least one of the following grounds:

(a) Errors of procedure or misinterpretation of fact or law, material to the party seeking reconsideration;

(b) Irregularity in the hearing before the board by which such party was prevented from having a fair hearing; or

(c) Clerical mistakes in the final decision and order.

(3) In response to a motion for reconsideration, the board may deny the motion, modify its decision, or reopen the hearing. A motion is deemed denied unless the board takes action within twenty days of filing the motion for reconsideration. A board order on a motion for reconsideration is not subject to a motion for reconsideration.

(4) A decision in response to the petition for reconsideration shall constitute a final decision and order for purposes of judicial review. Copies of the final decision and order shall be served by the board on each party or the party's attorney or other authorized representative of record.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-833 Invalidity—Hearing pursuant to motion to clarify, modify or rescind. If a motion to clarify, modify or rescind a determination of invalidity order has been filed by a county or city subject to a determination of invalidity, pursuant to RCW 36.70A.302, and the jurisdiction has not enacted legislation in response to the board's remand order, ((a)) the board shall schedule and conduct a hearing to address clarifying, modifying or rescinding the determination of invalidity. Within thirty days of the hearing the board shall continue, clarify, modify, or rescind the determination of invalidity. The board may rescind a determination of invalidity but find continuing noncompliance, in which case the board may establish a compliance schedule or new compliance date.

AMENDATORY SECTION (Amending WSR 09-21-039, filed 10/13/09, effective 11/13/09)

WAC 242-02-834 Publication of final decision and orders. Copies of all final decisions and orders are available ((for an individual board that entered the decision and order)) from the office of the growth management hearings board((s)). The growth management hearings board's web site is www.gmhb.wa.gov. Each board panel posts its decisions within its individual portion of the web site and maintains a digest of its decisions.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-880 Transcripts. The following shall be the policy of ((each)) the board with regard to transcription of the record:

(1) ((A)) The board, in its discretion, may at any time cause a transcript to be printed. Any person may obtain a copy upon payment of the reasonable costs thereof.

(2) In any case when ((a)) the board shall not cause the transcript to be printed, it shall be the obligation of the party wishing a transcript, or portions of it, to assume the cost of producing it.

(3) When an appeal is taken from any final decision and order of a board to a reviewing court, the appealing party is responsible for ordering and paying for the transcript of the hearing.

AMENDATORY SECTION (Amending WSR 06-12-019, filed 5/26/06, effective 6/26/06)

WAC 242-02-890 Determination of noncompliance—Compliance schedule. In those cases where ((a)) the board finds that a state agency, county, or city is not in compliance with the requirements of the act, chapter 90.58 RCW as it relates to the adoption or amendment of shoreline master programs, or chapter 43.21C RCW as it relates to adoption of plans, development regulations, and amendments thereto, under RCW 36.70A.040 or chapter 90.58 RCW, the board shall remand the matter to the affected state agency, county, or city. The board's final decision and order shall specify a

reasonable time not in excess of one hundred eighty days, or such longer time as determined by the board in cases of unusual scope or complexity, within which the state agency, county, or city shall comply. In its order the board shall establish a compliance schedule and may require periodic reports on the progress the jurisdiction is making toward compliance.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-891 Compliance—Notice of hearing.

(1) After the compliance deadline specified in the final decision and order passes, or at an earlier time upon the motion of a county or city subject to a determination of invalidity under RCW 36.70A.302, ((a)) the board shall issue a notice of compliance hearing setting a hearing date for the purpose of determining whether compliance has been achieved. The compliance hearing shall be given the highest priority of business.

(2) The presiding officer shall set the format of the compliance hearing in the notice of compliance hearing. At the compliance hearing the presumption of validity and burden of proof are as set forth in WAC 242-02-630 and 242-02-632. The parties to the original case, and a person with standing to challenge the legislation enacted in response to ((a)) the board's final decision and order, may participate in the compliance hearing. The notice of compliance hearing shall set the scope of, and procedures for participation.

AMENDATORY SECTION (Amending WSR 06-12-019, filed 5/26/06, effective 6/26/06)

WAC 242-02-89201 Intent to participate in compliance hearings. Any person eligible to participate in a compliance proceeding based upon his or her participation in the proceedings to enact legislation in response to ((a-board)) the board's order shall abide by any briefing schedule set in the board's compliance order, as amended or extended, and provide the board and the parties of record with written notice of intent to participate no later than two weeks prior to the compliance hearing date set in that order.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-894 Compliance—Hearing pursuant to motion—Rescinding invalidity. If a motion for a compliance hearing has been filed by a county or city subject to a determination of invalidity, pursuant to RCW 36.70A.330(1), and the jurisdiction has enacted legislation amending the invalidated plan, regulation or part thereof, ((a)) the board shall schedule and conduct a hearing to address rescinding the determination of invalidity. Within forty-five days of the filing of the motion, the board shall issue an order continuing, modifying, or rescinding the determination of invalidity depending upon whether the jurisdiction's legislative action has removed the basis for invalidity so that it no longer substantially interferes with the goals of the act. The board may rescind a determination of invalidity but find continuing non-compliance, in which case the board may establish a compliance schedule or new compliance date.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-896 Continued noncompliance—Recommendation to the governor. If the board finds that the county or city continues to be in noncompliance with the act, the board shall transmit its findings to the governor. ((A)) The board may recommend that sanctions authorized by the act be imposed. A jurisdiction's efforts to meet a compliance schedule shall be considered by the board in making a recommendation on sanctions to the governor.

AMENDATORY SECTION (Amending WSR 98-01-144, filed 12/19/97, effective 1/20/98)

WAC 242-02-898 Appeals of a board's final decision.

(1) Any party aggrieved by a final decision of ((a)) the board may appeal the decision to superior court as provided in RCW 34.05.514 or 36.01.050 within thirty days of service of the final decision of the board.

(2) ((A)) The board shall follow the procedures established in RCW 34.05.518 in the event that direct appellate review is sought.

**WSR 10-21-059
PERMANENT RULES
GROWTH MANAGEMENT
HEARINGS BOARD**

[Filed October 15, 2010, 10:03 a.m., effective October 15, 2010, 10:03 a.m.]

Effective Date of Rule: Upon filing.

Other Findings Required by Other Provisions of Law as Precondition to Adoption or Effectiveness of Rule: RCW 34.05.380 (3)(a) permits a rule to become effective immediately upon its filing if required by a statutory provision. During the 2010 legislative session, chapter 36.70A RCW was substantially amended (SHB [SSB] 6214) to consolidate the three boards into a single entity with a panel structure. These rules reflect this new unified structure. Notice of emergency rule making was published in WSR 10-11-028 and notice of expedited rule making was published in WSR 10-15-013.

Purpose: These amendments reflect the consolidation of the three growth management hearings boards into a single, statewide board, a regional panel structure, and the creation of the position of administrative officer. Amendments are related to internal operation of the board and include:

1. Amend sections of chapter 242-04 WAC to reflect a single board, including number of members.
2. Amend sections of chapter 242-04 WAC to reflect establishment of regional panel structure and the creation of the position of administrative officer.
3. Amend sections of chapter 242-04 WAC to reflect meeting schedule adjustments.

Citation of Existing Rules Affected by this Order: Amending WAC 242-04-010, 242-04-020, 242-04-030, 242-04-040, 242-04-050, 242-04-060, 242-04-070, 242-04-080, 242-04-090, 242-04-100, 242-04-110, 242-04-130, 242-04-140, and 242-04-150.

Statutory Authority for Adoption: RCW 36.70A.270(7).

Adopted under notice filed as WSR 10-15-013 on July 27 [8], 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 14, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 14, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 6, 2010.

James J. McNamara
Chair, Rules Committee

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-010 Purpose. The purpose of this chapter is to ensure compliance by ~~((each individual board, the joint boards, and the office of))~~ the growth management hearings board~~((s))~~ with the provisions of chapter 42.17 RCW, and in particular with RCW 42.17.250 through 42.17.340, dealing with public records.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-020 Definitions. (1) "Board" means the ~~((Eastern Washington, Western Washington, or Central Puget Sound))~~ growth management hearings board~~((Each is))~~, a quasi-judicial body created pursuant to chapter 36.70A RCW. Where appropriate the term board also refers to the staff and employees of ~~((each))~~ the board.

(2) ~~((("Joint boards" means the three independent boards meeting or acting jointly.))~~ "Administrative officer" means the board member elected pursuant to RCW 36.70A.270(10).

(3) "Office of the growth management hearings board~~((s))~~" means the administrative office of the ~~((three))~~ growth management hearings board~~((s))~~ established in RCW 36.70A.250.

(4) "Public record" means any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics.

(5) "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any form of communication or representation~~((;))~~ including, but not limited to, letters, words, pictures, sounds, or symbols, or combination thereof, and all papers, maps, magnetic or paper tapes, photographic films and prints, motion pictures, film and video recordings, magnetic or

punched cards, discs, drums, diskettes, sound recordings, and other documents, including existing data compilations from which information may be obtained or translated.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-030 Description of organization and public meetings. (1) ~~((Each))~~ The board is an independent agency of the state of Washington, composed of ~~((three))~~ seven members appointed by the governor. ~~((Each))~~ The board ~~((elects an administrative chairperson from its members at least annually.~~

~~((2) The administrative chairpersons constitute the administrative committee of the joint boards.~~

~~((3) Regular meetings of each board will be held at the office of the growth management hearings boards or other designated location at the following times:~~

~~((a) Eastern Washington board — on the first Wednesday of each month at 10:00 a.m.~~

~~((b) Western Washington board — on the second Wednesday of each month at 11:00 a.m.~~

~~((c) Central Puget Sound board — on the first Monday of each month at 10:00 a.m.~~

~~((4))~~ shall annually elect one of its members to be the board administrative officer. The duties and responsibilities of the administrative officer include handling day-to-day administrative, budget, and personnel matters on behalf of the board, together with making case assignments to board members in accordance with the board's rules of procedure in order to achieve a fair and balanced workload among all board members. The administrative officer of the board may carry a reduced caseload to allow time for performing the administrative work functions.

~~((2) Regular meetings of the board will be held at the office, telephonically if desired, of the growth management hearings board, or a designated location on the first Wednesday of each month at 10:00 a.m. or following any scheduled hearing on that date.~~

~~((3) The ((joint)) board((s, comprised of the members of the three individual boards,))~~ shall meet at least annually at a time and location to be announced.

~~((5))~~ (4) The office of the growth management hearings board~~((s))~~ provides for the administrative operations of the ~~((three individual boards and the joint))~~ board~~((s))~~.

AMENDATORY SECTION (Amending WSR 92-21-034, filed 10/15/92, effective 10/15/92)

WAC 242-04-040 Public records available. All public records of ~~((each board and of))~~ the ~~((joint))~~ board~~((s))~~ are available for public inspection and copying pursuant to these rules, except as otherwise provided by RCW 42.17.310 and other laws.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-050 Communications with ~~((each))~~ the board ~~((or the joint boards)).~~ (1) All communications with ~~((a))~~ the board, including but not limited to the submission of

materials pertaining to its operations and/or administration or enforcement of chapter 42.17 RCW and these rules, requests for copies of ~~((each))~~ the board((s)) decisions and other matters, by including identification of the appropriate regional panel, shall be addressed to the ~~((appropriate))~~ board as follows:

~~((The))~~ Office of the Growth Management Hearings Board((s)

~~(Insert name of appropriate board))~~

319 - 7th Avenue S.E.

Olympia, WA 98501

P.O. Box 40953

Olympia, WA 98504-0953

360-586-0260

360-664-6975 fax

e-mail: eastern@ew.gmhb.wa.gov

western@wwgmhb.wa.gov

central@cps.gmhb.wa.gov

web site: ~~((www.gmhba.wa.gov))~~ www.gmhb.wa.gov

(2) All communications with the ~~((joint))~~ board((s)) shall be addressed as noted in subsection (1) of this section.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-060 Public records officer. (1) The administrative ~~((chairperson responsible for management of the office of the growth management hearings boards))~~ officer, or his/her designee, shall be in charge of the public records for ~~((all three boards and for the joint))~~ board((s)).

(2) Such person shall be responsible for implementation of these rules and regulations regarding release of public records, and generally assuring compliance with the public records disclosure requirements of chapter 42.17 RCW, and in particular RCW 42.17.250 through 42.17.340.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-070 Office hours. Public records shall be available for inspection and copying during the customary office hours of the ~~((office of the))~~ growth management hearings board((s)). For the purposes of this chapter, the customary office hours shall be from 8:00 a.m. to noon and from 1:00 p.m. to 5:00 p.m., Monday through Friday, excluding legal holidays.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-080 Requests for public records. In accordance with the provisions of chapter 42.17 RCW, that agencies prevent unreasonable invasions of privacy, protect public records from damage or disorganization, and prevent excessive interference with essential functions of the agency, public records may be inspected or copied, or copies of such records may be obtained, by members of the public upon compliance with the following procedures:

(1) A request shall be made in writing upon a form prescribed by the ~~((joint))~~ board((s)) which shall be available at

the office of the growth management hearings board((s)). A completed form shall be presented to the public records officer or to any staff member at the office of the growth management hearings board((s)) during customary office hours. The request shall include the following information:

(a) The name and address of the person requesting the record and the organization represented, if any;

(b) The time of day and calendar date on which the request was made;

(c) A description of the material requested;

(d) If the matter requested is referenced within the current index maintained by the public records officer, a reference to the requested record as it is described in such current index;

(e) If the requested matter is not identifiable by reference to a current index, an appropriate identification of the record requested.

(2) In all cases in which a member of the public is making a request, it shall be the obligation of the public records officer or staff member to whom the request is made to assist the member of the public in appropriately identifying the public record requested.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-090 Responses to requests for public records. Within five business days of receiving a public record request, the public records officer must respond by either:

(1) Providing the record;

(2) Acknowledging that the public records officer has received the request for ~~((an individual))~~ the board ~~((or the joint boards))~~ and providing a reasonable estimate of the time that the public records officer will require to respond to the request. Additional time required to respond to a request may be based upon the need to clarify the intent of the request, to locate and assemble the information requested, to notify third persons or agencies affected by the request, or to determine whether any of the information requested is exempt and that a denial should be made as to all or part of the request. In acknowledging receipt of a public record request that is unclear, the public records officer may ask the requestor to clarify what information the requestor is seeking. If the requestor fails to clarify the request, the public records officer need not respond to it; or

(3) Denying the public record request.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-100 Copying. No fee shall be charged for the inspection of public records. The public records officer, on behalf of ~~((either an individual))~~ the board ~~((or the joint boards))~~, shall charge a reasonable fee for providing copies of public records and for use of the office of the growth management hearings ~~((boards'))~~ board's photocopy equipment. The public records officer may charge a reasonable fee for electronic facsimile transmissions (fax). The charge is the amount necessary to reimburse the office of the growth management

hearings board((s)) for its actual costs incident to such copying or transmission.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-110 Exemptions. (1) The public records officer, on behalf of ~~((each individual))~~ the board ~~((or the joint boards))~~, reserves the right to determine that a public record requested in accordance with the procedures outlined in WAC 242-04-080 is exempt under the provisions of RCW 42.17.310 including but not limited to the following:

(a) Personal information in files maintained for members and employees of ~~((an individual))~~ the board, ~~((the joint boards,))~~ or the office of the growth management hearings board((s)), to the extent that disclosure would violate their right to privacy;

(b) Preliminary drafts, notes, recommendations, and intra-agency memoranda in which opinions are expressed or policies formulated or recommended, except that a specific record shall not be exempt when publicly cited by an agency in connection with any agency action;

(c) All applications for public employment, including the names of applicants, resumes, and other related materials submitted with respect to an applicant;

(d) The residential addresses and residential telephone numbers of employees or volunteers of a public agency which are held by the agency in personnel records, employment or volunteer rosters, or mailing lists of employees or volunteers.

(2) Pursuant to RCW 42.17.260, the public records officer reserves the right to delete identifying details when he/she makes available or publishes any public records, in all cases when there is reason to believe that disclosure of such details would be an invasion of personal privacy protected by chapter 42.17 RCW. The public records officer will fully justify such deletion in writing.

(3) All public records otherwise exempt by law shall be considered exempt under the provision of these rules.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-130 Protection of public records. In order to protect the public records in the custody of ~~((each individual))~~ the board, ~~((the joint boards,))~~ or the office of the growth management hearings boards, the following guidelines shall be followed by any person inspecting such public records:

(1) No public records shall be removed from the office;

(2) Inspection of any public record shall be conducted in the presence of the public records officer or his/her designee;

(3) No public record may be marked or defaced in any manner during inspection;

(4) Public records which are maintained in the file jacket, or in chronological order, may not be dismantled except for purpose of copying, and then only by the public records officer or his/her designee;

(5) Access to file cabinets, shelves, vaults, and other storage locations is restricted to the public records officer, board members, and staff.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-140 Records index. (1) Index. The public records officer has available to all persons a current index which provides identifying information as to records which have been issued, adopted, or promulgated since May 15, 1992, as follows:

(a) Final orders, including concurring and dissenting opinions, made in the adjudication of cases;

(b) Those statements of policy and interpretations of policy, statute, and the Constitution which have been adopted by ~~((an individual))~~ the board ~~((and/or the joint boards))~~;

(c) Administrative staff manuals and instructions to staff that affect a member of the public;

(d) ~~((Individual board and joint))~~ Board planning policies and goals, and interim and final planning decisions;

(e) Factual staff reports and studies, a consultant's factual reports and studies, scientific reports and studies, and any other factual information derived from tests, studies, reports, or surveys, whether conducted by public employees or others; and

(f) Correspondence, and materials referred to therein, by and with ~~((an individual))~~ a board, ~~((the joint boards,))~~ or the office of the growth management hearings boards relating to any regulations, supervisory or enforcement responsibilities of the growth management hearings board((s)), where ~~((an individual))~~ the board determines or is asked to determine the rights of the state, the public, a subdivision of state government, or of any private party.

(2) Availability. The current index promulgated by the public records officer shall be available for inspection by all persons under the same rules and on the same conditions as are applied to public records available for inspection.

AMENDATORY SECTION (Amending WSR 09-21-040, filed 10/13/09, effective 11/13/09)

WAC 242-04-150 Adoption of form. ~~((Each individual))~~ The board ~~((and the joint boards))~~ adopts the use by all persons requesting inspection and/or copies of records the form set out below, entitled "Request for inspecting and/or copying public records."

We have received your request for inspection of and/or copies of our public records. Please complete this form and return it with the amount required, if applicable. We will forward the requested copies to you as soon as we receive this completed form with payment.

Return to:

PUBLIC RECORDS OFFICER

OFFICE OF THE GROWTH MANAGEMENT HEARINGS BOARD((S-~~((INSERT APPROPRIATE BOARD'S NAME)))~~)

REGIONAL PANEL: _____

REQUEST FOR INSPECTING AND/OR COPYING PUBLIC RECORDS

Date:
 Name:
 Address:
 Day Phone Number:
 Description of Record(s) Requested, including case number and document identification and date, if known:

Date Adopted: September 17, 2010.
 Michael VanBrocklin, O.D.
 Chair, Board of Optometry

I certify that the information obtained through this request for public records will be used in compliance with chapter 42.17 RCW.

 Signature

Number of Copies
 Number of Pages
 Per Page Cost \$
 Total Charge \$

WSR 10-21-067
PERMANENT RULES
DEPARTMENT OF HEALTH
 (Board of Optometry)

[Filed October 15, 2010, 4:14 p.m., effective November 15, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: Optometrists whose license is not certified at the highest level must complete sixteen hours of didactic training, eight hours of supervised clinical experience and four hours of training in epinephrine by injection by January 1, 2011. The purpose of this rule is to allow consideration of current licensure at substantially equivalent standards in other states as meeting the certification requirements for optometrists currently licensed in Washington.

Citation of Existing Rules Affected by this Order: Amending WAC 246-851-570 and 246-851-600.

Statutory Authority for Adoption: RCW 18.54.070(2) and 18.53.010.

Adopted under notice filed as WSR 10-16-115 on August 2, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 2, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 2, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 2, Repealed 0.

AMENDATORY SECTION (Amending WSR 04-05-004, filed 2/5/04, effective 3/7/04)

WAC 246-851-570 Certification required for use or prescription of drugs administered orally for diagnostic or therapeutic purposes. (1) To qualify for certification to use or prescribe drugs administered orally for diagnostic or therapeutic purposes, a licensed optometrist(s) must provide documentation that he or she:

(a) ~~((Are))~~ Is certified ~~((under RCW 18.53.010 (2)(b)))~~ to use or prescribe topical drugs for diagnostic and therapeutic purposes ~~((~~ ~~))~~
~~((b) Have))~~ under WAC 246-851-400 and has successfully completed a minimum of sixteen hours of didactic and eight hours of supervised clinical instruction from an institution of higher learning, accredited by those agencies recognized by the United States Office of Education or the Council on Postsecondary Accreditation; or

(b) Holds a current active optometry license in another state that has licensing standards substantially equivalent to those in Washington state. The licensee's level of licensure must also be substantially equivalent to the licensing standards in Washington state.

(2) The didactic instruction must include a minimum of sixteen hours in the following subject area:

- (a) Basic principles of systemic drug therapy;
- (b) Side effects, adverse reactions and drug interactions in systemic therapy;
- (c) Review of oral pharmaceuticals:
 - (i) Prescription writing;
 - (ii) Legal regulations in oral prescription writing;
 - (iii) Systemic antibacterials in primary eye care;
 - (iv) Systemic antivirals in eye care;
 - (v) Systemic antifungal in eye care;
 - (vi) Systemic antihistamines and decongestants and their uses in eye care;
 - (vii) Oral dry eye agents;
 - (viii) Anti-emetics and their use in eye care;
 - (ix) Systemic diuretics and their management of elevated IOP;
 - (x) Systemic epinephrine;
- (d) Review of systemic medication in ocular pain management:
 - (i) Legal regulations with scheduled medication;
 - (ii) Systemic nonsteroidal anti-inflammatory drugs (NSAIDs);
 - (iii) Systemic noncontrolled analgesics;
 - (iv) Systemic controlled substances;
- (e) Review of oral medications used for sedation and anti-anxiety properties in eye care:
 - (i) Controlled anti-anxiety/sedative substances;
 - (ii) Legal ramifications of prescribing anti-anxiety drugs;
- (f) Review of systemic medications used during pregnancy and in pediatric eye care:
 - (i) Legal ramifications in prescribing to this population;

- (ii) Dosage equivalent with pregnancy and pediatrics;
 - (iii) Medications to avoid with pregnancy and pediatrics;
 - (g) Applied systemic pharmacology:
 - (i) Eyelid and adnexal tissue;
 - (ii) Lacrimal system and peri-orbital sinuses;
 - (iii) Conjunctival and corneal disorders;
 - (iv) Iris and anterior chamber disorders;
 - (v) Posterior segment disorders;
 - (vi) Optic nerve disease;
 - (vii) Peripheral vascular disease and its relationship with ocular disease;
 - (viii) Atherosclerotic disease;
 - (ix) Other/course review.
- (3) The supervised clinical instruction must include at least eight hours in the following subject areas:
- (a) Vital signs;
 - (b) Auscultation;
 - (c) Ear, nose and throat;
 - (d) Screening neurological exam.
- (4) Written examination to cover required curriculum.

AMENDATORY SECTION (Amending WSR 04-05-004, filed 2/5/04, effective 3/7/04)

WAC 246-851-600 Certification required for administration of epinephrine by injection for treatment of anaphylactic shock. (1) To qualify for certification to administer epinephrine by injection for anaphylactic shock, licensed optometrists must provide documentation that he or she:

(a) ~~((Are))~~ Is certified ~~((under RCW 18.53.010 (2)(b)))~~ to use or prescribe topical drugs for diagnostic and therapeutic purposes(~~(-~~

~~(b) Have))~~ under WAC 246-851-400 and has successfully completed a minimum of four hours of didactic and supervised clinical instruction from an institution of higher learning, accredited by those agencies recognized by the United States Office of Education or the Council on Postsecondary Accreditation to qualify for certification by the optometry board to administer epinephrine by injection; or

(b) Holds a current active license in another state that has licensing standards substantially equivalent to those in Washington state. The licensee's level of licensure must also be substantially equivalent to the licensing standards in Washington state.

(2) The didactic instruction must include the following subject area:

- (a) Review of urgencies, emergencies and emergency-use agents;
- (b) Ocular urgencies:
 - (i) Thermal burns-direct and photosensitivity-based ultraviolet burn;
 - (ii) Electrical injury;
 - (iii) Cryo-injury and frostbite;
 - (iv) Insect stings and bites;
 - (v) Punctures, perforations, and lacerations;
- (c) General urgencies and emergencies:
 - (i) Anaphylaxis;
 - (ii) Hypoglycemic crisis;
 - (iii) Narcotic overdose.

(3) The supervised clinical instruction must include the following subject areas:

- (a) Instrumentation;
 - (b) Informed consent;
 - (c) Preparation (patient and equipment);
 - (d) All routes of injections.
- (4) With the exception of the administration of epinephrine by injection for treatment of anaphylactic shock, no injections or infusions may be administered by an optometrist.

WSR 10-21-068

PERMANENT RULES

DEPARTMENT OF HEALTH

[Filed October 15, 2010, 4:21 p.m., effective November 15, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: Farmers' market nutrition program (FMNP), the rule revisions add farm stores to the FMNP and apply plain talk principles to clarify existing language.

Citation of Existing Rules Affected by this Order: Amending WAC 246-780-001 through 246-780-060.

Statutory Authority for Adoption: RCW 43.70.700.

Adopted under notice filed as WSR 10-13-172 on June 23, 2010.

Changes Other than Editing from Proposed to Adopted Version: Minor changes were made to clarify the term clients throughout the chapter. Language was added to clarify that the FMNP provides checks for clients to purchase locally grown fruits and vegetables and does not provide the actual produce to clients. A duplicate definition of farmers market was removed, and plain talk principles were applied to language in a few additional areas.

A final cost-benefit analysis is available by contacting Janice K. Boden, Department of Health, WIC Nutrition Program, P.O. Box 47886, Olympia, WA 98504-7886, phone (360) 236-3610, fax (360) 236-2345, e-mail janice.boden@doh.wa.gov.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 1, Amended 4, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 5, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 6, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 1, Amended 9, Repealed 0.

Date Adopted: October 15, 2010.

B. White
for Mary C. Selecky
Secretary

AMENDATORY SECTION (Amending WSR 00-07-129, filed 3/22/00, effective 4/22/00)

WAC 246-780-001 What is the ~~((WIC))~~ purpose of the farmers' market nutrition program? (1) The purpose of the ~~((WIC))~~ farmers' market nutrition program (FMNP) is to:

(a) Provide access to locally grown, fresh, nutritious, unprepared fruits and vegetables to women, infants over five months of age, and children, who participate in the special supplemental nutrition program for women, infants, and children ~~((WIC))~~; and

(b) Expand the awareness and use of farmers' markets where consumers can buy directly from the grower.

(2) The ~~((WIC farmers' market nutrition program))~~ FMNP is administered by the Washington state department ~~((s))~~ of health ~~((and agriculture))~~.

AMENDATORY SECTION (Amending WSR 00-07-129, filed 3/22/00, effective 4/22/00)

WAC 246-780-010 Definitions. The definitions in this section apply throughout this chapter unless the context clearly implies otherwise.

(1) "Authorized" or "authorization" means an ~~((eligible grower and/or farmers' market))~~ applicant has met the selection criteria and has been issued a signed ~~((an agreement))~~ contract with the department allowing participation in the ~~((WIC farmers' market nutrition program))~~ FMNP.

(2) "Authorized farm store" means a store or stand authorized by the department which is located at the site of agricultural production and is owned, leased, rented, or sharecropped and operated by an authorized grower where produce is sold directly to consumers.

(3) "Authorized farmers' market" means a farmers' market authorized by the department that has a minimum of five or more authorized growers who assemble at a defined location for the purpose of selling their produce directly to consumers.

(4) "Authorized grower" means an individual authorized by the department who grows a portion of the produce that they sell at a Washington state authorized farmers' market or authorized farm store.

(5) "Broker" or "wholesale distributor" means an individual or business who exclusively sells produce grown by others. There is an exception for an individual employed by ~~((a))~~ an authorized grower ~~((who is qualified to participate in the WIC farmers' market nutrition program or is employed by a))~~ or nonprofit organization to sell produce on behalf of ~~((qualified))~~ authorized growers.

~~((3))~~ (6) "Check" means a negotiable financial instrument issued by the FMNP to clients to purchase eligible foods.

(7) "Contract" ~~((or "agreement"))~~ means a written legal document binding the contractor and the department to designated terms and conditions.

~~((4))~~ "Contractor" means a farmers' market who has a signed contract with the department to participate in the WIC farmers' market nutrition program.

~~((5))~~ (8) "Cut herbs" means fresh herbs with no medicinal value that are not potted ~~((or bagged))~~.

~~((6))~~ (9) "Department" means the Washington state department ~~((s))~~ of health ~~((and agriculture))~~.

~~((7))~~ (10) "Disqualification" means ~~((the act of))~~ terminating the ~~((agreement and/or))~~ contract of an authorized farmers' market, authorized grower ~~((and/or))~~ ~~((farmers' market from the WIC farmers' market nutrition program))~~ authorized farm store for noncompliance with ~~((program))~~ FMNP requirements.

~~((8))~~ (11) "Eligible foods" means locally grown, unprocessed (except for washing), fresh, nutritious fruits, vegetables, and cut herbs.

~~((9))~~ "Eligible grower" means an individual or business who grows a portion of the produce that they sell at Washington state authorized farmers' markets.

(10) "Farmers' market" means a membership of five or more growers who assemble at a defined location for the purpose of selling their produce directly to consumers.

~~((11))~~ (12) "FMNP" ~~((or "program"))~~ means the ~~((WIC))~~ farmers' market nutrition program.

~~((12))~~ "Locally grown" means Washington grown or grown in an adjacent county of Idaho or Oregon.

~~((13))~~ "Local WIC agency" means the contracted agency or clinic where a client receives WIC services and WIC farmers' market checks.

~~((14))~~ "Program coordinator" (13) "Local WIC agency" means the contracted agency or clinic where a client receives WIC services and farmers' market checks.

(14) "Locally grown" means Washington grown or grown in an adjacent county of Idaho or Oregon.

(15) "Market manager" means an individual designated by the farmers' market ~~((manager))~~ management or ~~((market))~~ board member ~~((s))~~ who is responsible for overseeing the market's participation in the ~~((WIC farmers' market nutrition program))~~ FMNP.

~~((15))~~ (16) "Trafficking" means the buying or exchanging of ~~((WIC))~~ farmers' market checks for cash, drugs, or alcohol.

~~((16))~~ "Validating" means stamping the WIC farmers' market check in the designated box with appropriate market and grower identification numbers using the stamper provided by the department.)

(17) "WIC" or "WIC nutrition program" means the federally funded special supplemental nutrition program for women, infants, and children administered in Washington state by the department of health.

(18) "~~((WIC))~~ Client" ~~((or "client"))~~ means a ~~((pregnant, breast-feeding, or postpartum))~~ woman, infant, or child receiving ~~((WIC))~~ FMNP benefits.

AMENDATORY SECTION (Amending WSR 00-07-129, filed 3/22/00, effective 4/22/00)

WAC 246-780-020 How does ~~((a))~~ an applicant farmers' market become ~~((a contractor))~~ authorized to participate in the farmer's market nutrition program? (1) ~~((A farmers' market wanting))~~ To become authorized to participate in the ~~((WIC farmers' market nutrition program))~~ FMNP, an applicant must:

(a) Apply ~~((for authorization;))~~ as a farmers' market on a form provided by the department;

(b) Meet the selection criteria((:)) in subsection (2) of this section;

(c) Complete training on FMNP requirements; and ((sign))

(d) Receive a contract ((with)) from the department signed by both the department and the applicant.

(2) Farmers' market selection ((is based on the following)) criteria. The applicant must:

(a) ((The local WIC agency in the farmers' market service area must participate in the WIC farmers' market nutrition program:

(b) The farmers' market must)) Have a designated market manager on-site during operating hours((:));

((e) The farmers' market must)) (b) Have been in operation ((a minimum of)) at least one year. ((If there is a market currently participating in the program in an area where a new market has applied to participate;)) The one-year requirement may be waived((-

(d) The farmers' market must keep a current list of eligible growers, including the farmer's name, business address, telephone number, and crops to be sold July through October. The farmers' market must agree to provide this list to the state WIC office on request.

(e) The farmers' market must)) by the department based on capacity and need;

(c) Be located within twenty miles of the local WIC agency((-

(f) A minimum of five eligible));

(d) Have at least five authorized growers ((must participate)) participating in the farmers' market each year((-

(g) The farmers' market must));

(e) Agree to comply with training sessions and monitor visits((-

(h) The farmers' market must)); and

(f) Agree to comply with all terms and conditions specified in the contract.

(3) ((The WIC farmers' market nutrition program is not required to authorize all applicants.)) The department is not required to authorize all applications. Selection is also based on community need.

(4) An authorized farmers' market must reapply at the end of the current contract; however, neither the department nor the participant has an obligation to renew a contract.

AMENDATORY SECTION (Amending WSR 00-07-129, filed 3/22/00, effective 4/22/00)

WAC 246-780-022 What is expected of ((a contractor)) an authorized farmers' market? ((+)) The ((contractor shall)) authorized farmers' market must:

((a)) (1) Comply with the ((WIC farmers' market nutrition program)) FMNP requirements and the terms and conditions of ((the farmers' market)) their contract;

((b)) (2) Accept training and technical assistance on ((WIC farmers' market nutrition program)) FMNP requirements from department staff;

((c)) (3) Provide in person training to authorized growers, market employees and ((eligible growers in person on WIC farmers' market nutrition program)) volunteers on FMNP requirements including, but not limited to: Eligible

foods, check redemption procedures, civil rights requirements and the complaint process;

((d)) (4) Be accountable for the actions of ((market)) employees ((involved in the WIC farmers' market nutrition program)) and volunteers;

((e) Obtain signed grower agreements from eligible growers before they accept WIC farmers' market checks;

(f)) (5) Keep a current list of authorized growers, including the authorized grower's name, business address, telephone number, and crops to be sold during the farmers' market season. The authorized farmers' market must provide this list to the department on request;

(6) Ensure that ((WIC farmers' market)) FMNP checks are ((redeemed)) accepted only by ((eligible)) authorized growers for locally grown eligible foods;

((g) Allow only growers selling locally grown produce to accept WIC farmers' market checks;

(h) Ensure that WIC farmers' market checks are redeemed only for eligible foods;

(i) Ensure eligible growers redeem WIC farmers' market checks within valid dates;

(j) Ensure eligible growers have and display the "WIC Farmers' Market Checks Welcome Here" sign each market day when at authorized markets;

(k)) (7) Report to the department anyone that accepts FMNP checks without authorization from the department;

(8) Refuse to ((validate)) process any ((WIC farmers' market)) FMNP checks ((from ineligible growers;

(l) Agree to designate a program coordinator to validate WIC farmers' market checks with the appropriate market and grower identification numbers;

(m) Comply with federal and state nondiscrimination laws;

(n) Ensure that WIC farmers' market nutrition program clients receive the same courtesies as other customers;

(o) Agree to provide the department with any information it has available regarding its participation in the WIC farmers' market nutrition program;

(p) Agree to keep WIC farmers' market client information confidential;

(q) Agree to allow the department to monitor the farmers' market for compliance with program requirements;

(r) Notify the department immediately if and when market operations cease; and

(s) Report any suspected noncompliance with WIC farmers' market nutrition program requirements to the department.

(2) Neither the department nor the contractor have an obligation to renew a contract.)) taken by unauthorized individuals;

(9) Ensure FMNP checks are stamped with the appropriate market and authorized grower identification numbers;

(10) Ensure authorized growers have and display the "WIC Farmers' Market Checks Welcome Here" sign each day;

(11) Comply with federal and state nondiscrimination laws;

(12) Ensure that clients receive the same courtesies as other customers;

(13) Provide the department, upon request, with any information it has available regarding its participation in the FMNP;

(14) Keep client information confidential;

(15) Allow the department to monitor the authorized farmers' market for compliance with FMNP requirements;

(16) Notify the department immediately if authorized farmers' market operations cease; and

(17) Notify the department immediately of any authorized farmers' market, authorized grower or authorized farm store suspected of noncompliance with FMNP requirements.

AMENDATORY SECTION (Amending WSR 00-07-129, filed 3/22/00, effective 4/22/00)

WAC 246-780-025 How does an ~~((eligible))~~ applicant grower become authorized ~~((by a farmers' market))~~ to ~~((accept WIC))~~ participate in the farmers' market ~~((checks))~~ nutrition program? ~~((Eligible growers must:~~

~~(1) Grow a portion of the produce they have for sale. Any individual who purchases all the produce they plan to resell is considered a broker and is not allowed to participate in the program;~~

~~(2) Sell at an authorized farmers' market;~~

~~(3) Agree to follow the terms and conditions of the grower agreement; and~~

~~(4) Sign the grower agreement and return it to the department for signature and to be assigned a grower identification number-)) (1) To become authorized to participate in the FMNP an applicant must:~~

~~(a) Apply as a grower on a form provided by the department;~~

~~(b) Meet the grower selection criteria in subsection (2) of this section;~~

~~(c) Complete training on FMNP requirements provided by either an authorized farmers' market manager or the department; and~~

~~(d) Receive a contract from the department signed by both the department and the applicant.~~

~~(2) Grower selection criteria. The applicant must:~~

~~(a) Grow a portion of the produce they have for sale;~~

~~(b) Sell locally grown produce at either the authorized farmers' market or the authorized farm store, or both as identified on the completed application; and~~

~~(c) Agree to follow the terms and conditions of the grower contract.~~

~~(3) The department is not required to authorize all applications. Selection is also based on community need.~~

~~(4) An authorized grower must reapply at the end of the current contract; however, neither the department nor the participant has an obligation to renew a contract.~~

NEW SECTION

WAC 246-780-026 How does an applicant farm store become authorized to participate in the farmers' market nutrition program? (1) To become authorized to participate in the FMNP an applicant must:

(a) Apply as a farm store on a form provided by the department;

(b) Meet the farm store selection criteria in subsection (2) of this section;

(c) Complete training on FMNP requirements provided by either an authorized farmers' market manager or the FMNP; and

(d) Receive a contract from the department signed by both the department and the applicant.

(2) Farm store selection criteria. The applicant must:

(a) Be located at the site of agricultural production and grow, at that location, a portion of the produce they have for sale;

(b) Sell locally grown produce; and

(c) Agree to follow the terms and conditions of the contract.

(3) An authorized farm store must reapply at the end of the current contract; however, neither the department nor the participant has an obligation to renew a contract.

(4) The department is not required to authorize all applicants. Priority for authorization will be given to applicants located in areas without an authorized farmers' market.

AMENDATORY SECTION (Amending WSR 00-07-129, filed 3/22/00, effective 4/22/00)

WAC 246-780-028 What is expected of an authorized grower or an authorized farm store? The authorized grower ~~((agrees to))~~ or authorized farm store must:

(1) Comply with the ~~((WIC farmers' market nutrition program))~~ FMNP requirements and the terms and conditions of the ~~((grower agreement))~~ contract;

(2) Accept training ~~((on WIC farmers' market nutrition program))~~ and technical assistance on FMNP requirements and ~~((assure))~~ ensure that all persons working ~~((in the authorized grower's staff))~~ or volunteering with the authorized grower or at the authorized farm store at the location(s) specified in the contract are trained as well. Training may be provided by either a farmers' market manager or the department and includes, but is not limited to: Eligible foods, check processing and redemption procedures, civil rights requirements and the complaint process;

(3) Be held accountable regarding FMNP purchases and requirements for the actions of all persons working ~~((in the authorized grower's stall regarding WIC farmers' market nutrition program purchases))~~ or volunteering with the authorized grower or at the authorized farm store at the location(s) specified in the contract;

(4) Accept ~~((WIC farmers' market))~~ FMNP checks only for eligible foods;

(5) Accept ~~((WIC farmers' market))~~ FMNP checks only at authorized farmers' markets or at authorized farm stores at the location(s) specified in the contract;

(6) Accept ~~((WIC farmers' market checks within the valid dates of the program;~~

~~(7) Redeem WIC farmers' market checks by the date imprinted on the check;~~

~~(8))~~ FMNP checks within the valid dates of the FMNP and redeem checks by the date imprinted on the check;

(7) Display the "WIC Farmers' Market Checks Welcome Here" sign ~~((each market day when at authorized markets))~~

when selling eligible foods at authorized farmers' markets and authorized farm stores;

~~((9))~~ (8) Provide ~~(the WIC farmers' market nutrition program)~~ clients with the full amount of product for the value of each ~~((WIC farmers' market))~~ FMNP check;

~~((10))~~ (9) Charge ~~((WIC farmers' market nutrition program))~~ clients the same prices as other customers;

~~((11))~~ Have the WIC farmers' market checks validated by the program coordinator at the farmers' market where the checks were accepted before cashing or depositing them;

~~((12))~~ (10) Make produce available to clients that is the same quality as that offered to other customers;

~~((13))~~ (11) Comply with federal and state nondiscrimination laws;

~~((14))~~ (12) Treat ~~((WIC farmers' market customers))~~ clients as courteously as other customers;

~~((15))~~ (13) Cooperate with department staff in monitoring for compliance with ~~((program))~~ FMNP requirements and provide information on request;

~~((16))~~ (14) Reimburse the department for ~~((WIC farmers' market))~~ mishandled FMNP checks ~~((taken improperly))~~;

~~((17))~~ (15) Not collect sales tax on ~~((WIC farmers' market))~~ FMNP check purchases;

~~((18))~~ (16) Not seek ~~((payment))~~ reimbursement from ~~((WIC farmers' market nutrition program))~~ clients for checks not paid by the department;

~~((19))~~ (17) Not give cash back for purchases less than the value of the FMNP checks; and

~~((20))~~ (18) Not trade, barter or otherwise use ~~((WIC))~~ farmers' market checks to purchase foods from other growers or pay for market fees or other business costs.

AMENDATORY SECTION (Amending WSR 00-07-129, filed 3/22/00, effective 4/22/00)

WAC 246-780-030 What kind of foods can clients buy with ~~((WIC))~~ farmers' market nutrition program checks? (1) Clients can use FMNP checks to buy locally grown, unprocessed (except for washing), fresh fruits, vegetables, and cut herbs (can be purchased with WIC farmers' market checks).

(2) ~~((Ineligible items include, but are not limited to, baked goods, cheeses, cider, crafts, dairy products, dried fruits, dried herbs, dried vegetables, eggs, flowers, fruit juices, honey, jams, jellies, meats, nuts, potted herbs, seafood, seeds, and syrups.))~~ Federal regulations do not allow clients to buy the following items with FMNP checks:

(a) Baked goods;

(b) Cheeses;

(c) Cider;

(d) Crafts;

(e) Dairy products;

(f) Dried fruits;

(g) Dried herbs;

(h) Dried vegetables;

(i) Eggs;

(j) Flowers;

(k) Fruit juices;

(l) Honey;

(m) Jams;

(n) Jellies;

(o) Meats;

(p) Nuts;

(q) Potted herbs;

(r) Seafood;

(s) Seeds; and

(t) Syrups.

AMENDATORY SECTION (Amending WSR 00-07-129, filed 3/22/00, effective 4/22/00)

WAC 246-780-040 What happens if ~~((a))~~ an authorized farmers' market ~~((or a)),~~ authorized grower or authorized farm store does not comply with ~~((WIC farmers' market nutrition program))~~ FMNP requirements?

(1) Authorized farmers' markets (and), authorized growers or authorized farm stores who do not comply with ~~((WIC farmers' market nutrition program))~~ FMNP requirements are subject to sanctions, such as monetary penalties, ~~((in addition to, or in lieu of,))~~ or disqualification. Prior to ~~((disqualifying a farmers' market or grower))~~ disqualification, the department ~~((shall))~~ must consider whether the disqualification would create undue hardships for ~~((WIC farmers' market nutrition program))~~ clients.

(2) Noncompliance includes, but is not limited to:

(a) Failing to display the "WIC Farmers' Market Checks Welcome Here" sign each ~~((market))~~ day when selling at authorized farmers' markets or authorized farm stores;

(b) Providing unauthorized food~~((;))~~ or nonfood items~~((; or other items))~~ to ~~((WIC farmers' market nutrition program))~~ clients in ~~((lieu of, or in addition to, eligible foods))~~ exchange for the FMNP check;

(c) Charging the ~~((program))~~ department for foods not received by the client;

(d) Providing rain checks or credit to clients in ~~((a WIC farmers' market nutrition program))~~ an FMNP transaction;

(e) Giving change to ~~((WIC farmers' market nutrition program))~~ clients if the purchase is less than the value of the ~~((WIC farmers' market))~~ FMNP check;

(f) ~~((Validating WIC farmers' market checks without having authorization from the department;))~~

~~((g))~~ Accepting ~~((WIC farmers' market))~~ FMNP checks without having a signed ~~((agreement))~~ contract with the department;

~~((h))~~ (g) Accepting ~~((WIC farmers' market))~~ FMNP checks at unauthorized farmers' markets or unauthorized farm stores;

~~((i))~~ Failing to get the WIC farmers' market checks validated with the market and grower identification numbers by the farmers' market program coordinator where the checks were accepted;

~~((j))~~ (h) Collecting sales tax on ~~((WIC farmers' market))~~ FMNP purchases;

~~((k))~~ (i) Seeking ~~((restitution))~~ reimbursement from ~~((program))~~ clients for checks not paid by the department; and

~~((l))~~ Accepting and/or validating checks outside of the program dates; and

~~((m))~~ (j) Violating the rules of this chapter or the provisions of the contract ~~((and/or agreement)).~~

(3) Authorized farmers' markets ~~((and)), authorized growers, and authorized farm stores~~ found in noncompliance will be notified by the ~~((department and given the opportunity to correct the problem))~~ department in writing.

(4) If ~~((a farmers' market or grower))~~ an authorized farmers' market, authorized grower or authorized farm store is subsequently found in noncompliance for the same or a similar reason, the department may impose sanctions, such as monetary penalties or disqualification, without giving the opportunity to correct the problem.

(5) When the department notifies ~~((a))~~ an authorized farmers' market ~~((or)), authorized grower or authorized farm store~~ of ~~((anything))~~ a pending adverse action that affects their ~~((participation))~~ authorization status in the ~~((program))~~ FMNP, the department ~~((shall give))~~ must mail written notice ~~((not less than))~~ at least fifteen days before the effective date of the action. The notice ~~((shall))~~ must state what action is being taken, the effective date of the action, and the procedure for requesting an appeal hearing.

(6) The department may deny payment to ~~((a))~~ an authorized grower or an authorized farm store for mishandling ~~((WIC farmers' market))~~ FMNP checks.

(7) The department may seek reimbursement from ~~((a))~~ an authorized grower or authorized farm store for payments made on ~~((improperly handled WIC farmers' market))~~ mishandled FMNP checks.

(8) Monetary penalties ~~((shall))~~ must be paid to the department within the time period specified in the notice. The department ~~((shall))~~ may refer ~~((farmers' markets and/or growers))~~ an authorized grower or authorized farm store who fails to pay within the specified time period to a commercial collection agency. ~~((In addition, the department may disqualify a farmers' market or grower.))~~

(9) ~~((A))~~ An authorized farmers' market ~~((or)), authorized grower or authorized farm store~~ that has been disqualified from the ~~((WIC farmers' market nutrition program must))~~ FMNP may reapply at the end of the disqualification period ~~((to be considered for authorization)).~~

(10) Any trafficking in ~~((WIC farmers' market))~~ FMNP checks ~~((exchanging checks for cash, drugs, or alcohol))~~ in any amount ~~((shall))~~ must result in disqualification.

(11) ~~((Farmers' markets and growers))~~ An authorized farmers' market, authorized grower or authorized farm store who commits fraud or other unlawful activities are liable for prosecution according to ~~((program))~~ FMNP regulations. (7 C.F.R. 248.10(k).)

AMENDATORY SECTION (Amending WSR 00-07-129, filed 3/22/00, effective 4/22/00)

WAC 246-780-060 How does ~~((a))~~ an authorized farmers' market ~~((or)), authorized grower, an authorized farm store or an applicant~~ appeal a department decision?

(1) ~~((Farmers' markets and growers have))~~ An authorized farmers' market, authorized grower, authorized farm store or an applicant has a right to appeal denial of payment, denial of an application, monetary penalty or disqualification from the ~~((WIC farmers' market nutrition program))~~ FMNP. Expiration or nonrenewal of a contract ~~((or agreement))~~ is not subject to appeal.

(2) If the action being appealed is a disqualification of ~~((a))~~ an authorized farmers' market, the authorized farmers' market ~~((shall))~~ must cease ~~((validating WIC))~~ processing farmers' market checks for all authorized growers ~~((participating in the market))~~ effective the date specified in the sanction notice.

(3) If the action being appealed is a disqualification of ~~((a))~~ an authorized grower or authorized farm store, the authorized grower ~~((shall))~~ or authorized farm store must cease accepting ~~((WIC farmers' market))~~ FMNP checks effective the date specified in the sanction notice. In addition, the authorized farmers' market ~~((shall))~~ must cease ~~((validating))~~ processing checks for the affected authorized grower. Payments ~~((shall))~~ must not be made for any ~~((WIC farmers' market))~~ FMNP checks submitted ~~((by a grower))~~ for payment during a period of disqualification.

(4) The department may, at its discretion, permit the authorized farmers' market ~~((or)), authorized grower or authorized farm store~~ to continue participating in the ~~((program))~~ FMNP pending the appeal hearing outcome. The authorized farmers' market, authorized grower or authorized farm store may be required to repay funds for FMNP checks redeemed while waiting for the outcome of the hearing, depending on the hearing outcome.

(5) A request for an appeal hearing ~~((shall))~~ must be in writing and ~~((shall))~~ must:

(a) State the issue raised;

(b) Contain a summary of the authorized farmers' market's ~~((or)), authorized grower's, authorized farm store's or applicant's~~ position on the issue, indicating whether each charge is admitted, denied, or not contested;

(c) State the name and address of the authorized farmers' market ~~((or)), authorized grower, authorized farm store or applicant~~ requesting an appeal hearing;

(d) State the name and address of the attorney representing the authorized farmers' market ~~((or)), authorized grower, authorized farm store or applicant~~ if any;

(e) State the ~~((farmers' market or grower's))~~ need for an interpreter or other special accommodations, if necessary; and

(f) Have a copy of the notice from the department attached.

(6) A request for an appeal ~~((shall))~~ must be filed at the Department of Health, Adjudicative Clerk's Office, ~~((4407 Eastside,))~~ P.O. Box 47879, Olympia, WA 98504-7879. The request ~~((shall))~~ must be made within twenty-eight days of the date the authorized farmers' market ~~((or)), authorized grower, authorized farm store or applicant~~ received the ~~((department))~~ department's notice.

(7) The decision concerning the appeal ~~((shall))~~ must be made within sixty days from the date the request for an appeal hearing was received by the adjudicative clerk's office. The time ~~((shall be extended by as many days as))~~ may be extended if all parties agree ~~((to with good cause)).~~

WSR 10-21-084
PERMANENT RULES
CONSERVATION COMMISSION

[Filed October 19, 2010, 10:48 a.m., effective November 19, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: This proposal establishes procedures in rule governing the election and replacement of conservation district supervisors, including the conduct of conservation district elections and removal of conservation district supervisors from office.

Statutory Authority for Adoption: RCW 89.08.040, 89.08.190, 89.08.200.

Adopted under notice filed as WSR 10-17-083 on August 16, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 68, Amended 0, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 68, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 0, Repealed 0.

Date Adopted: October 12, 2010.

Mark Clark
Executive Director

Chapter 135-110 WAC

ELECTION AND REPLACEMENT OF CONSERVATION DISTRICT SUPERVISORS

GENERAL

NEW SECTION

WAC 135-110-100 Purpose and authority. This rule provides direction for the election and replacement of conservation district supervisors in the state of Washington as authorized by RCW 89.08.190 and 89.08.200.

NEW SECTION

WAC 135-110-110 Definitions. "Absentee ballot" or "mail-in ballot" means a ballot issued to a voter before election day that can be delivered to the conservation district or designated election supervisor on or before the day of the election.

"Ballot" or "official ballot" means the final, preprinted ballot containing the name of each declared, nominated candidate found eligible, and at least one line where a voter may enter the name of a write-in candidate.

"Ballot box" means a container secured against tampering into which paper ballots are placed.

"Candidate" means a person seeking the office of elected conservation district supervisor who has provided the required candidate information to the conservation district by the filing deadline and whose eligibility to run and to serve has been verified by the conservation district.

"Canvass" and "canvassing" means to examine carefully or scrutinize the election returns for authenticity and proper count.

"Certify" and "certification" means the canvassing of returns and the verification of substantial compliance with these procedures by the conservation commission.

"Conservation commission" means the Washington state conservation commission governing board and all deputies and representatives authorized to act on its behalf.

"Conservation commission board" and "conservation commission governing board" means the governing board of the Washington state conservation commission.

"Conservation district" means a governmental subdivision of the state of Washington organized under the provisions of chapter 89.08 RCW Conservation districts.

"Conservation district supervisors" and "district supervisors" means the governing board of a conservation district, composed of elected and appointed supervisors.

"Declared nominated candidate" and "nominated candidate" means an individual found to be a qualified district elector who is eligible and who has submitted the candidate information required, including a qualified nominating petition, to the conservation district by the filing deadline, and the conservation district has verified the eligibility of the candidate.

"Declared vacant" means a declaration by the conservation commission that a conservation district supervisor position is vacant.

"Declared write-in candidate" means a person seeking the office of elected supervisor who has provided the required candidate information to the conservation district by the filing deadline, and the conservation district has found the person eligible.

"Double envelope balloting" means a paper balloting system consisting of an inner and an outer envelope, where a ballot is placed in an inner envelope with no personally identifying marks on it, and then the inner envelope with ballot is placed in the outer envelope upon which the voter has provided sufficient information to allow polling officers to verify the eligibility of the voter.

"Due notice" or "notice" means a notice published at least twice, with at least six days between publications, in a publication of general circulation within the affected area. If there is no such publication, a notice may be posted at a reasonable number of public places within the area where it is customary to post notices concerning county and municipal affairs. There is no requirement for publication of a legal advertisement in a newspaper of record. However, if a legal advertisement is published, a copy of the announcement as published, showing the date of publication, is sufficient proof of publication.

"Elected supervisor" means a qualified district elector:

(a) Who received more valid votes than any other candidate; and

(b) Whose election has been certified and announced by the conservation commission.

"Election supervisor" means an individual or entity appointed by conservation district supervisors to organize, coordinate, and manage tasks related to the election of conservation district supervisors. Only the conservation district board of supervisors may set election dates and appoint the election supervisor.

"Electioneering" means the act of soliciting or advocating votes for a specific candidate, or speaking for or against a specific candidate within three hundred feet of a ballot box or voting place.

"Farm and agricultural land" is defined in RCW 89.08.-020 as follows: "Farm and agricultural land" means either:

(a) Land in any contiguous ownership of twenty or more acres devoted primarily to agricultural uses;

(b) Any parcel of land five acres or more, but less than twenty acres devoted primarily to agricultural uses, which has produced a gross income from agricultural uses equivalent to one hundred dollars or more per acre per year for three of the five calendar years preceding the date of application for classification under this chapter; or

(c) Any parcel of land of less than five acres devoted primarily to agricultural uses which has produced a gross income of one thousand dollars or more per year for three of the five calendar years preceding the date of application for classification under this chapter.

(d) Agricultural lands shall also include farm woodlots of less than twenty and more than five acres and the land on which appurtenances necessary to production, preparation or sale of the agricultural products exist in conjunction with the lands producing such products.

(e) Agricultural lands shall also include any parcel of land of one to five acres, which is not contiguous, but which otherwise constitutes an integral part of farming operations being conducted on land qualifying under this section as "farm and agricultural lands."

"Farm operator" or "operator of a farm" means a person who operates farm and agricultural land.

"Filing deadline" means four weeks before election day in the current election cycle, or, if a local filing deadline that is more than four weeks before election day is adopted by formal action of the conservation district supervisors, that adopted filing deadline.

"Full term," "regular term," and "full term of office" means a three-year term of office.

"Incumbent" means the person in present possession of the office of conservation district supervisor.

"Landowner" means a person with legal title of record to real property in the conservation district at the time of filing for election or applying for appointment.

"Mail-in election" means an election in which mail-in ballots are provided before election day to qualified voters. Voters return completed ballots to a receiving location or address authorized by the conservation district board of supervisors.

"Malfeasance" means wrongful conduct that affects, interrupts, or interferes with the performance of a supervisor's official duty.

"Mid-term" and "mid-term vacancy" means a vacancy in the office of conservation district supervisor, when such vacancy occurs before the full term of office has been fulfilled.

"Municipal officer" means all elected and appointed officers of a conservation district, together with all deputies and assistants of such an officer, and all persons exercising or undertaking to exercise any of the powers or functions of a municipal officer.

"Neglect of duty" means failure by a supervisor or supervisors to perform mandatory duties. Such duties include, but are not limited to:

(a) Compliance with laws and rules imposed by local, state, and federal government entities;

(b) Attendance at a sufficient number of board meetings so as to not impede the work of the conservation district;

(c) Maintaining a full and accurate record of district business;

(d) Securing of surety bonds for board officers and employees;

(e) Carrying out an annual financial audit;

(f) Providing for keeping current a comprehensive long-range program;

(g) Providing for preparation of an annual work plan;

(h) Providing for informing the general public, agencies, and occupiers of lands within the conservation district of conservation district plans and programs;

(i) Providing for including affected community members in regard to current and proposed plans and programs; and

(j) Providing for the submission of the conservation district's proposed long-range program and annual work plan to the conservation commission.

"Nominating petition" means a list of signatures of nominators who desire a candidate's name be placed on the official ballot for a conservation district election.

"Nominator" means a qualified district elector who signs a petition nominating an individual seeking the office of elected supervisor.

"Poll list" or "polling list" means a list of voters who voted in an election.

"Polling officer" means a person appointed by the election supervisor to verify voter eligibility, assure compliance with this rule in and around the polling place, issue ballots, count ballots, and verify the unofficial ballot count in writing to conservation district supervisors.

"Poll site" and "polling site" means a location where votes are collected in a ballot box.

"Poll-site election" and "walk-in election" means an election in which a voter signs in on a poll list, receives a ballot from a polling officer, enters a vote for a candidate on the ballot, and places the ballot in a ballot box at a polling place supervised or monitored by polling officers.

"Provisional ballot" or "contested ballot" means a paper ballot issued to a voter whose qualifications as a qualified district elector cannot be determined at the time the paper ballot is issued. A provisional ballot consists of two envelopes and a paper ballot.

"Qualified district elector" means a registered voter in the county where the district is located and who resides within the conservation district boundary. Qualified district elector means an individual residing within the boundary of the conservation district and registered to vote in a county where the conservation district is located.

"Qualified nominating petition" means a nominating petition which contains at least twenty-five signatures of nominators.

"Remote election" means an election in which ballots are returned by some means other than for a poll-site election. A mail-in election is a type of remote election.

"Short term" or "short term of office" means a term of office less than three years in duration.

"Supervisor" means an elected or appointed board member of a local conservation district governing board, in which the governing board is referred to as the board of supervisors.

"Supervisor-elect" means a supervisor who received more valid votes than any of the other candidates running for the same position in a conservation district election, but the election has not yet been certified by the conservation commission.

"Tie" or "election tie" means an election where no candidate has received a simple majority of votes cast by qualified district electors, and two or more candidates have received the same number of votes cast by qualified district electors.

"Undeclared write-in candidate" means an individual who has not submitted required candidate information to the conservation district and who has not submitted a qualified nominating petition by the filing deadline.

"Voter" means a person who submits a ballot in a conservation district election.

"Withdrawal of candidacy" and "to withdraw" means a written notice, signed and dated by the candidate, and delivered to the conservation district, stating the person's desire to be removed from consideration for the office of conservation district supervisor.

NEW SECTION

WAC 135-110-120 Compliance. (1) The conservation commission may make a determination of significant non-compliance when parties act in variance of this section.

(2) Significant noncompliance is the failure to follow the requirements in this rule that may affect the outcome of an election or deny voters their right of privacy in voting.

(3) The conservation commission may decline to certify an election found in significant noncompliance.

NEW SECTION

WAC 135-110-130 Documents provided to conservation commission to be copies. (1) All election forms and documents submitted to the conservation commission must be copies. Original documents must remain in the care and custody of the conservation district.

(2) The conservation commission may inspect original documents upon request.

NEW SECTION

WAC 135-110-140 Records retention. (1) Unissued or undeliverable ballots must be retained for ten days after the election is certified and the official results announced, and then may be destroyed.

(2) All ballots submitted by voters, and all candidate filing records (including candidate information, nominating petitions, verification of eligibility, and withdrawals of candidacy), must be retained for six months after the election is certified and the official results announced, and then may be destroyed.

NEW SECTION

WAC 135-110-150 Conservation district must remain impartial. No conservation district supervisors, municipal officers or employees may adopt or state an official position about any candidate that promotes, or is prejudicial to, a candidate.

NEW SECTION

WAC 135-110-160 Legal boundaries of conservation district to be available. The election supervisor and polling officer(s) must be able to produce the legal boundary of the conservation district to any person at a physical poll site or at the conservation district office.

NEW SECTION

WAC 135-110-170 Only one ballot per voter may be counted. In the event more than one ballot is submitted by a voter, the first ballot tallied is the only vote counted. Any subsequent ballots from the same voter will be disqualified and must not be counted.

NEW SECTION

WAC 135-110-180 Disruptive acts prohibited. (1) Behavior that disrupts or interferes with the election of conservation district supervisors is prohibited.

(2) A conservation district supervisor, polling officer, or election supervisor may require disruptive persons to leave a physical poll-site election. Such disruptive persons must remain at least three hundred feet away from the polling place or facility where official election functions are being performed.

(3) A conservation district supervisor, polling officer, or election supervisor may enlist the aid of law enforcement personnel to assist in identifying disruptive persons and preventing such persons from disrupting or interfering with any election processes.

ESTABLISHING ELECTION, PROVIDING NOTICE

NEW SECTION

WAC 135-110-200 Conservation district must hold election. A conservation district must hold an election during January, February, or March in the year a three-year term of an elected supervisor will expire.

NEW SECTION

WAC 135-110-210 Conservation district must adopt election resolution. (1) Each year the conservation district supervisors must adopt a resolution establishing the election.

(2) The election resolution adopted by the conservation district supervisors must include the following information:

- (a) The name of the conservation district;
 - (b) The date(s), the physical location(s), and the times polls will open and close for each polling place;
 - (c) The election methods selected for the election;
 - (d) A list showing the name of each elected and appointed conservation district supervisor with a term expiring in the election and appointment cycle covered by the resolution;
 - (e) The filing deadline for candidates;
 - (f) Identification of an individual appointed by the conservation district to fulfill the duties of election supervisor; and
 - (g) The dated signature of at least one conservation district supervisor attesting to this information.
- (3) This information must be provided to the conservation commission by the candidate filing deadline.

NEW SECTION

WAC 135-110-220 Due notice required before and after election resolution. (1) Due notice of the intent to adopt a resolution establishing the election must be provided by the conservation district to potential qualified district electors of the conservation district prior to adopting the resolution.

(2) Following the conservation district's adoption of the election resolution, due notice containing all election information in the resolution must be published, using the filing deadline as the date for determining compliance with due notice requirements.

(3) If a conservation district adopts a standing resolution establishing a repeating annual election schedule, due notice of expiring terms and the filing deadline must be provided to constituents, using the filing deadline as the date for determining compliance with due notice requirements.

NEW SECTION

WAC 135-110-230 Conservation district appoints election supervisor. (1) The conservation district supervisors must appoint a person or firm as the election supervisor.

- (2) The election supervisor:
 - (a) Serves as the primary point of contact between the conservation district and the conservation commission for the conservation district election;
 - (b) Organizes, coordinates, and facilitates election-related activities of the conservation district;
 - (c) Assures that required election procedures are properly conducted; and
 - (d) Assures that required information is properly transmitted to the conservation commission.
- (3) Conservation district supervisors remain responsible for conducting an election in compliance with this section.

NEW SECTION

WAC 135-110-240 Election may be on-site, remote, or both. (1) The conservation district supervisors must choose the method of the election using physical poll sites, or by remote methods, or by any combination of these methods that assures fair treatment of candidates and voters, provides privacy in voting, and complies with all other parts of this rule.

(2) Every physical poll site must be open for at least four hours at a time convenient for voters, and every physical poll site must have at least two polling officers present during the hours the polls are open.

(3) Ballots submitted by mail must be postmarked no later than the day of the election, or the last day if multiple election days. Ballots submitted by physical delivery must be received at the district office by the announced final polling time of the day of election, or the last day if multiple election days. Remote ballots transmitted by any other means must be transmitted by the last day of election.

NEW SECTION

WAC 135-110-250 Voting must be accessible. Disabled voters must be offered a voting method accessible to them.

CANDIDATE ELIGIBILITY, FILING, NOMINATION, VERIFICATION, WITHDRAWAL

NEW SECTION

WAC 135-110-300 Every candidate must be a qualified district elector. A candidate for election to the office of conservation district supervisor must be a qualified district elector at the time of filing.

NEW SECTION

WAC 135-110-310 Some candidates must be landowners or farm operators. RCW 89.08.160 requires two of the three elected supervisors to be landowners or operators of a farm. If the election of a candidate would cause a conservation district board of supervisors to contain fewer than two elected supervisors who are landowners or farm operators, the candidate is not eligible to be elected.

NEW SECTION

WAC 135-110-320 Submission of candidate information required to be elected. (1) Only persons who file candidate information with the conservation district by the filing deadline and who are found by the conservation district to be eligible to be elected may be elected, unless no person has filed for the office by the filing deadline.

(2) The name of a person who files candidate information by the filing deadline but does not file a qualified nominating petition must not be printed on the official ballot, but may be elected as a declared write-in candidate.

(3) Information to be submitted to the conservation district by a person seeking to be a candidate for election must include:

- (a) The name of the conservation district;
- (b) The person's name, residential address, mailing address (if different), and phone number;
- (c) Whether the person is a registered voter in the county where the conservation district is located;
- (d) Whether the person resides inside the conservation district boundary;
- (e) Whether the person is a landowner or an operator of a farm; and
- (f) The dated signature of the person attesting to the accuracy of the information so provided.

NEW SECTION

WAC 135-110-330 Filing deadline. (1) The filing deadline for candidates is four weeks before election day.

(2) By formal action the conservation district supervisors may make the filing deadline on a day more than four weeks before the election.

NEW SECTION

WAC 135-110-340 Only nominated candidates may appear on official ballot. (1) A qualified nominating petition is required for each candidate who wishes for his or her name to appear on the official ballot.

(2) The qualified nominating petition must contain at least twenty-five signatures of nominators and provide the following information:

- (a) The name of the conservation district;
- (b) The name of the candidate;
- (c) The name and address of each nominator sufficient to allow verification of the nominator as a qualified district elector; and
- (d) The signature of each nominator, who by his or her signature, states his or her wish for the candidate named in the petition to be placed on the official ballot.

NEW SECTION

WAC 135-110-350 Types of candidacy. (1) A declared candidate is a qualified district elector who has submitted candidate information to the conservation district by the filing deadline.

(2) A declared nominated candidate is a declared candidate who has submitted a qualified nominating petition to the conservation district by the filing deadline.

(3) An undeclared write-in candidate is a person who has not submitted candidate information to the conservation district by the filing deadline, and who has not submitted a qualified nominating petition by the filing deadline.

NEW SECTION

WAC 135-110-355 Election supervisor must verify candidate eligibility. (1) The election supervisor must verify the eligibility of each person who submits candidate information required by WAC 135-110-320. The election supervisor

may call upon the county auditor or the conservation commission for assistance in verifying eligibility.

(2) For a candidate to be eligible, the election supervisor must make a determination that:

- (a) The name of the person who filed candidate information is the correct legal name of the individual;
- (b) That the person submitted candidate information by the filing deadline;
- (c) That the person submitted a valid nominating petition by the filing deadline;
- (d) That the person was a qualified district elector on the day of filing; and
- (e) That at least two of the three elected conservation district supervisors on the conservation district board of supervisors will be landowners or operators of farms if the person is elected.

(3) For a nominated candidate, the conservation district must also verify that at least twenty-five eligible nominators signed the nominating petition.

NEW SECTION

WAC 135-110-360 Undeclared write-in candidate may be elected if no person files. (1) If no person has filed by the filing deadline, or if the election supervisor finds ineligible all persons who filed, then only undeclared write-in candidates may be elected.

(2) The undeclared write-in candidate, deemed the unofficial winner, must submit required candidate information to the conservation district, and within four weeks (twenty-eight calendar days) following the first date of election, the election supervisor must verify the eligibility of the unofficial winner to be elected and to serve.

(3) If the conservation district is unable to verify eligibility of the unofficial winner within four weeks of the election, the unofficial winner is disqualified. The person receiving the next highest vote count must then submit required candidate information and the conservation district must verify his or her eligibility as described above.

(4) If the undeclared write-in candidate who is the unofficial winner is found ineligible and no other persons received votes, the conservation commission will officially announce another full term of office for the incumbent on the third Thursday in May, but only upon verification by the conservation district of the eligibility of the incumbent to serve in the office of elected conservation district supervisor.

NEW SECTION

WAC 135-110-370 Incumbent automatically reelected if no other person files. (1) The incumbent is automatically reelected to another three-year term if:

- (a) Due notice of the election resolution and the election have been duly published by the conservation district;
- (b) The only person filing by the filing deadline is the incumbent;
- (c) The conservation district verifies the continued eligibility of the incumbent to serve another term of office; and
- (d) The incumbent has not resigned on or before the last date of election.

(2) When an incumbent is automatically reelected, no other election activities at physical poll sites or through remote election processes may be performed.

(3) Before election day, the conservation district must inform the voting public that the incumbent has been reelected by reason of being the only person filing for the position, and that no poll site, mail, or absentee balloting will be performed, and on election day, signs containing this information must be posted at poll sites.

(4) Within four weeks of the first date of election as scheduled in the election resolution, the conservation district must inform the conservation commission of the automatic reelection of the incumbent.

NEW SECTION

WAC 135-110-380 Candidate may withdraw candidacy in writing. (1) Before election day, a candidate may withdraw his or her candidacy by submitting a written request to the conservation district.

(2) A person who withdraws his or her candidacy is not eligible to be elected in the current election.

(3) If a person withdraws his or her candidacy, the conservation district is not required to revise official ballots.

PREPARING FOR ELECTION DAY, BALLOTING, POLLING OFFICERS

NEW SECTION

WAC 135-110-400 Conservation district to obtain list of registered voters. By the first election day, the conservation district must obtain a current list of registered voters from the county auditor for all territory within the conservation district boundary.

NEW SECTION

WAC 135-110-410 Conservation district must set deadline for requesting absentee and mail-in ballots. To provide sufficient time for voters to obtain and return ballots to the conservation district, the conservation district must set a reasonable deadline for voters to request an absentee or mail-in ballot.

NEW SECTION

WAC 135-110-420 Conservation district must not use certain lists. If a conservation district provides unrequested ballots to a population that is less than all the eligible voters within the conservation district boundary, the conservation district must not use lists obtained from an individual conservation district supervisor or employee, nor from any candidate, nor from any trade, company, church, union, fraternal or other organization.

NEW SECTION

WAC 135-110-430 Conservation district may publish candidate-provided information. (1) To assist voters in the selection of a candidate during voting, a conservation dis-

trict may publish information provided by nominated and declared write-in candidates.

(2) If a conservation district chooses to publish information about candidates, it must provide equal opportunity for publication and equivalent space to each nominated and declared write-in candidate.

(3) Candidate information provided by candidates and published by the conservation district may be mailed or delivered to voters before election day, but may not be provided to voters at poll sites on election day.

NEW SECTION

WAC 135-110-440 Employees and municipal officers of district must not be polling officers. A conservation district supervisor, employee or municipal officer may not serve as a polling officer in the conservation district election, unless the person is the election supervisor appointed by the conservation district supervisors.

NEW SECTION

WAC 135-110-450 Polling officers monitor poll-site activities. (1) During a poll-site election, polling officers must monitor the voting place for compliance with this section, and also serve as guardians of all issued and unissued ballots, under the supervision and direction of the election supervisor.

(2) If the election supervisor is present, the election supervisor may also perform these functions as described in WAC 135-110-470.

NEW SECTION

WAC 135-110-460 Polling officers verify voters, issue ballots and count votes. (1) A polling officer must verify a voter is a qualified district elector before issuing a ballot to the voter.

(2) At a poll-site election, at least two polling officers must be present and in control of the ballot box(es) at all times while the polls are open.

(3) At a poll-site election, a provisional ballot must be issued if the voter's eligibility to vote cannot be determined during polling. A voter whose eligibility cannot be determined may only vote on a provisional ballot.

(4) Polling officers count votes cast by voters.

NEW SECTION

WAC 135-110-470 Election supervisor may perform polling officer duties. The election supervisor may serve as a polling officer at one poll site.

BALLOTS, VOTING, POLL SITES, MAIL-IN ELECTIONS

NEW SECTION

WAC 135-110-500 Conservation district must create official ballot. (1) A conservation district must create a ballot

and provide a ballot to each person who wishes to vote in the conservation district election.

(2) The official ballot must:

(a) List the name of each candidate the conservation district has verified as eligible and who has submitted a qualified nominating petition;

(b) List names on the ballot in alphabetical order by last name, from top to bottom, with an empty checkbox or blank space next to each candidate's name; and

(c) Contain at least one blank line where a voter can enter the name of a declared write-in candidate, or if there are no declared candidates, the name of an undeclared write-in candidate.

NEW SECTION

WAC 135-110-515 Conservation district must make ballots available. (1) The conservation district must provide a ballot to any person who requests a ballot.

(2) The conservation district may make ballots available to all potential voters within the conservation district.

(3) Ballots may be provided electronically if a suitable means of determining voter eligibility and preventing voter fraud are utilized.

(4) The conservation district may send or provide ballots to all individuals who, in the three years preceding the election, have voted in a conservation district election or have participated in conservation district services or programs.

NEW SECTION

WAC 135-110-520 Absentee ballots must be provided on request. (1) Absentee ballots must be provided to eligible voters upon request, and voters need not provide proof of any special condition to obtain an absentee ballot.

(2) Absentee ballots may be returned to the conservation district by mail, by personal delivery, or by electronic means previously approved by the election supervisor.

NEW SECTION

WAC 135-110-530 Provisional ballots must be provided when voter eligibility is in question. At a poll-site election, a provisional ballot must be provided to any individual wishing to vote when the individual cannot be verified as eligible to vote prior to the issuance of a ballot.

NEW SECTION

WAC 135-110-540 Functional equivalent of paper ballot required. For electronic voting, the functional equivalent of a paper ballot must be utilized.

NEW SECTION

WAC 135-110-550 Poll lists must be used. (1) In every conservation district election, the conservation district must create a record of who has submitted a ballot and whether the person was found eligible or ineligible to vote.

(2) Each poll list must contain:

(a) The name of the conservation district;

(b) Whether the poll list is for a poll-site or mail-in election, and if a poll-site election, the location of the poll site and the date of polling must be specified;

(3) For poll lists at poll sites, each voter must provide:

(a) His or her name, sufficient to allow identification in the voter registration list;

(b) An address sufficient to allow identification in the voter registration list; and

(c) The signature of the voter.

(4) For poll lists in mail-in elections, the name and address of the voter must be recorded.

NEW SECTION

WAC 135-110-560 Mail-in, absentee, and provisional ballots must be double-envelope balloting. Ballots cast in a mail-in election, or as a paper absentee ballot, or as a paper provisional ballot, must use a double-envelope paper balloting system, in which:

(1) The voter places the completed ballot inside the inner envelope;

(2) The inner envelope is sealed to prevent tampering, and no personally identifying marks are to be placed on the inner envelope;

(3) The inner envelope containing the completed ballot is placed in the outer envelope; and

(4) The voter provides sufficient identifying information on, or inserted into, the outer envelope to allow polling officers to verify the eligibility of the voter.

NEW SECTION

WAC 135-110-570 Election supervisor safeguards ballots except in a poll-site election. Ballots cast by mail-in or absentee methods are to be received and safeguarded by the election supervisor.

NEW SECTION

WAC 135-110-580 Poll sites must be accessible. No poll site selected by the conservation district may appear on the county auditor's list of inaccessible polling sites as described in RCW 29A.16.140.

ELECTION DAY

NEW SECTION

WAC 135-110-600 Electioneering prohibited. (1) On election day, information provided by candidates may not be provided to voters within three hundred feet of the poll site.

(2) Names of nominated and declared write-in candidates must not be publicly posted at the polls.

NEW SECTION

WAC 135-110-610 Every voter must be verified as eligible. (1) Every individual requesting a ballot for any conservation district election must be verified as a qualified district elector before his or her ballot is counted.

(2) At a poll-site election, a provisional ballot must be issued if the voter's eligibility to vote cannot be determined during polling and the individual wishes to vote.

NEW SECTION

WAC 135-110-620 Conservation district must provide polling officers at each poll site. The conservation district must provide at least two polling officers at each poll site, except the election supervisor may substitute for one polling officer at one poll site.

NEW SECTION

WAC 135-110-630 Each poll site must have ballot box and signage. (1) Each poll site must have at least one ballot box.

(2) Each poll site must be conspicuously identified to voters as the place to vote.

NEW SECTION

WAC 135-110-640 Conservation district must assure privacy in voting. (1) The ballot choice made by a voter must not be seen by any other person during the act of voting or the placing of the ballot in the ballot box.

(2) Paper ballots must be placed into ballot boxes. Electronic ballots must assure at least the same level of security and privacy as provided by paper balloting.

NEW SECTION

WAC 135-110-650 Polls to close at published time but may be extended. (1) Polling officers are to close the polls at the published time, unless the polls are extended by the election supervisor.

(2) The election supervisor may extend the time polls are open, if needed to accommodate voters.

(3) Persons waiting in line at a poll site when the polls are scheduled to be closed must be allowed to check in and vote.

(4) Poll times may not be less than advertised unless the incumbent was automatically reelected as allowed under WAC 135-110-370.

AFTER VOTING CLOSES

NEW SECTION

WAC 135-110-700 Opening ballots. (1) Only polling officers and the election supervisor may open and count ballots.

(2) Mail-in and provisional ballots must be verified as having been submitted by a qualified district elector before the outer envelope is opened, and upon verification, the outer envelope must be opened and set aside, and the inner envelope placed into the ballot box.

NEW SECTION

WAC 135-110-710 Polling officers to retain custody of ballots until counted. Ballots cast in a poll-site election are to remain in the custody and control of polling officers until all ballots have been counted and properly tallied.

NEW SECTION

WAC 135-110-720 Polling officers may announce unofficial results. (1) Polling officers may announce the unofficial results of the election, subject to certification and official announcement by the conservation commission.

(2) The unofficial winner is known as the supervisor-elect and may not be seated until after the conservation commission certifies the election and announces the official winner.

NEW SECTION

WAC 135-110-730 Tie in unofficial election results. (1) In the case of two or more candidates receiving the most votes, and each receives an equal number of votes, polling officers must recount the ballots.

(2) If a tie is verified by the recount, the winner of the election must be determined by drawing of names as provided under RCW 29A.60.221 to ensure the drawing is equitable to all affected candidates.

(a) If no more than two candidates are tied, a coin toss may be used in lieu of drawing names to determine the unofficial winner.

(b) If more than two candidates are tied, only a drawing of names may be used to determine the unofficial winner.

(c) A representative of the conservation commission must be present for any drawing of names or coin toss.

(d) The candidate whose name is drawn (or who wins the coin toss) becomes the supervisor-elect.

NEW SECTION

WAC 135-110-740 When no eligible candidate is elected. (1) When no eligible candidate is elected, the conservation commission will officially announce another full term of office for the incumbent on the third Thursday in May, but only upon verification by the conservation district of the eligibility of the incumbent to serve in the office of elected conservation district supervisor.

(2) If the conservation district determines the incumbent conservation district supervisor is no longer eligible to serve in the office of elected conservation district supervisor, or if the incumbent has resigned, the position is deemed vacant and the conservation district may appoint an eligible successor following the official announcement by the conservation commission.

NEW SECTION

WAC 135-110-750 Ballot results must be reported. (1) The results of balloting must be reported to the conservation commission within twenty-eight days of the election.

(2) Ballot results must be reported separately for each poll site, for each mail-in or remote election, and for all absentee ballots. If the same poll site is open on more than one day, separate reports for each day are required.

(3) Information provided about the election must include:

(a) The name of the conservation district; and

(b) Whether the report is for a specific poll site or for a mail-in election, and if for a poll site, the location of the poll site and the date of polling must be specified.

(4) Information provided about candidates must include:

(a) The name of each candidate; and

(b) For each candidate, the number of eligible votes counted and the total number of votes cast for the person.

(5) The total number of ballots invalidated must be reported.

(6) The conservation district must identify the unofficial winner and whether the unofficial winner is a nominated candidate, a declared write-in candidate, or an undeclared write-in candidate.

(7) The ballot results report must be signed and dated by the polling officers who counted the ballots. If the election supervisor participated in counting ballots, the election supervisor must also sign the report.

NEW SECTION

WAC 135-110-760 Conservation commission canvasses returns, determines compliance, announces winners. (1) The conservation commission must canvass the returns of conservation district elections to verify election results and to determine if the election was properly conducted according to the requirements in these procedures.

(2) The conservation commission must announce the official election results for each conservation district election the conservation commission has certified as being substantially in compliance with this rule. The conservation commission may decline to announce the official results of elections found not to be substantially in compliance with this rule.

(3) The conservation commission must act on elections for full-term positions annually at its regular meeting on the third Thursday in May.

(4) Action at any other time will be for short terms of office or for any other reason that the conservation commission deems such later action to be necessary.

NEW SECTION

WAC 135-110-770 Elections are final when certified and announced. (1) Elections are final when certified by the conservation commission and the official results are announced by the conservation commission in May of each year or later as deemed necessary.

(2) A candidate may not perform the duties of a conservation district supervisor before the third Thursday in May and until the conservation commission has announced that person as the official winner of a conservation district election, unless the person is an incumbent conservation district supervisor.

EMERGENCIES

NEW SECTION

WAC 135-110-800 Emergency relocation or rescheduling of election. (1) A conservation district may change the date(s) or location(s) or times for poll sites only in an emergency.

(2) The election supervisor may declare an emergency when adverse conditions may negatively affect the health or safety of voters or the timely return of absentee ballots. Such conditions may include, but are not limited to:

(a) Weather conditions;

(b) Damage to roads, buildings, or other infrastructure;

(c) Chemical spills;

(d) Fire and smoke;

(e) Volcanic eruption, earthquake, landslides, mudflows, and floods; or

(f) Disruptions in information network infrastructure.

(3) When an emergency is so declared, the election supervisor should make reasonable efforts to inform all conservation district supervisors and candidates listed on the ballot.

NEW SECTION

WAC 135-110-810 Signage and notice required. (1) When a polling site is changed in response to an emergency, signage sufficient to notify potential voters must be provided to redirect voters to the new polling site(s). Poll times should be extended to allow for additional travel time to the relocated polls.

(2) When the election date or location is changed in response to an emergency, due notice should be given to the public of the change. If due notice is not possible, the conservation district must take reasonable measures to inform the public of the change. Such measures may include, but are not limited to: Announcements on local radio or television; posting on web pages; announcements in newspapers; and posting of handbills or flyers.

NEW SECTION

WAC 135-110-820 Conservation commission to be informed. The conservation commission must be informed of all emergency changes to poll locations or dates before voting begins.

VACANCIES, REMOVAL, AND REPLACEMENT

NEW SECTION

WAC 135-110-900 Only vacant offices may be filled. The office of conservation district supervisor may not be filled by election or appointment unless the term of office has expired, or the position has been immediately vacated as described in this section, or the conservation commission has declared the position vacant.

NEW SECTION

WAC 135-110-910 Supervisors must be eligible to serve. (1) A conservation district supervisor must be eligible to serve in the office of conservation district supervisor throughout the term of office.

(2) If an incumbent no longer meets the minimum eligibility requirements to serve as a conservation district supervisor, the office is deemed vacant.

NEW SECTION

WAC 135-110-920 Resignation from office. (1) A conservation district supervisor may resign from public office at any time, and for any reason.

(2) Resignations must be made in writing to the conservation commission or to the conservation district.

(3) Resignations are effective on the date received, unless the incumbent has specified a future date for the resignation to become effective.

NEW SECTION

WAC 135-110-930 Ceasing to be a registered voter. (1) The office held by an elected conservation district supervisor is immediately vacant upon that supervisor no longer meeting the definition of a qualified district elector.

(2) The office held by an appointed conservation district supervisor is immediately vacant upon that supervisor no longer being a registered voter in the state of Washington.

NEW SECTION

WAC 135-110-940 Death of the supervisor. The office held by a conservation district supervisor is immediately vacant upon the death of the supervisor.

NEW SECTION

WAC 135-110-950 Declaration voiding an election. The office held by a conservation district supervisor is vacant upon the decision of a competent tribunal declaring his or her election to be void.

NEW SECTION

WAC 135-110-960 Removal from office. (1) As provided in RCW 89.08.200, a conservation district supervisor may be removed from office by the conservation commission governing board upon notice and hearing for neglect of duty or malfeasance.

(2) The conservation commission must provide notice to the supervisor detailing the specific elements of the neglect of duty or malfeasance for which removal is sought. The supervisor shall be given the opportunity to respond in writing to the elements contained in the notice within thirty days of the notice to the supervisor from the conservation commission. Notice to the supervisor from the conservation commission shall be by certified mailing to the address of record for that supervisor.

(3) The conservation commission must hold at least one public hearing no earlier than sixty days from the date of cer-

tified mailing to the supervisor in the area served by the conservation district supervisor before acting to remove the incumbent from office.

(4) Following the public hearing, the conservation commission shall vote on the removal of the supervisor based on official findings of fact detailing the cause or causes of removal.

NEW SECTION

WAC 135-110-970 Replacement. A vacancy in the office of elected conservation district supervisor is filled by the conservation district board of supervisors for the remainder of the unexpired term, subject to the verification of supervisor qualifications by the conservation commission. While due notice to the affected community is strongly recommended, it is not required.

WSR 10-21-086**PERMANENT RULES****DEPARTMENT OF****LABOR AND INDUSTRIES**

[Filed October 19, 2010, 3:45 p.m., effective November 19, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: The 2007 legislature directed L&I to hire one or more outside experts to review and recommend changes to the retrospective rating (retro) program. This rule making implements recommendations from the independent actuarial firm, Oliver Wyman.

Updating retrospective rating plan tables and revising formulas will improve fairness in the distribution of refunds among the participants in the retro program, and will ensure both retro and nonretro pay for the same percentage of their losses after refunds are distributed. These formulas determine the cost of claims and the calculation of retro premium, which determine the amount of premium refunded or additional premium assessed to participants. These rules offer participants more choices in how they participate financially in the program. In addition, the complete chapter is being rewritten to better conform to the statute, chapter 51.18 RCW, and to improve the overall order and clarity.

Citation of Existing Rules Affected by this Order: Repealing WAC 296-17-90401 Introduction, 296-17-90402 Definitions, 296-17-90404 Employer options, 296-17-90405 Individual retro—Enrollment, 296-17-90407 Reenrollment—Individual retro, 296-17-90409 New group—Requirements, 296-17-90410 New group—Agreement finalized, 296-17-90411 Existing group, 296-17-90413 Individual employer group member requirements—Initial enrollment, 296-17-90414 Individual employer group member requirements—Reenrollment, 296-17-90421 Sponsoring organization—Retro group business and industry selection, 296-17-90422 Retro group—Classification assignments, 296-17-90425 Additional groups, 296-17-90428 Disqualification of a retro group, 296-17-90431 Change of ownership, 296-17-90437 Faxed, e-mail and machine-copied agreements and applications, 296-17-90438 Application, agreements and other required documentation—Due dates, 296-17-90440

Cancellation of participation, 296-17-90445 Valuation of coverage period, 296-17-90446 Retrospective premium calculation, 296-17-90447 Adjustments to standard premiums after the last mandatory adjustment—Individual employer, 296-17-90453 Disputes, protests and appeals, 296-17-90484 Direct pay of medical bills—Prohibited, 296-17-90486 Impartial review of L&I decisions, 296-17-90490 Limitation of liability—Indemnification, 296-17-90492 Table I, 296-17-90493 Table II, 296-17-90494 Table III, 296-17-90495 Table IV, 296-17-90496 Table V and 296-17-90497 Table VI; new WAC 296-17-901 Risk classification hazard group table, 296-17B-010 Introduction and overview, 296-17B-020 How to read these rules, 296-17B-030 The language we use in these rules, 296-17B-040 Which version of these rules applies to you?, 296-17B-100 Individual retrospective rating, 296-17B-200 Group retrospective rating—Overview, 296-17B-210 Qualifications for sponsoring organizations, 296-17B-220 Qualifications for new groups, 296-17B-230 Qualifications for existing groups, 296-17B-240 Enrolling a group, 296-17B-250 Employer qualifications for group membership, 296-17B-260 Homogeneity, 296-17B-270 Industry categories, 296-17B-280 Enrolling an employer in a group, 296-17B-300 Choosing loss limits, 296-17B-400 Adjustments, 296-17B-410 Calculating your retrospective rating premiums, 296-17B-420 Premium administration expense charge, 296-17B-430 Incurred loss and expense charge, 296-17B-440 Net insurance charge, 296-17B-500 Determining your standard premiums, 296-17B-510 Assigning claims to coverage periods, 296-17B-520 Determining your losses, 296-17B-530 Determining case incurred losses, 296-17B-540 Determining loss incurred for each claim, 296-17B-550 Determining your incurred losses, 296-17B-560 Determining your hazard group and size group, 296-17B-600 Performance adjustment—Overview, 296-17B-610 How we determine the performance adjustment factor, 296-17B-620 More about the performance adjustment factor, 296-17B-700 Protest and appeals, 296-17B-710 Account in good standing, 296-17B-720 Prohibited conduct, 296-17B-730 Probation, 296-17B-740 Refunds of standard premiums after final adjustment, 296-17B-750 Notification, 296-17B-760 Coverage periods, 296-17B-770 Common ownership, 296-17B-780 Due dates, 296-17B-810 Loss development factors, 296-17B-820 Discount factors, 296-17B-830 Expected loss ratio factors, 296-17B-840 Claim types, 296-17B-910 Hazard Group 1 Tables, 296-17B-920 Hazard Group 2 Tables, 296-17B-930 Hazard Group 3 Tables, 296-17B-940 Hazard Group 4 Tables, 296-17B-950 Hazard Group 5 Tables, 296-17B-960 Hazard Group 6 Tables, 296-17B-970 Hazard Group 7 Tables, 296-17B-980 Hazard Group 8 Tables, and 296-17B-990 Hazard Group 9 Tables.

Statutory Authority for Adoption: RCW 51.16.035, 51.16.100, 51.04.020(1), 51.18.010.

Adopted under notice filed as WSR 10-16-140 on August 4, 2010.

Changes Other than Editing from Proposed to Adopted Version: Changes were made after the initial proposal: Change the time for submission of group applications from sixty to thirty days prior to the start of a new plan year; remove the words "and hazard group" for purposes of determining the premium size group; correct a word in the hazard

group example; revise the application of the expected loss ratio factor in the calculation of case incurred losses; added requirements for the department to evaluate the retrospective rating plan tables every five years; and to repeat the studies that underlie these rules by March 1, 2012.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 53, Amended 0, Repealed 31.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 53, Amended 0, Repealed 31.

Date Adopted: October 19, 2010.

Judy Schurke
Director

NEW SECTION

WAC 296-17-901 Risk classification hazard group table. Effective November 19, 2010.

Risk Classification	Hazard Group
101	9
103	8
104	8
105	5
107	9
108	8
112	7
201	9
202	9
210	8
212	9
214	8
217	7
219	7
301	4
302	9
303	9
306	8
307	7
308	3
403	6
502	8
504	9

Risk Classification	Hazard Group	Risk Classification	Hazard Group
507	8	1407	4
508	9	1501	5
509	9	1507	5
510	7	1701	7
511	7	1702	9
512	9	1703	9
513	6	1704	7
514	7	1801	9
516	8	1802	5
517	9	2002	6
518	9	2004	4
519	9	2007	6
521	7	2008	6
540	8	2009	3
541	9	2101	5
550	9	2102	3
551	9	2104	2
601	7	2105	2
602	7	2106	4
603	9	2201	6
604	7	2202	5
606	4	2203	2
607	6	2204	6
608	7	2401	1
701	9	2903	4
803	5	2904	6
901	8	2905	3
1002	8	2906	4
1003	7	2907	3
1004	6	2908	7
1005	8	2909	4
1007	7	3101	6
1101	5	3102	6
1102	8	3103	6
1103	8	3104	6
1104	3	3105	5
1105	7	3303	3
1106	5	3304	3
1108	5	3309	6
1109	6	3402	6
1301	2	3403	6
1303	3	3404	5
1304	5	3405	3
1305	4	3406	1
1401	9	3407	6
1404	3	3408	1
1405	1	3409	1

Risk Classification	Hazard Group	Risk Classification	Hazard Group
3410	2	4803	2
3411	6	4804	2
3412	8	4805	2
3414	6	4806	5
3415	9	4808	6
3501	6	4809	3
3503	3	4810	3
3506	7	4811	3
3509	1	4812	2
3510	2	4813	3
3511	6	4900	9
3512	3	4901	6
3513	8	4902	3
3602	4	4903	1
3603	4	4904	3
3604	7	4905	2
3605	5	4906	2
3701	5	4907	4
3702	3	4908	2
3708	5	4909	3
3802	3	4910	6
3808	7	4911	6
3901	1	5001	9
3902	4	5002	3
3903	6	5003	9
3905	1	5004	8
3906	4	5005	9
3909	3	5006	9
4002	7	5101	4
4101	5	5103	3
4103	2	5106	2
4107	6	5108	3
4108	3	5109	6
4109	6	5201	4
4201	6	5204	8
4301	4	5206	6
4302	4	5207	2
4304	6	5208	4
4305	5	5209	6
4401	6	5300	2
4402	2	5301	3
4404	5	5302	5
4501	1	5305	1
4502	5	5306	1
4504	1	5307	4
4601	5	5308	1
4802	7	6103	1

Risk Classification	Hazard Group	Risk Classification	Hazard Group
6104	2	6605	1
6105	6	6607	4
6107	1	6608	9
6108	1	6620	1
6109	4	6704	2
6110	5	6705	2
6120	5	6706	6
6121	5	6707	1
6201	7	6708	8
6202	6	6709	2
6203	1	6801	3
6204	2	6802	2
6205	4	6803	9
6206	3	6804	3
6207	6	6809	2
6208	2	6901	1
6209	3	6902	9
6301	8	6903	9
6303	5	6904	1
6304	1	6905	1
6305	1	6906	1
6306	4	6907	4
6308	2	6908	4
6309	3	6909	2
6402	1	7100	7
6403	1	7101	8
6404	3	7102	3
6405	5	7103	4
6406	1	7104	3
6407	3	7105	3
6408	4	7106	3
6409	6	7107	2
6410	3	7108	4
6501	1	7109	4
6502	4	7110	5
6503	5	7111	4
6504	1	7112	4
6505	1	7113	3
6506	2	7114	3
6509	2	7115	3
6510	8	7116	8
6511	3	7117	3
6512	6	7118	7
6601	4	7119	6
6602	5	7120	9
6603	4	7121	9
6604	1	7122	5

Risk Classification	Hazard Group
7200	3
7201	5
7202	6
7203	1
7301	6
7302	7
7307	5
7308	1
7309	2
7400	6

The following classes have no hazard group assigned to them

- 6614
- 6615
- 6616
- 6617
- 6618
- 7204
- 7205

REPEALER

The following sections of the Washington Administrative Code are repealed:

- WAC 296-17-90401 Introduction.
- WAC 296-17-90402 Definitions.
- WAC 296-17-90404 Employer options.
- WAC 296-17-90405 Individual retro—Enrollment.
- WAC 296-17-90407 Reenrollment—Individual retro.
- WAC 296-17-90409 New group—Requirements.
- WAC 296-17-90410 New group—Agreement finalized.
- WAC 296-17-90411 Existing group.
- WAC 296-17-90413 Individual employer group member requirements—Initial enrollment.
- WAC 296-17-90414 Individual employer group member requirements—Reenrollment.
- WAC 296-17-90421 Sponsoring organization—Retro group business and industry selection.
- WAC 296-17-90422 Retro group—Classification assignments.
- WAC 296-17-90425 Additional groups.

- WAC 296-17-90428 Disqualification of a retro group.
- WAC 296-17-90431 Change of ownership.
- WAC 296-17-90437 Faxed, e-mail and machine-copied agreements and applications.
- WAC 296-17-90438 Application, agreements and other required documentation—Due dates.
- WAC 296-17-90440 Cancellation of participation.
- WAC 296-17-90445 Valuation of coverage period.
- WAC 296-17-90446 Retrospective premium calculation.
- WAC 296-17-90447 Adjustments to standard premiums after the last mandatory adjustment—Individual employer.
- WAC 296-17-90453 Disputes, protests and appeals.
- WAC 296-17-90484 Direct pay of medical bills—Prohibited.
- WAC 296-17-90486 Impartial review of L&I decisions.
- WAC 296-17-90490 Limitation of liability—Indemnification.
- WAC 296-17-90492 Table I.
- WAC 296-17-90493 Table II.
- WAC 296-17-90494 Table III.
- WAC 296-17-90495 Table IV.
- WAC 296-17-90496 Table V.
- WAC 296-17-90497 Table VI.

Chapter 296-17B WAC

RETROSPECTIVE RATING FOR WORKERS' COMPENSATION INSURANCE

NEW SECTION

WAC 296-17B-010 Introduction and overview. Retrospective rating (retro) is a voluntary financial incentive program offered by the department of labor and industries to encourage improvements in workplace safety.

Chapter 296-17 WAC defines the standard method for determining the price of workers' compensation insurance for employers insured with the state fund. All employers insured with the state fund must pay the accident fund, medical aid fund, and supplemental pension fund premiums established in that chapter.

Employers who participate in retrospective rating bind themselves to the rules of the retrospective rating program

found in this chapter. Under these sections, a participant's ultimate cost of workers' compensation insurance will be different than under chapter 296-17 WAC.

Employers participate in retrospective rating because it creates an opportunity to earn refunds of premiums they are required to pay under chapter 296-17 WAC. However, participation involves risk: Participants not successful in controlling losses can be assessed additional premiums.

Employers control losses by preventing workplace illnesses and injuries, and helping injured workers return to work.

Employers that participate in retro can enroll either individually or as members of a sponsored group. Enrollment is for a one-year coverage period, but it is possible for employers to join a sponsored group after the group's one-year coverage period has begun, at the beginning of a calendar quarter.

After a coverage period is over, the department evaluates premiums and claims losses and determines retro premiums according to these rules. If a retro group's or an individually enrolled employer's retro premiums are less than the standard premiums paid initially, that firm or group will receive a refund. If the retro premiums are more than the standard premiums initially paid, the firm or group will be assessed the additional amount. Calculation of retrospective premiums is defined further in this chapter. The department goes through this annual adjustment process three times for each coverage period.

The department will repeat the studies that resulted in the hazard group assignments and changes to retrospective plan tables that are shown in WAC 296-17-901, 296-17B-300, 296-17B-560, 296-17B-830, and 296-17B-910 through 296-17B-990. The repeated studies will determine whether the results are consistent with the expectation of improved fairness in the distribution of the retrospective rating refunds among participants. These repeated studies will be done by March 1, 2012.

The department will evaluate and if necessary update the tables beginning at WAC 296-17B-910 every five years.

NEW SECTION

WAC 296-17B-020 How to read these rules. We have written these rules so that employers and group sponsors can understand how the retrospective rating program works, both generally and in detail. These rules are meant to be read together. Often, we will make simple statements in one section, followed in another section by more detailed explanations. We hope that the simple statements are helpful, but if there appears to be a conflict between the simple statements and the detailed explanations that follow, it is the detailed explanation that tells you what we do and how we do it.

NEW SECTION

WAC 296-17B-030 The language we use in these rules. In these rules, when we say "we," we mean the retrospective rating program at the department of labor and industries. When we say "you," we mean either an individually enrolled employer or a sponsored group.

Except when the context specifically indicates, "you" does not mean an individual employer enrolled in a sponsored group.

We have tried to write these rules using plain language. When we use a word or phrase that means other than what it might ordinarily mean, an explanation of the word or phrase can be found in these rules.

NEW SECTION

WAC 296-17B-040 Which version of these rules applies to you? If you participate in retrospective rating, either as an enrolled employer or a group sponsor, the rules in effect on the first day of a coverage period are the rules that will apply to you for that coverage period, even if some of these rules are changed later.

NEW SECTION

WAC 296-17B-100 Individual retrospective rating. (1) We will enroll a qualified employer who applies for enrollment for individual retrospective rating. To qualify, an employer must:

(a) Have an industrial insurance account in good standing;

(b) Have paid standard premiums at least equivalent to the minimum premium listed in size group 1, Table 1, WAC 296-17B-900, in the four calendar quarters prior to applying for enrollment; and

(c) Apply for enrollment no later than the fifteenth day of the month before the calendar quarter in which the coverage period begins. The application must indicate the employer's choices regarding loss limits and whether its net insurance charges will be calculated using standard premiums or incurred losses as explained in these rules. The application must be signed by an owner, partner, corporate officer or managing member of the employer's business.

(2) To reenroll, a currently enrolled employer must submit a new enrollment application no later than the fifteenth day of the month before the calendar quarter in which the new coverage period will begin.

(3) Employers enrolled individually are responsible for retrospective rating premiums for the coverage period enrolled.

NEW SECTION

WAC 296-17B-200 Group retrospective rating—Overview. In group retrospective rating, participating employers become members of an enrolled group sponsored by an approved organization. Employers continue to pay premiums directly to the department as determined by chapter 296-17 WAC. We calculate the group's retrospective rating premiums as though the standard premiums paid by members of the group were paid by the sponsor, and claims assigned to employer members were assigned to the group sponsor. Group sponsors are responsible for the retrospective rating premiums for the coverage period enrolled. If an adjustment results in us refunding premiums, the refund is the property of the group sponsor. If an adjustment results in us assessing additional premiums, the additional premiums are the respon-

sibility of the group sponsor. With limited exceptions explained in these rules, the department is not involved in the private contractual relationship between group sponsor and group member.

NEW SECTION

WAC 296-17B-210 Qualifications for sponsoring organizations. We will approve an organization that applies for group sponsorship if the organization:

- (1) Has been in existence for at least four years;
- (2) Is an organization with dues paying members; and
- (3) Exists primarily for some purpose other than that of obtaining or offering insurance coverage or insurance related services.

NEW SECTION

WAC 296-17B-220 Qualifications for new groups. We will enroll a new retrospective rating group only if:

- (1) We approve the organization sponsoring the group;
- (2) The members of the group qualify for group membership;
- (3) The sponsor demonstrates an acceptable workplace safety and accident prevention plan for the group;
- (4) The sponsor demonstrates an acceptable plan for cooperating with the department's claims management activities;
- (5) At least half of the proposed members have been dues paying members of the sponsoring organization for at least one year;
- (6) The standard premiums for the group members for the four quarters prior to enrollment total at least one million five hundred thousand dollars; and
- (7) Enrolling the group will substantially improve workplace safety and accident prevention for its members.

NEW SECTION

WAC 296-17B-230 Qualifications for existing groups. The department will reenroll an existing group if the sponsor asks for it to be reenrolled, and the group still meets the requirements of WAC 296-17B-220 (1) through (4) and (7). Existing groups must submit application for group enrollment, noting their plan selection, maximum and minimum loss ratios and single loss limit for each plan year. The application must be received by the department at least one month prior to the start of the new plan year.

NEW SECTION

WAC 296-17B-240 Enrolling a group. An organization seeking to sponsor a group must notify us in writing of its intention to sponsor a group, select the industry category, and indicate its loss limit choices for the group no later than two months before the beginning of the coverage period. Organizations that have not previously been approved must at that time establish that the organization qualifies for group sponsorship. Evidence of qualification may include bylaws or articles of incorporation filed with the secretary of state.

We will not enroll a new group if the sponsoring organization also sponsors another group in a different industry category that has not yet received its final adjustment for its second coverage period.

NEW SECTION

WAC 296-17B-250 Employer qualifications for group membership. An employer qualifies for membership in a group if the employer:

- (1) Has an industrial insurance account in good standing;
- (2) Is a dues paying member of the organization sponsoring the group;
- (3) Is not enrolled in retrospective rating either as a member of a group or individually for the coverage period; and
- (4) The employer satisfies the homogeneity requirement of WAC 296-17B-260.

NEW SECTION

WAC 296-17B-260 Homogeneity. An employer may enroll in a group only if:

- (1) We determine that the risk classes appropriately assigned to the employer are related to the industry category selected by the sponsoring organization for the group;
- (2) The employer shares common ownership with an employer enrolled in the group that satisfies the requirements of subsection (1) of this section; or
- (3) The employer has been a member of the group since prior to July 25, 1999.

In evaluating whether an employer's risk classes are related to the industry category, we will consider only those risk classes that define the nature of the employer's business operations insured with the state fund.

NEW SECTION

WAC 296-17B-270 Industry categories. The following is the list of industry categories from which a sponsor must select for a group:

- (1) Agriculture and related services, including services related to the care and breeding of animals, and all agricultural related activities including growing, harvesting, packing, and processing for shipment.
- (2) Automotive, truck and boat, manufacturing, sales, repair and related services.
- (3) Construction and related services.
- (4) Distillation, chemicals, food and related services.
- (5) Entertainment, hospitality and related services.
- (6) Facilities, property management, maintenance and related services.
- (7) Government, utilities, schools, health care and related services.
- (8) Grocery stores, grocery distribution centers, bakeries, milk and dairy products processing, delivery to customers and related services.
- (9) Health care, pharmaceutical, laboratories and related services.
- (10) Logging and wood products manufacturing and related services.

(11) Manufacturing, processing, mining, quarrying, and related services.

(12) Retail and wholesale stores and professional services such as banks and law firms and related services.

(13) Temporary help and related services.

(14) Transportation, recycle, warehousing, facility maintenance and related services.

NEW SECTION

WAC 296-17B-280 Enrolling an employer in a group. We will enroll a qualified employer in an enrolled group if the employer applies for enrollment and the sponsoring organization endorses the application. The application must be signed by an owner, corporate officer, partner or managing member of the employer's business, and may not be assigned or transferred to anyone else.

By endorsing an application, the sponsor is certifying that the employer is a dues paying member of the sponsoring organization. We must receive the endorsed application no later than the fifteenth day of the month before the calendar quarter the employer wishes to be enrolled for.

New applications do not need to be submitted by each member annually. As long as the employer maintains their account in good standing, we will automatically reenroll all participants in the group on an annual basis unless notified in writing by the employer or the group that the employer should be removed. This notification must be received by the last day of the prior coverage period.

NEW SECTION

WAC 296-17B-300 Choosing loss limits. The loss limits you select will also affect your net insurance charge.

(1) Single loss occurrence limit: Your losses incurred for each claim occurrence will be limited by the amount of protection chosen, as described in WAC 296-17B-440. You must choose one of the following single loss occurrence limits:

- \$120,000;
- \$250,000;
- \$500,000;
- \$1,000,000;
- Unlimited.

(2) Aggregate loss limits: The product of the sum of your losses incurred and the performance adjustment factor will be limited by the maximum and minimum loss ratios you select. You will choose both a maximum and minimum loss ratio limit from the options available in the tables. You can also choose loss limits between the options listed in the tables.

(3) Restrictions on choice of limits:

(a) If you wish to select a single loss occurrence limit other than unlimited, the four most recent quarters of standard premiums must be at least twice the limit chosen. For example, you can only choose a single loss occurrence limit of two hundred fifty thousand dollars if your standard premiums in the four most recent calendar quarters were at least five hundred thousand dollars.

(b) Your minimum loss ratio limit must be at least ten percentage points lower than your maximum loss ratio limit.

(c) The three limits must be chosen so that the highest possible retrospective premiums cannot be more than twice the standard premiums, assuming a performance adjustment factor of 1.0 and the same size and hazard groups as your most recent coverage period.

(d) You can choose any maximum loss ratio between thirty percent and one hundred sixty percent. Also you can choose any minimum loss ratio between zero percent and sixty percent. Your choice needs to be rounded to two decimal places. For example, you could choose a maximum loss ratio of ninety-eight and seventy-six one-hundredths percent.

NEW SECTION

WAC 296-17B-400 Adjustments. (1) We will calculate your retrospective rating premiums three times for a coverage period.

(2) We will pick a date approximately nine months after the coverage period ends, determine your standard premiums and losses as of that date, and then calculate your retrospective rating premiums. If the standard premiums you have paid are higher than your retrospective rating premiums, we will refund you the difference. If the standard premiums you have paid are lower than your retrospective rating premiums, we will send you a notice and order of assessment directing you to pay us the difference.

(3) We will repeat this process of determining standard premiums and losses and calculating retro premiums approximately twenty-one and thirty-three months after the coverage period ended, netting the retro premiums against the retro premiums paid previously.

(4) For participants having multiple coverage periods being adjusted at the same time, we will add the adjustments together and either pay you the net amount due you or send you a notice and order of assessment directing you to pay the net difference.

(5) If we send you a notice of assessment you will have thirty days to pay us. We will charge you late penalties and interest pursuant to RCW 51.48.210 on retrospective rating premium assessments you do not pay within thirty days.

If you are enrolled individually and owe any section of the department money, we may withhold from your refund an amount equal to the debt.

NEW SECTION

WAC 296-17B-410 Calculating your retrospective rating premiums. Your retrospective rating premiums will be evaluated at the time of each annual retrospective adjustment, and will be the sum of three charges:

- Premium administration expense charge;
- Incurred loss and expense charge;
- Net insurance charge.

NEW SECTION

WAC 296-17B-420 Premium administration expense charge. You will pay a premium administration expense charge for your share of the expenses of the industrial insurance program that are not directly related to claims administration. To determine your premium administration expense

charge, our actuaries will multiply your standard premiums by the premium administration expense factor, which is four and eight-tenths percent. This charge is not performance adjusted.

The premium administration expense factor was determined using premium and expense data from fiscal years 2007 through 2009.

NEW SECTION

WAC 296-17B-430 Incurred loss and expense charge. You will pay for the cost of your claims and their administration for those injuries and illnesses occurring during your retrospective rating enrollment period. You can protect yourself from high claims costs at the claim level with the single loss occurrence limit you select. You can protect yourself from high claims costs at the aggregate claims level with the maximum loss ratio you select.

Our actuaries will determine your incurred loss and expense charge by multiplying your losses incurred by the performance adjustment factor and one hundred seven percent, which is one plus the claims administration expense factor, currently seven percent.

Data from fiscal years 2000 through 2009 was used to determine the claims administration expense factor.

NEW SECTION

WAC 296-17B-440 Net insurance charge. You will pay a net insurance charge for the protection provided by your single loss occurrence limit and your maximum loss ratio.

Your net insurance charge can be calculated as a percentage of either your standard premiums or your incurred loss and expense charge.

(1) If you choose to have your net insurance charge calculated using your standard premiums, your net insurance charge will be calculated using the following formula:

(Premium insurance charge factor - Premium insurance savings factor) x (Standard premiums) x (Performance adjustment factor)

Your premium insurance charge factor and premium insurance savings factor will depend on your maximum and minimum loss ratio choice, size group and hazard group, and can be found in WAC 296-17B-910 through 296-17B-990. If you choose a maximum and/or minimum loss ratio between the options found in one of the tables, the department will interpolate to obtain the charge and/or savings factors from the factors found in the tables.

(2) If you choose to have your net insurance charge calculated using your losses incurred, your net insurance charge will be calculated using the following formula:

(Loss insurance charge factor - Loss insurance savings factor) / [1.0 - (Loss insurance charge factor - Loss insurance savings factor)] x Incurred loss and expense charge

Your loss insurance charge factor and loss insurance savings factor will depend on your maximum and minimum loss ratio choice, size group and hazard group, and can be found in WAC 296-17B-910 through 296-17B-990. If you choose

a maximum and/or minimum loss ratio between the options found in one of the tables, the department will interpolate to obtain the charge and/or savings factors from the factors found in the tables.

Reviser's note: The brackets and enclosed material in the text of the above section occurred in the copy filed by the agency and appear in the Register pursuant to the requirements of RCW 34.08.040.

NEW SECTION

WAC 296-17B-500 Determining your standard premiums. Employers are required to pay accident fund, medical aid, and supplemental pension fund premiums according to chapter 296-17 WAC. Partial payments of premiums are applied first to the liability to the supplemental pension fund, then to the medical aid fund, and finally then to the accident fund. Standard premiums are the premiums an employer pays to the accident and medical aid funds under chapter 296-17 WAC for employment during the coverage period.

For an employer enrolled in a group after the start of a group's coverage period, we will only consider the employer's premiums for the calendar quarters for which the employer was enrolled.

NEW SECTION

WAC 296-17B-510 Assigning claims to coverage periods. We will include your industrial injury claims with a date of injury that falls within the coverage period.

We will include occupational disease claims with a date of last injurious exposure with you (prior to the filing of the claim) that falls within the coverage period.

For an employer enrolled in a group after the start of a group's coverage period, we will only consider the employer's claims related to the calendar quarters for which the employer was enrolled.

NEW SECTION

WAC 296-17B-520 Determining your losses. We determine your losses at the time of an adjustment.

To determine your losses, we first determine the case incurred losses for your claims. To these, we apply loss development, discount and expected loss ratio factors and your single loss occurrence limit to determine your losses incurred for each claim, as explained in these rules. The sum of your losses incurred will be your loss incurred, unless your maximum or minimum loss ratios apply.

NEW SECTION

WAC 296-17B-530 Determining case incurred losses. If a claim is closed, we will use the actual losses for the claim as defined in WAC 296-17-870(1). If the claim is open, we will use either the case reserve amounts or the actual losses, whichever are higher.

Where not in conflict with these rules, we will use the rules for valuing claims for experience rating found in WAC 296-17-870 (1), (5) through (7), and (10) through (12).

NEW SECTION

WAC 296-17B-540 Determining loss incurred for each claim. (1) Calculating the initial loss incurred:

For each of your claims, we will multiply the case incurred loss by the appropriate loss development, and discount factors to determine the initial loss incurred.

If you have a fatality, we will use two hundred eighty thousand four hundred dollars as the claim's initial incurred loss for the claim, regardless of the case incurred loss, and before recovery factors if applicable.

(2) Applying the single loss occurrence limit:

The initial loss incurred for a claim will be the amount we use as the loss incurred unless the single loss occurrence limit applies.

The single loss occurrence limit applies when the sum of all initial losses incurred for your claims arising out of a single event is greater than your selected single loss occurrence limit. In that case, each claim's initial loss incurred will be its proportionate share of your single loss occurrence limit.

(3) Applying the expected loss ratio factors:

The preliminary loss incurred for a claim will be the amount of the initial loss incurred, after application of the single loss limit, multiplied by the appropriate expected loss ratio factor. The accident fund and medical aid fund portions of each claim will have separate expected loss ratio factors applied.

NEW SECTION

WAC 296-17B-550 Determining your incurred losses. If the sum of the losses incurred for your claims divided by your standard premiums and multiplied by the performance adjustment factor is greater than the maximum loss ratio you selected, your incurred losses will be reduced accordingly. If it is less than the minimum loss ratio you selected, your incurred losses will be increased accordingly.

NEW SECTION

WAC 296-17B-560 Determining your hazard group and size group. (1) Each risk classification is assigned to a hazard group, as shown in WAC 296-17-901. To determine your hazard group, we will first multiply your standard premiums in each risk class by the hazard group index for that risk class. This is called the adjusted standard premium. Hazard group indices are shown in subsection (3) of this section. We will then divide the total adjusted standard premiums by your total standard premiums, rounded to three decimal places to determine your average hazard index. We will assign you to a hazard group based on your average hazard index using the table in subsection (4) of this section.

(2) We will determine your size group based on your standard premiums using the table in WAC 296-17B-900.

(3) Hazard group index table.

Hazard Group Number	Hazard Index Number
1	0.22
2	0.26
3	0.37

Hazard Group Number	Hazard Index Number
4	0.51
5	0.75
6	1.00
7	1.22
8	1.76
9	2.78

(4) Average hazard index table.

Hazard Group Number	Average Hazard Index Value is at Least:	But Less Than or Equal to:
1	0.000	0.239
2	0.240	0.314
3	0.315	0.439
4	0.440	0.629
5	0.630	0.874
6	0.875	1.109
7	1.110	1.489
8	1.490	2.269
9	2.270	2.780

Example:

- For your retrospective enrollment year, your group has exposure in risk classifications with Hazard Groups 4 and 6 and corresponding standard premiums of \$1,000,000 and \$2,000,000 during the enrollment year.

Risk Classification Hazard Group	Standard Premium	Hazard Index Number	Adjusted Standard Premium
4	\$1,000,000	0.510	\$510,000
6	\$2,000,000	1.000	\$2,000,000
Total	\$3,000,000		\$2,510,000

- The Average Hazard Index value for your group is the total adjusted standard premiums divided by the total standard premiums or $\$2,510,000/\$3,000,000 = 0.837$ to three decimal places. This value 0.837 is in the range between 0.630 and 0.874.

- Therefore, your group will be assigned Hazard Group Number 5 during this annual adjustment.

NEW SECTION

WAC 296-17B-600 Performance adjustment—Overview. The department uses performance adjustment to ensure equity between employers that participate in retrospective rating and employers that do not. The goal of performance adjustment is to make sure that overall, after adjustments, retro participants pay the same share of their losses as employers that do not participate in retro.

NEW SECTION

WAC 296-17B-610 How we determine the performance adjustment factor. Our actuaries compare standard premiums and losses of employers in retro with those of employers not in retro to determine a target refund amount that would result in the groups of retro and nonretro employers funding the same percentage of their claim costs. In doing this, the actuaries pool the experience of the coverage period being adjusted with the experience from the coverage periods beginning the three previous quarters, and take into account possible future changes in losses based on historical data. The actuaries then add interest to the target amount to take into consideration the time value of money.

A performance adjustment factor (rounded to four decimal places) is then selected, so that when we calculate adjustments, the sum of all adjustments will most nearly equal the target refund amount.

NEW SECTION

WAC 296-17B-620 More about the performance adjustment factor. There is no particular significance to the performance adjustment factor being less than, greater than, or equal to 1.0000. The performance adjustment factor is influenced by many things, including overall premium rates, large losses by either retro or nonretro employers, and what options retro participants select when enrolling.

A new performance adjustment factor is calculated for each annual retrospective rating annual adjustment so that loss ratios of retro and nonretro employers are equal after refunds and additional premium assessments have been paid.

NEW SECTION

WAC 296-17B-700 Protest and appeals. If at the time of an adjustment you are disputing a decision affecting a claim's losses and you want us to recalculate your adjustment after that dispute has been resolved, you must protest the adjustment and identify the claim and dispute pending. We will issue a further order indicating that the adjustment may be revised after the dispute regarding the claim is resolved. After the dispute has been resolved, if you still want us to recalculate the adjustment, you must notify us, and we will recalculate your adjustment as though the dispute had been resolved at the time of the adjustment. We will not pay interest on any amount refunded.

NEW SECTION

WAC 296-17B-710 Account in good standing. To participate in retrospective rating, you as an employer or group sponsor need to have an account in good standing. This means that you need to have an open industrial insurance account with our industrial insurance program, have filed all required reports, and have paid all industrial insurance premiums, penalties and interest (or be current with a repayment plan the department agreed to), and not owe a debt to any other section of the department.

NEW SECTION

WAC 296-17B-720 Prohibited conduct. (1) Employers and group sponsors must not engage in claims suppression as defined in RCW 51.28.010(4).

(2) Employers and group sponsors must not pay medical service providers for medical services related to an industrial injury or occupational disease.

(3) Unless disclosed to the member at the time of enrollment, group sponsors must not require members to pay dues, fees, or continue membership in the retrospective rating program beyond the last date of the coverage year in order to receive their share of refunds, if any.

If we determine that you have violated any of these provisions, we will remove you from retrospective rating effective the date we notify you, and permanently bar you from further participation in the retrospective rating program. You will remain liable for any additional premium assessments related to your participation prior to your removal, but you will forfeit any right to refunds for adjustments calculated after your removal.

NEW SECTION

WAC 296-17B-730 Probation. If you as a sponsored group receive a net assessment for two consecutive coverage periods, you will be placed on probationary status. We will review your workplace safety and accident prevention plan and your methods of cooperation with the department's claims management activities, and contact you to discuss ways of improving your performance. If you receive a net assessment in the following coverage period, you will be denied future enrollment, and your sponsoring organization will not be allowed to sponsor another group in the same industry category for the five years following the third coverage period with a net assessment.

NEW SECTION

WAC 296-17B-740 Refunds of standard premiums after final adjustment. If, after the final adjustment for a coverage period, it is determined that an employer enrolled in retrospective rating is entitled to a refund of standard premiums for any reason other than the recalculation of experience provided for in WAC 296-17-870(3), we will adjust the amount of standard premiums to be refunded such that the net impact on the state fund is the same as if refund had taken place before the final adjustment.

NEW SECTION

WAC 296-17B-750 Notification. We will notify you if we need more information to make a decision about your application. We will also notify you of our decision to enroll or deny enrollment.

NEW SECTION

WAC 296-17B-760 Coverage periods. Individual employers and sponsored groups enroll for one-year coverage periods. Coverage periods begin on the first day of a cal-

endar quarter. Employers may join a sponsored group after its coverage period has begun, beginning on the first day of the next calendar quarter and continuing for the remainder of the coverage period.

NEW SECTION

WAC 296-17B-770 Common ownership. An employer that shares common ownership with one or more other employers cannot enroll in retrospective rating unless all employers sharing common ownership that are within the same industry category also enroll. Employers sharing common ownership can enroll individually or as members of a sponsored group. Employers sharing common ownership that are enrolled individually can choose to be rated separately or together.

Employers share common ownership when:

- (1) One or more owners, directly or indirectly, own a majority interest in both employers; or
- (2) One employer, directly or indirectly, owns a majority interest in another employer.

NEW SECTION

WAC 296-17B-780 Due dates. When you are required to submit a document (application, report, etc.) it must be received in the Tumwater labor and industries office by 5:00 p.m. on the date due. Documents may be mailed, faxed, or hand delivered. If the due date falls on a Saturday, Sunday, or holiday, it is due the next state business day.

NEW SECTION

WAC 296-17B-810 Loss development factors. At the time of adjustment, our actuaries determine loss development factors by claim type. Loss development factors account for the fact that claims ultimately cost the state fund more than they have cost the state fund to date, and more than they are estimated to cost the state fund at any particular point in time.

Separate factors will be calculated by fund and also by enrollment period at the time of each annual retrospective rating adjustment.

NEW SECTION

WAC 296-17B-910 Hazard Group 1 tables.

Premium-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 1
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.8457	.8239	.8050	.7881	.7727	.7586	.7455	.7332	.7217	.7107	.7003	.6903	.6808	.6716
2	.8398	.8169	.7970	.7792	.7631	.7482	.7344	.7214	.7092	.6977	.6867	.6762	.6661	.6565
3	.8342	.8101	.7892	.7705	.7536	.7380	.7234	.7098	.6970	.6849	.6733	.6623	.6518	.6416
4	.8286	.8035	.7815	.7619	.7441	.7278	.7125	.6983	.6848	.6721	.6600	.6484	.6374	.6267
5	.8232	.7969	.7740	.7535	.7349	.7177	.7018	.6869	.6728	.6595	.6468	.6347	.6231	.6120
6	.8179	.7905	.7665	.7451	.7257	.7078	.6911	.6755	.6609	.6469	.6337	.6211	.6090	.5975

NEW SECTION

WAC 296-17B-820 Discount factors. At the time of adjustment, we determine discount factors by claim type. Discount factors account for the fact that benefits are not paid all at once, but rather are paid over a period of time. Discount factors vary for different types of claims based on when benefits tend to be paid.

NEW SECTION

WAC 296-17B-830 Expected loss ratio factors. The expected loss ratio factor is a factor applied to case incurred loss amounts of claims and loss development factor and discount factor so that the ratio of discounted developed loss to standard premiums for the entire state fund used in the actuarial calculations equals the expected loss ratios. By doing this, loss ratios will not be expected to change simply because the department changed the rates for one fund significantly more than the rates for another fund. The expected loss ratios are:

Accident Fund	81.2%
Medical Aid Fund	88.0%

Separate factors will be calculated by fund and also by enrollment period at the time of each annual retrospective rating adjustment.

NEW SECTION

WAC 296-17B-840 Claim types. The following claim types are considered when calculating the loss development factors and discount factors:

- (1) Fatality;
- (2) Total permanent disability pension claim;
- (3) Permanent partial disability claim;
- (4) Time-loss claim;
- (5) Miscellaneous accident fund claim;
- (6) Medical only claim.

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
7	.8127	.7842	.7592	.7369	.7167	.6980	.6806	.6644	.6490	.6346	.6208	.6076	.5951	.5831
8	.8077	.7780	.7520	.7288	.7077	.6883	.6702	.6533	.6373	.6223	.6080	.5943	.5813	.5688
9	.8028	.7719	.7450	.7208	.6989	.6787	.6599	.6423	.6257	.6101	.5953	.5811	.5676	.5547
10	.7979	.7659	.7380	.7129	.6901	.6691	.6496	.6314	.6142	.5980	.5827	.5680	.5541	.5407
11	.7932	.7600	.7310	.7051	.6815	.6597	.6395	.6206	.6028	.5861	.5702	.5551	.5407	.5269
12	.7885	.7542	.7242	.6973	.6729	.6503	.6294	.6099	.5915	.5742	.5578	.5422	.5274	.5133
13	.7839	.7485	.7174	.6896	.6643	.6410	.6194	.5992	.5803	.5624	.5455	.5295	.5143	.4997
14	.7794	.7428	.7107	.6820	.6558	.6318	.6094	.5886	.5691	.5507	.5333	.5169	.5012	.4863
15	.7750	.7372	.7041	.6744	.6474	.6226	.5995	.5781	.5580	.5391	.5212	.5043	.4883	.4731
16	.7706	.7317	.6975	.6669	.6390	.6134	.5897	.5676	.5470	.5276	.5093	.4920	.4756	.4600
17	.7663	.7262	.6910	.6594	.6307	.6043	.5799	.5573	.5360	.5161	.4974	.4797	.4629	.4471
18	.7620	.7207	.6845	.6519	.6224	.5953	.5702	.5469	.5252	.5048	.4856	.4675	.4504	.4343
19	.7578	.7153	.6780	.6445	.6142	.5863	.5605	.5366	.5144	.4935	.4739	.4554	.4380	.4216
20	.7537	.7100	.6716	.6372	.6060	.5773	.5509	.5264	.5036	.4823	.4623	.4435	.4258	.4091
21	.7496	.7047	.6652	.6299	.5978	.5684	.5413	.5163	.4929	.4712	.4508	.4317	.4136	.3967
22	.7455	.6994	.6589	.6226	.5896	.5595	.5318	.5062	.4823	.4601	.4394	.4199	.4016	.3844
23	.7415	.6942	.6526	.6153	.5815	.5507	.5223	.4961	.4718	.4492	.4280	.4083	.3897	.3723
24	.7376	.6891	.6463	.6081	.5735	.5419	.5129	.4861	.4613	.4383	.4168	.3967	.3779	.3603
25	.7337	.6839	.6401	.6009	.5654	.5331	.5035	.4762	.4509	.4274	.4056	.3853	.3662	.3484
26	.7298	.6788	.6339	.5937	.5574	.5244	.4941	.4662	.4405	.4167	.3945	.3739	.3546	.3366
27	.7260	.6738	.6277	.5866	.5494	.5157	.4848	.4564	.4302	.4060	.3836	.3627	.3432	.3250
28	.7222	.6687	.6216	.5795	.5415	.5070	.4755	.4466	.4200	.3954	.3726	.3515	.3318	.3134
29	.7185	.6638	.6155	.5724	.5336	.4984	.4662	.4368	.4098	.3848	.3618	.3404	.3205	.3019
30	.7149	.6588	.6095	.5654	.5257	.4897	.4570	.4271	.3996	.3743	.3510	.3293	.3093	.2905
31	.7112	.6540	.6034	.5584	.5179	.4812	.4479	.4174	.3896	.3639	.3403	.3184	.2981	.2793
32	.7077	.6491	.5975	.5514	.5100	.4727	.4387	.4078	.3795	.3535	.3296	.3075	.2871	.2680
33	.7042	.6443	.5915	.5445	.5023	.4642	.4297	.3982	.3695	.3432	.3190	.2967	.2761	.2569
34	.7007	.6396	.5856	.5376	.4945	.4557	.4206	.3887	.3595	.3329	.3084	.2859	.2651	.2458
35	.6973	.6349	.5797	.5307	.4868	.4472	.4115	.3791	.3496	.3226	.2979	.2752	.2542	.2349
36	.6940	.6302	.5739	.5238	.4790	.4388	.4025	.3696	.3396	.3123	.2873	.2644	.2433	.2240
37	.6907	.6256	.5681	.5170	.4714	.4304	.3935	.3601	.3297	.3021	.2769	.2538	.2326	.2132
38	.6874	.6210	.5624	.5102	.4637	.4220	.3845	.3506	.3198	.2919	.2664	.2432	.2220	.2026
39	.6843	.6165	.5567	.5035	.4561	.4137	.3755	.3411	.3100	.2817	.2561	.2327	.2115	.1922
40	.6812	.6121	.5511	.4969	.4486	.4054	.3666	.3317	.3002	.2717	.2458	.2224	.2012	.1820
41	.6782	.6078	.5456	.4903	.4411	.3972	.3578	.3224	.2905	.2617	.2358	.2123	.1911	.1720
42	.6754	.6036	.5402	.4839	.4338	.3891	.3491	.3132	.2810	.2520	.2259	.2024	.1813	.1624
43	.6726	.5995	.5349	.4775	.4265	.3811	.3405	.3041	.2715	.2423	.2162	.1928	.1718	.1530
44	.6699	.5956	.5297	.4713	.4194	.3731	.3319	.2951	.2622	.2329	.2067	.1833	.1625	.1439
45	.6673	.5917	.5246	.4651	.4123	.3653	.3235	.2862	.2531	.2236	.1974	.1741	.1535	.1351
46	.6648	.5879	.5196	.4590	.4053	.3575	.3151	.2775	.2441	.2145	.1883	.1652	.1447	.1267
47	.6624	.5842	.5147	.4531	.3984	.3499	.3069	.2689	.2352	.2056	.1794	.1564	.1362	.1185
48	.6601	.5806	.5099	.4472	.3915	.3423	.2987	.2603	.2265	.1968	.1707	.1479	.1280	.1106
49	.6579	.5772	.5052	.4413	.3848	.3348	.2907	.2519	.2179	.1882	.1623	.1397	.1200	.1030
50	.6558	.5738	.5006	.4356	.3781	.3273	.2827	.2436	.2095	.1798	.1540	.1316	.1123	.0957
51	.6537	.5705	.4961	.4300	.3715	.3200	.2749	.2355	.2012	.1715	.1459	.1238	.1049	.0887
52	.6518	.5673	.4917	.4244	.3649	.3127	.2671	.2274	.1931	.1634	.1380	.1163	.0977	.0819
53	.6500	.5643	.4873	.4189	.3585	.3055	.2594	.2195	.1850	.1555	.1303	.1089	.0908	.0755
54	.6482	.5613	.4831	.4135	.3521	.2985	.2519	.2117	.1772	.1478	.1229	.1018	.0841	.0693
55	.6466	.5584	.4790	.4082	.3459	.2915	.2444	.2040	.1695	.1402	.1156	.0950	.0777	.0634
56	.6450	.5556	.4749	.4030	.3397	.2846	.2370	.1964	.1619	.1329	.1085	.0883	.0716	.0578
57	.6435	.5530	.4710	.3979	.3336	.2778	.2298	.1889	.1545	.1257	.1017	.0819	.0657	.0525
58	.6421	.5504	.4672	.3929	.3276	.2711	.2226	.1816	.1472	.1186	.0951	.0758	.0601	.0475
59	.6408	.5480	.4635	.3880	.3218	.2645	.2156	.1744	.1401	.1118	.0887	.0699	.0548	.0428
60	.6396	.5456	.4599	.3832	.3160	.2580	.2087	.1674	.1332	.1052	.0825	.0643	.0498	.0383
61	.6385	.5434	.4564	.3786	.3103	.2516	.2019	.1605	.1264	.0987	.0765	.0589	.0450	.0342

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
62	.6374	.5413	.4531	.3741	.3048	.2453	.1952	.1537	.1198	.0925	.0708	.0538	.0405	.0303
63	.6365	.5394	.4499	.3697	.2994	.2392	.1887	.1471	.1134	.0865	.0654	.0489	.0363	.0268
64	.6357	.5375	.4469	.3654	.2941	.2332	.1823	.1406	.1071	.0807	.0601	.0444	.0324	.0235
65	.6349	.5358	.4440	.3613	.2890	.2273	.1760	.1343	.1011	.0751	.0552	.0401	.0288	.0205
66	.6342	.5342	.4413	.3574	.2839	.2215	.1699	.1282	.0953	.0698	.0505	.0361	.0255	.0178
67	.6336	.5328	.4387	.3536	.2791	.2159	.1639	.1222	.0897	.0647	.0461	.0324	.0225	.0154
68	.6331	.5315	.4362	.3499	.2744	.2105	.1581	.1165	.0843	.0599	.0419	.0289	.0197	.0132
69	.6326	.5302	.4339	.3464	.2698	.2051	.1524	.1109	.0791	.0553	.0380	.0258	.0172	.0113
70	.6322	.5292	.4318	.3430	.2653	.1999	.1470	.1055	.0741	.0510	.0344	.0229	.0149	.0096
71	.6319	.5282	.4297	.3398	.2609	.1948	.1415	.1002	.0693	.0468	.0310	.0202	.0129	.0081
72	.6316	.5273	.4279	.3368	.2569	.1900	.1365	.0953	.0649	.0431	.0280	.0179	.0112	.0069
73	.6314	.5266	.4263	.3341	.2531	.1856	.1318	.0908	.0609	.0398	.0254	.0158	.0097	.0058
74	.6313	.5262	.4253	.3324	.2508	.1828	.1288	.0880	.0584	.0377	.0238	.0146	.0088	.0052

Premium-Based Plan, with no Single Loss Limit

Insurance Savings Table
Hazard Group 1
Effective November 19, 2010

Minimum Loss Ratio										
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%	
1	.0000	.0284	.0603	.0956	.1337	.2147	.2999	.3880	.4781	
2	.0000	.0266	.0573	.0919	.1292	.2088	.2929	.3800	.4692	
3	.0000	.0249	.0545	.0883	.1248	.2032	.2861	.3722	.4605	
4	.0000	.0232	.0518	.0848	.1206	.1976	.2795	.3645	.4519	
5	.0000	.0217	.0493	.0815	.1165	.1922	.2729	.3570	.4435	
6	.0000	.0203	.0470	.0783	.1125	.1869	.2665	.3495	.4351	
7	.0000	.0189	.0447	.0752	.1087	.1817	.2602	.3422	.4269	
8	.0000	.0177	.0426	.0722	.1050	.1767	.2540	.3350	.4188	
9	.0000	.0165	.0405	.0693	.1013	.1718	.2479	.3280	.4108	
10	.0000	.0154	.0385	.0665	.0978	.1669	.2419	.3210	.4029	
11	.0000	.0144	.0367	.0639	.0944	.1622	.2360	.3140	.3951	
12	.0000	.0134	.0348	.0612	.0910	.1575	.2302	.3072	.3873	
13	.0000	.0125	.0331	.0587	.0878	.1529	.2245	.3004	.3796	
14	.0000	.0117	.0314	.0562	.0846	.1484	.2188	.2937	.3720	
15	.0000	.0109	.0298	.0538	.0814	.1440	.2132	.2871	.3644	
16	.0000	.0101	.0282	.0515	.0784	.1396	.2077	.2805	.3569	
17	.0000	.0094	.0267	.0492	.0754	.1353	.2022	.2740	.3494	
18	.0000	.0087	.0253	.0470	.0724	.1310	.1967	.2675	.3419	
19	.0000	.0081	.0239	.0449	.0696	.1268	.1913	.2610	.3345	
20	.0000	.0074	.0225	.0428	.0668	.1227	.1860	.2546	.3272	
21	.0000	.0069	.0212	.0407	.0640	.1186	.1807	.2482	.3199	
22	.0000	.0063	.0200	.0387	.0613	.1145	.1754	.2419	.3126	
23	.0000	.0058	.0188	.0368	.0586	.1105	.1702	.2356	.3053	
24	.0000	.0053	.0176	.0349	.0561	.1066	.1651	.2293	.2981	
25	.0000	.0049	.0165	.0331	.0535	.1027	.1599	.2231	.2909	
26	.0000	.0045	.0154	.0313	.0510	.0988	.1548	.2169	.2837	
27	.0000	.0041	.0144	.0296	.0486	.0950	.1498	.2107	.2766	
28	.0000	.0037	.0134	.0279	.0462	.0912	.1447	.2046	.2695	
29	.0000	.0034	.0125	.0263	.0438	.0875	.1398	.1985	.2624	
30	.0000	.0030	.0116	.0247	.0416	.0839	.1348	.1925	.2554	
31	.0000	.0027	.0107	.0232	.0393	.0802	.1300	.1864	.2484	
32	.0000	.0025	.0099	.0217	.0372	.0767	.1251	.1805	.2414	
33	.0000	.0022	.0091	.0203	.0350	.0732	.1203	.1745	.2345	

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
34	.0000	.0020	.0083	.0189	.0330	.0697	.1156	.1686	.2276
35	.0000	.0017	.0076	.0176	.0310	.0663	.1109	.1627	.2207
36	.0000	.0015	.0070	.0163	.0290	.0630	.1062	.1569	.2138
37	.0000	.0014	.0063	.0150	.0271	.0597	.1016	.1511	.2070
38	.0000	.0012	.0057	.0139	.0253	.0564	.0970	.1454	.2002
39	.0000	.0010	.0052	.0127	.0235	.0533	.0925	.1397	.1935
40	.0000	.0009	.0047	.0117	.0218	.0502	.0881	.1341	.1869
41	.0000	.0008	.0042	.0107	.0201	.0472	.0838	.1286	.1803
42	.0000	.0007	.0037	.0097	.0186	.0444	.0796	.1232	.1739
43	.0000	.0006	.0033	.0088	.0171	.0416	.0755	.1179	.1675
44	.0000	.0005	.0029	.0080	.0157	.0389	.0716	.1127	.1613
45	.0000	.0004	.0026	.0072	.0144	.0363	.0677	.1076	.1551
46	.0000	.0004	.0023	.0065	.0131	.0338	.0639	.1026	.1490
47	.0000	.0003	.0020	.0058	.0119	.0314	.0602	.0977	.1431
48	.0000	.0002	.0017	.0052	.0108	.0291	.0566	.0929	.1372
49	.0000	.0002	.0015	.0046	.0098	.0269	.0532	.0882	.1313
50	.0000	.0002	.0013	.0041	.0088	.0248	.0498	.0836	.1256
51	.0000	.0001	.0011	.0036	.0079	.0227	.0465	.0791	.1200
52	.0000	.0001	.0009	.0031	.0070	.0208	.0433	.0747	.1144
53	.0000	.0001	.0008	.0027	.0062	.0190	.0403	.0703	.1089
54	.0000	.0001	.0007	.0023	.0055	.0172	.0373	.0661	.1035
55	.0000	.0001	.0006	.0020	.0048	.0156	.0344	.0620	.0982
56	.0000	.0000	.0005	.0017	.0042	.0140	.0316	.0579	.0930
57	.0000	.0000	.0004	.0014	.0036	.0125	.0290	.0540	.0879
58	.0000	.0000	.0003	.0012	.0031	.0111	.0264	.0502	.0829
59	.0000	.0000	.0002	.0010	.0026	.0098	.0240	.0465	.0780
60	.0000	.0000	.0002	.0008	.0022	.0086	.0216	.0429	.0732
61	.0000	.0000	.0001	.0006	.0018	.0075	.0194	.0394	.0686
62	.0000	.0000	.0001	.0005	.0015	.0064	.0173	.0361	.0641
63	.0000	.0000	.0001	.0004	.0012	.0055	.0154	.0329	.0597
64	.0000	.0000	.0001	.0003	.0010	.0047	.0135	.0299	.0554
65	.0000	.0000	.0000	.0002	.0008	.0039	.0118	.0270	.0513
66	.0000	.0000	.0000	.0002	.0006	.0032	.0102	.0243	.0474
67	.0000	.0000	.0000	.0001	.0004	.0026	.0088	.0217	.0436
68	.0000	.0000	.0000	.0001	.0003	.0021	.0075	.0192	.0399
69	.0000	.0000	.0000	.0001	.0002	.0016	.0062	.0169	.0364
70	.0000	.0000	.0000	.0000	.0002	.0012	.0052	.0148	.0330
71	.0000	.0000	.0000	.0000	.0001	.0009	.0042	.0127	.0298
72	.0000	.0000	.0000	.0000	.0001	.0006	.0033	.0109	.0268
73	.0000	.0000	.0000	.0000	.0000	.0004	.0026	.0093	.0241
74	.0000	.0000	.0000	.0000	.0000	.0003	.0022	.0083	.0224

Premium-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 1
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.6809	.6117	.5504	.4960	.4476	.4047	.3683	.3376	.3119	.2904	.2723	.2570	.2442	.2337
41	\$120	.6780	.6074	.5449	.4895	.4402	.3974	.3613	.3310	.3057	.2844	.2667	.2518	.2395	.2295
42	\$120	.6751	.6032	.5395	.4830	.4331	.3905	.3546	.3247	.2996	.2787	.2613	.2469	.2352	.2257
43	\$120	.6723	.5991	.5342	.4767	.4265	.3839	.3483	.3186	.2938	.2732	.2562	.2424	.2312	.2222

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
44	\$120	.6696	.5951	.5291	.4706	.4202	.3777	.3422	.3126	.2881	.2679	.2514	.2381	.2275	.2189
45	\$120	.6670	.5913	.5240	.4648	.4142	.3717	.3363	.3069	.2826	.2629	.2469	.2342	.2240	.2159
46	\$120	.6646	.5875	.5190	.4592	.4085	.3659	.3306	.3013	.2774	.2581	.2427	.2304	.2207	.2131
47	\$120	.6622	.5838	.5143	.4540	.4029	.3603	.3250	.2960	.2725	.2537	.2387	.2269	.2177	.2105
48	\$120	.6599	.5802	.5097	.4489	.3976	.3548	.3195	.2908	.2677	.2494	.2349	.2237	.2149	.2082
49	\$120	.6577	.5768	.5054	.4440	.3924	.3495	.3143	.2859	.2632	.2453	.2314	.2206	.2123	.2060
50	\$120	.6556	.5735	.5012	.4393	.3873	.3442	.3092	.2811	.2589	.2415	.2280	.2177	.2099	.2040
	\$250	.6557	.5737	.5005	.4354	.3778	.3270	.2829	.2449	.2127	.1855	.1626	.1434	.1275	.1142
51	\$120	.6535	.5703	.4972	.4347	.3823	.3392	.3043	.2765	.2547	.2378	.2249	.2151	.2077	.2022
	\$250	.6537	.5704	.4959	.4297	.3712	.3198	.2755	.2377	.2056	.1787	.1562	.1376	.1221	.1094
52	\$120	.6516	.5673	.4934	.4303	.3775	.3342	.2995	.2721	.2507	.2343	.2219	.2126	.2057	.2006
	\$250	.6518	.5673	.4915	.4242	.3647	.3129	.2684	.2306	.1988	.1722	.1501	.1319	.1170	.1048
53	\$120	.6498	.5644	.4897	.4259	.3728	.3295	.2949	.2678	.2469	.2310	.2191	.2102	.2038	.1991
	\$250	.6499	.5642	.4872	.4187	.3584	.3061	.2615	.2238	.1922	.1659	.1443	.1265	.1122	.1006
54	\$120	.6481	.5617	.4861	.4216	.3682	.3248	.2905	.2637	.2433	.2279	.2165	.2081	.2021	.1977
	\$250	.6482	.5612	.4829	.4133	.3523	.2996	.2548	.2171	.1857	.1598	.1386	.1214	.1076	.0966
55	\$120	.6464	.5591	.4826	.4175	.3637	.3203	.2861	.2598	.2398	.2249	.2140	.2061	.2005	.1965
	\$250	.6465	.5583	.4788	.4081	.3463	.2932	.2483	.2106	.1795	.1539	.1332	.1166	.1033	.0928
56	\$120	.6449	.5567	.4793	.4135	.3594	.3159	.2820	.2560	.2365	.2221	.2117	.2043	.1990	.1954
	\$250	.6449	.5556	.4748	.4030	.3405	.2870	.2419	.2043	.1734	.1482	.1280	.1119	.0992	.0893
57	\$120	.6435	.5543	.4760	.4096	.3551	.3117	.2779	.2523	.2333	.2195	.2096	.2026	.1977	.1944
	\$250	.6435	.5529	.4709	.3982	.3349	.2810	.2356	.1981	.1675	.1428	.1231	.1075	.0954	.0860
58	\$120	.6422	.5521	.4729	.4058	.3510	.3075	.2740	.2488	.2303	.2170	.2076	.2010	.1965	.1935
	\$250	.6421	.5503	.4672	.3934	.3294	.2750	.2295	.1921	.1618	.1375	.1183	.1034	.0918	.0830
	\$500	.6421	.5504	.4671	.3929	.3276	.2710	.2226	.1816	.1474	.1191	.0958	.0770	.0617	.0495
59	\$120	.6410	.5499	.4699	.4022	.3470	.3035	.2702	.2455	.2275	.2146	.2057	.1996	.1955	.1927
	\$250	.6408	.5479	.4636	.3888	.3241	.2692	.2236	.1863	.1562	.1324	.1138	.0995	.0885	.0802
	\$500	.6408	.5480	.4634	.3880	.3217	.2644	.2156	.1745	.1405	.1125	.0897	.0714	.0567	.0451
60	\$120	.6399	.5479	.4670	.3986	.3431	.2996	.2666	.2422	.2247	.2125	.2040	.1983	.1945	.1921
	\$250	.6396	.5456	.4601	.3844	.3189	.2636	.2178	.1806	.1509	.1276	.1096	.0958	.0854	.0776
	\$500	.6396	.5456	.4599	.3832	.3159	.2580	.2088	.1676	.1337	.1061	.0838	.0660	.0520	.0410
61	\$120	.6389	.5460	.4642	.3951	.3393	.2958	.2631	.2392	.2222	.2104	.2024	.1971	.1937	.1914
	\$250	.6384	.5434	.4568	.3801	.3138	.2581	.2121	.1751	.1458	.1230	.1055	.0923	.0825	.0753
	\$500	.6385	.5434	.4564	.3786	.3103	.2516	.2020	.1609	.1271	.0999	.0781	.0610	.0476	.0372
62	\$120	.6380	.5442	.4615	.3918	.3356	.2922	.2597	.2362	.2198	.2085	.2010	.1961	.1929	.1909
	\$250	.6374	.5414	.4537	.3759	.3089	.2527	.2066	.1697	.1408	.1185	.1016	.0891	.0798	.0731
	\$500	.6374	.5413	.4531	.3740	.3048	.2454	.1955	.1543	.1207	.0939	.0727	.0562	.0434	.0337
63	\$120	.6371	.5425	.4589	.3886	.3321	.2886	.2564	.2334	.2175	.2067	.1997	.1951	.1922	.1904
	\$250	.6365	.5395	.4507	.3719	.3041	.2474	.2013	.1646	.1360	.1143	.0980	.0860	.0774	.0712
	\$500	.6365	.5394	.4499	.3697	.2994	.2394	.1891	.1478	.1145	.0882	.0675	.0516	.0395	.0304
64	\$120	.6364	.5409	.4565	.3855	.3286	.2852	.2533	.2308	.2154	.2051	.1984	.1942	.1916	.1900
	\$250	.6357	.5377	.4479	.3681	.2995	.2423	.1961	.1596	.1315	.1103	.0946	.0832	.0751	.0694
	\$500	.6356	.5375	.4469	.3654	.2942	.2334	.1828	.1416	.1086	.0826	.0626	.0474	.0359	.0274
	\$1,000	.6357	.5375	.4469	.3654	.2941	.2332	.1823	.1406	.1071	.0807	.0602	.0444	.0325	.0235
65	\$120	.6357	.5394	.4541	.3824	.3253	.2819	.2504	.2283	.2134	.2036	.1973	.1935	.1911	.1897
	\$250	.6349	.5361	.4452	.3643	.2950	.2374	.1910	.1547	.1271	.1064	.0914	.0806	.0731	.0678
	\$500	.6349	.5358	.4440	.3614	.2891	.2277	.1767	.1355	.1028	.0774	.0579	.0434	.0326	.0247
	\$1,000	.6349	.5358	.4440	.3613	.2890	.2273	.1760	.1343	.1011	.0752	.0552	.0401	.0288	.0206
66	\$120	.6350	.5380	.4519	.3796	.3221	.2788	.2475	.2259	.2115	.2022	.1964	.1928	.1907	.1894
	\$250	.6342	.5346	.4426	.3608	.2906	.2326	.1861	.1501	.1229	.1028	.0884	.0783	.0712	.0664
	\$500	.6342	.5342	.4413	.3574	.2842	.2220	.1708	.1296	.0972	.0723	.0535	.0397	.0295	.0223
	\$1,000	.6342	.5342	.4413	.3574	.2839	.2215	.1699	.1282	.0953	.0698	.0505	.0361	.0255	.0179
67	\$120	.6345	.5367	.4498	.3768	.3190	.2757	.2448	.2237	.2098	.2009	.1955	.1922	.1903	.1892

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$250	.6337	.5332	.4402	.3574	.2864	.2279	.1814	.1456	.1189	.0995	.0857	.0761	.0695	.0652
	\$500	.6336	.5328	.4387	.3537	.2794	.2166	.1650	.1238	.0918	.0675	.0494	.0362	.0267	.0200
	\$1,000	.6336	.5328	.4387	.3536	.2791	.2159	.1639	.1222	.0897	.0648	.0461	.0324	.0225	.0154
68	\$120	.6340	.5355	.4477	.3741	.3161	.2728	.2422	.2216	.2081	.1997	.1946	.1916	.1899	.1889
	\$250	.6332	.5320	.4380	.3541	.2824	.2234	.1769	.1414	.1151	.0963	.0831	.0741	.0680	.0641
	\$500	.6331	.5315	.4363	.3501	.2748	.2112	.1594	.1183	.0867	.0630	.0455	.0330	.0242	.0181
	\$1,000	.6331	.5315	.4362	.3499	.2744	.2105	.1581	.1165	.0843	.0599	.0420	.0290	.0197	.0133
69	\$120	.6335	.5344	.4458	.3716	.3132	.2700	.2398	.2196	.2066	.1987	.1939	.1912	.1896	.1888
	\$250	.6327	.5308	.4359	.3510	.2784	.2191	.1725	.1373	.1115	.0933	.0807	.0723	.0667	.0631
	\$500	.6326	.5303	.4340	.3466	.2703	.2061	.1539	.1130	.0818	.0586	.0419	.0301	.0219	.0163
	\$1,000	.6326	.5302	.4339	.3464	.2698	.2051	.1525	.1109	.0791	.0553	.0381	.0258	.0172	.0113
70	\$120	.6331	.5334	.4440	.3691	.3105	.2674	.2375	.2177	.2053	.1977	.1933	.1908	.1894	.1886
	\$250	.6323	.5298	.4339	.3480	.2747	.2149	.1683	.1333	.1081	.0905	.0785	.0706	.0655	.0623
	\$500	.6322	.5292	.4319	.3433	.2660	.2010	.1486	.1078	.0771	.0546	.0385	.0274	.0198	.0148
	\$1,000	.6322	.5292	.4318	.3430	.2653	.1999	.1470	.1055	.0741	.0510	.0345	.0229	.0150	.0097
71	\$120	.6328	.5324	.4423	.3667	.3078	.2648	.2352	.2159	.2040	.1968	.1927	.1904	.1891	.1885
	\$250	.6320	.5289	.4320	.3451	.2710	.2108	.1641	.1295	.1048	.0878	.0765	.0691	.0644	.0615
	\$500	.6319	.5282	.4299	.3401	.2617	.1961	.1434	.1028	.0725	.0507	.0354	.0249	.0180	.0134
	\$1,000	.6319	.5282	.4297	.3398	.2610	.1948	.1415	.1002	.0693	.0469	.0311	.0202	.0129	.0082
72	\$120	.6325	.5316	.4407	.3646	.3054	.2624	.2332	.2144	.2028	.1960	.1922	.1901	.1889	.1884
	\$250	.6318	.5281	.4303	.3425	.2676	.2070	.1603	.1261	.1019	.0855	.0747	.0678	.0635	.0609
	\$500	.6317	.5274	.4281	.3372	.2578	.1915	.1386	.0981	.0683	.0472	.0326	.0228	.0164	.0123
	\$1,000	.6316	.5273	.4279	.3368	.2569	.1900	.1365	.0954	.0649	.0432	.0281	.0179	.0112	.0069
73	\$120	.6322	.5308	.4393	.3626	.3031	.2603	.2314	.2130	.2018	.1953	.1917	.1898	.1888	.1883
	\$250	.6316	.5274	.4289	.3401	.2644	.2034	.1568	.1229	.0992	.0834	.0731	.0667	.0628	.0604
	\$500	.6315	.5267	.4265	.3346	.2541	.1872	.1341	.0939	.0646	.0440	.0301	.0209	.0150	.0114
	\$1,000	.6314	.5266	.4263	.3341	.2532	.1856	.1318	.0909	.0609	.0398	.0254	.0159	.0098	.0059
74	\$120	.6321	.5304	.4384	.3614	.3018	.2590	.2302	.2121	.2012	.1949	.1915	.1897	.1887	.1882
	\$250	.6315	.5270	.4280	.3386	.2625	.2012	.1546	.1209	.0976	.0821	.0722	.0660	.0623	.0601
	\$500	.6313	.5263	.4255	.3329	.2518	.1845	.1313	.0912	.0622	.0421	.0286	.0198	.0143	.0108
	\$1,000	.6313	.5262	.4253	.3324	.2508	.1828	.1289	.0881	.0585	.0378	.0238	.0147	.0089	.0053

*Single Loss Limit values are expressed in thousands of dollars.

Premium-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 1
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0009	.0046	.0116	.0216	.0499	.0877	.1334	.1860
41	\$120	.0000	.0008	.0041	.0106	.0200	.0470	.0834	.1279	.1795
42	\$120	.0000	.0007	.0037	.0096	.0185	.0441	.0792	.1225	.1730
43	\$120	.0000	.0006	.0033	.0087	.0170	.0413	.0751	.1172	.1667
44	\$120	.0000	.0005	.0029	.0079	.0156	.0386	.0711	.1121	.1606
45	\$120	.0000	.0004	.0026	.0071	.0143	.0360	.0673	.1070	.1548
46	\$120	.0000	.0003	.0023	.0064	.0130	.0336	.0635	.1020	.1492
47	\$120	.0000	.0003	.0020	.0057	.0118	.0312	.0598	.0973	.1440
48	\$120	.0000	.0002	.0017	.0051	.0107	.0289	.0562	.0927	.1389
49	\$120	.0000	.0002	.0015	.0045	.0097	.0267	.0528	.0884	.1340

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
50	\$120	.0000	.0002	.0013	.0040	.0087	.0246	.0495	.0842	.1293
	\$250	.0000	.0002	.0013	.0040	.0088	.0247	.0497	.0835	.1254
51	\$120	.0000	.0001	.0011	.0035	.0078	.0225	.0463	.0802	.1247
	\$250	.0000	.0001	.0011	.0035	.0078	.0227	.0464	.0789	.1197
52	\$120	.0000	.0001	.0009	.0031	.0069	.0206	.0433	.0764	.1203
	\$250	.0000	.0001	.0009	.0031	.0070	.0208	.0433	.0745	.1142
53	\$120	.0000	.0001	.0008	.0027	.0061	.0188	.0404	.0727	.1159
	\$250	.0000	.0001	.0008	.0027	.0062	.0189	.0402	.0702	.1087
54	\$120	.0000	.0001	.0007	.0023	.0054	.0171	.0377	.0691	.1116
	\$250	.0000	.0001	.0007	.0023	.0054	.0172	.0372	.0659	.1033
55	\$120	.0000	.0001	.0005	.0020	.0047	.0154	.0351	.0656	.1075
	\$250	.0000	.0001	.0006	.0020	.0048	.0155	.0343	.0618	.0981
56	\$120	.0000	.0000	.0004	.0017	.0041	.0139	.0327	.0623	.1035
	\$250	.0000	.0000	.0005	.0017	.0041	.0139	.0316	.0578	.0930
57	\$120	.0000	.0000	.0004	.0014	.0035	.0125	.0303	.0590	.0996
	\$250	.0000	.0000	.0004	.0014	.0036	.0125	.0289	.0539	.0882
58	\$120	.0000	.0000	.0003	.0012	.0030	.0112	.0281	.0559	.0958
	\$250	.0000	.0000	.0003	.0012	.0031	.0111	.0263	.0502	.0834
	\$500	.0000	.0000	.0003	.0012	.0031	.0111	.0264	.0501	.0829
59	\$120	.0000	.0000	.0002	.0010	.0026	.0100	.0259	.0529	.0922
	\$250	.0000	.0000	.0002	.0010	.0026	.0098	.0239	.0466	.0788
	\$500	.0000	.0000	.0002	.0010	.0026	.0098	.0240	.0464	.0780
60	\$120	.0000	.0000	.0002	.0008	.0022	.0089	.0239	.0500	.0886
	\$250	.0000	.0000	.0002	.0008	.0022	.0086	.0216	.0431	.0744
	\$500	.0000	.0000	.0002	.0008	.0022	.0086	.0216	.0429	.0732
61	\$120	.0000	.0000	.0001	.0006	.0018	.0079	.0220	.0472	.0851
	\$250	.0000	.0000	.0001	.0006	.0018	.0074	.0194	.0398	.0701
	\$500	.0000	.0000	.0001	.0006	.0018	.0075	.0194	.0394	.0686
62	\$120	.0000	.0000	.0001	.0005	.0015	.0070	.0202	.0445	.0818
	\$250	.0000	.0000	.0001	.0005	.0015	.0064	.0174	.0367	.0659
	\$500	.0000	.0000	.0001	.0005	.0015	.0064	.0173	.0361	.0640
63	\$120	.0000	.0000	.0001	.0004	.0012	.0061	.0185	.0419	.0786
	\$250	.0000	.0000	.0001	.0004	.0012	.0055	.0155	.0337	.0619
	\$500	.0000	.0000	.0001	.0004	.0012	.0055	.0154	.0329	.0597
64	\$120	.0000	.0000	.0001	.0003	.0010	.0054	.0169	.0395	.0755
	\$250	.0000	.0000	.0001	.0003	.0010	.0047	.0137	.0309	.0581
	\$500	.0000	.0000	.0001	.0003	.0010	.0046	.0135	.0299	.0554
	\$1,000	.0000	.0000	.0001	.0003	.0010	.0047	.0135	.0299	.0554
65	\$120	.0000	.0000	.0000	.0002	.0008	.0047	.0154	.0371	.0724
	\$250	.0000	.0000	.0000	.0002	.0008	.0039	.0121	.0282	.0543
	\$500	.0000	.0000	.0000	.0002	.0008	.0039	.0118	.0270	.0514
	\$1,000	.0000	.0000	.0000	.0002	.0008	.0039	.0118	.0270	.0513
66	\$120	.0000	.0000	.0000	.0002	.0006	.0040	.0140	.0349	.0696
	\$250	.0000	.0000	.0000	.0002	.0006	.0032	.0106	.0256	.0508
	\$500	.0000	.0000	.0000	.0002	.0006	.0032	.0102	.0243	.0474

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0032	.0102	.0243	.0474
67	\$120	.0000	.0000	.0000	.0001	.0005	.0035	.0127	.0328	.0668
	\$250	.0000	.0000	.0000	.0001	.0004	.0027	.0092	.0232	.0474
	\$500	.0000	.0000	.0000	.0001	.0004	.0026	.0088	.0217	.0437
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0026	.0088	.0217	.0436
68	\$120	.0000	.0000	.0000	.0001	.0004	.0030	.0115	.0307	.0641
	\$250	.0000	.0000	.0000	.0001	.0003	.0022	.0080	.0210	.0441
	\$500	.0000	.0000	.0000	.0001	.0003	.0021	.0075	.0193	.0401
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0021	.0075	.0192	.0399
69	\$120	.0000	.0000	.0000	.0001	.0003	.0025	.0104	.0288	.0616
	\$250	.0000	.0000	.0000	.0001	.0002	.0017	.0068	.0189	.0410
	\$500	.0000	.0000	.0000	.0001	.0002	.0016	.0063	.0170	.0366
	\$1,000	.0000	.0000	.0000	.0001	.0002	.0016	.0062	.0169	.0364
70	\$120	.0000	.0000	.0000	.0000	.0002	.0021	.0094	.0270	.0591
	\$250	.0000	.0000	.0000	.0000	.0002	.0013	.0058	.0169	.0380
	\$500	.0000	.0000	.0000	.0000	.0002	.0012	.0052	.0149	.0333
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0012	.0052	.0148	.0330
71	\$120	.0000	.0000	.0000	.0000	.0002	.0018	.0084	.0253	.0567
	\$250	.0000	.0000	.0000	.0000	.0001	.0010	.0049	.0150	.0351
	\$500	.0000	.0000	.0000	.0000	.0001	.0009	.0042	.0129	.0301
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0009	.0042	.0127	.0298
72	\$120	.0000	.0000	.0000	.0000	.0001	.0015	.0076	.0237	.0546
	\$250	.0000	.0000	.0000	.0000	.0001	.0008	.0041	.0133	.0325
	\$500	.0000	.0000	.0000	.0000	.0001	.0007	.0034	.0111	.0272
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0006	.0033	.0109	.0268
73	\$120	.0000	.0000	.0000	.0000	.0001	.0012	.0068	.0223	.0526
	\$250	.0000	.0000	.0000	.0000	.0000	.0006	.0034	.0119	.0301
	\$500	.0000	.0000	.0000	.0000	.0000	.0005	.0027	.0095	.0246
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0026	.0093	.0241
74	\$120	.0000	.0000	.0000	.0000	.0001	.0011	.0064	.0214	.0514
	\$250	.0000	.0000	.0000	.0000	.0000	.0005	.0030	.0110	.0286
	\$500	.0000	.0000	.0000	.0000	.0000	.0003	.0023	.0085	.0229
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0003	.0022	.0083	.0224

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 1
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.8883	.8655	.8456	.8278	.8117	.7969	.7831	.7702	.7580	.7465	.7356	.7251	.7151	.7054
2	.8822	.8581	.8372	.8185	.8015	.7859	.7714	.7578	.7450	.7329	.7213	.7103	.6997	.6896
3	.8762	.8510	.8290	.8094	.7916	.7752	.7599	.7456	.7322	.7194	.7073	.6957	.6846	.6740
4	.8704	.8440	.8209	.8004	.7817	.7645	.7485	.7335	.7194	.7060	.6933	.6811	.6695	.6583
5	.8647	.8371	.8130	.7915	.7719	.7539	.7372	.7215	.7067	.6927	.6794	.6667	.6546	.6429

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
6	.8591	.8303	.8052	.7827	.7623	.7435	.7260	.7096	.6942	.6796	.6657	.6524	.6397	.6276
7	.8537	.8237	.7975	.7741	.7528	.7332	.7149	.6979	.6818	.6665	.6521	.6383	.6251	.6125
8	.8484	.8172	.7900	.7656	.7434	.7230	.7040	.6862	.6695	.6536	.6386	.6243	.6106	.5975
9	.8432	.8108	.7825	.7572	.7341	.7129	.6931	.6747	.6573	.6409	.6253	.6104	.5962	.5827
10	.8382	.8045	.7752	.7489	.7249	.7029	.6824	.6632	.6452	.6282	.6120	.5967	.5820	.5680
11	.8332	.7984	.7679	.7406	.7158	.6930	.6717	.6519	.6332	.6156	.5989	.5831	.5679	.5535
12	.8283	.7923	.7607	.7325	.7068	.6831	.6612	.6406	.6213	.6031	.5859	.5696	.5540	.5391
13	.8234	.7862	.7536	.7244	.6978	.6733	.6506	.6294	.6095	.5908	.5730	.5562	.5402	.5249
14	.8187	.7803	.7466	.7164	.6889	.6636	.6402	.6183	.5978	.5785	.5602	.5429	.5265	.5109
15	.8140	.7744	.7396	.7084	.6800	.6539	.6298	.6072	.5861	.5663	.5475	.5298	.5129	.4970
16	.8094	.7685	.7327	.7005	.6712	.6443	.6195	.5963	.5746	.5542	.5349	.5168	.4995	.4832
17	.8049	.7628	.7258	.6926	.6625	.6348	.6092	.5853	.5631	.5421	.5224	.5039	.4863	.4696
18	.8004	.7571	.7190	.6848	.6538	.6253	.5990	.5745	.5516	.5302	.5101	.4911	.4731	.4561
19	.7960	.7514	.7122	.6770	.6451	.6158	.5888	.5637	.5403	.5184	.4978	.4784	.4601	.4428
20	.7917	.7458	.7055	.6693	.6365	.6064	.5787	.5530	.5290	.5066	.4856	.4659	.4473	.4297
21	.7874	.7402	.6988	.6616	.6279	.5971	.5686	.5423	.5178	.4949	.4735	.4534	.4345	.4167
22	.7831	.7347	.6921	.6540	.6194	.5877	.5586	.5317	.5067	.4833	.4615	.4411	.4219	.4038
23	.7789	.7292	.6855	.6463	.6109	.5785	.5487	.5211	.4956	.4718	.4496	.4289	.4094	.3911
24	.7748	.7238	.6789	.6387	.6024	.5692	.5387	.5106	.4846	.4604	.4378	.4167	.3970	.3784
25	.7707	.7184	.6724	.6312	.5939	.5600	.5288	.5002	.4736	.4490	.4261	.4047	.3847	.3660
26	.7666	.7130	.6659	.6237	.5855	.5508	.5190	.4897	.4627	.4377	.4144	.3928	.3725	.3536
27	.7626	.7077	.6594	.6162	.5771	.5417	.5092	.4794	.4519	.4265	.4029	.3809	.3605	.3413
28	.7586	.7025	.6529	.6087	.5688	.5325	.4994	.4691	.4411	.4153	.3914	.3692	.3485	.3292
29	.7547	.6972	.6466	.6013	.5605	.5235	.4897	.4588	.4304	.4043	.3800	.3575	.3366	.3172
30	.7509	.6921	.6402	.5939	.5522	.5144	.4801	.4486	.4198	.3932	.3687	.3460	.3248	.3052
31	.7471	.6869	.6339	.5865	.5440	.5055	.4705	.4385	.4092	.3823	.3574	.3345	.3132	.2934
32	.7434	.6818	.6276	.5792	.5358	.4965	.4609	.4284	.3986	.3714	.3462	.3230	.3015	.2816
33	.7397	.6768	.6213	.5719	.5276	.4876	.4513	.4183	.3882	.3605	.3351	.3117	.2900	.2699
34	.7360	.6718	.6151	.5647	.5194	.4787	.4418	.4082	.3777	.3497	.3240	.3003	.2785	.2582
35	.7325	.6669	.6090	.5575	.5113	.4698	.4323	.3982	.3672	.3389	.3129	.2890	.2670	.2467
36	.7289	.6620	.6028	.5502	.5032	.4609	.4228	.3882	.3568	.3281	.3018	.2778	.2556	.2353
37	.7255	.6571	.5967	.5431	.4951	.4521	.4133	.3782	.3464	.3173	.2908	.2666	.2443	.2239
38	.7221	.6523	.5907	.5360	.4871	.4433	.4039	.3682	.3360	.3066	.2798	.2554	.2331	.2128
39	.7188	.6476	.5847	.5289	.4791	.4345	.3945	.3583	.3256	.2959	.2690	.2445	.2221	.2018
40	.7156	.6430	.5789	.5219	.4712	.4258	.3851	.3485	.3153	.2854	.2582	.2336	.2113	.1911
41	.7124	.6385	.5731	.5150	.4634	.4172	.3759	.3387	.3052	.2749	.2477	.2230	.2008	.1807
42	.7094	.6341	.5674	.5083	.4557	.4087	.3667	.3290	.2951	.2647	.2373	.2126	.1905	.1705
43	.7065	.6298	.5618	.5016	.4480	.4003	.3576	.3194	.2852	.2546	.2271	.2025	.1804	.1607
44	.7037	.6256	.5564	.4950	.4405	.3920	.3487	.3100	.2755	.2446	.2171	.1926	.1707	.1512
45	.7009	.6215	.5510	.4886	.4331	.3837	.3398	.3007	.2659	.2349	.2074	.1829	.1612	.1420
46	.6983	.6175	.5458	.4822	.4257	.3756	.3310	.2915	.2564	.2253	.1978	.1735	.1520	.1331
47	.6958	.6137	.5407	.4759	.4184	.3675	.3224	.2824	.2471	.2159	.1885	.1643	.1431	.1245
48	.6934	.6099	.5356	.4697	.4113	.3595	.3138	.2735	.2379	.2067	.1794	.1554	.1344	.1162
49	.6911	.6063	.5307	.4636	.4042	.3516	.3053	.2646	.2289	.1977	.1704	.1467	.1261	.1082
50	.6888	.6027	.5259	.4576	.3971	.3438	.2970	.2559	.2201	.1888	.1617	.1383	.1180	.1005
51	.6867	.5993	.5211	.4516	.3902	.3361	.2887	.2473	.2114	.1802	.1532	.1301	.1102	.0931
52	.6847	.5959	.5165	.4458	.3833	.3285	.2806	.2389	.2028	.1717	.1450	.1221	.1026	.0861
53	.6827	.5927	.5119	.4400	.3766	.3209	.2725	.2305	.1944	.1634	.1369	.1144	.0954	.0793
54	.6809	.5896	.5074	.4344	.3699	.3135	.2646	.2223	.1861	.1553	.1291	.1070	.0884	.0728
55	.6792	.5866	.5031	.4288	.3633	.3062	.2567	.2142	.1780	.1473	.1214	.0997	.0816	.0666
56	.6775	.5836	.4989	.4233	.3568	.2989	.2490	.2063	.1701	.1396	.1140	.0928	.0752	.0607
57	.6759	.5808	.4947	.4180	.3504	.2918	.2414	.1985	.1623	.1320	.1068	.0861	.0691	.0552
58	.6745	.5782	.4907	.4127	.3442	.2847	.2339	.1908	.1546	.1246	.0999	.0796	.0632	.0499
59	.6731	.5756	.4868	.4076	.3380	.2778	.2265	.1832	.1472	.1174	.0931	.0734	.0576	.0449
60	.6718	.5731	.4831	.4026	.3319	.2710	.2192	.1758	.1399	.1105	.0866	.0675	.0523	.0403

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
61	.6707	.5708	.4795	.3977	.3260	.2643	.2121	.1686	.1328	.1037	.0804	.0619	.0473	.0359
62	.6696	.5686	.4760	.3929	.3202	.2577	.2051	.1614	.1258	.0972	.0744	.0565	.0426	.0319
63	.6686	.5666	.4726	.3883	.3145	.2513	.1982	.1545	.1191	.0909	.0687	.0514	.0382	.0281
64	.6677	.5646	.4694	.3839	.3089	.2449	.1915	.1477	.1126	.0848	.0632	.0466	.0341	.0247
65	.6669	.5628	.4664	.3795	.3035	.2387	.1849	.1411	.1062	.0789	.0580	.0421	.0303	.0216
66	.6662	.5612	.4635	.3754	.2983	.2327	.1785	.1347	.1001	.0733	.0531	.0379	.0268	.0187
67	.6655	.5597	.4608	.3714	.2931	.2268	.1722	.1284	.0942	.0680	.0484	.0340	.0236	.0162
68	.6650	.5583	.4582	.3675	.2882	.2211	.1661	.1224	.0885	.0629	.0441	.0304	.0207	.0139
69	.6645	.5570	.4558	.3638	.2834	.2155	.1601	.1165	.0830	.0581	.0400	.0271	.0180	.0119
70	.6641	.5558	.4535	.3603	.2787	.2100	.1544	.1108	.0778	.0536	.0362	.0240	.0157	.0101
71	.6638	.5548	.4514	.3569	.2741	.2046	.1486	.1053	.0728	.0492	.0326	.0212	.0135	.0085
72	.6635	.5539	.4495	.3538	.2699	.1996	.1434	.1001	.0682	.0453	.0294	.0188	.0117	.0072
73	.6633	.5532	.4478	.3509	.2659	.1949	.1384	.0954	.0640	.0418	.0267	.0166	.0102	.0061
74	.6632	.5527	.4468	.3491	.2634	.1920	.1353	.0925	.0614	.0396	.0250	.0154	.0093	.0055

Loss-Based Plan, with no Single Loss Limit

**Insurance Savings Table
Hazard Group 1
Effective November 19, 2010**

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0298	.0633	.1005	.1404	.2255	.3150	.4075	.5022
2	.0000	.0279	.0602	.0965	.1357	.2194	.3077	.3992	.4929
3	.0000	.0261	.0572	.0927	.1311	.2134	.3006	.3910	.4838
4	.0000	.0244	.0545	.0891	.1267	.2076	.2935	.3829	.4747
5	.0000	.0228	.0518	.0856	.1224	.2019	.2867	.3750	.4658
6	.0000	.0213	.0493	.0822	.1182	.1963	.2799	.3672	.4571
7	.0000	.0199	.0470	.0790	.1142	.1909	.2733	.3595	.4485
8	.0000	.0186	.0447	.0759	.1103	.1856	.2668	.3519	.4400
9	.0000	.0174	.0426	.0728	.1065	.1804	.2604	.3445	.4315
10	.0000	.0162	.0405	.0699	.1028	.1753	.2541	.3371	.4232
11	.0000	.0151	.0385	.0671	.0991	.1704	.2479	.3299	.4150
12	.0000	.0141	.0366	.0643	.0956	.1655	.2418	.3227	.4069
13	.0000	.0132	.0348	.0617	.0922	.1606	.2358	.3156	.3988
14	.0000	.0123	.0330	.0591	.0888	.1559	.2298	.3085	.3907
15	.0000	.0114	.0313	.0565	.0855	.1512	.2240	.3016	.3828
16	.0000	.0106	.0296	.0541	.0823	.1466	.2181	.2946	.3749
17	.0000	.0099	.0281	.0517	.0792	.1421	.2124	.2878	.3670
18	.0000	.0091	.0265	.0494	.0761	.1376	.2066	.2809	.3592
19	.0000	.0085	.0251	.0471	.0731	.1332	.2010	.2742	.3514
20	.0000	.0078	.0237	.0449	.0701	.1288	.1954	.2674	.3437
21	.0000	.0072	.0223	.0428	.0672	.1245	.1898	.2607	.3360
22	.0000	.0067	.0210	.0407	.0644	.1203	.1843	.2541	.3283
23	.0000	.0061	.0197	.0387	.0616	.1161	.1788	.2475	.3207
24	.0000	.0056	.0185	.0367	.0589	.1119	.1734	.2409	.3131
25	.0000	.0051	.0173	.0348	.0562	.1078	.1680	.2344	.3056
26	.0000	.0047	.0162	.0329	.0536	.1038	.1626	.2278	.2980
27	.0000	.0043	.0151	.0311	.0510	.0998	.1573	.2214	.2905

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
28	.0000	.0039	.0141	.0293	.0485	.0958	.1520	.2149	.2831
29	.0000	.0035	.0131	.0276	.0461	.0919	.1468	.2085	.2757
30	.0000	.0032	.0121	.0259	.0437	.0881	.1416	.2022	.2683
31	.0000	.0029	.0112	.0243	.0413	.0843	.1365	.1958	.2609
32	.0000	.0026	.0104	.0228	.0390	.0805	.1314	.1896	.2536
33	.0000	.0023	.0096	.0213	.0368	.0769	.1264	.1833	.2463
34	.0000	.0021	.0088	.0198	.0346	.0732	.1214	.1771	.2390
35	.0000	.0018	.0080	.0184	.0325	.0697	.1164	.1709	.2318
36	.0000	.0016	.0073	.0171	.0305	.0661	.1115	.1648	.2246
37	.0000	.0014	.0067	.0158	.0285	.0627	.1067	.1587	.2175
38	.0000	.0012	.0060	.0146	.0265	.0593	.1019	.1527	.2103
39	.0000	.0011	.0054	.0134	.0247	.0560	.0972	.1467	.2033
40	.0000	.0009	.0049	.0123	.0229	.0528	.0926	.1408	.1963
41	.0000	.0008	.0044	.0112	.0212	.0496	.0881	.1351	.1894
42	.0000	.0007	.0039	.0102	.0195	.0466	.0837	.1294	.1826
43	.0000	.0006	.0035	.0093	.0180	.0437	.0794	.1238	.1760
44	.0000	.0005	.0031	.0084	.0165	.0408	.0752	.1184	.1694
45	.0000	.0004	.0027	.0076	.0151	.0381	.0711	.1130	.1629
46	.0000	.0004	.0024	.0068	.0138	.0355	.0671	.1078	.1566
47	.0000	.0003	.0021	.0061	.0125	.0330	.0633	.1027	.1503
48	.0000	.0003	.0018	.0054	.0114	.0306	.0595	.0976	.1441
49	.0000	.0002	.0016	.0048	.0103	.0282	.0559	.0927	.1380
50	.0000	.0002	.0014	.0043	.0092	.0260	.0523	.0878	.1319
51	.0000	.0001	.0012	.0037	.0083	.0239	.0489	.0831	.1260
52	.0000	.0001	.0010	.0033	.0073	.0219	.0455	.0784	.1201
53	.0000	.0001	.0008	.0028	.0065	.0199	.0423	.0739	.1144
54	.0000	.0001	.0007	.0024	.0057	.0181	.0392	.0694	.1087
55	.0000	.0001	.0006	.0021	.0050	.0163	.0361	.0651	.1032
56	.0000	.0000	.0005	.0018	.0044	.0147	.0332	.0608	.0977
57	.0000	.0000	.0004	.0015	.0038	.0131	.0304	.0567	.0923
58	.0000	.0000	.0003	.0012	.0032	.0117	.0277	.0527	.0871
59	.0000	.0000	.0002	.0010	.0027	.0103	.0252	.0488	.0819
60	.0000	.0000	.0002	.0008	.0023	.0090	.0227	.0451	.0769
61	.0000	.0000	.0002	.0007	.0019	.0079	.0204	.0414	.0721
62	.0000	.0000	.0001	.0005	.0016	.0068	.0182	.0379	.0673
63	.0000	.0000	.0001	.0004	.0013	.0058	.0162	.0346	.0627
64	.0000	.0000	.0001	.0003	.0010	.0049	.0142	.0314	.0582
65	.0000	.0000	.0000	.0002	.0008	.0041	.0124	.0284	.0539
66	.0000	.0000	.0000	.0002	.0006	.0034	.0108	.0255	.0498
67	.0000	.0000	.0000	.0001	.0005	.0027	.0092	.0227	.0457
68	.0000	.0000	.0000	.0001	.0003	.0022	.0078	.0202	.0419
69	.0000	.0000	.0000	.0001	.0002	.0017	.0066	.0178	.0382
70	.0000	.0000	.0000	.0000	.0002	.0013	.0054	.0155	.0347
71	.0000	.0000	.0000	.0000	.0001	.0010	.0044	.0134	.0313
72	.0000	.0000	.0000	.0000	.0001	.0007	.0035	.0115	.0281

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
73	.0000	.0000	.0000	.0000	.0000	.0005	.0027	.0098	.0253
74	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0087	.0235

Loss-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 1
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7153	.6425	.5782	.5211	.4701	.4251	.3868	.3547	.3277	.3050	.2860	.2700	.2566	.2455
41	\$120	.7121	.6380	.5724	.5142	.4624	.4174	.3795	.3477	.3211	.2988	.2801	.2645	.2516	.2411
42	\$120	.7091	.6336	.5667	.5074	.4550	.4102	.3725	.3410	.3147	.2928	.2745	.2594	.2471	.2371
43	\$120	.7062	.6293	.5612	.5007	.4480	.4033	.3659	.3346	.3086	.2869	.2691	.2546	.2428	.2334
44	\$120	.7034	.6251	.5557	.4943	.4414	.3968	.3595	.3284	.3026	.2814	.2641	.2501	.2389	.2300
45	\$120	.7007	.6211	.5504	.4882	.4351	.3905	.3533	.3224	.2969	.2761	.2594	.2460	.2353	.2268
46	\$120	.6981	.6171	.5452	.4824	.4291	.3844	.3472	.3165	.2914	.2712	.2550	.2421	.2319	.2238
47	\$120	.6956	.6133	.5402	.4769	.4233	.3785	.3414	.3109	.2862	.2665	.2508	.2384	.2287	.2212
48	\$120	.6931	.6095	.5354	.4715	.4176	.3727	.3356	.3055	.2812	.2620	.2468	.2349	.2257	.2187
49	\$120	.6908	.6059	.5308	.4664	.4122	.3671	.3301	.3003	.2765	.2577	.2430	.2317	.2230	.2164
50	\$120	.6886	.6024	.5265	.4615	.4068	.3616	.3248	.2953	.2719	.2536	.2395	.2287	.2205	.2143
	\$250	.6888	.6026	.5257	.4573	.3968	.3435	.2971	.2573	.2234	.1948	.1708	.1507	.1339	.1200
51	\$120	.6865	.5991	.5223	.4566	.4016	.3563	.3196	.2904	.2675	.2498	.2362	.2259	.2182	.2124
	\$250	.6867	.5992	.5209	.4514	.3899	.3360	.2894	.2496	.2160	.1877	.1641	.1445	.1282	.1149
52	\$120	.6845	.5959	.5182	.4519	.3965	.3511	.3146	.2858	.2634	.2461	.2331	.2233	.2160	.2107
	\$250	.6846	.5959	.5163	.4455	.3831	.3287	.2819	.2422	.2088	.1809	.1577	.1386	.1229	.1101
53	\$120	.6825	.5929	.5143	.4474	.3915	.3461	.3098	.2813	.2594	.2427	.2301	.2208	.2140	.2091
	\$250	.6827	.5926	.5117	.4398	.3765	.3216	.2747	.2351	.2019	.1743	.1515	.1329	.1178	.1056
54	\$120	.6807	.5900	.5106	.4429	.3867	.3412	.3051	.2770	.2555	.2394	.2274	.2186	.2122	.2077
	\$250	.6808	.5895	.5073	.4342	.3700	.3147	.2676	.2281	.1951	.1679	.1456	.1275	.1130	.1014
55	\$120	.6790	.5873	.5069	.4386	.3820	.3365	.3006	.2729	.2519	.2363	.2248	.2165	.2106	.2064
	\$250	.6791	.5865	.5030	.4287	.3638	.3080	.2608	.2212	.1885	.1617	.1399	.1224	.1085	.0975
56	\$120	.6775	.5847	.5034	.4344	.3775	.3319	.2962	.2689	.2484	.2333	.2224	.2146	.2091	.2052
	\$250	.6775	.5836	.4987	.4234	.3577	.3015	.2541	.2146	.1821	.1557	.1345	.1176	.1042	.0938
57	\$120	.6760	.5823	.5000	.4303	.3730	.3274	.2919	.2650	.2451	.2305	.2201	.2128	.2077	.2042
	\$250	.6759	.5808	.4946	.4182	.3518	.2951	.2475	.2081	.1759	.1500	.1293	.1130	.1002	.0904
58	\$120	.6746	.5799	.4967	.4263	.3687	.3230	.2878	.2614	.2419	.2279	.2180	.2112	.2065	.2033
	\$250	.6744	.5781	.4907	.4132	.3461	.2889	.2411	.2018	.1699	.1444	.1243	.1086	.0965	.0872
	\$500	.6745	.5782	.4907	.4127	.3441	.2847	.2338	.1908	.1548	.1251	.1007	.0808	.0648	.0520
59	\$120	.6734	.5777	.4935	.4224	.3645	.3188	.2838	.2578	.2389	.2255	.2161	.2097	.2053	.2025
	\$250	.6731	.5755	.4869	.4084	.3405	.2828	.2348	.1956	.1641	.1391	.1196	.1045	.0930	.0842
	\$500	.6731	.5756	.4868	.4075	.3379	.2777	.2265	.1833	.1475	.1181	.0942	.0749	.0596	.0474
60	\$120	.6722	.5756	.4905	.4187	.3604	.3147	.2800	.2545	.2361	.2232	.2143	.2083	.2043	.2017
	\$250	.6718	.5731	.4833	.4038	.3350	.2769	.2288	.1897	.1585	.1340	.1151	.1006	.0897	.0815
	\$500	.6718	.5731	.4831	.4025	.3319	.2710	.2193	.1761	.1404	.1114	.0880	.0694	.0546	.0431
61	\$120	.6711	.5735	.4876	.4151	.3564	.3107	.2763	.2512	.2334	.2210	.2126	.2071	.2034	.2011
	\$250	.6706	.5708	.4799	.3993	.3297	.2711	.2228	.1839	.1531	.1292	.1108	.0970	.0867	.0791
	\$500	.6707	.5708	.4794	.3976	.3259	.2643	.2122	.1690	.1335	.1049	.0820	.0640	.0500	.0391
62	\$120	.6701	.5717	.4848	.4116	.3526	.3069	.2728	.2481	.2308	.2190	.2111	.2060	.2026	.2005
	\$250	.6696	.5687	.4766	.3949	.3245	.2654	.2170	.1783	.1479	.1245	.1068	.0936	.0839	.0768
	\$500	.6696	.5686	.4759	.3929	.3202	.2578	.2054	.1620	.1268	.0986	.0764	.0590	.0456	.0354
63	\$120	.6693	.5699	.4821	.4082	.3488	.3032	.2694	.2452	.2285	.2172	.2097	.2049	.2019	.2000

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$250	.6686	.5667	.4734	.3907	.3195	.2599	.2114	.1729	.1429	.1200	.1030	.0904	.0813	.0748
	\$500	.6686	.5666	.4726	.3883	.3145	.2514	.1986	.1553	.1203	.0926	.0709	.0542	.0415	.0319
64	\$120	.6684	.5682	.4795	.4049	.3452	.2996	.2661	.2424	.2262	.2154	.2085	.2040	.2013	.1996
	\$250	.6677	.5649	.4705	.3866	.3146	.2546	.2060	.1676	.1381	.1158	.0994	.0874	.0789	.0729
	\$500	.6677	.5646	.4694	.3839	.3090	.2452	.1920	.1487	.1140	.0868	.0658	.0497	.0377	.0288
	\$1,000	.6677	.5646	.4694	.3839	.3089	.2449	.1915	.1477	.1125	.0848	.0632	.0466	.0341	.0247
65	\$120	.6677	.5666	.4770	.4017	.3417	.2961	.2630	.2398	.2241	.2138	.2073	.2032	.2007	.1993
	\$250	.6669	.5631	.4676	.3827	.3099	.2494	.2007	.1625	.1335	.1118	.0960	.0847	.0768	.0713
	\$500	.6669	.5628	.4664	.3796	.3037	.2391	.1856	.1423	.1080	.0813	.0609	.0456	.0342	.0260
	\$1,000	.6669	.5628	.4664	.3795	.3035	.2387	.1849	.1411	.1062	.0789	.0580	.0421	.0303	.0216
66	\$120	.6670	.5652	.4747	.3987	.3383	.2928	.2600	.2373	.2222	.2124	.2063	.2025	.2003	.1990
	\$250	.6662	.5616	.4649	.3790	.3053	.2443	.1955	.1577	.1291	.1080	.0929	.0822	.0748	.0698
	\$500	.6662	.5612	.4635	.3755	.2985	.2332	.1794	.1361	.1021	.0760	.0562	.0417	.0310	.0234
	\$1,000	.6662	.5612	.4635	.3754	.2983	.2327	.1785	.1347	.1001	.0734	.0531	.0379	.0268	.0188
67	\$120	.6664	.5638	.4724	.3958	.3351	.2896	.2571	.2349	.2203	.2110	.2053	.2019	.1998	.1987
	\$250	.6656	.5601	.4624	.3754	.3009	.2394	.1906	.1530	.1249	.1045	.0900	.0799	.0731	.0685
	\$500	.6655	.5597	.4608	.3715	.2935	.2275	.1733	.1301	.0965	.0709	.0519	.0380	.0281	.0211
	\$1,000	.6655	.5597	.4608	.3714	.2931	.2268	.1722	.1284	.0942	.0680	.0484	.0340	.0236	.0162
68	\$120	.6659	.5625	.4703	.3930	.3320	.2866	.2544	.2327	.2186	.2098	.2045	.2013	.1995	.1985
	\$250	.6651	.5588	.4601	.3720	.2966	.2347	.1858	.1485	.1209	.1011	.0873	.0778	.0715	.0673
	\$500	.6650	.5583	.4583	.3677	.2886	.2219	.1674	.1243	.0911	.0661	.0478	.0347	.0254	.0190
	\$1,000	.6650	.5583	.4582	.3675	.2882	.2211	.1661	.1224	.0885	.0630	.0441	.0304	.0207	.0139
69	\$120	.6655	.5614	.4683	.3903	.3290	.2836	.2519	.2306	.2171	.2087	.2037	.2008	.1992	.1983
	\$250	.6646	.5576	.4578	.3687	.2925	.2301	.1812	.1442	.1171	.0980	.0848	.0759	.0701	.0663
	\$500	.6645	.5570	.4559	.3641	.2839	.2164	.1617	.1187	.0859	.0616	.0440	.0316	.0230	.0172
	\$1,000	.6645	.5570	.4558	.3638	.2834	.2155	.1601	.1165	.0831	.0581	.0400	.0271	.0181	.0119
70	\$120	.6650	.5603	.4664	.3877	.3261	.2809	.2494	.2287	.2156	.2077	.2030	.2004	.1989	.1981
	\$250	.6642	.5565	.4558	.3655	.2885	.2257	.1768	.1401	.1136	.0950	.0825	.0742	.0688	.0654
	\$500	.6641	.5559	.4536	.3606	.2794	.2112	.1561	.1133	.0810	.0573	.0405	.0288	.0208	.0156
	\$1,000	.6641	.5558	.4535	.3603	.2787	.2100	.1544	.1109	.0779	.0536	.0362	.0241	.0157	.0102
71	\$120	.6647	.5593	.4646	.3852	.3233	.2781	.2471	.2268	.2142	.2067	.2024	.2000	.1987	.1980
	\$250	.6639	.5555	.4538	.3625	.2846	.2214	.1724	.1361	.1101	.0923	.0803	.0726	.0677	.0647
	\$500	.6638	.5548	.4515	.3573	.2749	.2060	.1506	.1079	.0761	.0532	.0371	.0262	.0189	.0141
	\$1,000	.6638	.5548	.4514	.3569	.2741	.2046	.1487	.1053	.0728	.0492	.0326	.0212	.0136	.0086
72	\$120	.6644	.5584	.4629	.3830	.3208	.2757	.2450	.2252	.2130	.2059	.2019	.1997	.1985	.1979
	\$250	.6636	.5547	.4520	.3598	.2811	.2174	.1684	.1324	.1070	.0898	.0785	.0712	.0667	.0640
	\$500	.6635	.5540	.4497	.3542	.2708	.2011	.1456	.1031	.0718	.0495	.0342	.0239	.0172	.0129
	\$1,000	.6635	.5539	.4495	.3538	.2699	.1996	.1434	.1002	.0682	.0453	.0295	.0188	.0118	.0073
73	\$120	.6641	.5576	.4614	.3809	.3184	.2734	.2430	.2237	.2120	.2052	.2014	.1994	.1983	.1978
	\$250	.6634	.5540	.4505	.3572	.2778	.2137	.1647	.1291	.1042	.0876	.0768	.0701	.0659	.0635
	\$500	.6633	.5532	.4480	.3514	.2669	.1966	.1409	.0986	.0678	.0463	.0316	.0220	.0158	.0119
	\$1,000	.6633	.5532	.4478	.3509	.2659	.1950	.1385	.0955	.0640	.0418	.0267	.0167	.0103	.0062
74	\$120	.6640	.5571	.4605	.3796	.3170	.2720	.2419	.2228	.2113	.2048	.2011	.1992	.1982	.1977
	\$250	.6633	.5536	.4495	.3557	.2757	.2114	.1624	.1270	.1025	.0863	.0758	.0694	.0655	.0632
	\$500	.6632	.5528	.4470	.3497	.2645	.1938	.1379	.0958	.0654	.0442	.0301	.0208	.0150	.0114
	\$1,000	.6632	.5527	.4468	.3491	.2634	.1920	.1354	.0925	.0614	.0397	.0250	.0155	.0094	.0056

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with Various Single Loss Limits

Insurance Savings Table
 Hazard Group 1
 Effective November 19, 2010

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0009	.0048	.0122	.0227	.0524	.0921	.1402	.1954
41	\$120	.0000	.0008	.0043	.0111	.0210	.0493	.0876	.1344	.1885
42	\$120	.0000	.0007	.0039	.0101	.0194	.0463	.0832	.1287	.1818
43	\$120	.0000	.0006	.0035	.0092	.0178	.0434	.0789	.1232	.1751
44	\$120	.0000	.0005	.0031	.0083	.0164	.0406	.0747	.1177	.1687
45	\$120	.0000	.0004	.0027	.0075	.0150	.0379	.0706	.1124	.1626
46	\$120	.0000	.0004	.0024	.0067	.0137	.0353	.0667	.1072	.1568
47	\$120	.0000	.0003	.0021	.0060	.0124	.0327	.0628	.1022	.1512
48	\$120	.0000	.0003	.0018	.0054	.0113	.0303	.0591	.0974	.1459
49	\$120	.0000	.0002	.0016	.0048	.0102	.0280	.0555	.0928	.1408
50	\$120	.0000	.0002	.0013	.0042	.0091	.0258	.0520	.0884	.1358
	\$250	.0000	.0002	.0014	.0042	.0092	.0260	.0522	.0877	.1317
51	\$120	.0000	.0001	.0012	.0037	.0082	.0237	.0486	.0842	.1310
	\$250	.0000	.0001	.0012	.0037	.0082	.0238	.0488	.0829	.1258
52	\$120	.0000	.0001	.0010	.0032	.0073	.0217	.0455	.0802	.1263
	\$250	.0000	.0001	.0010	.0033	.0073	.0218	.0454	.0783	.1199
53	\$120	.0000	.0001	.0008	.0028	.0064	.0197	.0425	.0763	.1217
	\$250	.0000	.0001	.0008	.0028	.0065	.0199	.0422	.0737	.1142
54	\$120	.0000	.0001	.0007	.0024	.0057	.0179	.0396	.0726	.1173
	\$250	.0000	.0001	.0007	.0024	.0057	.0180	.0391	.0693	.1085
55	\$120	.0000	.0001	.0006	.0021	.0050	.0162	.0369	.0689	.1129
	\$250	.0000	.0001	.0006	.0021	.0050	.0163	.0361	.0649	.1031
56	\$120	.0000	.0000	.0005	.0018	.0043	.0146	.0343	.0654	.1087
	\$250	.0000	.0000	.0005	.0018	.0043	.0146	.0331	.0607	.0977
57	\$120	.0000	.0000	.0004	.0015	.0037	.0132	.0318	.0620	.1046
	\$250	.0000	.0000	.0004	.0015	.0038	.0131	.0303	.0566	.0926
58	\$120	.0000	.0000	.0003	.0012	.0032	.0118	.0295	.0587	.1007
	\$250	.0000	.0000	.0003	.0012	.0032	.0116	.0277	.0527	.0876
	\$500	.0000	.0000	.0003	.0012	.0032	.0117	.0277	.0527	.0870
59	\$120	.0000	.0000	.0002	.0010	.0027	.0105	.0273	.0555	.0968
	\$250	.0000	.0000	.0002	.0010	.0027	.0103	.0251	.0489	.0828
	\$500	.0000	.0000	.0002	.0010	.0027	.0103	.0252	.0488	.0819
60	\$120	.0000	.0000	.0002	.0008	.0023	.0094	.0251	.0525	.0931
	\$250	.0000	.0000	.0002	.0008	.0023	.0090	.0227	.0453	.0781
	\$500	.0000	.0000	.0002	.0008	.0023	.0090	.0227	.0450	.0769
61	\$120	.0000	.0000	.0001	.0007	.0019	.0083	.0231	.0495	.0894
	\$250	.0000	.0000	.0001	.0007	.0019	.0078	.0204	.0418	.0736
	\$500	.0000	.0000	.0002	.0007	.0019	.0078	.0204	.0414	.0720
62	\$120	.0000	.0000	.0001	.0005	.0016	.0073	.0212	.0467	.0859
	\$250	.0000	.0000	.0001	.0005	.0016	.0067	.0183	.0386	.0693
	\$500	.0000	.0000	.0001	.0005	.0016	.0068	.0182	.0379	.0673

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
63	\$120	.0000	.0000	.0001	.0004	.0013	.0064	.0194	.0440	.0825
	\$250	.0000	.0000	.0001	.0004	.0013	.0058	.0163	.0354	.0650
	\$500	.0000	.0000	.0001	.0004	.0013	.0058	.0161	.0346	.0627
64	\$120	.0000	.0000	.0001	.0003	.0011	.0056	.0178	.0415	.0793
	\$250	.0000	.0000	.0001	.0003	.0010	.0049	.0144	.0324	.0610
	\$500	.0000	.0000	.0001	.0003	.0010	.0049	.0142	.0314	.0582
	\$1,000	.0000	.0000	.0001	.0003	.0010	.0049	.0142	.0314	.0582
65	\$120	.0000	.0000	.0000	.0002	.0008	.0049	.0162	.0390	.0761
	\$250	.0000	.0000	.0000	.0002	.0008	.0041	.0127	.0296	.0571
	\$500	.0000	.0000	.0000	.0002	.0008	.0041	.0124	.0284	.0539
	\$1,000	.0000	.0000	.0000	.0002	.0008	.0041	.0124	.0284	.0539
66	\$120	.0000	.0000	.0000	.0002	.0007	.0042	.0147	.0366	.0731
	\$250	.0000	.0000	.0000	.0002	.0006	.0034	.0111	.0269	.0533
	\$500	.0000	.0000	.0000	.0002	.0006	.0034	.0108	.0255	.0498
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0034	.0108	.0255	.0498
67	\$120	.0000	.0000	.0000	.0001	.0005	.0036	.0134	.0344	.0701
	\$250	.0000	.0000	.0000	.0001	.0005	.0028	.0097	.0244	.0498
	\$500	.0000	.0000	.0000	.0001	.0005	.0027	.0092	.0228	.0459
	\$1,000	.0000	.0000	.0000	.0001	.0005	.0027	.0092	.0227	.0457
68	\$120	.0000	.0000	.0000	.0001	.0004	.0031	.0121	.0323	.0673
	\$250	.0000	.0000	.0000	.0001	.0003	.0023	.0084	.0220	.0463
	\$500	.0000	.0000	.0000	.0001	.0003	.0022	.0078	.0202	.0421
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0022	.0078	.0202	.0419
69	\$120	.0000	.0000	.0000	.0001	.0003	.0026	.0109	.0303	.0647
	\$250	.0000	.0000	.0000	.0001	.0002	.0018	.0072	.0198	.0430
	\$500	.0000	.0000	.0000	.0001	.0002	.0017	.0066	.0178	.0384
	\$1,000	.0000	.0000	.0000	.0001	.0002	.0017	.0066	.0178	.0382
70	\$120	.0000	.0000	.0000	.0000	.0002	.0022	.0099	.0284	.0621
	\$250	.0000	.0000	.0000	.0000	.0002	.0014	.0061	.0177	.0399
	\$500	.0000	.0000	.0000	.0000	.0002	.0013	.0054	.0156	.0350
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0013	.0054	.0155	.0347
71	\$120	.0000	.0000	.0000	.0000	.0002	.0019	.0089	.0266	.0596
	\$250	.0000	.0000	.0000	.0000	.0001	.0011	.0051	.0158	.0369
	\$500	.0000	.0000	.0000	.0000	.0001	.0010	.0044	.0135	.0316
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0010	.0044	.0134	.0313
72	\$120	.0000	.0000	.0000	.0000	.0001	.0016	.0080	.0249	.0573
	\$250	.0000	.0000	.0000	.0000	.0001	.0008	.0043	.0140	.0341
	\$500	.0000	.0000	.0000	.0000	.0001	.0007	.0035	.0116	.0286
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0007	.0035	.0115	.0281
73	\$120	.0000	.0000	.0000	.0000	.0001	.0013	.0072	.0234	.0553
	\$250	.0000	.0000	.0000	.0000	.0000	.0006	.0036	.0125	.0316
	\$500	.0000	.0000	.0000	.0000	.0000	.0005	.0028	.0100	.0258
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0005	.0027	.0098	.0253
74	\$120	.0000	.0000	.0000	.0000	.0001	.0012	.0067	.0225	.0540
	\$250	.0000	.0000	.0000	.0000	.0000	.0005	.0031	.0115	.0301

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0090	.0241
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0087	.0235

*Single Loss Limit values are expressed in thousands of dollars.

NEW SECTION

WAC 296-17B-920 Hazard Group 2 tables.

Premium-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 2
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.8627	.8442	.8279	.8131	.7995	.7868	.7749	.7637	.7530	.7429	.7332	.7238	.7148	.7062
2	.8572	.8377	.8204	.8047	.7902	.7768	.7642	.7523	.7410	.7302	.7199	.7100	.7005	.6913
3	.8519	.8313	.8129	.7963	.7810	.7668	.7535	.7409	.7290	.7176	.7067	.6963	.6862	.6765
4	.8467	.8249	.8055	.7880	.7719	.7569	.7428	.7296	.7170	.7050	.6935	.6825	.6719	.6617
5	.8415	.8185	.7982	.7797	.7628	.7470	.7322	.7183	.7050	.6924	.6803	.6688	.6577	.6470
6	.8363	.8123	.7909	.7715	.7537	.7372	.7216	.7070	.6931	.6799	.6672	.6551	.6435	.6323
7	.8313	.8061	.7837	.7634	.7448	.7274	.7112	.6958	.6813	.6675	.6542	.6416	.6294	.6177
8	.8263	.7999	.7765	.7553	.7358	.7177	.7007	.6847	.6695	.6551	.6413	.6281	.6154	.6033
9	.8214	.7939	.7695	.7473	.7270	.7081	.6903	.6736	.6578	.6428	.6284	.6147	.6015	.5889
10	.8165	.7879	.7624	.7394	.7182	.6985	.6800	.6626	.6462	.6305	.6156	.6014	.5877	.5746
11	.8117	.7819	.7555	.7315	.7094	.6889	.6697	.6516	.6346	.6183	.6029	.5881	.5740	.5605
12	.8070	.7760	.7485	.7236	.7007	.6794	.6595	.6407	.6230	.6062	.5902	.5750	.5604	.5464
13	.8023	.7702	.7416	.7157	.6920	.6699	.6492	.6298	.6115	.5941	.5776	.5619	.5468	.5325
14	.7976	.7643	.7348	.7079	.6833	.6604	.6390	.6190	.6000	.5821	.5651	.5489	.5334	.5186
15	.7930	.7586	.7279	.7002	.6746	.6510	.6289	.6082	.5886	.5701	.5526	.5359	.5200	.5049
16	.7885	.7528	.7211	.6924	.6660	.6416	.6188	.5974	.5773	.5582	.5402	.5231	.5068	.4913
17	.7839	.7471	.7144	.6847	.6574	.6322	.6087	.5867	.5659	.5464	.5279	.5103	.4937	.4778
18	.7795	.7415	.7076	.6770	.6489	.6229	.5986	.5760	.5547	.5346	.5156	.4977	.4806	.4644
19	.7750	.7358	.7009	.6693	.6403	.6135	.5886	.5653	.5435	.5229	.5035	.4851	.4677	.4511
20	.7706	.7302	.6942	.6617	.6318	.6042	.5786	.5547	.5323	.5112	.4914	.4726	.4549	.4380
21	.7663	.7246	.6876	.6540	.6233	.5949	.5686	.5441	.5212	.4996	.4793	.4602	.4421	.4250
22	.7619	.7191	.6809	.6464	.6148	.5857	.5587	.5336	.5101	.4881	.4674	.4479	.4295	.4121
23	.7576	.7135	.6743	.6388	.6063	.5764	.5488	.5231	.4991	.4766	.4555	.4356	.4170	.3993
24	.7534	.7080	.6677	.6312	.5979	.5672	.5389	.5126	.4881	.4651	.4437	.4235	.4045	.3866
25	.7491	.7025	.6611	.6236	.5894	.5580	.5290	.5021	.4771	.4538	.4319	.4114	.3922	.3740
26	.7449	.6971	.6545	.6160	.5810	.5488	.5192	.4917	.4662	.4424	.4202	.3994	.3799	.3616
27	.7408	.6917	.6479	.6085	.5726	.5397	.5094	.4814	.4554	.4312	.4086	.3875	.3678	.3492
28	.7366	.6862	.6414	.6010	.5642	.5305	.4996	.4710	.4446	.4200	.3971	.3757	.3557	.3369
29	.7326	.6809	.6349	.5935	.5558	.5214	.4898	.4607	.4338	.4088	.3856	.3639	.3437	.3248
30	.7285	.6755	.6284	.5860	.5475	.5123	.4801	.4505	.4231	.3977	.3742	.3522	.3318	.3127
31	.7245	.6702	.6219	.5785	.5392	.5033	.4704	.4403	.4124	.3867	.3628	.3407	.3200	.3007
32	.7205	.6649	.6155	.5711	.5308	.4942	.4607	.4300	.4018	.3757	.3515	.3291	.3082	.2888
33	.7166	.6597	.6091	.5637	.5226	.4852	.4511	.4199	.3912	.3647	.3403	.3176	.2966	.2770
34	.7127	.6545	.6027	.5563	.5143	.4762	.4415	.4097	.3806	.3538	.3290	.3061	.2849	.2652
35	.7089	.6493	.5964	.5489	.5060	.4672	.4319	.3996	.3701	.3429	.3179	.2947	.2733	.2535
36	.7051	.6442	.5900	.5415	.4978	.4582	.4223	.3895	.3595	.3320	.3067	.2833	.2618	.2419
37	.7014	.6391	.5837	.5342	.4896	.4492	.4127	.3794	.3490	.3211	.2955	.2720	.2504	.2304
38	.6977	.6341	.5775	.5269	.4814	.4403	.4031	.3693	.3384	.3103	.2844	.2608	.2391	.2191

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
39	.6941	.6291	.5713	.5196	.4732	.4314	.3936	.3592	.3280	.2995	.2734	.2497	.2279	.2081
40	.6906	.6242	.5652	.5124	.4651	.4226	.3841	.3493	.3176	.2888	.2626	.2387	.2170	.1972
41	.6872	.6194	.5592	.5054	.4571	.4138	.3747	.3394	.3073	.2783	.2519	.2280	.2063	.1866
42	.6838	.6147	.5532	.4984	.4492	.4051	.3654	.3296	.2972	.2679	.2414	.2175	.1959	.1763
43	.6806	.6101	.5474	.4915	.4414	.3966	.3562	.3199	.2871	.2577	.2311	.2072	.1857	.1663
44	.6775	.6056	.5417	.4847	.4337	.3881	.3471	.3103	.2773	.2476	.2210	.1972	.1758	.1566
45	.6744	.6013	.5361	.4780	.4261	.3797	.3381	.3009	.2676	.2378	.2112	.1874	.1661	.1472
46	.6715	.5970	.5306	.4714	.4186	.3714	.3292	.2916	.2580	.2281	.2015	.1778	.1568	.1381
47	.6687	.5928	.5252	.4649	.4111	.3631	.3204	.2824	.2486	.2186	.1920	.1685	.1477	.1294
48	.6660	.5888	.5199	.4585	.4037	.3550	.3117	.2734	.2394	.2093	.1828	.1594	.1389	.1209
49	.6634	.5848	.5147	.4521	.3964	.3470	.3032	.2644	.2302	.2002	.1737	.1506	.1304	.1127
50	.6608	.5810	.5096	.4459	.3892	.3390	.2947	.2556	.2213	.1912	.1649	.1420	.1221	.1048
51	.6584	.5773	.5045	.4397	.3821	.3312	.2863	.2469	.2124	.1824	.1563	.1336	.1141	.0972
52	.6561	.5736	.4996	.4336	.3751	.3234	.2780	.2383	.2038	.1738	.1479	.1255	.1063	.0899
53	.6539	.5701	.4948	.4276	.3681	.3157	.2698	.2299	.1952	.1653	.1396	.1176	.0989	.0829
54	.6518	.5667	.4901	.4217	.3613	.3081	.2618	.2216	.1869	.1571	.1316	.1100	.0917	.0762
55	.6498	.5634	.4855	.4159	.3545	.3006	.2538	.2134	.1786	.1490	.1238	.1026	.0847	.0698
56	.6479	.5602	.4809	.4102	.3478	.2932	.2459	.2053	.1705	.1411	.1163	.0954	.0781	.0637
57	.6461	.5571	.4766	.4047	.3412	.2859	.2382	.1973	.1626	.1334	.1089	.0885	.0717	.0579
58	.6444	.5542	.4723	.3992	.3348	.2787	.2305	.1895	.1548	.1258	.1018	.0819	.0656	.0523
59	.6428	.5513	.4682	.3938	.3284	.2716	.2230	.1818	.1472	.1185	.0948	.0755	.0598	.0471
60	.6413	.5486	.4642	.3886	.3222	.2647	.2156	.1742	.1398	.1114	.0882	.0694	.0543	.0422
61	.6400	.5461	.4603	.3835	.3160	.2578	.2083	.1668	.1325	.1044	.0817	.0635	.0490	.0376
62	.6387	.5437	.4566	.3785	.3100	.2510	.2011	.1596	.1254	.0977	.0755	.0579	.0441	.0334
63	.6376	.5414	.4530	.3737	.3041	.2444	.1941	.1524	.1185	.0912	.0696	.0526	.0395	.0294
64	.6365	.5393	.4496	.3690	.2984	.2379	.1872	.1455	.1117	.0849	.0639	.0476	.0352	.0258
65	.6356	.5373	.4463	.3645	.2928	.2315	.1804	.1387	.1052	.0789	.0585	.0429	.0312	.0224
66	.6348	.5354	.4432	.3601	.2873	.2253	.1738	.1321	.0989	.0731	.0533	.0385	.0275	.0194
67	.6340	.5338	.4403	.3559	.2820	.2192	.1673	.1256	.0928	.0675	.0485	.0344	.0241	.0167
68	.6334	.5322	.4376	.3519	.2768	.2133	.1610	.1194	.0869	.0623	.0439	.0306	.0210	.0142
69	.6328	.5308	.4350	.3480	.2718	.2074	.1549	.1133	.0812	.0572	.0396	.0270	.0182	.0121
70	.6324	.5296	.4326	.3443	.2669	.2018	.1489	.1074	.0758	.0525	.0357	.0238	.0157	.0102
71	.6320	.5284	.4303	.3406	.2621	.1962	.1429	.1016	.0705	.0479	.0319	.0208	.0134	.0085
72	.6317	.5275	.4282	.3373	.2577	.1909	.1374	.0962	.0657	.0438	.0286	.0183	.0115	.0071
73	.6315	.5267	.4265	.3343	.2535	.1860	.1323	.0913	.0613	.0401	.0256	.0160	.0098	.0059
74	.6313	.5262	.4254	.3325	.2509	.1829	.1290	.0882	.0585	.0378	.0239	.0147	.0089	.0053

Premium-Based Plan, with no Single Loss Limit

**Insurance Savings Table
Hazard Group 2
Effective November 19, 2010**

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0321	.0674	.1058	.1464	.2317	.3202	.4109	.5031
2	.0000	.0304	.0646	.1023	.1422	.2262	.3137	.4034	.4947
3	.0000	.0288	.0620	.0989	.1382	.2209	.3073	.3959	.4863
4	.0000	.0272	.0595	.0956	.1342	.2157	.3009	.3885	.4780
5	.0000	.0257	.0570	.0924	.1303	.2105	.2945	.3812	.4697
6	.0000	.0243	.0547	.0893	.1264	.2053	.2883	.3739	.4615
7	.0000	.0229	.0525	.0863	.1227	.2003	.2821	.3667	.4534
8	.0000	.0216	.0503	.0834	.1190	.1953	.2759	.3595	.4453

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
9	.0000	.0204	.0483	.0805	.1154	.1904	.2699	.3525	.4373
10	.0000	.0192	.0462	.0777	.1119	.1855	.2639	.3454	.4294
11	.0000	.0181	.0443	.0749	.1084	.1807	.2579	.3385	.4215
12	.0000	.0171	.0424	.0722	.1050	.1760	.2520	.3315	.4136
13	.0000	.0161	.0406	.0696	.1016	.1713	.2462	.3246	.4057
14	.0000	.0152	.0388	.0670	.0983	.1666	.2403	.3178	.3979
15	.0000	.0143	.0370	.0645	.0950	.1620	.2346	.3109	.3902
16	.0000	.0134	.0353	.0620	.0917	.1575	.2288	.3041	.3824
17	.0000	.0126	.0337	.0595	.0886	.1529	.2231	.2974	.3747
18	.0000	.0118	.0321	.0572	.0854	.1485	.2175	.2906	.3670
19	.0000	.0110	.0305	.0548	.0823	.1440	.2118	.2839	.3593
20	.0000	.0103	.0290	.0525	.0793	.1396	.2062	.2772	.3517
21	.0000	.0096	.0275	.0502	.0763	.1353	.2006	.2706	.3440
22	.0000	.0089	.0261	.0480	.0733	.1309	.1951	.2639	.3364
23	.0000	.0083	.0246	.0458	.0704	.1266	.1895	.2573	.3288
24	.0000	.0077	.0233	.0437	.0675	.1224	.1840	.2507	.3212
25	.0000	.0071	.0220	.0416	.0647	.1181	.1785	.2441	.3136
26	.0000	.0066	.0207	.0396	.0619	.1139	.1731	.2375	.3060
27	.0000	.0061	.0194	.0376	.0591	.1098	.1677	.2309	.2985
28	.0000	.0056	.0182	.0356	.0564	.1056	.1622	.2244	.2910
29	.0000	.0051	.0171	.0337	.0538	.1016	.1569	.2179	.2835
30	.0000	.0047	.0159	.0318	.0512	.0975	.1515	.2114	.2760
31	.0000	.0043	.0149	.0300	.0486	.0935	.1462	.2049	.2685
32	.0000	.0039	.0138	.0282	.0461	.0895	.1409	.1985	.2611
33	.0000	.0035	.0128	.0265	.0436	.0856	.1357	.1921	.2537
34	.0000	.0032	.0118	.0248	.0412	.0817	.1305	.1857	.2463
35	.0000	.0029	.0109	.0232	.0388	.0779	.1253	.1794	.2389
36	.0000	.0026	.0100	.0216	.0365	.0741	.1202	.1730	.2315
37	.0000	.0023	.0092	.0201	.0342	.0704	.1151	.1667	.2242
38	.0000	.0020	.0084	.0186	.0320	.0667	.1101	.1605	.2169
39	.0000	.0018	.0076	.0171	.0298	.0631	.1051	.1543	.2096
40	.0000	.0016	.0069	.0158	.0278	.0596	.1002	.1482	.2024
41	.0000	.0014	.0062	.0145	.0258	.0562	.0954	.1422	.1954
42	.0000	.0012	.0056	.0133	.0239	.0528	.0907	.1362	.1884
43	.0000	.0010	.0050	.0121	.0221	.0496	.0861	.1304	.1815
44	.0000	.0009	.0045	.0110	.0203	.0465	.0816	.1247	.1747
45	.0000	.0008	.0040	.0100	.0186	.0434	.0773	.1191	.1680
46	.0000	.0007	.0035	.0090	.0171	.0405	.0730	.1136	.1614
47	.0000	.0006	.0031	.0081	.0156	.0377	.0688	.1082	.1549
48	.0000	.0005	.0027	.0073	.0142	.0350	.0648	.1029	.1485
49	.0000	.0004	.0024	.0065	.0128	.0324	.0608	.0977	.1421
50	.0000	.0003	.0021	.0057	.0115	.0298	.0570	.0926	.1359
51	.0000	.0003	.0018	.0050	.0104	.0274	.0533	.0875	.1297
52	.0000	.0002	.0015	.0044	.0092	.0251	.0496	.0826	.1236
53	.0000	.0002	.0013	.0039	.0082	.0229	.0461	.0778	.1176
54	.0000	.0001	.0011	.0033	.0072	.0208	.0427	.0731	.1117

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
55	.0000	.0001	.0009	.0029	.0063	.0188	.0394	.0685	.1059
56	.0000	.0001	.0007	.0024	.0055	.0169	.0362	.0639	.1002
57	.0000	.0001	.0006	.0020	.0048	.0151	.0331	.0596	.0947
58	.0000	.0001	.0005	.0017	.0041	.0134	.0302	.0553	.0892
59	.0000	.0000	.0004	.0014	.0035	.0118	.0273	.0512	.0838
60	.0000	.0000	.0003	.0011	.0029	.0103	.0246	.0472	.0786
61	.0000	.0000	.0002	.0009	.0024	.0090	.0221	.0433	.0735
62	.0000	.0000	.0002	.0007	.0020	.0077	.0197	.0396	.0685
63	.0000	.0000	.0001	.0006	.0016	.0066	.0174	.0360	.0637
64	.0000	.0000	.0001	.0004	.0013	.0055	.0153	.0326	.0590
65	.0000	.0000	.0001	.0003	.0010	.0046	.0133	.0293	.0545
66	.0000	.0000	.0000	.0002	.0007	.0038	.0114	.0262	.0501
67	.0000	.0000	.0000	.0002	.0006	.0030	.0098	.0233	.0459
68	.0000	.0000	.0000	.0001	.0004	.0024	.0082	.0206	.0419
69	.0000	.0000	.0000	.0001	.0003	.0018	.0068	.0180	.0380
70	.0000	.0000	.0000	.0000	.0002	.0014	.0056	.0156	.0343
71	.0000	.0000	.0000	.0000	.0001	.0010	.0044	.0133	.0306
72	.0000	.0000	.0000	.0000	.0001	.0007	.0035	.0112	.0273
73	.0000	.0000	.0000	.0000	.0000	.0005	.0027	.0095	.0243
74	.0000	.0000	.0000	.0000	.0000	.0003	.0022	.0084	.0225

Premium-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 2
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.6903	.6237	.5645	.5116	.4641	.4222	.3871	.3577	.3330	.3122	.2946	.2797	.2672	.2569
41	\$120	.6868	.6189	.5585	.5045	.4562	.4148	.3801	.3510	.3266	.3061	.2888	.2744	.2624	.2527
42	\$120	.6835	.6142	.5525	.4975	.4488	.4078	.3734	.3446	.3205	.3002	.2833	.2694	.2581	.2489
43	\$120	.6803	.6096	.5467	.4906	.4420	.4012	.3670	.3384	.3145	.2946	.2782	.2648	.2541	.2454
44	\$120	.6772	.6052	.5410	.4841	.4355	.3948	.3608	.3324	.3087	.2892	.2734	.2606	.2503	.2421
45	\$120	.6742	.6008	.5354	.4780	.4294	.3887	.3547	.3265	.3031	.2842	.2689	.2566	.2468	.2391
46	\$120	.6712	.5965	.5300	.4722	.4235	.3828	.3489	.3208	.2979	.2794	.2646	.2529	.2436	.2363
47	\$120	.6684	.5924	.5248	.4667	.4178	.3770	.3431	.3153	.2928	.2749	.2606	.2494	.2405	.2337
48	\$120	.6657	.5883	.5199	.4614	.4123	.3713	.3375	.3101	.2881	.2706	.2568	.2461	.2378	.2314
49	\$120	.6631	.5844	.5153	.4563	.4068	.3657	.3321	.3051	.2835	.2665	.2533	.2430	.2352	.2292
50	\$120	.6606	.5807	.5108	.4514	.4015	.3603	.3269	.3002	.2791	.2626	.2499	.2402	.2328	.2272
	\$250	.6608	.5809	.5094	.4456	.3889	.3387	.2951	.2576	.2257	.1986	.1758	.1566	.1405	.1271
51	\$120	.6582	.5772	.5065	.4465	.3963	.3551	.3219	.2956	.2749	.2590	.2468	.2375	.2306	.2254
	\$250	.6584	.5772	.5044	.4394	.3818	.3312	.2874	.2501	.2184	.1916	.1692	.1504	.1349	.1220
52	\$120	.6559	.5738	.5024	.4418	.3912	.3501	.3171	.2911	.2709	.2555	.2438	.2351	.2286	.2238
	\$250	.6561	.5735	.4994	.4334	.3748	.3239	.2800	.2428	.2113	.1849	.1628	.1446	.1295	.1173
53	\$120	.6537	.5706	.4984	.4371	.3863	.3451	.3124	.2868	.2671	.2522	.2410	.2328	.2267	.2224
	\$250	.6539	.5700	.4946	.4274	.3681	.3168	.2728	.2356	.2044	.1783	.1567	.1389	.1245	.1128
54	\$120	.6516	.5676	.4945	.4326	.3815	.3404	.3078	.2827	.2635	.2491	.2384	.2307	.2250	.2210
	\$250	.6517	.5666	.4899	.4216	.3616	.3099	.2658	.2287	.1976	.1719	.1508	.1336	.1197	.1086

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
55	\$120	.6497	.5647	.4907	.4282	.3769	.3357	.3034	.2787	.2600	.2461	.2360	.2287	.2235	.2198
	\$250	.6497	.5633	.4853	.4159	.3553	.3032	.2590	.2219	.1911	.1658	.1452	.1285	.1152	.1047
56	\$120	.6479	.5619	.4870	.4239	.3723	.3312	.2992	.2748	.2567	.2434	.2337	.2269	.2221	.2188
	\$250	.6478	.5601	.4808	.4104	.3491	.2966	.2523	.2153	.1847	.1598	.1398	.1237	.1110	.1010
57	\$120	.6463	.5592	.4835	.4198	.3679	.3268	.2951	.2712	.2535	.2408	.2316	.2253	.2208	.2178
	\$250	.6461	.5570	.4765	.4051	.3432	.2903	.2457	.2088	.1786	.1541	.1346	.1191	.1070	.0976
58	\$120	.6447	.5567	.4800	.4157	.3636	.3225	.2911	.2677	.2505	.2383	.2297	.2238	.2197	.2170
	\$250	.6444	.5541	.4724	.4000	.3373	.2840	.2393	.2025	.1726	.1487	.1297	.1148	.1033	.0944
	\$500	.6444	.5541	.4723	.3991	.3347	.2787	.2305	.1896	.1551	.1265	.1029	.0835	.0677	.0551
59	\$120	.6433	.5543	.4767	.4118	.3593	.3184	.2873	.2643	.2477	.2360	.2279	.2224	.2187	.2162
	\$250	.6428	.5513	.4684	.3951	.3316	.2778	.2331	.1964	.1669	.1434	.1250	.1107	.0998	.0915
	\$500	.6428	.5513	.4681	.3938	.3283	.2716	.2230	.1820	.1477	.1194	.0963	.0775	.0623	.0503
60	\$120	.6420	.5520	.4735	.4080	.3553	.3143	.2836	.2611	.2450	.2339	.2262	.2211	.2178	.2156
	\$250	.6413	.5486	.4646	.3903	.3261	.2719	.2270	.1905	.1613	.1383	.1205	.1069	.0965	.0888
	\$500	.6413	.5486	.4641	.3885	.3221	.2647	.2157	.1746	.1405	.1126	.0899	.0717	.0572	.0458
61	\$120	.6407	.5498	.4704	.4043	.3513	.3104	.2800	.2580	.2425	.2319	.2247	.2200	.2170	.2150
	\$250	.6399	.5461	.4609	.3856	.3207	.2660	.2210	.1847	.1559	.1335	.1163	.1032	.0935	.0863
	\$500	.6400	.5461	.4603	.3834	.3160	.2579	.2086	.1674	.1335	.1060	.0839	.0663	.0524	.0416
62	\$120	.6396	.5477	.4675	.4007	.3474	.3067	.2766	.2551	.2401	.2300	.2233	.2190	.2162	.2145
	\$250	.6387	.5438	.4574	.3811	.3154	.2603	.2152	.1791	.1507	.1289	.1123	.0999	.0907	.0841
	\$500	.6387	.5437	.4565	.3785	.3100	.2512	.2016	.1604	.1267	.0996	.0780	.0611	.0479	.0378
63	\$120	.6385	.5457	.4646	.3972	.3437	.3030	.2733	.2523	.2379	.2283	.2221	.2181	.2156	.2141
	\$250	.6376	.5416	.4541	.3767	.3102	.2547	.2096	.1737	.1457	.1244	.1085	.0967	.0881	.0820
	\$500	.6376	.5414	.4530	.3737	.3042	.2447	.1947	.1535	.1201	.0934	.0725	.0562	.0437	.0342
64	\$120	.6376	.5439	.4619	.3938	.3401	.2995	.2702	.2497	.2358	.2267	.2209	.2173	.2151	.2137
	\$250	.6365	.5396	.4509	.3725	.3052	.2493	.2041	.1684	.1410	.1202	.1049	.0938	.0858	.0802
	\$500	.6365	.5393	.4496	.3690	.2985	.2383	.1880	.1468	.1137	.0875	.0672	.0516	.0398	.0309
	\$1,000	.6365	.5393	.4496	.3690	.2984	.2379	.1872	.1455	.1117	.0849	.0639	.0476	.0352	.0258
65	\$120	.6367	.5421	.4592	.3905	.3365	.2961	.2671	.2472	.2339	.2253	.2199	.2166	.2146	.2134
	\$250	.6356	.5377	.4479	.3684	.3004	.2440	.1988	.1634	.1364	.1163	.1016	.0911	.0837	.0785
	\$500	.6356	.5373	.4463	.3645	.2930	.2321	.1814	.1403	.1075	.0818	.0621	.0472	.0361	.0280
	\$1,000	.6356	.5373	.4463	.3645	.2928	.2315	.1804	.1387	.1052	.0789	.0585	.0429	.0312	.0225
66	\$120	.6360	.5405	.4567	.3874	.3332	.2929	.2643	.2448	.2321	.2240	.2190	.2160	.2142	.2132
	\$250	.6348	.5360	.4451	.3645	.2957	.2389	.1936	.1585	.1320	.1125	.0985	.0886	.0817	.0771
	\$500	.6348	.5354	.4433	.3602	.2877	.2260	.1750	.1339	.1015	.0764	.0574	.0432	.0328	.0253
	\$1,000	.6348	.5354	.4432	.3601	.2873	.2253	.1738	.1321	.0989	.0731	.0534	.0385	.0275	.0195
67	\$120	.6353	.5390	.4543	.3844	.3299	.2897	.2616	.2426	.2304	.2228	.2181	.2154	.2138	.2129
	\$250	.6341	.5344	.4424	.3608	.2912	.2340	.1886	.1538	.1278	.1090	.0956	.0863	.0800	.0758
	\$500	.6340	.5338	.4404	.3561	.2825	.2201	.1688	.1278	.0957	.0712	.0529	.0394	.0297	.0228
	\$1,000	.6340	.5338	.4403	.3559	.2820	.2192	.1674	.1256	.0928	.0676	.0485	.0344	.0241	.0167
68	\$120	.6346	.5376	.4521	.3815	.3267	.2867	.2590	.2406	.2289	.2217	.2174	.2149	.2135	.2128
	\$250	.6335	.5329	.4399	.3572	.2868	.2292	.1838	.1493	.1239	.1057	.0929	.0843	.0785	.0747
	\$500	.6334	.5322	.4376	.3521	.2774	.2143	.1628	.1218	.0902	.0663	.0487	.0360	.0270	.0207
	\$1,000	.6334	.5322	.4376	.3519	.2768	.2133	.1611	.1194	.0869	.0623	.0440	.0306	.0210	.0143
69	\$120	.6341	.5362	.4499	.3787	.3237	.2839	.2565	.2386	.2274	.2207	.2167	.2145	.2133	.2126
	\$250	.6330	.5316	.4375	.3538	.2825	.2245	.1791	.1450	.1201	.1025	.0905	.0824	.0771	.0737
	\$500	.6328	.5309	.4351	.3483	.2725	.2087	.1569	.1160	.0848	.0616	.0448	.0328	.0244	.0187
	\$1,000	.6328	.5308	.4350	.3480	.2718	.2074	.1549	.1133	.0813	.0573	.0397	.0271	.0183	.0121
70	\$120	.6336	.5350	.4478	.3760	.3208	.2811	.2542	.2368	.2261	.2198	.2161	.2141	.2130	.2125
	\$250	.6325	.5304	.4353	.3505	.2784	.2200	.1747	.1409	.1166	.0996	.0882	.0807	.0759	.0728
	\$500	.6324	.5296	.4327	.3447	.2678	.2033	.1511	.1105	.0798	.0572	.0411	.0299	.0222	.0171
	\$1,000	.6324	.5296	.4326	.3443	.2669	.2018	.1489	.1074	.0759	.0525	.0357	.0239	.0158	.0103

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
71	\$120	.6332	.5339	.4459	.3734	.3180	.2785	.2519	.2351	.2249	.2190	.2156	.2138	.2129	.2124
	\$250	.6322	.5294	.4332	.3473	.2744	.2156	.1702	.1368	.1131	.0969	.0861	.0791	.0748	.0721
	\$500	.6320	.5285	.4305	.3411	.2631	.1979	.1455	.1050	.0748	.0530	.0377	.0272	.0202	.0156
	\$1,000	.6320	.5284	.4303	.3406	.2621	.1962	.1430	.1016	.0706	.0480	.0320	.0209	.0135	.0086
72	\$120	.6328	.5329	.4441	.3710	.3154	.2760	.2499	.2336	.2238	.2182	.2152	.2135	.2127	.2123
	\$250	.6319	.5284	.4313	.3444	.2707	.2115	.1662	.1332	.1100	.0944	.0843	.0778	.0739	.0715
	\$500	.6317	.5276	.4285	.3379	.2588	.1928	.1402	.1000	.0703	.0492	.0346	.0248	.0184	.0143
	\$1,000	.6317	.5275	.4283	.3373	.2577	.1909	.1374	.0963	.0657	.0439	.0286	.0184	.0116	.0072
73	\$120	.6325	.5320	.4424	.3688	.3130	.2738	.2481	.2322	.2229	.2176	.2148	.2133	.2126	.2122
	\$250	.6316	.5277	.4296	.3417	.2673	.2077	.1625	.1298	.1073	.0923	.0827	.0767	.0731	.0710
	\$500	.6315	.5268	.4267	.3350	.2548	.1882	.1353	.0953	.0662	.0458	.0319	.0228	.0170	.0133
	\$1,000	.6315	.5267	.4265	.3343	.2535	.1860	.1323	.0913	.0613	.0402	.0257	.0161	.0099	.0060
74	\$120	.6323	.5315	.4414	.3674	.3115	.2725	.2470	.2314	.2223	.2173	.2146	.2132	.2125	.2122
	\$250	.6315	.5272	.4286	.3401	.2651	.2053	.1601	.1277	.1056	.0910	.0817	.0760	.0726	.0707
	\$500	.6314	.5263	.4257	.3332	.2523	.1852	.1323	.0924	.0636	.0437	.0303	.0216	.0161	.0127
	\$1,000	.6313	.5262	.4254	.3325	.2509	.1830	.1291	.0882	.0586	.0379	.0240	.0148	.0090	.0054

*Single Loss Limit values are expressed in thousands of dollars.

Premium-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 2
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	50%
40	\$120	.0000	.0016	.0069	.0157	.0276	.0593	.0997	.1475	.2016
41	\$120	.0000	.0014	.0062	.0144	.0256	.0558	.0949	.1415	.1945
42	\$120	.0000	.0012	.0056	.0132	.0237	.0525	.0902	.1355	.1875
43	\$120	.0000	.0010	.0050	.0120	.0219	.0493	.0856	.1297	.1806
44	\$120	.0000	.0009	.0045	.0109	.0202	.0462	.0812	.1240	.1741
45	\$120	.0000	.0008	.0040	.0099	.0185	.0432	.0768	.1184	.1680
46	\$120	.0000	.0006	.0035	.0089	.0169	.0402	.0725	.1130	.1622
47	\$120	.0000	.0006	.0031	.0080	.0154	.0374	.0684	.1078	.1567
48	\$120	.0000	.0005	.0027	.0072	.0140	.0347	.0643	.1029	.1514
49	\$120	.0000	.0004	.0024	.0064	.0127	.0321	.0604	.0983	.1463
50	\$120	.0000	.0003	.0020	.0057	.0114	.0296	.0567	.0938	.1414
	\$250	.0000	.0003	.0021	.0057	.0115	.0298	.0569	.0924	.1356
51	\$120	.0000	.0003	.0018	.0050	.0103	.0272	.0532	.0895	.1365
	\$250	.0000	.0003	.0018	.0050	.0103	.0274	.0532	.0874	.1294
52	\$120	.0000	.0002	.0015	.0044	.0091	.0249	.0498	.0854	.1318
	\$250	.0000	.0002	.0015	.0044	.0092	.0251	.0495	.0824	.1234
53	\$120	.0000	.0002	.0013	.0038	.0081	.0227	.0466	.0814	.1271
	\$250	.0000	.0002	.0013	.0038	.0082	.0229	.0460	.0776	.1174
54	\$120	.0000	.0001	.0011	.0033	.0072	.0206	.0436	.0775	.1226
	\$250	.0000	.0001	.0011	.0033	.0072	.0207	.0426	.0729	.1116
55	\$120	.0000	.0001	.0009	.0028	.0063	.0187	.0407	.0737	.1182
	\$250	.0000	.0001	.0009	.0028	.0063	.0187	.0393	.0683	.1059
56	\$120	.0000	.0001	.0007	.0024	.0054	.0169	.0379	.0700	.1139

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	50%
	\$250	.0000	.0001	.0007	.0024	.0055	.0168	.0361	.0638	.1004
57	\$120	.0000	.0001	.0006	.0020	.0047	.0153	.0352	.0665	.1098
	\$250	.0000	.0001	.0006	.0020	.0047	.0151	.0330	.0595	.0951
58	\$120	.0000	.0001	.0005	.0017	.0040	.0137	.0327	.0630	.1057
	\$250	.0000	.0001	.0005	.0017	.0041	.0134	.0301	.0554	.0900
	\$500	.0000	.0001	.0005	.0017	.0041	.0134	.0301	.0553	.0891
59	\$120	.0000	.0000	.0004	.0014	.0034	.0123	.0303	.0597	.1018
	\$250	.0000	.0000	.0004	.0014	.0034	.0118	.0273	.0514	.0851
	\$500	.0000	.0000	.0004	.0014	.0035	.0118	.0273	.0511	.0838
60	\$120	.0000	.0000	.0003	.0011	.0029	.0110	.0280	.0565	.0980
	\$250	.0000	.0000	.0003	.0011	.0029	.0103	.0246	.0476	.0803
	\$500	.0000	.0000	.0003	.0011	.0029	.0103	.0246	.0471	.0785
61	\$120	.0000	.0000	.0002	.0009	.0024	.0097	.0258	.0534	.0943
	\$250	.0000	.0000	.0002	.0009	.0024	.0089	.0221	.0439	.0756
	\$500	.0000	.0000	.0002	.0009	.0024	.0090	.0221	.0433	.0734
62	\$120	.0000	.0000	.0002	.0007	.0020	.0086	.0237	.0505	.0907
	\$250	.0000	.0000	.0002	.0007	.0020	.0077	.0198	.0404	.0711
	\$500	.0000	.0000	.0002	.0007	.0020	.0077	.0197	.0395	.0685
63	\$120	.0000	.0000	.0001	.0006	.0016	.0075	.0217	.0476	.0872
	\$250	.0000	.0000	.0001	.0006	.0016	.0066	.0176	.0371	.0667
	\$500	.0000	.0000	.0001	.0006	.0016	.0066	.0174	.0360	.0637
64	\$120	.0000	.0000	.0001	.0004	.0013	.0066	.0199	.0449	.0838
	\$250	.0000	.0000	.0001	.0004	.0013	.0055	.0156	.0339	.0625
	\$500	.0000	.0000	.0001	.0004	.0013	.0055	.0153	.0326	.0590
	\$1,000	.0000	.0000	.0001	.0004	.0013	.0055	.0153	.0326	.0590
65	\$120	.0000	.0000	.0001	.0003	.0011	.0057	.0181	.0422	.0805
	\$250	.0000	.0000	.0001	.0003	.0010	.0046	.0137	.0309	.0584
	\$500	.0000	.0000	.0001	.0003	.0010	.0046	.0133	.0293	.0545
	\$1,000	.0000	.0000	.0001	.0003	.0010	.0046	.0133	.0293	.0545
66	\$120	.0000	.0000	.0000	.0002	.0009	.0050	.0165	.0397	.0774
	\$250	.0000	.0000	.0000	.0002	.0007	.0038	.0120	.0281	.0545
	\$500	.0000	.0000	.0000	.0002	.0007	.0038	.0114	.0263	.0502
	\$1,000	.0000	.0000	.0000	.0002	.0007	.0038	.0114	.0262	.0501
67	\$120	.0000	.0000	.0000	.0002	.0007	.0043	.0150	.0373	.0744
	\$250	.0000	.0000	.0000	.0002	.0006	.0031	.0104	.0254	.0508
	\$500	.0000	.0000	.0000	.0002	.0006	.0030	.0098	.0234	.0461
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0030	.0098	.0233	.0459
68	\$120	.0000	.0000	.0000	.0001	.0005	.0036	.0136	.0351	.0715
	\$250	.0000	.0000	.0000	.0001	.0004	.0025	.0089	.0229	.0472
	\$500	.0000	.0000	.0000	.0001	.0004	.0024	.0082	.0206	.0421
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0024	.0082	.0206	.0419
69	\$120	.0000	.0000	.0000	.0001	.0004	.0031	.0122	.0329	.0687
	\$250	.0000	.0000	.0000	.0001	.0003	.0020	.0076	.0205	.0438
	\$500	.0000	.0000	.0000	.0001	.0003	.0018	.0069	.0181	.0383
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0018	.0068	.0180	.0380

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	50%
70	\$120	.0000	.0000	.0000	.0001	.0003	.0026	.0110	.0308	.0660
	\$250	.0000	.0000	.0000	.0000	.0002	.0015	.0064	.0183	.0405
	\$500	.0000	.0000	.0000	.0000	.0002	.0014	.0056	.0157	.0347
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0014	.0056	.0156	.0343
71	\$120	.0000	.0000	.0000	.0000	.0002	.0022	.0099	.0289	.0634
	\$250	.0000	.0000	.0000	.0000	.0001	.0012	.0054	.0162	.0373
	\$500	.0000	.0000	.0000	.0000	.0001	.0010	.0045	.0135	.0311
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0010	.0044	.0133	.0306
72	\$120	.0000	.0000	.0000	.0000	.0002	.0018	.0089	.0271	.0610
	\$250	.0000	.0000	.0000	.0000	.0001	.0009	.0044	.0143	.0344
	\$500	.0000	.0000	.0000	.0000	.0001	.0007	.0036	.0115	.0279
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0007	.0035	.0113	.0273
73	\$120	.0000	.0000	.0000	.0000	.0001	.0015	.0080	.0254	.0588
	\$250	.0000	.0000	.0000	.0000	.0000	.0006	.0037	.0126	.0317
	\$500	.0000	.0000	.0000	.0000	.0000	.0005	.0028	.0097	.0250
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0005	.0027	.0095	.0243
74	\$120	.0000	.0000	.0000	.0000	.0001	.0013	.0075	.0244	.0574
	\$250	.0000	.0000	.0000	.0000	.0000	.0005	.0032	.0116	.0301
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0087	.0232
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0003	.0022	.0084	.0225

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 2
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.9062	.8868	.8696	.8541	.8398	.8265	.8140	.8022	.7910	.7803	.7701	.7603	.7509	.7418
2	.9005	.8799	.8617	.8452	.8301	.8159	.8027	.7902	.7783	.7670	.7562	.7458	.7358	.7261
3	.8949	.8732	.8539	.8365	.8204	.8055	.7915	.7783	.7657	.7538	.7424	.7314	.7208	.7106
4	.8893	.8664	.8461	.8277	.8108	.7950	.7803	.7663	.7531	.7405	.7285	.7169	.7058	.6951
5	.8839	.8598	.8384	.8190	.8012	.7847	.7691	.7545	.7406	.7273	.7146	.7025	.6908	.6796
6	.8785	.8532	.8308	.8104	.7917	.7743	.7580	.7426	.7281	.7142	.7009	.6882	.6759	.6642
7	.8732	.8467	.8232	.8019	.7823	.7641	.7470	.7309	.7156	.7011	.6872	.6739	.6612	.6489
8	.8680	.8403	.8157	.7934	.7729	.7539	.7360	.7192	.7033	.6881	.6736	.6598	.6465	.6337
9	.8628	.8339	.8083	.7850	.7636	.7438	.7251	.7076	.6910	.6752	.6601	.6457	.6319	.6186
10	.8577	.8276	.8009	.7766	.7544	.7337	.7143	.6960	.6787	.6623	.6467	.6317	.6174	.6036
11	.8526	.8213	.7935	.7683	.7452	.7236	.7035	.6845	.6666	.6495	.6333	.6178	.6029	.5887
12	.8477	.8151	.7863	.7601	.7360	.7136	.6927	.6730	.6544	.6368	.6200	.6040	.5886	.5740
13	.8427	.8090	.7790	.7518	.7268	.7037	.6820	.6616	.6423	.6241	.6067	.5902	.5744	.5593
14	.8378	.8029	.7718	.7436	.7177	.6937	.6713	.6502	.6303	.6114	.5936	.5765	.5603	.5448
15	.8330	.7968	.7646	.7355	.7087	.6838	.6606	.6388	.6183	.5989	.5805	.5629	.5463	.5303
16	.8282	.7908	.7575	.7273	.6996	.6739	.6500	.6275	.6064	.5864	.5674	.5495	.5323	.5160
17	.8235	.7848	.7504	.7192	.6906	.6641	.6394	.6162	.5945	.5739	.5545	.5361	.5186	.5019
18	.8188	.7788	.7433	.7111	.6816	.6543	.6288	.6050	.5826	.5616	.5416	.5228	.5048	.4878
19	.8141	.7729	.7363	.7031	.6726	.6445	.6183	.5938	.5709	.5492	.5288	.5096	.4913	.4739
20	.8095	.7670	.7292	.6950	.6637	.6347	.6078	.5827	.5591	.5370	.5162	.4964	.4778	.4601
21	.8049	.7612	.7222	.6870	.6547	.6249	.5973	.5715	.5474	.5248	.5035	.4834	.4644	.4464

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
22	.8003	.7553	.7152	.6790	.6458	.6152	.5869	.5605	.5358	.5127	.4909	.4705	.4511	.4329
23	.7958	.7495	.7083	.6710	.6369	.6055	.5765	.5494	.5242	.5006	.4785	.4576	.4380	.4194
24	.7913	.7437	.7013	.6630	.6280	.5958	.5661	.5384	.5127	.4886	.4660	.4448	.4249	.4061
25	.7869	.7380	.6944	.6550	.6191	.5862	.5557	.5275	.5012	.4766	.4537	.4322	.4119	.3929
26	.7825	.7322	.6875	.6471	.6103	.5765	.5454	.5165	.4897	.4647	.4414	.4196	.3991	.3798
27	.7781	.7265	.6806	.6392	.6015	.5669	.5351	.5056	.4783	.4529	.4292	.4071	.3863	.3668
28	.7738	.7208	.6737	.6313	.5926	.5573	.5248	.4948	.4670	.4411	.4171	.3946	.3736	.3539
29	.7695	.7152	.6669	.6234	.5838	.5477	.5145	.4840	.4557	.4294	.4050	.3823	.3610	.3411
30	.7652	.7096	.6601	.6155	.5751	.5382	.5043	.4732	.4444	.4178	.3930	.3700	.3485	.3284
31	.7610	.7040	.6533	.6077	.5663	.5287	.4942	.4624	.4332	.4062	.3811	.3578	.3361	.3159
32	.7569	.6985	.6465	.5999	.5576	.5191	.4840	.4517	.4220	.3946	.3692	.3457	.3238	.3033
33	.7528	.6930	.6398	.5921	.5489	.5097	.4739	.4411	.4109	.3831	.3574	.3336	.3115	.2909
34	.7487	.6875	.6331	.5843	.5402	.5002	.4637	.4304	.3998	.3716	.3456	.3216	.2993	.2786
35	.7447	.6821	.6264	.5766	.5316	.4908	.4537	.4198	.3887	.3602	.3339	.3096	.2871	.2663
36	.7407	.6767	.6198	.5688	.5229	.4813	.4435	.4091	.3776	.3487	.3221	.2976	.2750	.2541
37	.7367	.6713	.6132	.5611	.5142	.4719	.4335	.3985	.3666	.3373	.3104	.2857	.2630	.2421
38	.7329	.6660	.6066	.5534	.5056	.4625	.4234	.3879	.3555	.3259	.2988	.2739	.2511	.2302
39	.7291	.6608	.6001	.5458	.4971	.4531	.4134	.3773	.3445	.3146	.2872	.2622	.2394	.2185
40	.7254	.6557	.5937	.5383	.4886	.4439	.4035	.3669	.3336	.3034	.2758	.2508	.2279	.2071
41	.7218	.6506	.5873	.5308	.4802	.4347	.3936	.3565	.3228	.2923	.2646	.2395	.2167	.1960
42	.7183	.6457	.5811	.5235	.4719	.4256	.3838	.3462	.3121	.2814	.2536	.2284	.2057	.1852
43	.7149	.6409	.5750	.5163	.4637	.4166	.3742	.3360	.3016	.2707	.2428	.2176	.1950	.1747
44	.7116	.6362	.5690	.5091	.4556	.4076	.3646	.3260	.2913	.2601	.2322	.2071	.1846	.1645
45	.7084	.6316	.5631	.5021	.4476	.3988	.3552	.3161	.2811	.2498	.2218	.1968	.1745	.1546
46	.7054	.6271	.5574	.4952	.4397	.3901	.3458	.3063	.2710	.2396	.2117	.1868	.1647	.1451
47	.7024	.6227	.5517	.4883	.4318	.3815	.3366	.2966	.2612	.2296	.2017	.1770	.1552	.1359
48	.6996	.6185	.5461	.4816	.4241	.3729	.3275	.2871	.2514	.2199	.1920	.1675	.1459	.1270
49	.6968	.6143	.5406	.4749	.4164	.3645	.3184	.2777	.2418	.2103	.1825	.1582	.1369	.1184
50	.6942	.6103	.5353	.4683	.4088	.3561	.3095	.2685	.2324	.2008	.1732	.1492	.1282	.1101
51	.6916	.6064	.5300	.4619	.4014	.3479	.3007	.2594	.2232	.1916	.1642	.1404	.1198	.1021
52	.6892	.6026	.5248	.4555	.3940	.3397	.2920	.2503	.2140	.1825	.1553	.1319	.1117	.0944
53	.6869	.5988	.5197	.4492	.3867	.3316	.2834	.2415	.2051	.1737	.1467	.1236	.1038	.0871
54	.6847	.5953	.5148	.4430	.3795	.3237	.2750	.2327	.1963	.1650	.1383	.1156	.0963	.0800
55	.6826	.5918	.5099	.4369	.3724	.3158	.2666	.2241	.1876	.1565	.1301	.1078	.0890	.0733
56	.6806	.5884	.5052	.4309	.3653	.3080	.2583	.2156	.1791	.1482	.1221	.1003	.0820	.0669
57	.6787	.5852	.5006	.4251	.3584	.3004	.2502	.2073	.1708	.1401	.1144	.0930	.0753	.0608
58	.6769	.5821	.4961	.4193	.3516	.2928	.2422	.1990	.1627	.1322	.1069	.0860	.0689	.0550
59	.6752	.5791	.4918	.4137	.3450	.2853	.2342	.1910	.1546	.1245	.0996	.0793	.0628	.0495
60	.6737	.5763	.4876	.4082	.3384	.2780	.2265	.1830	.1468	.1170	.0926	.0729	.0570	.0444
61	.6722	.5736	.4835	.4028	.3320	.2708	.2188	.1752	.1392	.1097	.0858	.0667	.0515	.0395
62	.6709	.5711	.4796	.3976	.3257	.2637	.2113	.1676	.1317	.1026	.0793	.0608	.0463	.0351
3	.6697	.5687	.4758	.3925	.3195	.2567	.2039	.1601	.1244	.0958	.0731	.0553	.0415	.0309
64	.6686	.5665	.4722	.3876	.3134	.2499	.1966	.1528	.1174	.0892	.0671	.0500	.0369	.0271
65	.6676	.5644	.4688	.3829	.3075	.2432	.1895	.1457	.1105	.0828	.0614	.0450	.0327	.0236
66	.6668	.5624	.4656	.3783	.3018	.2367	.1826	.1387	.1039	.0768	.0560	.0404	.0288	.0204
67	.6660	.5607	.4625	.3738	.2962	.2303	.1758	.1319	.0975	.0709	.0509	.0361	.0253	.0175
68	.6653	.5591	.4596	.3696	.2908	.2240	.1692	.1254	.0913	.0654	.0461	.0321	.0220	.0149
69	.6648	.5576	.4569	.3655	.2855	.2179	.1627	.1190	.0853	.0601	.0416	.0284	.0191	.0127
70	.6643	.5563	.4544	.3616	.2804	.2120	.1564	.1128	.0796	.0551	.0375	.0250	.0165	.0107
71	.6639	.5551	.4520	.3578	.2753	.2060	.1501	.1067	.0741	.0503	.0335	.0219	.0141	.0089
72	.6635	.5541	.4498	.3544	.2707	.2005	.1443	.1011	.0690	.0460	.0300	.0192	.0120	.0074
73	.6633	.5532	.4480	.3512	.2663	.1954	.1389	.0959	.0644	.0421	.0269	.0168	.0103	.0062
74	.6632	.5528	.4468	.3492	.2636	.1921	.1355	.0926	.0615	.0397	.0251	.0154	.0093	.0055

Loss-Based Plan, with no Single Loss Limit

Insurance Savings Table
Hazard Group 2
Effective November 19, 2010

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0338	.0708	.1111	.1538	.2434	.3364	.4316	.5285
2	.0000	.0320	.0679	.1074	.1494	.2376	.3295	.4237	.5196
3	.0000	.0302	.0651	.1039	.1452	.2321	.3227	.4159	.5109
4	.0000	.0286	.0625	.1005	.1410	.2265	.3160	.4081	.5021
5	.0000	.0270	.0599	.0971	.1368	.2211	.3094	.4004	.4934
6	.0000	.0255	.0575	.0938	.1328	.2157	.3028	.3927	.4848
7	.0000	.0241	.0551	.0907	.1289	.2104	.2963	.3852	.4763
8	.0000	.0227	.0529	.0876	.1250	.2052	.2898	.3777	.4678
9	.0000	.0214	.0507	.0846	.1212	.2000	.2835	.3702	.4594
10	.0000	.0202	.0486	.0816	.1175	.1949	.2772	.3628	.4510
11	.0000	.0191	.0465	.0787	.1139	.1898	.2709	.3555	.4427
12	.0000	.0180	.0445	.0759	.1103	.1848	.2647	.3482	.4344
13	.0000	.0169	.0426	.0731	.1067	.1799	.2586	.3410	.4262
14	.0000	.0159	.0407	.0704	.1032	.1750	.2525	.3338	.4180
15	.0000	.0150	.0389	.0677	.0998	.1702	.2464	.3266	.4098
16	.0000	.0141	.0371	.0651	.0964	.1654	.2404	.3195	.4017
17	.0000	.0132	.0354	.0626	.0930	.1607	.2344	.3124	.3936
18	.0000	.0124	.0337	.0600	.0897	.1559	.2284	.3053	.3855
19	.0000	.0116	.0320	.0576	.0865	.1513	.2225	.2982	.3774
20	.0000	.0108	.0304	.0551	.0833	.1467	.2166	.2912	.3694
21	.0000	.0101	.0289	.0528	.0801	.1421	.2107	.2842	.3613
22	.0000	.0094	.0274	.0504	.0770	.1375	.2049	.2772	.3533
23	.0000	.0087	.0259	.0482	.0740	.1330	.1991	.2702	.3453
24	.0000	.0081	.0245	.0459	.0709	.1285	.1933	.2633	.3374
25	.0000	.0075	.0231	.0437	.0680	.1241	.1875	.2564	.3294
26	.0000	.0069	.0217	.0416	.0650	.1197	.1818	.2495	.3215
27	.0000	.0064	.0204	.0395	.0621	.1153	.1761	.2426	.3135
28	.0000	.0059	.0191	.0374	.0593	.1110	.1704	.2357	.3056
29	.0000	.0054	.0179	.0354	.0565	.1067	.1648	.2289	.2977
30	.0000	.0049	.0167	.0334	.0537	.1024	.1592	.2220	.2899
31	.0000	.0045	.0156	.0315	.0510	.0982	.1536	.2153	.2821
32	.0000	.0041	.0145	.0296	.0484	.0941	.1481	.2085	.2742
33	.0000	.0037	.0135	.0278	.0458	.0899	.1426	.2018	.2664
34	.0000	.0033	.0124	.0261	.0432	.0859	.1371	.1951	.2587
35	.0000	.0030	.0115	.0243	.0407	.0818	.1317	.1884	.2509
36	.0000	.0027	.0105	.0227	.0383	.0779	.1263	.1818	.2432
37	.0000	.0024	.0096	.0211	.0359	.0739	.1209	.1751	.2355
38	.0000	.0021	.0088	.0195	.0336	.0701	.1156	.1686	.2278
39	.0000	.0019	.0080	.0180	.0313	.0663	.1104	.1621	.2202
40	.0000	.0017	.0073	.0166	.0292	.0626	.1052	.1557	.2127
41	.0000	.0014	.0066	.0152	.0271	.0590	.1002	.1493	.2052
42	.0000	.0013	.0059	.0139	.0251	.0555	.0953	.1431	.1979

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
43	.0000	.0011	.0053	.0127	.0232	.0521	.0905	.1370	.1906
44	.0000	.0009	.0047	.0116	.0213	.0488	.0858	.1310	.1835
45	.0000	.0008	.0042	.0105	.0196	.0456	.0812	.1251	.1765
46	.0000	.0007	.0037	.0095	.0179	.0426	.0767	.1193	.1695
47	.0000	.0006	.0033	.0085	.0164	.0396	.0723	.1137	.1627
48	.0000	.0005	.0029	.0076	.0149	.0367	.0681	.1081	.1559
49	.0000	.0004	.0025	.0068	.0135	.0340	.0639	.1026	.1493
50	.0000	.0003	.0022	.0060	.0121	.0314	.0599	.0972	.1427
51	.0000	.0003	.0019	.0053	.0109	.0288	.0560	.0920	.1362
52	.0000	.0002	.0016	.0046	.0097	.0264	.0521	.0868	.1298
53	.0000	.0002	.0013	.0040	.0086	.0241	.0484	.0817	.1235
54	.0000	.0002	.0011	.0035	.0076	.0219	.0448	.0768	.1174
55	.0000	.0001	.0009	.0030	.0067	.0197	.0414	.0719	.1113
56	.0000	.0001	.0008	.0025	.0058	.0177	.0380	.0672	.1053
57	.0000	.0001	.0006	.0021	.0050	.0159	.0348	.0626	.0994
58	.0000	.0001	.0005	.0018	.0043	.0141	.0317	.0581	.0937
59	.0000	.0000	.0004	.0015	.0036	.0124	.0287	.0537	.0880
60	.0000	.0000	.0003	.0012	.0030	.0109	.0259	.0495	.0826
61	.0000	.0000	.0002	.0010	.0025	.0094	.0232	.0455	.0772
62	.0000	.0000	.0002	.0008	.0021	.0081	.0207	.0416	.0720
63	.0000	.0000	.0001	.0006	.0017	.0069	.0183	.0378	.0669
64	.0000	.0000	.0001	.0005	.0013	.0058	.0160	.0342	.0620
65	.0000	.0000	.0001	.0003	.0010	.0048	.0140	.0308	.0572
66	.0000	.0000	.0000	.0002	.0008	.0040	.0120	.0276	.0526
67	.0000	.0000	.0000	.0002	.0006	.0032	.0103	.0245	.0482
68	.0000	.0000	.0000	.0001	.0004	.0025	.0086	.0216	.0440
69	.0000	.0000	.0000	.0001	.0003	.0019	.0072	.0189	.0399
70	.0000	.0000	.0000	.0000	.0002	.0015	.0059	.0164	.0360
71	.0000	.0000	.0000	.0000	.0001	.0010	.0047	.0139	.0322
72	.0000	.0000	.0000	.0000	.0001	.0007	.0037	.0118	.0287
73	.0000	.0000	.0000	.0000	.0000	.0005	.0028	.0099	.0256
74	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0088	.0236

Loss-Based Plan, with Various Single Loss Limits

**Insurance Charge Table
Hazard Group 2
Effective November 19, 2010**

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7251	.6552	.5930	.5374	.4875	.4435	.4066	.3757	.3498	.3279	.3094	.2938	.2807	.2699
41	\$120	.7215	.6501	.5866	.5299	.4792	.4357	.3992	.3687	.3431	.3215	.3034	.2882	.2757	.2655
42	\$120	.7180	.6452	.5804	.5226	.4715	.4283	.3922	.3620	.3366	.3154	.2976	.2830	.2711	.2615
43	\$120	.7146	.6404	.5743	.5154	.4643	.4214	.3855	.3555	.3304	.3094	.2922	.2782	.2669	.2577
44	\$120	.7113	.6357	.5683	.5085	.4575	.4147	.3790	.3491	.3243	.3038	.2871	.2737	.2630	.2543
45	\$120	.7081	.6311	.5624	.5021	.4511	.4083	.3726	.3429	.3184	.2985	.2824	.2696	.2593	.2511

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
46	\$120	.7051	.6266	.5567	.4960	.4449	.4021	.3664	.3369	.3129	.2935	.2780	.2656	.2559	.2482
47	\$120	.7021	.6223	.5513	.4903	.4389	.3960	.3604	.3312	.3076	.2888	.2738	.2619	.2527	.2455
48	\$120	.6993	.6180	.5461	.4847	.4331	.3900	.3545	.3257	.3026	.2843	.2698	.2585	.2497	.2430
49	\$120	.6965	.6139	.5413	.4793	.4274	.3842	.3489	.3204	.2978	.2800	.2660	.2553	.2470	.2408
50	\$120	.6939	.6100	.5366	.4741	.4218	.3785	.3434	.3154	.2932	.2759	.2625	.2523	.2445	.2387
	\$250	.6941	.6102	.5351	.4681	.4085	.3558	.3100	.2706	.2371	.2086	.1847	.1645	.1476	.1335
51	\$120	.6914	.6063	.5321	.4690	.4163	.3730	.3382	.3105	.2888	.2720	.2592	.2495	.2422	.2368
	\$250	.6916	.6063	.5298	.4616	.4010	.3479	.3019	.2627	.2294	.2013	.1777	.1580	.1417	.1282
52	\$120	.6890	.6027	.5277	.4640	.4110	.3677	.3331	.3058	.2846	.2684	.2561	.2469	.2401	.2351
	\$250	.6891	.6024	.5246	.4552	.3937	.3402	.2942	.2550	.2219	.1942	.1710	.1518	.1361	.1232
53	\$120	.6867	.5994	.5235	.4592	.4058	.3625	.3281	.3013	.2806	.2649	.2532	.2445	.2382	.2336
	\$250	.6868	.5987	.5196	.4489	.3867	.3327	.2866	.2475	.2147	.1873	.1646	.1460	.1308	.1185
54	\$120	.6845	.5962	.5194	.4544	.4008	.3575	.3234	.2969	.2768	.2616	.2504	.2423	.2364	.2322
	\$250	.6846	.5952	.5146	.4428	.3798	.3255	.2792	.2402	.2076	.1806	.1584	.1404	.1258	.1141
55	\$120	.6825	.5931	.5155	.4498	.3959	.3526	.3187	.2927	.2731	.2585	.2479	.2402	.2348	.2309
	\$250	.6825	.5917	.5098	.4369	.3732	.3185	.2720	.2331	.2007	.1741	.1525	.1350	.1210	.1099
56	\$120	.6806	.5902	.5116	.4453	.3911	.3479	.3143	.2887	.2696	.2556	.2455	.2383	.2333	.2298
	\$250	.6805	.5883	.5051	.4311	.3667	.3116	.2650	.2261	.1940	.1679	.1468	.1299	.1166	.1061
57	\$120	.6789	.5874	.5079	.4409	.3864	.3433	.3100	.2849	.2663	.2529	.2433	.2366	.2320	.2288
	\$250	.6786	.5851	.5005	.4256	.3605	.3049	.2581	.2193	.1876	.1619	.1414	.1251	.1124	.1025
58	\$120	.6772	.5848	.5043	.4367	.3819	.3388	.3058	.2812	.2632	.2503	.2413	.2350	.2308	.2279
	\$250	.6769	.5820	.4962	.4202	.3543	.2983	.2514	.2127	.1813	.1562	.1362	.1206	.1085	.0992
	\$500	.6769	.5821	.4961	.4192	.3516	.2927	.2421	.1991	.1630	.1329	.1080	.0877	.0712	.0578
59	\$120	.6757	.5822	.5008	.4326	.3775	.3344	.3017	.2776	.2602	.2479	.2394	.2336	.2297	.2271
	\$250	.6752	.5791	.4920	.4150	.3484	.2919	.2448	.2063	.1753	.1506	.1313	.1163	.1048	.0961
	\$500	.6752	.5791	.4917	.4136	.3449	.2853	.2343	.1912	.1552	.1255	.1011	.0814	.0655	.0528
60	\$120	.6743	.5798	.4974	.4285	.3732	.3302	.2979	.2742	.2574	.2457	.2377	.2323	.2287	.2265
	\$250	.6736	.5763	.4880	.4099	.3425	.2856	.2384	.2001	.1694	.1453	.1266	.1122	.1014	.0932
	\$500	.6737	.5763	.4875	.4081	.3383	.2780	.2266	.1834	.1476	.1183	.0945	.0753	.0601	.0481
61	\$120	.6730	.5775	.4942	.4246	.3690	.3261	.2941	.2710	.2547	.2436	.2361	.2311	.2279	.2259
	\$250	.6722	.5737	.4842	.4050	.3368	.2794	.2321	.1940	.1638	.1402	.1221	.1084	.0982	.0907
	\$500	.6722	.5736	.4835	.4028	.3319	.2709	.2191	.1759	.1403	.1113	.0881	.0696	.0551	.0437
62	\$120	.6718	.5753	.4910	.4209	.3649	.3221	.2905	.2679	.2522	.2416	.2346	.2300	.2272	.2253
	\$250	.6709	.5712	.4805	.4003	.3313	.2734	.2261	.1881	.1583	.1354	.1179	.1049	.0953	.0883
	\$500	.6709	.5711	.4796	.3976	.3257	.2639	.2117	.1685	.1331	.1046	.0820	.0642	.0503	.0397
63	\$120	.6707	.5732	.4880	.4172	.3610	.3183	.2871	.2650	.2499	.2398	.2333	.2291	.2265	.2249
	\$250	.6697	.5689	.4770	.3957	.3259	.2676	.2201	.1824	.1531	.1307	.1139	.1016	.0926	.0862
	\$500	.6697	.5687	.4758	.3925	.3195	.2570	.2045	.1612	.1261	.0981	.0761	.0590	.0459	.0359
64	\$120	.6697	.5713	.4852	.4137	.3572	.3146	.2838	.2623	.2477	.2382	.2321	.2283	.2259	.2245
	\$250	.6686	.5668	.4737	.3913	.3206	.2619	.2144	.1769	.1481	.1263	.1102	.0985	.0901	.0842
	\$500	.6686	.5664	.4722	.3876	.3136	.2503	.1975	.1542	.1194	.0919	.0706	.0542	.0418	.0325
	\$1,000	.6686	.5665	.4722	.3876	.3134	.2499	.1966	.1528	.1174	.0892	.0671	.0500	.0370	.0271
65	\$120	.6688	.5695	.4824	.4102	.3535	.3110	.2806	.2596	.2457	.2367	.2310	.2275	.2254	.2242
	\$250	.6677	.5648	.4705	.3870	.3155	.2564	.2088	.1716	.1433	.1221	.1067	.0957	.0879	.0825
	\$500	.6676	.5644	.4688	.3829	.3078	.2438	.1906	.1473	.1129	.0859	.0653	.0496	.0379	.0294
	\$1,000	.6676	.5644	.4688	.3829	.3075	.2432	.1895	.1457	.1105	.0829	.0614	.0451	.0328	.0236
66	\$120	.6680	.5678	.4798	.4069	.3500	.3076	.2776	.2572	.2438	.2353	.2300	.2268	.2250	.2239
	\$250	.6668	.5630	.4675	.3829	.3106	.2510	.2034	.1665	.1387	.1182	.1035	.0931	.0859	.0810
	\$500	.6668	.5624	.4656	.3784	.3022	.2374	.1839	.1407	.1066	.0802	.0603	.0454	.0344	.0265
	\$1,000	.6668	.5624	.4656	.3783	.3018	.2367	.1826	.1387	.1039	.0768	.0560	.0405	.0289	.0204
67	\$120	.6673	.5662	.4773	.4038	.3465	.3043	.2747	.2549	.2420	.2340	.2291	.2263	.2246	.2237
	\$250	.6661	.5613	.4647	.3790	.3058	.2458	.1981	.1615	.1343	.1145	.1004	.0907	.0840	.0796
	\$500	.6660	.5607	.4626	.3740	.2967	.2312	.1773	.1342	.1005	.0748	.0556	.0414	.0312	.0240

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$1,000	.6660	.5607	.4625	.3738	.2962	.2303	.1758	.1319	.0975	.0710	.0510	.0361	.0253	.0176
68	\$120	.6666	.5647	.4749	.4007	.3432	.3012	.2720	.2527	.2404	.2328	.2284	.2258	.2243	.2235
	\$250	.6655	.5598	.4621	.3752	.3012	.2407	.1931	.1568	.1301	.1110	.0976	.0885	.0824	.0784
	\$500	.6653	.5591	.4597	.3699	.2914	.2252	.1710	.1280	.0947	.0696	.0512	.0378	.0283	.0217
	\$1,000	.6653	.5591	.4596	.3696	.2908	.2240	.1692	.1254	.0913	.0654	.0462	.0322	.0221	.0150
69	\$120	.6661	.5633	.4726	.3978	.3400	.2982	.2694	.2507	.2389	.2318	.2277	.2253	.2240	.2233
	\$250	.6649	.5584	.4596	.3716	.2968	.2358	.1882	.1523	.1262	.1077	.0950	.0865	.0810	.0774
	\$500	.6648	.5576	.4570	.3659	.2863	.2192	.1648	.1219	.0891	.0647	.0470	.0344	.0257	.0197
	\$1,000	.6648	.5576	.4569	.3655	.2855	.2179	.1627	.1190	.0854	.0601	.0417	.0285	.0192	.0128
70	\$120	.6655	.5620	.4704	.3950	.3370	.2953	.2670	.2488	.2375	.2309	.2270	.2249	.2238	.2232
	\$250	.6644	.5572	.4572	.3682	.2925	.2311	.1835	.1480	.1224	.1047	.0927	.0848	.0797	.0765
	\$500	.6643	.5563	.4545	.3620	.2813	.2135	.1588	.1161	.0838	.0601	.0432	.0314	.0233	.0179
	\$1,000	.6643	.5563	.4544	.3616	.2804	.2120	.1564	.1128	.0797	.0552	.0375	.0251	.0166	.0108
71	\$120	.6651	.5608	.4683	.3922	.3340	.2925	.2647	.2470	.2362	.2300	.2265	.2246	.2236	.2231
	\$250	.6640	.5560	.4550	.3648	.2882	.2264	.1788	.1437	.1188	.1018	.0904	.0831	.0785	.0757
	\$500	.6639	.5551	.4522	.3583	.2764	.2078	.1528	.1103	.0786	.0556	.0395	.0285	.0212	.0164
	\$1,000	.6639	.5551	.4520	.3578	.2753	.2061	.1502	.1067	.0741	.0504	.0336	.0220	.0142	.0090
72	\$120	.6647	.5597	.4665	.3897	.3313	.2900	.2625	.2454	.2351	.2293	.2260	.2243	.2234	.2230
	\$250	.6637	.5551	.4530	.3618	.2843	.2221	.1746	.1399	.1156	.0992	.0885	.0818	.0776	.0751
	\$500	.6636	.5542	.4501	.3550	.2719	.2026	.1473	.1050	.0738	.0517	.0364	.0261	.0194	.0151
	\$1,000	.6635	.5541	.4498	.3544	.2707	.2006	.1444	.1011	.0691	.0461	.0301	.0193	.0121	.0075
73	\$120	.6644	.5588	.4647	.3874	.3288	.2876	.2606	.2439	.2341	.2286	.2256	.2241	.2233	.2229
	\$250	.6635	.5543	.4513	.3590	.2808	.2181	.1707	.1364	.1127	.0969	.0868	.0806	.0768	.0745
	\$500	.6633	.5533	.4482	.3519	.2677	.1977	.1422	.1001	.0695	.0481	.0335	.0240	.0178	.0140
	\$1,000	.6633	.5532	.4480	.3512	.2663	.1954	.1390	.0959	.0644	.0422	.0270	.0169	.0104	.0063
74	\$120	.6642	.5583	.4637	.3860	.3272	.2862	.2595	.2431	.2335	.2282	.2254	.2240	.2232	.2229
	\$250	.6634	.5538	.4502	.3573	.2785	.2157	.1682	.1342	.1109	.0956	.0858	.0799	.0763	.0742
	\$500	.6632	.5528	.4471	.3500	.2651	.1946	.1389	.0971	.0669	.0459	.0318	.0227	.0169	.0134
	\$1,000	.6632	.5528	.4468	.3492	.2636	.1922	.1356	.0927	.0616	.0398	.0252	.0156	.0095	.0057

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 2
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0016	.0072	.0165	.0290	.0623	.1047	.1549	.2117
41	\$120	.0000	.0014	.0065	.0151	.0269	.0587	.0997	.1486	.2043
42	\$120	.0000	.0012	.0058	.0138	.0249	.0552	.0948	.1424	.1969
43	\$120	.0000	.0011	.0052	.0126	.0230	.0518	.0900	.1363	.1897
44	\$120	.0000	.0009	.0047	.0115	.0212	.0485	.0853	.1303	.1829
45	\$120	.0000	.0008	.0042	.0104	.0194	.0453	.0807	.1244	.1765
46	\$120	.0000	.0007	.0037	.0094	.0178	.0423	.0762	.1187	.1704
47	\$120	.0000	.0006	.0032	.0084	.0162	.0393	.0718	.1133	.1646
48	\$120	.0000	.0005	.0028	.0076	.0147	.0365	.0676	.1081	.1591
49	\$120	.0000	.0004	.0025	.0067	.0133	.0337	.0635	.1032	.1537
50	\$120	.0000	.0003	.0021	.0060	.0120	.0311	.0596	.0985	.1485

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$250	.0000	.0003	.0022	.0060	.0121	.0313	.0598	.0970	.1425
51	\$120	.0000	.0003	.0018	.0053	.0108	.0286	.0558	.0940	.1434
	\$250	.0000	.0003	.0019	.0053	.0108	.0288	.0558	.0918	.1360
52	\$120	.0000	.0002	.0016	.0046	.0096	.0262	.0523	.0897	.1384
	\$250	.0000	.0002	.0016	.0046	.0097	.0263	.0520	.0866	.1296
53	\$120	.0000	.0002	.0013	.0040	.0085	.0239	.0490	.0855	.1335
	\$250	.0000	.0002	.0013	.0040	.0086	.0240	.0483	.0815	.1233
54	\$120	.0000	.0001	.0011	.0035	.0075	.0217	.0458	.0814	.1288
	\$250	.0000	.0001	.0011	.0035	.0076	.0218	.0447	.0766	.1172
55	\$120	.0000	.0001	.0009	.0030	.0066	.0197	.0427	.0774	.1242
	\$250	.0000	.0001	.0009	.0030	.0066	.0197	.0413	.0717	.1112
56	\$120	.0000	.0001	.0008	.0025	.0057	.0178	.0398	.0736	.1197
	\$250	.0000	.0001	.0008	.0025	.0058	.0177	.0379	.0670	.1055
57	\$120	.0000	.0001	.0006	.0021	.0049	.0160	.0370	.0698	.1153
	\$250	.0000	.0001	.0006	.0021	.0050	.0158	.0347	.0625	.0999
58	\$120	.0000	.0001	.0005	.0018	.0042	.0144	.0343	.0662	.1111
	\$250	.0000	.0001	.0005	.0018	.0043	.0140	.0316	.0581	.0946
	\$500	.0000	.0001	.0005	.0018	.0043	.0141	.0317	.0581	.0936
59	\$120	.0000	.0000	.0004	.0015	.0036	.0129	.0318	.0627	.1069
	\$250	.0000	.0000	.0004	.0015	.0036	.0124	.0287	.0540	.0893
	\$500	.0000	.0000	.0004	.0015	.0036	.0124	.0287	.0537	.0880
60	\$120	.0000	.0000	.0003	.0012	.0030	.0115	.0294	.0594	.1029
	\$250	.0000	.0000	.0003	.0012	.0030	.0108	.0259	.0500	.0843
	\$500	.0000	.0000	.0003	.0012	.0030	.0109	.0259	.0495	.0825
61	\$120	.0000	.0000	.0002	.0010	.0025	.0102	.0271	.0561	.0990
	\$250	.0000	.0000	.0002	.0010	.0025	.0094	.0233	.0461	.0794
	\$500	.0000	.0000	.0002	.0010	.0025	.0094	.0232	.0454	.0771
62	\$120	.0000	.0000	.0002	.0008	.0021	.0090	.0249	.0530	.0952
	\$250	.0000	.0000	.0002	.0008	.0021	.0081	.0208	.0425	.0747
	\$500	.0000	.0000	.0002	.0008	.0021	.0081	.0207	.0415	.0719
63	\$120	.0000	.0000	.0001	.0006	.0017	.0079	.0228	.0500	.0916
	\$250	.0000	.0000	.0001	.0006	.0017	.0069	.0185	.0390	.0701
	\$500	.0000	.0000	.0001	.0006	.0017	.0069	.0183	.0378	.0669
64	\$120	.0000	.0000	.0001	.0005	.0014	.0069	.0209	.0471	.0880
	\$250	.0000	.0000	.0001	.0004	.0013	.0058	.0164	.0357	.0656
	\$500	.0000	.0000	.0001	.0004	.0013	.0058	.0160	.0342	.0620
	\$1,000	.0000	.0000	.0001	.0005	.0013	.0058	.0160	.0342	.0620
65	\$120	.0000	.0000	.0001	.0003	.0011	.0060	.0190	.0444	.0846
	\$250	.0000	.0000	.0001	.0003	.0010	.0049	.0144	.0325	.0614
	\$500	.0000	.0000	.0001	.0003	.0010	.0048	.0139	.0308	.0573
	\$1,000	.0000	.0000	.0001	.0003	.0010	.0048	.0139	.0308	.0572
66	\$120	.0000	.0000	.0000	.0003	.0009	.0052	.0173	.0417	.0813
	\$250	.0000	.0000	.0000	.0002	.0008	.0040	.0126	.0295	.0573
	\$500	.0000	.0000	.0000	.0002	.0008	.0039	.0120	.0276	.0527

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$1,000	.0000	.0000	.0000	.0002	.0008	.0040	.0120	.0276	.0526
67	\$120	.0000	.0000	.0000	.0002	.0007	.0045	.0157	.0392	.0781
	\$250	.0000	.0000	.0000	.0002	.0006	.0033	.0109	.0267	.0533
	\$500	.0000	.0000	.0000	.0002	.0006	.0032	.0103	.0245	.0484
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0032	.0103	.0245	.0482
68	\$120	.0000	.0000	.0000	.0001	.0005	.0038	.0143	.0368	.0751
	\$250	.0000	.0000	.0000	.0001	.0004	.0026	.0094	.0240	.0496
	\$500	.0000	.0000	.0000	.0001	.0004	.0025	.0087	.0217	.0442
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0025	.0086	.0216	.0440
69	\$120	.0000	.0000	.0000	.0001	.0004	.0032	.0129	.0346	.0721
	\$250	.0000	.0000	.0000	.0001	.0003	.0021	.0080	.0215	.0460
	\$500	.0000	.0000	.0000	.0001	.0003	.0019	.0072	.0190	.0402
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0019	.0072	.0189	.0399
70	\$120	.0000	.0000	.0000	.0001	.0003	.0027	.0116	.0324	.0693
	\$250	.0000	.0000	.0000	.0000	.0002	.0016	.0068	.0192	.0425
	\$500	.0000	.0000	.0000	.0000	.0002	.0015	.0059	.0165	.0364
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0015	.0059	.0164	.0360
71	\$120	.0000	.0000	.0000	.0000	.0002	.0023	.0104	.0303	.0666
	\$250	.0000	.0000	.0000	.0000	.0001	.0012	.0056	.0170	.0392
	\$500	.0000	.0000	.0000	.0000	.0001	.0011	.0047	.0141	.0327
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0010	.0047	.0139	.0322
72	\$120	.0000	.0000	.0000	.0000	.0002	.0019	.0093	.0284	.0641
	\$250	.0000	.0000	.0000	.0000	.0001	.0009	.0047	.0150	.0361
	\$500	.0000	.0000	.0000	.0000	.0001	.0007	.0037	.0121	.0293
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0007	.0037	.0118	.0287
73	\$120	.0000	.0000	.0000	.0000	.0001	.0016	.0084	.0267	.0618
	\$250	.0000	.0000	.0000	.0000	.0000	.0007	.0038	.0133	.0333
	\$500	.0000	.0000	.0000	.0000	.0000	.0005	.0029	.0102	.0263
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0005	.0028	.0099	.0256
74	\$120	.0000	.0000	.0000	.0000	.0001	.0014	.0078	.0257	.0603
	\$250	.0000	.0000	.0000	.0000	.0000	.0005	.0034	.0122	.0316
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0091	.0244
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0088	.0236

*Single Loss Limit values are expressed in thousands of dollars.

NEW SECTION

WAC 296-17B-930 Hazard Group 3 tables.

Premium-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 3
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.8658	.8480	.8322	.8180	.8049	.7926	.7811	.7703	.7599	.7501	.7406	.7316	.7228	.7144

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
2	.8604	.8416	.8249	.8098	.7958	.7828	.7706	.7591	.7481	.7376	.7276	.7180	.7088	.6998
3	.8552	.8353	.8177	.8016	.7869	.7731	.7602	.7480	.7364	.7253	.7147	.7046	.6948	.6854
4	.8501	.8290	.8104	.7935	.7779	.7633	.7497	.7368	.7246	.7129	.7018	.6911	.6808	.6709
5	.8450	.8228	.8032	.7854	.7689	.7536	.7393	.7257	.7129	.7006	.6889	.6777	.6669	.6566
6	.8399	.8167	.7961	.7773	.7600	.7440	.7289	.7147	.7012	.6884	.6761	.6644	.6531	.6423
7	.8350	.8106	.7890	.7693	.7512	.7344	.7186	.7037	.6896	.6762	.6634	.6511	.6394	.6281
8	.8301	.8046	.7819	.7614	.7424	.7248	.7083	.6928	.6781	.6641	.6507	.6380	.6257	.6140
9	.8252	.7986	.7749	.7535	.7337	.7153	.6981	.6819	.6666	.6521	.6382	.6249	.6122	.6000
10	.8204	.7927	.7680	.7456	.7250	.7059	.6880	.6711	.6552	.6401	.6257	.6119	.5988	.5861
11	.8157	.7868	.7611	.7378	.7164	.6965	.6779	.6604	.6439	.6282	.6133	.5990	.5854	.5724
12	.8110	.7809	.7542	.7300	.7078	.6871	.6678	.6497	.6326	.6164	.6009	.5862	.5722	.5588
13	.8063	.7751	.7474	.7223	.6992	.6778	.6578	.6391	.6214	.6046	.5887	.5735	.5590	.5452
14	.8017	.7694	.7406	.7146	.6907	.6685	.6478	.6284	.6102	.5929	.5765	.5609	.5460	.5318
15	.7971	.7636	.7339	.7069	.6822	.6593	.6379	.6179	.5990	.5812	.5643	.5483	.5330	.5184
16	.7926	.7579	.7271	.6993	.6737	.6500	.6280	.6073	.5879	.5696	.5523	.5358	.5201	.5052
17	.7881	.7523	.7205	.6916	.6652	.6408	.6181	.5969	.5769	.5581	.5403	.5234	.5074	.4921
18	.7836	.7466	.7138	.6840	.6568	.6317	.6083	.5864	.5659	.5466	.5284	.5111	.4947	.4791
19	.7791	.7410	.7071	.6765	.6484	.6225	.5985	.5760	.5550	.5352	.5165	.4988	.4821	.4662
20	.7748	.7354	.7005	.6689	.6400	.6134	.5887	.5657	.5441	.5238	.5047	.4867	.4696	.4534
21	.7704	.7299	.6939	.6614	.6317	.6043	.5789	.5553	.5332	.5125	.4930	.4746	.4572	.4406
22	.7660	.7243	.6873	.6538	.6233	.5952	.5692	.5450	.5224	.5012	.4813	.4625	.4448	.4280
23	.7617	.7188	.6807	.6463	.6150	.5862	.5595	.5347	.5116	.4900	.4697	.4506	.4325	.4155
24	.7575	.7134	.6742	.6389	.6067	.5771	.5498	.5245	.5009	.4788	.4581	.4386	.4203	.4030
25	.7532	.7079	.6676	.6314	.5984	.5681	.5401	.5143	.4902	.4677	.4466	.4268	.4081	.3905
26	.7490	.7024	.6611	.6239	.5901	.5591	.5305	.5040	.4795	.4565	.4351	.4150	.3960	.3782
27	.7448	.6970	.6546	.6165	.5818	.5501	.5209	.4939	.4688	.4455	.4236	.4032	.3840	.3659
28	.7407	.6916	.6481	.6090	.5735	.5411	.5112	.4837	.4581	.4344	.4122	.3914	.3720	.3536
29	.7366	.6863	.6417	.6016	.5653	.5321	.5016	.4735	.4475	.4234	.4008	.3798	.3600	.3414
30	.7325	.6809	.6352	.5942	.5570	.5231	.4920	.4634	.4369	.4123	.3895	.3681	.3481	.3293
31	.7284	.6756	.6288	.5868	.5488	.5142	.4825	.4533	.4264	.4014	.3781	.3565	.3362	.3171
32	.7244	.6703	.6224	.5794	.5406	.5052	.4729	.4432	.4158	.3904	.3668	.3448	.3243	.3050
33	.7205	.6651	.6160	.5721	.5324	.4963	.4633	.4331	.4052	.3794	.3555	.3332	.3124	.2929
34	.7166	.6599	.6097	.5647	.5241	.4873	.4537	.4229	.3946	.3684	.3441	.3215	.3005	.2808
35	.7127	.6547	.6033	.5574	.5159	.4784	.4442	.4128	.3840	.3574	.3328	.3099	.2886	.2688
36	.7088	.6495	.5970	.5500	.5077	.4694	.4345	.4026	.3733	.3463	.3214	.2982	.2767	.2568
37	.7050	.6444	.5907	.5427	.4995	.4604	.4249	.3925	.3627	.3353	.3100	.2866	.2649	.2449
38	.7013	.6393	.5844	.5354	.4913	.4514	.4153	.3822	.3520	.3242	.2986	.2750	.2532	.2332
39	.6976	.6343	.5782	.5281	.4831	.4425	.4056	.3720	.3413	.3131	.2872	.2635	.2417	.2216
40	.6941	.6294	.5720	.5209	.4750	.4336	.3960	.3619	.3307	.3021	.2760	.2521	.2303	.2103
41	.6905	.6245	.5659	.5137	.4669	.4247	.3865	.3517	.3201	.2912	.2650	.2410	.2191	.1992
42	.6871	.6197	.5599	.5066	.4589	.4159	.3770	.3417	.3096	.2805	.2541	.2301	.2082	.1884
43	.6838	.6151	.5540	.4997	.4509	.4071	.3675	.3317	.2993	.2699	.2434	.2193	.1976	.1779
44	.6806	.6105	.5482	.4927	.4431	.3984	.3582	.3219	.2891	.2595	.2329	.2089	.1872	.1677
45	.6775	.6060	.5425	.4859	.4353	.3898	.3489	.3121	.2790	.2493	.2226	.1986	.1771	.1578
46	.6745	.6016	.5369	.4792	.4275	.3812	.3397	.3025	.2691	.2392	.2125	.1886	.1673	.1482
47	.6715	.5973	.5313	.4725	.4198	.3727	.3306	.2930	.2593	.2293	.2026	.1788	.1577	.1390
48	.6687	.5932	.5259	.4658	.4122	.3643	.3216	.2836	.2497	.2196	.1929	.1693	.1484	.1300
49	.6660	.5891	.5205	.4593	.4047	.3560	.3127	.2743	.2402	.2101	.1835	.1600	.1394	.1213
50	.6633	.5851	.5152	.4528	.3972	.3477	.3039	.2651	.2308	.2007	.1742	.1510	.1306	.1129
51	.6608	.5812	.5099	.4463	.3898	.3396	.2952	.2560	.2216	.1915	.1651	.1421	.1222	.1048
52	.6584	.5774	.5048	.4400	.3824	.3315	.2865	.2471	.2125	.1824	.1562	.1336	.1139	.0970
53	.6560	.5736	.4997	.4337	.3752	.3234	.2780	.2382	.2036	.1736	.1476	.1252	.1060	.0896
54	.6538	.5700	.4947	.4276	.3680	.3155	.2696	.2295	.1948	.1649	.1392	.1171	.0983	.0824
55	.6516	.5665	.4899	.4215	.3609	.3077	.2612	.2209	.1862	.1564	.1309	.1093	.0910	.0755
56	.6496	.5631	.4851	.4155	.3539	.2999	.2530	.2125	.1777	.1480	.1229	.1017	.0838	.0689

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
57	.6476	.5598	.4805	.4096	.3470	.2923	.2449	.2041	.1694	.1399	.1151	.0943	.0770	.0627
58	.6458	.5567	.4759	.4038	.3402	.2847	.2369	.1959	.1612	.1319	.1075	.0872	.0705	.0567
59	.6441	.5536	.4715	.3981	.3335	.2773	.2289	.1878	.1532	.1242	.1002	.0804	.0642	.0511
60	.6425	.5507	.4672	.3926	.3269	.2699	.2212	.1799	.1453	.1166	.0930	.0738	.0583	.0458
61	.6410	.5480	.4631	.3872	.3204	.2627	.2135	.1721	.1376	.1093	.0862	.0675	.0526	.0408
62	.6396	.5453	.4591	.3819	.3141	.2556	.2059	.1644	.1301	.1021	.0796	.0615	.0473	.0361
63	.6383	.5429	.4553	.3768	.3079	.2486	.1985	.1569	.1228	.0952	.0732	.0558	.0423	.0318
64	.6372	.5405	.4516	.3718	.3018	.2417	.1912	.1495	.1156	.0885	.0671	.0504	.0376	.0278
65	.6361	.5384	.4481	.3669	.2958	.2350	.1840	.1423	.1087	.0821	.0613	.0453	.0332	.0241
66	.6352	.5364	.4448	.3623	.2900	.2284	.1770	.1353	.1019	.0759	.0558	.0406	.0292	.0208
67	.6344	.5345	.4416	.3578	.2843	.2219	.1702	.1284	.0954	.0699	.0506	.0361	.0255	.0178
68	.6336	.5328	.4386	.3534	.2788	.2156	.1635	.1217	.0891	.0643	.0456	.0320	.0221	.0151
69	.6330	.5313	.4358	.3493	.2735	.2094	.1569	.1152	.0831	.0588	.0410	.0282	.0191	.0127
70	.6325	.5299	.4332	.3453	.2683	.2033	.1505	.1090	.0773	.0537	.0367	.0247	.0163	.0106
71	.6321	.5287	.4307	.3414	.2631	.1973	.1441	.1027	.0716	.0488	.0326	.0214	.0138	.0088
72	.6317	.5276	.4285	.3378	.2583	.1917	.1382	.0970	.0664	.0444	.0290	.0186	.0117	.0073
73	.6315	.5267	.4266	.3346	.2538	.1864	.1326	.0916	.0616	.0404	.0258	.0162	.0099	.0060
74	.6313	.5262	.4254	.3325	.2510	.1830	.1291	.0883	.0586	.0379	.0239	.0148	.0089	.0053

Premium-Based Plan, with no Single Loss Limit

Insurance Savings Table
 Hazard Group 3
 Effective November 19, 2010

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0328	.0687	.1076	.1487	.2348	.3240	.4152	.5080
2	.0000	.0311	.0660	.1042	.1446	.2294	.3176	.4079	.4998
3	.0000	.0295	.0634	.1009	.1406	.2242	.3113	.4007	.4916
4	.0000	.0279	.0609	.0976	.1367	.2191	.3050	.3934	.4835
5	.0000	.0264	.0585	.0945	.1329	.2140	.2988	.3862	.4754
6	.0000	.0250	.0562	.0914	.1291	.2089	.2927	.3791	.4673
7	.0000	.0236	.0540	.0884	.1254	.2040	.2866	.3720	.4593
8	.0000	.0224	.0518	.0855	.1217	.1991	.2806	.3649	.4514
9	.0000	.0211	.0498	.0827	.1182	.1942	.2746	.3579	.4435
10	.0000	.0200	.0477	.0799	.1147	.1894	.2687	.3510	.4356
11	.0000	.0189	.0458	.0771	.1112	.1847	.2628	.3441	.4278
12	.0000	.0178	.0439	.0744	.1078	.1800	.2569	.3372	.4200
13	.0000	.0168	.0420	.0718	.1045	.1753	.2511	.3304	.4123
14	.0000	.0159	.0402	.0692	.1011	.1707	.2454	.3236	.4046
15	.0000	.0149	.0385	.0667	.0979	.1661	.2396	.3169	.3969
16	.0000	.0141	.0368	.0642	.0947	.1616	.2339	.3101	.3893
17	.0000	.0132	.0351	.0618	.0915	.1571	.2283	.3035	.3816
18	.0000	.0124	.0335	.0593	.0883	.1526	.2226	.2968	.3740
19	.0000	.0116	.0319	.0570	.0852	.1481	.2170	.2901	.3665
20	.0000	.0109	.0304	.0547	.0822	.1438	.2114	.2835	.3589
21	.0000	.0102	.0289	.0524	.0791	.1394	.2059	.2769	.3514
22	.0000	.0095	.0274	.0501	.0762	.1350	.2003	.2703	.3438
23	.0000	.0089	.0260	.0479	.0732	.1307	.1948	.2637	.3363

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
24	.0000	.0082	.0246	.0458	.0703	.1265	.1894	.2572	.3289
25	.0000	.0077	.0232	.0436	.0674	.1222	.1839	.2506	.3214
26	.0000	.0071	.0219	.0415	.0646	.1180	.1784	.2441	.3139
27	.0000	.0065	.0206	.0395	.0618	.1138	.1730	.2376	.3065
28	.0000	.0060	.0194	.0375	.0591	.1097	.1676	.2311	.2990
29	.0000	.0055	.0182	.0355	.0563	.1056	.1623	.2247	.2916
30	.0000	.0051	.0170	.0336	.0537	.1015	.1569	.2182	.2842
31	.0000	.0046	.0159	.0317	.0511	.0974	.1516	.2118	.2768
32	.0000	.0042	.0148	.0299	.0485	.0934	.1463	.2054	.2694
33	.0000	.0038	.0138	.0281	.0460	.0895	.1411	.1990	.2621
34	.0000	.0035	.0127	.0264	.0435	.0856	.1359	.1927	.2547
35	.0000	.0031	.0118	.0247	.0410	.0817	.1307	.1863	.2474
36	.0000	.0028	.0108	.0231	.0386	.0778	.1255	.1800	.2400
37	.0000	.0025	.0100	.0215	.0363	.0740	.1204	.1737	.2327
38	.0000	.0022	.0091	.0199	.0340	.0703	.1153	.1674	.2254
39	.0000	.0020	.0083	.0184	.0318	.0666	.1103	.1612	.2181
40	.0000	.0018	.0075	.0170	.0297	.0631	.1054	.1550	.2109
41	.0000	.0015	.0068	.0157	.0276	.0595	.1005	.1489	.2037
42	.0000	.0013	.0062	.0144	.0256	.0561	.0957	.1429	.1966
43	.0000	.0012	.0055	.0131	.0237	.0528	.0911	.1370	.1897
44	.0000	.0010	.0050	.0120	.0219	.0496	.0865	.1312	.1827
45	.0000	.0009	.0044	.0109	.0202	.0465	.0820	.1255	.1759
46	.0000	.0008	.0039	.0099	.0185	.0435	.0776	.1199	.1692
47	.0000	.0006	.0035	.0089	.0169	.0405	.0733	.1143	.1625
48	.0000	.0005	.0030	.0080	.0154	.0377	.0692	.1089	.1558
49	.0000	.0005	.0027	.0071	.0140	.0350	.0651	.1035	.1493
50	.0000	.0004	.0023	.0063	.0127	.0323	.0611	.0982	.1428
51	.0000	.0003	.0020	.0056	.0114	.0298	.0572	.0929	.1363
52	.0000	.0003	.0017	.0049	.0102	.0274	.0534	.0878	.1300
53	.0000	.0002	.0015	.0043	.0091	.0250	.0496	.0827	.1237
54	.0000	.0002	.0012	.0037	.0081	.0228	.0460	.0777	.1176
55	.0000	.0001	.0010	.0032	.0071	.0206	.0425	.0729	.1115
56	.0000	.0001	.0009	.0028	.0062	.0186	.0391	.0681	.1055
57	.0000	.0001	.0007	.0023	.0054	.0166	.0358	.0635	.0996
58	.0000	.0001	.0006	.0020	.0046	.0148	.0327	.0589	.0938
59	.0000	.0000	.0004	.0016	.0039	.0131	.0296	.0545	.0881
60	.0000	.0000	.0004	.0013	.0033	.0115	.0267	.0502	.0826
61	.0000	.0000	.0003	.0011	.0027	.0100	.0240	.0461	.0772
62	.0000	.0000	.0002	.0008	.0023	.0086	.0213	.0421	.0719
63	.0000	.0000	.0002	.0007	.0018	.0073	.0189	.0383	.0668
64	.0000	.0000	.0001	.0005	.0014	.0062	.0165	.0346	.0618
65	.0000	.0000	.0001	.0004	.0011	.0051	.0144	.0311	.0569
66	.0000	.0000	.0001	.0003	.0009	.0042	.0124	.0278	.0523
67	.0000	.0000	.0000	.0002	.0006	.0034	.0105	.0246	.0478
68	.0000	.0000	.0000	.0001	.0005	.0026	.0088	.0216	.0434
69	.0000	.0000	.0000	.0001	.0003	.0020	.0073	.0188	.0393

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
70	.0000	.0000	.0000	.0000	.0002	.0015	.0059	.0162	.0353
71	.0000	.0000	.0000	.0000	.0001	.0011	.0047	.0137	.0314
72	.0000	.0000	.0000	.0000	.0001	.0007	.0036	.0115	.0278
73	.0000	.0000	.0000	.0000	.0000	.0005	.0027	.0096	.0246
74	.0000	.0000	.0000	.0000	.0000	.0003	.0022	.0084	.0225

Premium-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 3
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.6937	.6288	.5713	.5199	.4738	.4333	.3995	.3714	.3479	.3281	.3115	.2975	.2857	.2761
41	\$120	.6902	.6240	.5652	.5128	.4659	.4259	.3926	.3649	.3417	.3223	.3060	.2923	.2812	.2721
42	\$120	.6868	.6192	.5592	.5057	.4585	.4190	.3860	.3586	.3358	.3166	.3007	.2876	.2770	.2685
43	\$120	.6835	.6145	.5533	.4988	.4517	.4124	.3798	.3526	.3300	.3111	.2957	.2832	.2732	.2651
44	\$120	.6803	.6100	.5475	.4922	.4452	.4062	.3737	.3467	.3243	.3059	.2911	.2792	.2696	.2620
45	\$120	.6772	.6055	.5418	.4860	.4391	.4001	.3678	.3409	.3189	.3010	.2868	.2754	.2663	.2592
46	\$120	.6742	.6011	.5362	.4802	.4333	.3943	.3620	.3354	.3138	.2965	.2827	.2718	.2633	.2566
47	\$120	.6712	.5968	.5310	.4747	.4276	.3886	.3563	.3300	.3089	.2922	.2789	.2685	.2604	.2542
48	\$120	.6684	.5927	.5260	.4693	.4221	.3829	.3508	.3249	.3043	.2881	.2753	.2654	.2578	.2520
49	\$120	.6657	.5886	.5212	.4642	.4167	.3774	.3455	.3201	.2999	.2842	.2719	.2625	.2554	.2500
50	\$120	.6631	.5847	.5167	.4592	.4114	.3721	.3405	.3154	.2957	.2804	.2687	.2599	.2532	.2482
	\$250	.6633	.5849	.5150	.4525	.3968	.3474	.3045	.2677	.2363	.2098	.1874	.1685	.1527	.1395
51	\$120	.6605	.5811	.5123	.4543	.4062	.3669	.3356	.3109	.2917	.2770	.2658	.2574	.2511	.2465
	\$250	.6607	.5810	.5097	.4461	.3894	.3396	.2967	.2600	.2290	.2028	.1807	.1623	.1470	.1343
52	\$120	.6581	.5776	.5081	.4495	.4011	.3620	.3309	.3066	.2879	.2737	.2630	.2551	.2493	.2451
	\$250	.6583	.5772	.5046	.4397	.3822	.3321	.2891	.2526	.2218	.1959	.1743	.1563	.1416	.1295
53	\$120	.6558	.5743	.5040	.4448	.3962	.3571	.3263	.3024	.2842	.2705	.2604	.2530	.2476	.2437
	\$250	.6559	.5735	.4995	.4335	.3752	.3248	.2818	.2454	.2148	.1892	.1680	.1507	.1365	.1250
54	\$120	.6536	.5711	.5000	.4403	.3914	.3524	.3219	.2984	.2807	.2676	.2580	.2510	.2460	.2425
	\$250	.6537	.5699	.4946	.4274	.3685	.3178	.2747	.2383	.2080	.1828	.1621	.1453	.1317	.1207
55	\$120	.6516	.5681	.4961	.4358	.3868	.3478	.3176	.2946	.2774	.2648	.2557	.2492	.2446	.2415
	\$250	.6516	.5664	.4897	.4215	.3620	.3110	.2677	.2314	.2013	.1766	.1564	.1402	.1271	.1168
56	\$120	.6497	.5652	.4924	.4315	.3822	.3434	.3135	.2909	.2743	.2623	.2536	.2476	.2434	.2405
	\$250	.6495	.5630	.4850	.4158	.3556	.3043	.2609	.2247	.1949	.1706	.1510	.1353	.1229	.1131
57	\$120	.6479	.5624	.4887	.4273	.3778	.3390	.3095	.2874	.2713	.2598	.2517	.2461	.2423	.2397
	\$250	.6476	.5597	.4804	.4103	.3495	.2977	.2542	.2181	.1886	.1648	.1458	.1307	.1188	.1096
58	\$120	.6462	.5597	.4852	.4232	.3735	.3348	.3056	.2841	.2685	.2576	.2499	.2447	.2412	.2389
	\$250	.6458	.5566	.4760	.4049	.3435	.2913	.2477	.2117	.1826	.1593	.1408	.1263	.1151	.1065
	\$500	.6458	.5567	.4759	.4037	.3401	.2846	.2368	.1960	.1616	.1329	.1090	.0894	.0734	.0604
59	\$120	.6447	.5572	.4817	.4192	.3693	.3308	.3019	.2809	.2659	.2554	.2483	.2435	.2403	.2383
	\$250	.6440	.5536	.4718	.3998	.3376	.2850	.2413	.2055	.1768	.1539	.1360	.1222	.1116	.1035
	\$500	.6441	.5536	.4715	.3981	.3334	.2772	.2290	.1881	.1539	.1255	.1021	.0831	.0677	.0553
60	\$120	.6432	.5548	.4784	.4153	.3652	.3268	.2983	.2778	.2634	.2535	.2468	.2424	.2395	.2377
	\$250	.6424	.5507	.4678	.3948	.3318	.2788	.2350	.1995	.1711	.1488	.1316	.1183	.1083	.1008
	\$500	.6425	.5507	.4672	.3925	.3268	.2699	.2214	.1804	.1464	.1183	.0955	.0770	.0623	.0506
61	\$120	.6419	.5524	.4752	.4115	.3613	.3230	.2949	.2749	.2610	.2516	.2454	.2414	.2388	.2372
	\$250	.6409	.5480	.4640	.3899	.3262	.2728	.2290	.1936	.1657	.1440	.1273	.1147	.1053	.0983
	\$500	.6410	.5479	.4631	.3871	.3204	.2628	.2139	.1729	.1390	.1114	.0891	.0713	.0572	.0461

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
62	\$120	.6407	.5502	.4721	.4079	.3574	.3193	.2916	.2721	.2588	.2500	.2442	.2405	.2382	.2368
	\$250	.6396	.5455	.4603	.3852	.3208	.2670	.2231	.1880	.1605	.1393	.1233	.1113	.1025	.0961
	\$500	.6396	.5453	.4591	.3819	.3141	.2558	.2065	.1655	.1319	.1047	.0830	.0658	.0524	.0420
63	\$120	.6395	.5481	.4691	.4043	.3537	.3158	.2885	.2695	.2568	.2484	.2431	.2397	.2377	.2365
	\$250	.6383	.5432	.4567	.3806	.3154	.2613	.2173	.1824	.1554	.1349	.1195	.1082	.1000	.0941
	\$500	.6383	.5428	.4552	.3767	.3080	.2490	.1994	.1583	.1250	.0982	.0771	.0606	.0479	.0382
64	\$120	.6385	.5462	.4663	.4009	.3500	.3123	.2855	.2671	.2549	.2470	.2421	.2390	.2372	.2362
	\$250	.6372	.5410	.4534	.3762	.3103	.2557	.2117	.1771	.1506	.1306	.1159	.1052	.0976	.0923
	\$500	.6371	.5405	.4516	.3718	.3020	.2423	.1923	.1513	.1182	.0920	.0715	.0558	.0438	.0347
	\$1,000	.6372	.5405	.4516	.3718	.3018	.2417	.1912	.1495	.1156	.0885	.0671	.0505	.0376	.0279
65	\$120	.6375	.5443	.4635	.3976	.3465	.3090	.2826	.2647	.2531	.2457	.2412	.2384	.2368	.2359
	\$250	.6362	.5389	.4502	.3719	.3052	.2503	.2063	.1720	.1460	.1266	.1126	.1026	.0955	.0906
	\$500	.6361	.5384	.4481	.3670	.2962	.2357	.1855	.1445	.1117	.0860	.0662	.0512	.0399	.0315
	\$1,000	.6361	.5384	.4481	.3669	.2958	.2350	.1840	.1423	.1087	.0821	.0613	.0454	.0333	.0242
66	\$120	.6367	.5425	.4609	.3943	.3432	.3058	.2799	.2626	.2514	.2445	.2404	.2379	.2365	.2357
	\$250	.6353	.5371	.4471	.3678	.3003	.2450	.2010	.1670	.1416	.1229	.1095	.1001	.0936	.0892
	\$500	.6352	.5364	.4448	.3624	.2905	.2294	.1787	.1378	.1054	.0803	.0612	.0469	.0363	.0287
	\$1,000	.6352	.5364	.4448	.3623	.2900	.2284	.1770	.1353	.1020	.0759	.0558	.0406	.0293	.0209
67	\$120	.6359	.5409	.4584	.3912	.3399	.3028	.2773	.2605	.2499	.2435	.2396	.2374	.2362	.2355
	\$250	.6345	.5353	.4443	.3639	.2956	.2399	.1959	.1623	.1373	.1193	.1066	.0978	.0919	.0879
	\$500	.6344	.5345	.4417	.3580	.2850	.2231	.1722	.1314	.0994	.0749	.0565	.0429	.0331	.0261
	\$1,000	.6344	.5345	.4416	.3578	.2843	.2219	.1702	.1284	.0955	.0700	.0506	.0362	.0256	.0179
68	\$120	.6352	.5393	.4560	.3883	.3368	.2999	.2748	.2586	.2485	.2425	.2390	.2370	.2359	.2354
	\$250	.6338	.5338	.4416	.3601	.2910	.2349	.1910	.1577	.1334	.1160	.1040	.0958	.0904	.0868
	\$500	.6336	.5328	.4387	.3538	.2797	.2170	.1658	.1251	.0935	.0697	.0520	.0393	.0301	.0238
	\$1,000	.6336	.5328	.4386	.3534	.2788	.2156	.1635	.1218	.0892	.0643	.0457	.0321	.0222	.0153
69	\$120	.6346	.5379	.4537	.3854	.3337	.2971	.2725	.2568	.2473	.2416	.2385	.2367	.2357	.2352
	\$250	.6332	.5323	.4390	.3564	.2866	.2301	.1862	.1533	.1296	.1129	.1015	.0940	.0890	.0859
	\$500	.6330	.5313	.4360	.3497	.2745	.2111	.1596	.1190	.0879	.0648	.0479	.0359	.0275	.0217
	\$1,000	.6330	.5313	.4358	.3493	.2735	.2094	.1569	.1153	.0831	.0589	.0411	.0283	.0192	.0129
70	\$120	.6340	.5366	.4515	.3826	.3308	.2944	.2703	.2552	.2461	.2409	.2380	.2364	.2356	.2351
	\$250	.6327	.5310	.4366	.3530	.2823	.2254	.1816	.1492	.1260	.1100	.0993	.0923	.0879	.0851
	\$500	.6325	.5300	.4334	.3458	.2694	.2053	.1536	.1131	.0826	.0601	.0440	.0328	.0251	.0199
	\$1,000	.6325	.5299	.4332	.3453	.2683	.2033	.1505	.1090	.0773	.0538	.0368	.0248	.0165	.0108
71	\$120	.6335	.5353	.4494	.3799	.3280	.2919	.2682	.2536	.2450	.2402	.2375	.2361	.2354	.2351
	\$250	.6323	.5298	.4343	.3496	.2781	.2208	.1771	.1451	.1226	.1073	.0972	.0908	.0868	.0843
	\$500	.6321	.5287	.4310	.3421	.2645	.1996	.1476	.1073	.0773	.0556	.0404	.0299	.0229	.0183
	\$1,000	.6321	.5287	.4307	.3414	.2631	.1973	.1442	.1028	.0716	.0489	.0327	.0216	.0140	.0090
72	\$120	.6331	.5342	.4475	.3775	.3254	.2895	.2664	.2523	.2441	.2396	.2372	.2359	.2353	.2350
	\$250	.6320	.5288	.4323	.3465	.2742	.2166	.1729	.1414	.1195	.1049	.0954	.0895	.0859	.0838
	\$500	.6318	.5277	.4289	.3386	.2599	.1943	.1420	.1020	.0726	.0516	.0372	.0274	.0211	.0170
	\$1,000	.6317	.5276	.4285	.3378	.2583	.1917	.1382	.0971	.0665	.0445	.0292	.0188	.0119	.0075
73	\$120	.6328	.5332	.4457	.3752	.3230	.2874	.2647	.2510	.2433	.2391	.2369	.2358	.2352	.2350
	\$250	.6317	.5280	.4305	.3437	.2706	.2126	.1691	.1380	.1167	.1027	.0939	.0884	.0852	.0833
	\$500	.6315	.5269	.4270	.3355	.2556	.1893	.1368	.0971	.0682	.0480	.0343	.0253	.0195	.0159
	\$1,000	.6315	.5267	.4266	.3346	.2539	.1864	.1327	.0917	.0617	.0405	.0260	.0164	.0101	.0062
74	\$120	.6326	.5326	.4447	.3738	.3216	.2861	.2636	.2503	.2428	.2388	.2367	.2357	.2352	.2349
	\$250	.6316	.5274	.4294	.3419	.2683	.2102	.1667	.1359	.1150	.1015	.0930	.0878	.0848	.0830
	\$500	.6314	.5264	.4258	.3335	.2529	.1861	.1335	.0940	.0655	.0458	.0326	.0241	.0187	.0153
	\$1,000	.6313	.5262	.4254	.3325	.2511	.1831	.1292	.0884	.0588	.0381	.0241	.0150	.0091	.0055

*Single Loss Limit values are expressed in thousands of dollars.

Premium-Based Plan, with Various Single Loss Limits

Insurance Savings Table
 Hazard Group 3
 Effective November 19, 2010

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0017	.0075	.0169	.0295	.0627	.1048	.1543	.2099
41	\$120	.0000	.0015	.0068	.0155	.0274	.0592	.1000	.1482	.2028
42	\$120	.0000	.0013	.0061	.0143	.0255	.0558	.0952	.1422	.1957
43	\$120	.0000	.0012	.0055	.0130	.0236	.0525	.0905	.1363	.1888
44	\$120	.0000	.0010	.0049	.0119	.0218	.0493	.0860	.1305	.1822
45	\$120	.0000	.0009	.0044	.0108	.0200	.0462	.0815	.1248	.1760
46	\$120	.0000	.0007	.0039	.0098	.0184	.0432	.0771	.1192	.1702
47	\$120	.0000	.0006	.0034	.0088	.0168	.0402	.0728	.1140	.1647
48	\$120	.0000	.0005	.0030	.0079	.0153	.0374	.0687	.1090	.1593
49	\$120	.0000	.0005	.0026	.0071	.0139	.0347	.0646	.1042	.1542
50	\$120	.0000	.0004	.0023	.0063	.0126	.0321	.0607	.0997	.1492
	\$250	.0000	.0004	.0023	.0063	.0126	.0323	.0609	.0980	.1425
51	\$120	.0000	.0003	.0020	.0056	.0113	.0295	.0571	.0953	.1443
	\$250	.0000	.0003	.0020	.0056	.0114	.0297	.0570	.0927	.1361
52	\$120	.0000	.0003	.0017	.0049	.0101	.0271	.0536	.0911	.1395
	\$250	.0000	.0003	.0017	.0049	.0102	.0273	.0532	.0876	.1297
53	\$120	.0000	.0002	.0014	.0043	.0090	.0248	.0503	.0870	.1348
	\$250	.0000	.0002	.0015	.0043	.0091	.0249	.0495	.0825	.1235
54	\$120	.0000	.0002	.0012	.0037	.0080	.0226	.0471	.0830	.1303
	\$250	.0000	.0002	.0012	.0037	.0080	.0227	.0459	.0776	.1174
55	\$120	.0000	.0001	.0010	.0032	.0070	.0206	.0441	.0791	.1258
	\$250	.0000	.0001	.0010	.0032	.0071	.0206	.0424	.0727	.1115
56	\$120	.0000	.0001	.0008	.0027	.0061	.0187	.0412	.0754	.1215
	\$250	.0000	.0001	.0008	.0027	.0062	.0185	.0390	.0680	.1058
57	\$120	.0000	.0001	.0007	.0023	.0053	.0169	.0384	.0717	.1173
	\$250	.0000	.0001	.0007	.0023	.0053	.0166	.0357	.0634	.1003
58	\$120	.0000	.0001	.0006	.0019	.0045	.0152	.0357	.0682	.1132
	\$250	.0000	.0001	.0006	.0019	.0046	.0148	.0326	.0590	.0949
	\$500	.0000	.0001	.0006	.0019	.0046	.0148	.0327	.0589	.0937
59	\$120	.0000	.0000	.0004	.0016	.0039	.0137	.0332	.0647	.1092
	\$250	.0000	.0000	.0004	.0016	.0039	.0130	.0296	.0548	.0898
	\$500	.0000	.0000	.0004	.0016	.0039	.0131	.0296	.0545	.0881
60	\$120	.0000	.0000	.0003	.0013	.0033	.0122	.0308	.0614	.1053
	\$250	.0000	.0000	.0004	.0013	.0033	.0114	.0267	.0508	.0848
	\$500	.0000	.0000	.0004	.0013	.0033	.0115	.0267	.0502	.0825
61	\$120	.0000	.0000	.0003	.0011	.0028	.0109	.0284	.0582	.1015
	\$250	.0000	.0000	.0003	.0011	.0027	.0099	.0240	.0470	.0799
	\$500	.0000	.0000	.0003	.0011	.0027	.0100	.0239	.0461	.0771
62	\$120	.0000	.0000	.0002	.0008	.0023	.0097	.0262	.0551	.0979
	\$250	.0000	.0000	.0002	.0008	.0022	.0086	.0215	.0433	.0752

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$500	.0000	.0000	.0002	.0008	.0023	.0086	.0213	.0421	.0719
63	\$120	.0000	.0000	.0002	.0007	.0019	.0085	.0241	.0521	.0943
	\$250	.0000	.0000	.0002	.0007	.0018	.0073	.0192	.0397	.0706
	\$500	.0000	.0000	.0002	.0007	.0018	.0073	.0188	.0382	.0667
64	\$120	.0000	.0000	.0001	.0005	.0015	.0075	.0222	.0493	.0909
	\$250	.0000	.0000	.0001	.0005	.0014	.0062	.0170	.0364	.0662
	\$500	.0000	.0000	.0001	.0005	.0014	.0061	.0165	.0346	.0618
	\$1,000	.0000	.0000	.0001	.0005	.0014	.0062	.0165	.0346	.0618
65	\$120	.0000	.0000	.0001	.0004	.0012	.0065	.0203	.0465	.0876
	\$250	.0000	.0000	.0001	.0004	.0011	.0052	.0149	.0332	.0619
	\$500	.0000	.0000	.0001	.0004	.0011	.0051	.0144	.0311	.0570
	\$1,000	.0000	.0000	.0001	.0004	.0011	.0051	.0144	.0311	.0569
66	\$120	.0000	.0000	.0001	.0003	.0010	.0057	.0185	.0439	.0843
	\$250	.0000	.0000	.0001	.0003	.0009	.0043	.0131	.0301	.0578
	\$500	.0000	.0000	.0001	.0003	.0009	.0042	.0124	.0278	.0524
	\$1,000	.0000	.0000	.0001	.0003	.0009	.0042	.0124	.0278	.0523
67	\$120	.0000	.0000	.0000	.0002	.0008	.0049	.0169	.0414	.0812
	\$250	.0000	.0000	.0000	.0002	.0006	.0035	.0113	.0273	.0539
	\$500	.0000	.0000	.0000	.0002	.0006	.0034	.0105	.0247	.0480
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0034	.0105	.0246	.0478
68	\$120	.0000	.0000	.0000	.0002	.0006	.0042	.0153	.0390	.0783
	\$250	.0000	.0000	.0000	.0001	.0005	.0028	.0098	.0246	.0501
	\$500	.0000	.0000	.0000	.0001	.0005	.0026	.0088	.0217	.0438
	\$1,000	.0000	.0000	.0000	.0001	.0005	.0026	.0088	.0216	.0434
69	\$120	.0000	.0000	.0000	.0001	.0005	.0036	.0139	.0367	.0754
	\$250	.0000	.0000	.0000	.0001	.0003	.0022	.0083	.0220	.0464
	\$500	.0000	.0000	.0000	.0001	.0003	.0020	.0073	.0190	.0397
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0020	.0073	.0188	.0393
70	\$120	.0000	.0000	.0000	.0001	.0003	.0030	.0126	.0345	.0726
	\$250	.0000	.0000	.0000	.0001	.0002	.0017	.0070	.0196	.0430
	\$500	.0000	.0000	.0000	.0000	.0002	.0015	.0060	.0164	.0358
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0015	.0059	.0162	.0353
71	\$120	.0000	.0000	.0000	.0000	.0003	.0025	.0113	.0324	.0699
	\$250	.0000	.0000	.0000	.0000	.0001	.0013	.0058	.0173	.0396
	\$500	.0000	.0000	.0000	.0000	.0001	.0011	.0047	.0140	.0321
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0011	.0047	.0137	.0314
72	\$120	.0000	.0000	.0000	.0000	.0002	.0021	.0102	.0305	.0675
	\$250	.0000	.0000	.0000	.0000	.0001	.0010	.0048	.0153	.0365
	\$500	.0000	.0000	.0000	.0000	.0001	.0008	.0037	.0119	.0286
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0007	.0036	.0115	.0278
73	\$120	.0000	.0000	.0000	.0000	.0001	.0018	.0092	.0287	.0652
	\$250	.0000	.0000	.0000	.0000	.0000	.0007	.0040	.0135	.0337
	\$500	.0000	.0000	.0000	.0000	.0000	.0005	.0029	.0100	.0255
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0005	.0027	.0096	.0246

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
74	\$120	.0000	.0000	.0000	.0000	.0001	.0016	.0086	.0277	.0638
	\$250	.0000	.0000	.0000	.0000	.0000	.0006	.0034	.0124	.0319
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0088	.0235
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0003	.0022	.0084	.0225

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 3
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.9094	.8907	.8742	.8592	.8454	.8326	.8205	.8091	.7982	.7879	.7780	.7684	.7593	.7504
2	.9038	.8840	.8665	.8506	.8359	.8223	.8095	.7973	.7858	.7748	.7643	.7542	.7445	.7351
3	.8984	.8774	.8589	.8420	.8265	.8121	.7985	.7857	.7735	.7619	.7508	.7401	.7299	.7200
4	.8929	.8708	.8513	.8335	.8171	.8018	.7875	.7740	.7611	.7489	.7372	.7260	.7152	.7048
5	.8876	.8643	.8437	.8250	.8077	.7916	.7765	.7623	.7488	.7359	.7237	.7119	.7006	.6897
6	.8823	.8579	.8362	.8165	.7984	.7815	.7656	.7507	.7366	.7231	.7102	.6979	.6860	.6746
7	.8771	.8515	.8287	.8081	.7891	.7714	.7548	.7392	.7244	.7103	.6968	.6840	.6716	.6597
8	.8719	.8452	.8214	.7997	.7799	.7614	.7441	.7277	.7123	.6976	.6836	.6701	.6573	.6449
9	.8668	.8389	.8140	.7915	.7707	.7514	.7333	.7163	.7002	.6849	.6704	.6564	.6431	.6303
10	.8618	.8326	.8067	.7832	.7616	.7415	.7227	.7050	.6883	.6724	.6572	.6428	.6290	.6157
11	.8568	.8265	.7995	.7750	.7525	.7316	.7121	.6937	.6763	.6599	.6442	.6292	.6149	.6013
12	.8519	.8203	.7923	.7668	.7435	.7218	.7015	.6825	.6645	.6474	.6312	.6158	.6010	.5869
13	.8470	.8142	.7851	.7587	.7345	.7120	.6910	.6713	.6527	.6351	.6183	.6024	.5872	.5727
14	.8421	.8082	.7780	.7506	.7255	.7022	.6805	.6601	.6409	.6228	.6055	.5891	.5735	.5586
15	.8373	.8021	.7709	.7426	.7166	.6925	.6701	.6490	.6292	.6105	.5928	.5759	.5599	.5446
16	.8325	.7961	.7638	.7345	.7077	.6828	.6597	.6380	.6176	.5983	.5801	.5628	.5464	.5307
17	.8278	.7902	.7568	.7265	.6988	.6731	.6493	.6270	.6060	.5862	.5675	.5498	.5330	.5169
18	.8231	.7843	.7498	.7185	.6899	.6635	.6389	.6160	.5944	.5742	.5550	.5369	.5196	.5033
19	.8184	.7784	.7428	.7106	.6811	.6539	.6286	.6051	.5830	.5622	.5426	.5240	.5064	.4897
20	.8138	.7725	.7358	.7026	.6723	.6443	.6184	.5942	.5715	.5502	.5302	.5112	.4933	.4763
21	.8092	.7667	.7289	.6947	.6635	.6348	.6081	.5833	.5601	.5383	.5178	.4985	.4802	.4629
22	.8047	.7609	.7220	.6868	.6547	.6252	.5979	.5725	.5487	.5265	.5056	.4859	.4672	.4496
23	.8001	.7551	.7151	.6789	.6460	.6157	.5877	.5617	.5374	.5147	.4934	.4733	.4543	.4364
24	.7956	.7493	.7082	.6711	.6372	.6062	.5775	.5509	.5261	.5029	.4812	.4608	.4415	.4233
25	.7912	.7436	.7013	.6632	.6285	.5967	.5674	.5402	.5149	.4912	.4691	.4483	.4287	.4102
26	.7868	.7379	.6945	.6554	.6198	.5872	.5572	.5295	.5036	.4795	.4570	.4359	.4160	.3973
27	.7824	.7322	.6876	.6475	.6111	.5778	.5471	.5188	.4924	.4679	.4450	.4235	.4033	.3843
28	.7780	.7265	.6808	.6397	.6024	.5683	.5370	.5081	.4812	.4563	.4330	.4112	.3907	.3715
29	.7737	.7209	.6740	.6319	.5938	.5589	.5269	.4974	.4701	.4447	.4210	.3989	.3782	.3587
30	.7694	.7153	.6673	.6241	.5851	.5495	.5168	.4868	.4590	.4331	.4091	.3866	.3656	.3459
31	.7652	.7097	.6605	.6164	.5765	.5401	.5068	.4762	.4479	.4216	.3972	.3744	.3531	.3331
32	.7610	.7041	.6538	.6086	.5678	.5307	.4967	.4655	.4367	.4101	.3853	.3622	.3406	.3204
33	.7568	.6986	.6471	.6009	.5592	.5213	.4867	.4549	.4256	.3986	.3734	.3500	.3281	.3077
34	.7527	.6932	.6404	.5932	.5506	.5119	.4766	.4443	.4145	.3870	.3615	.3378	.3156	.2950
35	.7486	.6877	.6337	.5855	.5420	.5025	.4665	.4336	.4034	.3754	.3496	.3255	.3032	.2823
36	.7446	.6823	.6271	.5777	.5333	.4931	.4564	.4229	.3922	.3638	.3376	.3132	.2907	.2697
37	.7406	.6769	.6205	.5700	.5247	.4836	.4463	.4122	.3810	.3522	.3256	.3010	.2783	.2572
38	.7367	.6716	.6139	.5624	.5161	.4742	.4362	.4015	.3697	.3405	.3136	.2888	.2660	.2449
39	.7328	.6663	.6073	.5547	.5075	.4648	.4261	.3908	.3585	.3289	.3017	.2768	.2538	.2328

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	.7290	.6611	.6009	.5471	.4989	.4554	.4160	.3801	.3473	.3174	.2899	.2649	.2419	.2209
41	.7254	.6560	.5945	.5396	.4904	.4461	.4060	.3695	.3362	.3059	.2783	.2531	.2302	.2093
42	.7218	.6510	.5882	.5322	.4820	.4368	.3960	.3589	.3252	.2947	.2669	.2417	.2187	.1979
43	.7183	.6461	.5820	.5249	.4737	.4276	.3861	.3484	.3144	.2836	.2557	.2304	.2076	.1869
44	.7149	.6413	.5759	.5176	.4654	.4185	.3762	.3381	.3037	.2726	.2446	.2194	.1967	.1762
45	.7116	.6366	.5699	.5104	.4572	.4094	.3665	.3278	.2931	.2619	.2338	.2086	.1860	.1658
46	.7085	.6320	.5639	.5033	.4491	.4005	.3568	.3177	.2827	.2513	.2232	.1981	.1757	.1557
47	.7054	.6275	.5581	.4963	.4410	.3915	.3473	.3077	.2724	.2409	.2128	.1879	.1657	.1460
48	.7024	.6231	.5524	.4893	.4330	.3827	.3378	.2979	.2623	.2307	.2027	.1778	.1559	.1365
49	.6996	.6188	.5467	.4824	.4251	.3739	.3285	.2881	.2523	.2206	.1927	.1681	.1464	.1274
50	.6968	.6146	.5411	.4756	.4172	.3653	.3192	.2784	.2425	.2108	.1830	.1586	.1372	.1186
51	.6941	.6105	.5356	.4689	.4094	.3567	.3100	.2689	.2328	.2011	.1734	.1493	.1283	.1101
52	.6916	.6065	.5302	.4622	.4017	.3482	.3010	.2595	.2233	.1916	.1641	.1403	.1197	.1019
53	.6891	.6026	.5249	.4556	.3941	.3397	.2920	.2502	.2139	.1823	.1550	.1315	.1113	.0941
54	.6867	.5988	.5197	.4491	.3865	.3314	.2832	.2411	.2047	.1732	.1462	.1230	.1033	.0865
55	.6845	.5951	.5146	.4427	.3791	.3232	.2744	.2321	.1956	.1643	.1375	.1148	.0955	.0793
56	.6823	.5915	.5096	.4364	.3717	.3151	.2658	.2232	.1867	.1555	.1291	.1068	.0881	.0724
57	.6803	.5881	.5047	.4302	.3645	.3070	.2572	.2144	.1779	.1470	.1209	.0991	.0809	.0658
58	.6784	.5847	.4999	.4242	.3574	.2991	.2488	.2058	.1693	.1386	.1129	.0916	.0740	.0596
59	.6766	.5815	.4953	.4182	.3503	.2913	.2405	.1973	.1609	.1304	.1052	.0844	.0675	.0537
60	.6749	.5785	.4908	.4124	.3434	.2835	.2323	.1889	.1526	.1225	.0977	.0776	.0612	.0481
61	.6733	.5756	.4864	.4067	.3366	.2759	.2242	.1807	.1445	.1148	.0905	.0709	.0553	.0428
62	.6718	.5728	.4823	.4012	.3299	.2685	.2163	.1727	.1367	.1073	.0836	.0647	.0497	.0379
63	.6705	.5702	.4782	.3958	.3234	.2611	.2085	.1648	.1289	.1000	.0769	.0587	.0444	.0334
64	.6693	.5678	.4744	.3905	.3170	.2539	.2009	.1570	.1214	.0930	.0705	.0530	.0395	.0292
65	.6682	.5655	.4707	.3854	.3107	.2468	.1933	.1495	.1142	.0862	.0644	.0476	.0349	.0254
66	.6672	.5634	.4672	.3805	.3046	.2399	.1860	.1421	.1071	.0797	.0586	.0426	.0307	.0219
67	.6663	.5615	.4639	.3758	.2987	.2331	.1788	.1349	.1002	.0734	.0531	.0379	.0268	.0187
68	.6656	.5597	.4608	.3713	.2929	.2264	.1717	.1279	.0936	.0675	.0479	.0336	.0232	.0159
69	.6649	.5581	.4578	.3669	.2873	.2199	.1648	.1211	.0873	.0618	.0431	.0296	.0200	.0134
70	.6644	.5566	.4551	.3627	.2818	.2136	.1581	.1145	.0812	.0564	.0386	.0259	.0171	.0112
71	.6639	.5553	.4525	.3586	.2764	.2072	.1514	.1079	.0752	.0512	.0343	.0225	.0145	.0092
72	.6636	.5542	.4501	.3548	.2713	.2013	.1452	.1019	.0697	.0466	.0305	.0195	.0123	.0076
73	.6633	.5533	.4481	.3514	.2666	.1958	.1393	.0963	.0647	.0424	.0271	.0170	.0104	.0063
74	.6632	.5528	.4469	.3493	.2637	.1923	.1356	.0927	.0616	.0398	.0251	.0155	.0094	.0056

Loss-Based Plan, with no Single Loss Limit

**Insurance Savings Table
Hazard Group 3
Effective November 19, 2010**

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0344	.0721	.1130	.1562	.2466	.3403	.4362	.5336
2	.0000	.0327	.0693	.1094	.1519	.2410	.3336	.4285	.5250
3	.0000	.0310	.0666	.1059	.1477	.2355	.3270	.4209	.5164
4	.0000	.0293	.0639	.1025	.1436	.2301	.3204	.4132	.5078
5	.0000	.0278	.0614	.0992	.1396	.2248	.3139	.4057	.4993
6	.0000	.0263	.0590	.0960	.1356	.2195	.3075	.3982	.4909
7	.0000	.0248	.0567	.0929	.1317	.2143	.3011	.3907	.4825
8	.0000	.0235	.0544	.0898	.1279	.2091	.2947	.3833	.4741
9	.0000	.0222	.0523	.0868	.1241	.2040	.2885	.3760	.4658

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
10	.0000	.0210	.0501	.0839	.1204	.1990	.2822	.3687	.4576
11	.0000	.0198	.0481	.0810	.1168	.1940	.2760	.3615	.4494
12	.0000	.0187	.0461	.0782	.1132	.1890	.2699	.3543	.4412
13	.0000	.0177	.0442	.0754	.1097	.1841	.2638	.3471	.4331
14	.0000	.0167	.0423	.0727	.1062	.1793	.2577	.3400	.4250
15	.0000	.0157	.0404	.0701	.1028	.1745	.2517	.3328	.4169
16	.0000	.0148	.0386	.0674	.0994	.1697	.2457	.3258	.4089
17	.0000	.0139	.0369	.0649	.0961	.1650	.2398	.3188	.4009
18	.0000	.0130	.0352	.0623	.0928	.1603	.2339	.3117	.3929
19	.0000	.0122	.0335	.0599	.0895	.1556	.2280	.3048	.3849
20	.0000	.0115	.0319	.0574	.0863	.1510	.2221	.2978	.3770
21	.0000	.0107	.0303	.0550	.0831	.1464	.2163	.2909	.3691
22	.0000	.0100	.0288	.0527	.0800	.1418	.2104	.2839	.3612
23	.0000	.0093	.0273	.0503	.0769	.1373	.2047	.2770	.3533
24	.0000	.0087	.0258	.0481	.0738	.1328	.1989	.2701	.3454
25	.0000	.0080	.0244	.0458	.0708	.1284	.1932	.2633	.3376
26	.0000	.0074	.0230	.0436	.0679	.1239	.1874	.2564	.3297
27	.0000	.0069	.0217	.0415	.0649	.1196	.1818	.2496	.3219
28	.0000	.0063	.0204	.0394	.0620	.1152	.1761	.2428	.3141
29	.0000	.0058	.0191	.0373	.0592	.1109	.1705	.2360	.3063
30	.0000	.0053	.0179	.0353	.0564	.1066	.1648	.2292	.2985
31	.0000	.0049	.0167	.0333	.0536	.1024	.1593	.2225	.2908
32	.0000	.0044	.0155	.0314	.0509	.0981	.1537	.2158	.2830
33	.0000	.0040	.0144	.0295	.0483	.0940	.1482	.2091	.2753
34	.0000	.0037	.0134	.0277	.0457	.0899	.1427	.2024	.2675
35	.0000	.0033	.0124	.0259	.0431	.0858	.1373	.1957	.2598
36	.0000	.0030	.0114	.0242	.0406	.0818	.1319	.1891	.2521
37	.0000	.0026	.0105	.0225	.0381	.0778	.1265	.1824	.2444
38	.0000	.0024	.0096	.0209	.0357	.0739	.1211	.1758	.2367
39	.0000	.0021	.0087	.0194	.0334	.0700	.1159	.1693	.2291
40	.0000	.0018	.0079	.0179	.0312	.0662	.1107	.1628	.2215
41	.0000	.0016	.0072	.0164	.0290	.0625	.1056	.1564	.2140
42	.0000	.0014	.0065	.0151	.0269	.0590	.1006	.1502	.2066
43	.0000	.0012	.0058	.0138	.0249	.0555	.0956	.1440	.1992
44	.0000	.0011	.0052	.0126	.0230	.0521	.0908	.1378	.1920
45	.0000	.0009	.0046	.0114	.0212	.0488	.0861	.1318	.1848
46	.0000	.0008	.0041	.0104	.0195	.0457	.0815	.1259	.1777
47	.0000	.0007	.0036	.0093	.0178	.0426	.0770	.1201	.1706
48	.0000	.0006	.0032	.0084	.0162	.0396	.0726	.1143	.1637
49	.0000	.0005	.0028	.0075	.0147	.0367	.0683	.1087	.1568
50	.0000	.0004	.0024	.0067	.0133	.0340	.0641	.1031	.1500
51	.0000	.0003	.0021	.0059	.0120	.0313	.0600	.0976	.1432
52	.0000	.0003	.0018	.0052	.0107	.0287	.0560	.0922	.1366
53	.0000	.0002	.0015	.0045	.0096	.0263	.0521	.0869	.1300
54	.0000	.0002	.0013	.0039	.0085	.0239	.0483	.0817	.1235
55	.0000	.0001	.0011	.0034	.0074	.0217	.0447	.0766	.1171

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
56	.0000	.0001	.0009	.0029	.0065	.0195	.0411	.0715	.1108
57	.0000	.0001	.0007	.0024	.0056	.0175	.0376	.0667	.1046
58	.0000	.0001	.0006	.0020	.0048	.0156	.0343	.0619	.0985
59	.0000	.0001	.0005	.0017	.0041	.0137	.0311	.0573	.0926
60	.0000	.0000	.0004	.0014	.0035	.0121	.0281	.0528	.0868
61	.0000	.0000	.0003	.0011	.0029	.0105	.0252	.0484	.0811
62	.0000	.0000	.0002	.0009	.0024	.0090	.0224	.0442	.0755
63	.0000	.0000	.0002	.0007	.0019	.0077	.0198	.0402	.0701
64	.0000	.0000	.0001	.0005	.0015	.0065	.0174	.0364	.0649
65	.0000	.0000	.0001	.0004	.0012	.0054	.0151	.0327	.0598
66	.0000	.0000	.0001	.0003	.0009	.0044	.0130	.0292	.0549
67	.0000	.0000	.0000	.0002	.0007	.0035	.0110	.0259	.0502
68	.0000	.0000	.0000	.0001	.0005	.0028	.0093	.0227	.0456
69	.0000	.0000	.0000	.0001	.0003	.0021	.0077	.0198	.0412
70	.0000	.0000	.0000	.0001	.0002	.0016	.0062	.0170	.0371
71	.0000	.0000	.0000	.0000	.0001	.0011	.0049	.0144	.0329
72	.0000	.0000	.0000	.0000	.0001	.0008	.0038	.0121	.0292
73	.0000	.0000	.0000	.0000	.0000	.0005	.0029	.0101	.0258
74	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0088	.0237

Loss-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 3
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7287	.6605	.6001	.5461	.4977	.4552	.4197	.3901	.3654	.3447	.3272	.3125	.3001	.2900
41	\$120	.7250	.6554	.5937	.5386	.4894	.4474	.4124	.3833	.3589	.3386	.3214	.3071	.2954	.2858
42	\$120	.7214	.6504	.5874	.5312	.4817	.4401	.4055	.3767	.3527	.3326	.3158	.3021	.2910	.2820
43	\$120	.7180	.6455	.5812	.5239	.4745	.4332	.3989	.3704	.3466	.3268	.3106	.2975	.2870	.2785
44	\$120	.7146	.6407	.5751	.5170	.4677	.4266	.3925	.3642	.3406	.3213	.3057	.2932	.2832	.2753
45	\$120	.7113	.6360	.5691	.5105	.4613	.4203	.3863	.3581	.3349	.3162	.3012	.2893	.2798	.2722
46	\$120	.7082	.6314	.5633	.5044	.4551	.4142	.3802	.3523	.3296	.3114	.2970	.2855	.2765	.2695
47	\$120	.7051	.6269	.5577	.4986	.4492	.4081	.3743	.3467	.3245	.3069	.2930	.2820	.2735	.2670
48	\$120	.7021	.6226	.5525	.4930	.4434	.4023	.3685	.3413	.3197	.3026	.2892	.2788	.2708	.2647
49	\$120	.6993	.6183	.5475	.4876	.4377	.3965	.3630	.3362	.3151	.2985	.2856	.2758	.2683	.2626
50	\$120	.6965	.6142	.5427	.4824	.4321	.3909	.3576	.3313	.3106	.2946	.2823	.2730	.2659	.2607
	\$250	.6967	.6144	.5409	.4753	.4168	.3650	.3199	.2812	.2483	.2204	.1969	.1770	.1604	.1465
51	\$120	.6938	.6104	.5381	.4772	.4267	.3854	.3525	.3266	.3064	.2909	.2792	.2704	.2638	.2590
	\$250	.6940	.6103	.5354	.4686	.4090	.3568	.3116	.2731	.2405	.2130	.1898	.1705	.1544	.1411
52	\$120	.6913	.6067	.5337	.4722	.4213	.3802	.3476	.3220	.3024	.2875	.2763	.2680	.2619	.2574
	\$250	.6915	.6063	.5300	.4619	.4015	.3488	.3037	.2653	.2330	.2058	.1831	.1642	.1487	.1360
53	\$120	.6889	.6032	.5294	.4673	.4162	.3751	.3427	.3177	.2985	.2842	.2735	.2657	.2601	.2560
	\$250	.6890	.6024	.5247	.4553	.3941	.3412	.2960	.2578	.2256	.1988	.1765	.1582	.1434	.1313
54	\$120	.6866	.5999	.5252	.4625	.4112	.3702	.3381	.3135	.2949	.2811	.2710	.2637	.2585	.2548
	\$250	.6867	.5986	.5195	.4489	.3871	.3338	.2885	.2504	.2184	.1920	.1703	.1526	.1383	.1268
55	\$120	.6844	.5968	.5211	.4578	.4063	.3654	.3336	.3095	.2914	.2782	.2686	.2618	.2570	.2536
	\$250	.6844	.5950	.5144	.4427	.3802	.3266	.2812	.2431	.2115	.1855	.1643	.1472	.1335	.1227

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
56	\$120	.6824	.5937	.5172	.4533	.4015	.3607	.3293	.3056	.2881	.2755	.2664	.2601	.2557	.2526
	\$250	.6823	.5914	.5094	.4367	.3736	.3196	.2740	.2360	.2047	.1792	.1586	.1421	.1290	.1188
57	\$120	.6805	.5908	.5133	.4489	.3969	.3561	.3251	.3019	.2850	.2729	.2644	.2585	.2545	.2517
	\$250	.6802	.5880	.5046	.4309	.3671	.3127	.2670	.2291	.1982	.1731	.1531	.1373	.1248	.1152
58	\$120	.6788	.5880	.5096	.4445	.3923	.3517	.3210	.2984	.2821	.2705	.2625	.2571	.2534	.2510
	\$250	.6783	.5846	.5000	.4253	.3608	.3060	.2601	.2224	.1918	.1673	.1479	.1327	.1209	.1118
	\$500	.6784	.5847	.4999	.4241	.3573	.2990	.2487	.2059	.1698	.1396	.1145	.0939	.0771	.0634
59	\$120	.6772	.5853	.5060	.4403	.3879	.3474	.3171	.2950	.2793	.2683	.2608	.2558	.2525	.2503
	\$250	.6765	.5815	.4956	.4199	.3546	.2994	.2534	.2159	.1857	.1617	.1429	.1283	.1172	.1087
	\$500	.6765	.5815	.4952	.4181	.3502	.2912	.2405	.1976	.1617	.1318	.1073	.0873	.0711	.0581
60	\$120	.6757	.5827	.5025	.4363	.3836	.3433	.3134	.2918	.2767	.2662	.2592	.2546	.2516	.2497
	\$250	.6748	.5785	.4914	.4147	.3486	.2929	.2469	.2096	.1798	.1563	.1382	.1243	.1138	.1059
	\$500	.6749	.5785	.4908	.4123	.3433	.2835	.2325	.1895	.1538	.1243	.1003	.0809	.0654	.0531
61	\$120	.6743	.5803	.4992	.4323	.3795	.3393	.3098	.2888	.2742	.2643	.2578	.2536	.2509	.2492
	\$250	.6732	.5757	.4873	.4095	.3427	.2866	.2405	.2034	.1740	.1512	.1337	.1205	.1106	.1033
	\$500	.6733	.5756	.4864	.4066	.3366	.2761	.2247	.1816	.1460	.1170	.0936	.0749	.0601	.0485
62	\$120	.6730	.5780	.4959	.4285	.3754	.3354	.3063	.2859	.2719	.2626	.2565	.2526	.2502	.2487
	\$250	.6718	.5730	.4835	.4046	.3369	.2804	.2343	.1974	.1685	.1463	.1295	.1169	.1077	.1010
	\$500	.6718	.5728	.4822	.4011	.3300	.2687	.2170	.1739	.1386	.1100	.0872	.0691	.0550	.0441
63	\$120	.6718	.5758	.4928	.4247	.3715	.3317	.3030	.2831	.2697	.2609	.2553	.2518	.2497	.2484
	\$250	.6705	.5706	.4798	.3998	.3313	.2744	.2282	.1916	.1633	.1417	.1255	.1136	.1050	.0988
	\$500	.6705	.5702	.4782	.3957	.3235	.2615	.2094	.1663	.1313	.1032	.0810	.0637	.0503	.0401
64	\$120	.6707	.5737	.4898	.4211	.3677	.3281	.2999	.2805	.2677	.2595	.2543	.2511	.2492	.2481
	\$250	.6693	.5683	.4762	.3951	.3259	.2686	.2224	.1861	.1582	.1372	.1218	.1105	.1025	.0969
	\$500	.6693	.5678	.4744	.3906	.3172	.2545	.2020	.1589	.1242	.0967	.0751	.0586	.0460	.0365
	\$1,000	.6693	.5678	.4744	.3905	.3170	.2539	.2008	.1570	.1214	.0930	.0705	.0530	.0395	.0293
65	\$120	.6697	.5717	.4869	.4176	.3640	.3246	.2969	.2781	.2658	.2581	.2533	.2505	.2488	.2478
	\$250	.6682	.5661	.4729	.3907	.3206	.2629	.2167	.1807	.1533	.1330	.1183	.1077	.1003	.0952
	\$500	.6682	.5655	.4707	.3855	.3111	.2476	.1948	.1518	.1174	.0904	.0696	.0538	.0419	.0331
	\$1,000	.6682	.5655	.4707	.3854	.3107	.2468	.1933	.1495	.1142	.0862	.0644	.0477	.0350	.0255
66	\$120	.6688	.5699	.4841	.4142	.3605	.3212	.2940	.2758	.2641	.2569	.2525	.2499	.2484	.2476
	\$250	.6673	.5641	.4697	.3863	.3155	.2573	.2111	.1755	.1487	.1291	.1150	.1051	.0983	.0937
	\$500	.6672	.5634	.4672	.3807	.3051	.2409	.1878	.1448	.1107	.0844	.0643	.0493	.0382	.0301
	\$1,000	.6672	.5634	.4672	.3805	.3046	.2399	.1860	.1421	.1071	.0797	.0586	.0427	.0308	.0220
67	\$120	.6680	.5682	.4815	.4110	.3570	.3181	.2913	.2737	.2625	.2557	.2517	.2494	.2481	.2474
	\$250	.6665	.5623	.4667	.3822	.3105	.2520	.2058	.1705	.1443	.1254	.1120	.1028	.0965	.0924
	\$500	.6663	.5615	.4639	.3761	.2994	.2344	.1809	.1380	.1044	.0787	.0593	.0451	.0348	.0274
	\$1,000	.6663	.5615	.4639	.3758	.2987	.2331	.1788	.1349	.1003	.0735	.0532	.0380	.0269	.0188
68	\$120	.6672	.5665	.4790	.4078	.3537	.3150	.2887	.2717	.2611	.2547	.2511	.2490	.2478	.2472
	\$250	.6658	.5607	.4638	.3782	.3057	.2467	.2006	.1657	.1401	.1219	.1092	.1006	.0949	.0912
	\$500	.6656	.5597	.4609	.3716	.2938	.2280	.1742	.1314	.0983	.0732	.0547	.0412	.0317	.0250
	\$1,000	.6656	.5597	.4608	.3713	.2929	.2264	.1717	.1279	.0937	.0676	.0480	.0337	.0234	.0160
69	\$120	.6666	.5650	.4766	.4048	.3506	.3121	.2863	.2698	.2597	.2538	.2505	.2486	.2476	.2471
	\$250	.6651	.5592	.4611	.3744	.3010	.2417	.1956	.1611	.1361	.1186	.1067	.0987	.0935	.0902
	\$500	.6649	.5581	.4580	.3673	.2883	.2217	.1676	.1250	.0924	.0680	.0503	.0377	.0289	.0228
	\$1,000	.6649	.5581	.4578	.3669	.2873	.2199	.1648	.1211	.0873	.0619	.0432	.0297	.0202	.0135
70	\$120	.6660	.5636	.4743	.4019	.3475	.3093	.2840	.2681	.2585	.2530	.2500	.2483	.2474	.2470
	\$250	.6646	.5578	.4586	.3708	.2965	.2368	.1907	.1567	.1324	.1156	.1043	.0970	.0923	.0894
	\$500	.6644	.5567	.4553	.3633	.2830	.2157	.1613	.1188	.0867	.0631	.0462	.0344	.0264	.0209
	\$1,000	.6644	.5566	.4551	.3627	.2818	.2136	.1581	.1145	.0812	.0565	.0387	.0260	.0173	.0114
71	\$120	.6655	.5623	.4721	.3991	.3445	.3066	.2818	.2664	.2574	.2523	.2495	.2480	.2473	.2469
	\$250	.6642	.5565	.4562	.3672	.2921	.2320	.1860	.1524	.1288	.1127	.1021	.0954	.0912	.0886
	\$500	.6640	.5554	.4527	.3593	.2778	.2097	.1550	.1128	.0812	.0584	.0424	.0314	.0241	.0193

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$1,000	.6639	.5553	.4525	.3586	.2764	.2073	.1514	.1080	.0753	.0514	.0344	.0227	.0147	.0094
72	\$120	.6650	.5611	.4700	.3965	.3418	.3041	.2798	.2650	.2564	.2517	.2491	.2478	.2472	.2468
	\$250	.6638	.5555	.4541	.3640	.2880	.2275	.1816	.1485	.1255	.1102	.1003	.0940	.0902	.0880
	\$500	.6636	.5543	.4505	.3557	.2730	.2041	.1491	.1072	.0762	.0542	.0390	.0288	.0222	.0179
	\$1,000	.6636	.5542	.4501	.3549	.2713	.2014	.1452	.1020	.0698	.0467	.0306	.0197	.0125	.0078
73	\$120	.6647	.5601	.4682	.3941	.3393	.3019	.2780	.2637	.2555	.2511	.2488	.2476	.2471	.2468
	\$250	.6635	.5546	.4522	.3610	.2842	.2234	.1776	.1449	.1226	.1079	.0986	.0929	.0895	.0875
	\$500	.6633	.5534	.4485	.3524	.2685	.1988	.1437	.1020	.0717	.0504	.0361	.0266	.0205	.0167
	\$1,000	.6633	.5533	.4481	.3514	.2667	.1958	.1394	.0964	.0648	.0426	.0273	.0172	.0107	.0065
74	\$120	.6645	.5595	.4671	.3926	.3378	.3005	.2769	.2629	.2550	.2508	.2486	.2475	.2470	.2468
	\$250	.6634	.5540	.4511	.3591	.2819	.2208	.1751	.1427	.1208	.1066	.0976	.0922	.0890	.0872
	\$500	.6632	.5529	.4473	.3503	.2657	.1955	.1403	.0987	.0688	.0481	.0343	.0253	.0196	.0161
	\$1,000	.6632	.5528	.4469	.3493	.2637	.1923	.1357	.0929	.0617	.0400	.0253	.0157	.0096	.0058

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 3
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0018	.0079	.0178	.0310	.0659	.1101	.1621	.2205
41	\$120	.0000	.0016	.0071	.0163	.0288	.0622	.1050	.1557	.2130
42	\$120	.0000	.0014	.0064	.0150	.0267	.0586	.1000	.1494	.2056
43	\$120	.0000	.0012	.0058	.0137	.0248	.0551	.0951	.1432	.1983
44	\$120	.0000	.0011	.0052	.0125	.0228	.0518	.0903	.1371	.1914
45	\$120	.0000	.0009	.0046	.0113	.0210	.0485	.0856	.1311	.1849
46	\$120	.0000	.0008	.0041	.0103	.0193	.0453	.0810	.1252	.1788
47	\$120	.0000	.0007	.0036	.0093	.0176	.0423	.0765	.1197	.1730
48	\$120	.0000	.0006	.0032	.0083	.0161	.0393	.0721	.1145	.1674
49	\$120	.0000	.0005	.0028	.0074	.0146	.0364	.0679	.1095	.1620
50	\$120	.0000	.0004	.0024	.0066	.0132	.0337	.0638	.1047	.1567
	\$250	.0000	.0004	.0024	.0067	.0133	.0339	.0640	.1029	.1497
51	\$120	.0000	.0003	.0021	.0058	.0119	.0310	.0600	.1001	.1516
	\$250	.0000	.0003	.0021	.0059	.0120	.0312	.0599	.0974	.1429
52	\$120	.0000	.0003	.0018	.0051	.0106	.0285	.0563	.0957	.1466
	\$250	.0000	.0003	.0018	.0052	.0107	.0287	.0559	.0920	.1363
53	\$120	.0000	.0002	.0015	.0045	.0095	.0260	.0528	.0914	.1416
	\$250	.0000	.0002	.0015	.0045	.0095	.0262	.0520	.0867	.1297
54	\$120	.0000	.0002	.0013	.0039	.0084	.0237	.0495	.0872	.1368
	\$250	.0000	.0002	.0013	.0039	.0084	.0238	.0482	.0815	.1233
55	\$120	.0000	.0001	.0011	.0033	.0074	.0216	.0463	.0831	.1322
	\$250	.0000	.0001	.0011	.0034	.0074	.0216	.0445	.0764	.1171
56	\$120	.0000	.0001	.0009	.0029	.0064	.0196	.0433	.0792	.1276
	\$250	.0000	.0001	.0009	.0029	.0065	.0195	.0410	.0714	.1111

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
57	\$120	.0000	.0001	.0007	.0024	.0056	.0177	.0404	.0753	.1232
	\$250	.0000	.0001	.0007	.0024	.0056	.0174	.0375	.0666	.1053
58	\$120	.0000	.0001	.0006	.0020	.0048	.0160	.0376	.0716	.1189
	\$250	.0000	.0001	.0006	.0020	.0048	.0155	.0342	.0620	.0997
	\$500	.0000	.0001	.0006	.0020	.0048	.0155	.0343	.0618	.0985
59	\$120	.0000	.0000	.0005	.0017	.0041	.0144	.0349	.0680	.1147
	\$250	.0000	.0000	.0005	.0017	.0041	.0137	.0311	.0576	.0943
	\$500	.0000	.0000	.0005	.0017	.0041	.0137	.0311	.0572	.0925
60	\$120	.0000	.0000	.0004	.0014	.0034	.0128	.0323	.0645	.1106
	\$250	.0000	.0000	.0004	.0014	.0035	.0120	.0281	.0534	.0890
	\$500	.0000	.0000	.0004	.0014	.0035	.0120	.0281	.0527	.0867
61	\$120	.0000	.0000	.0003	.0011	.0029	.0114	.0299	.0611	.1067
	\$250	.0000	.0000	.0003	.0011	.0029	.0104	.0252	.0493	.0839
	\$500	.0000	.0000	.0003	.0011	.0029	.0105	.0251	.0484	.0810
62	\$120	.0000	.0000	.0002	.0009	.0024	.0101	.0275	.0579	.1028
	\$250	.0000	.0000	.0002	.0009	.0024	.0090	.0226	.0455	.0790
	\$500	.0000	.0000	.0002	.0009	.0024	.0090	.0224	.0442	.0755
63	\$120	.0000	.0000	.0002	.0007	.0020	.0089	.0253	.0548	.0991
	\$250	.0000	.0000	.0002	.0007	.0019	.0077	.0201	.0417	.0741
	\$500	.0000	.0000	.0002	.0007	.0019	.0077	.0198	.0402	.0701
64	\$120	.0000	.0000	.0001	.0005	.0016	.0079	.0233	.0518	.0955
	\$250	.0000	.0000	.0001	.0005	.0015	.0065	.0178	.0382	.0695
	\$500	.0000	.0000	.0001	.0005	.0015	.0065	.0174	.0363	.0649
	\$1,000	.0000	.0000	.0001	.0005	.0015	.0065	.0174	.0364	.0649
65	\$120	.0000	.0000	.0001	.0004	.0013	.0069	.0213	.0489	.0920
	\$250	.0000	.0000	.0001	.0004	.0012	.0054	.0157	.0348	.0650
	\$500	.0000	.0000	.0001	.0004	.0012	.0054	.0151	.0327	.0599
	\$1,000	.0000	.0000	.0001	.0004	.0012	.0054	.0151	.0327	.0598
66	\$120	.0000	.0000	.0001	.0003	.0010	.0060	.0195	.0461	.0886
	\$250	.0000	.0000	.0001	.0003	.0009	.0045	.0137	.0317	.0607
	\$500	.0000	.0000	.0001	.0003	.0009	.0044	.0130	.0292	.0551
	\$1,000	.0000	.0000	.0001	.0003	.0009	.0044	.0130	.0292	.0549
67	\$120	.0000	.0000	.0000	.0002	.0008	.0051	.0177	.0435	.0853
	\$250	.0000	.0000	.0000	.0002	.0007	.0037	.0119	.0286	.0566
	\$500	.0000	.0000	.0000	.0002	.0007	.0035	.0110	.0259	.0504
	\$1,000	.0000	.0000	.0000	.0002	.0007	.0035	.0110	.0259	.0502
68	\$120	.0000	.0000	.0000	.0002	.0006	.0044	.0161	.0409	.0822
	\$250	.0000	.0000	.0000	.0001	.0005	.0029	.0102	.0258	.0526
	\$500	.0000	.0000	.0000	.0001	.0005	.0028	.0093	.0228	.0460
	\$1,000	.0000	.0000	.0000	.0001	.0005	.0028	.0093	.0227	.0456
69	\$120	.0000	.0000	.0000	.0001	.0005	.0038	.0146	.0385	.0792
	\$250	.0000	.0000	.0000	.0001	.0003	.0023	.0087	.0231	.0488
	\$500	.0000	.0000	.0000	.0001	.0003	.0021	.0077	.0200	.0417
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0021	.0077	.0198	.0412

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
70	\$120	.0000	.0000	.0000	.0001	.0004	.0032	.0132	.0363	.0763
	\$250	.0000	.0000	.0000	.0001	.0002	.0018	.0074	.0206	.0451
	\$500	.0000	.0000	.0000	.0001	.0002	.0016	.0063	.0173	.0376
	\$1,000	.0000	.0000	.0000	.0001	.0002	.0016	.0062	.0170	.0371
71	\$120	.0000	.0000	.0000	.0000	.0003	.0027	.0119	.0340	.0735
	\$250	.0000	.0000	.0000	.0000	.0001	.0014	.0061	.0182	.0416
	\$500	.0000	.0000	.0000	.0000	.0001	.0011	.0050	.0147	.0337
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0011	.0049	.0144	.0330
72	\$120	.0000	.0000	.0000	.0000	.0002	.0022	.0107	.0320	.0709
	\$250	.0000	.0000	.0000	.0000	.0001	.0010	.0051	.0161	.0383
	\$500	.0000	.0000	.0000	.0000	.0001	.0008	.0039	.0125	.0301
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0008	.0038	.0121	.0292
73	\$120	.0000	.0000	.0000	.0000	.0001	.0019	.0097	.0302	.0685
	\$250	.0000	.0000	.0000	.0000	.0001	.0007	.0042	.0142	.0354
	\$500	.0000	.0000	.0000	.0000	.0000	.0005	.0030	.0105	.0268
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0005	.0029	.0101	.0258
74	\$120	.0000	.0000	.0000	.0000	.0001	.0016	.0091	.0291	.0670
	\$250	.0000	.0000	.0000	.0000	.0000	.0006	.0036	.0130	.0335
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0025	.0093	.0247
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0088	.0237

*Single Loss Limit values are expressed in thousands of dollars.

NEW SECTION

WAC 296-17B-940 Hazard Group 4 tables.

Premium-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 4
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.8706	.8538	.8388	.8252	.8127	.8010	.7900	.7795	.7696	.7601	.7510	.7422	.7338	.7256
2	.8655	.8476	.8317	.8172	.8039	.7914	.7797	.7686	.7580	.7480	.7383	.7290	.7200	.7114
3	.8604	.8415	.8246	.8093	.7952	.7819	.7695	.7578	.7466	.7359	.7257	.7158	.7064	.6972
4	.8554	.8354	.8175	.8013	.7864	.7724	.7593	.7468	.7350	.7237	.7129	.7026	.6926	.6830
5	.8504	.8293	.8105	.7934	.7776	.7629	.7490	.7360	.7235	.7116	.7003	.6894	.6789	.6688
6	.8455	.8233	.8035	.7855	.7689	.7534	.7389	.7251	.7120	.6996	.6877	.6762	.6652	.6547
7	.8406	.8173	.7965	.7777	.7602	.7440	.7287	.7143	.7006	.6876	.6751	.6632	.6517	.6406
8	.8357	.8114	.7896	.7698	.7516	.7346	.7186	.7035	.6892	.6756	.6626	.6501	.6382	.6267
9	.8310	.8055	.7827	.7621	.7430	.7252	.7085	.6928	.6779	.6637	.6502	.6372	.6248	.6128
10	.8262	.7996	.7759	.7543	.7344	.7159	.6985	.6821	.6666	.6518	.6378	.6243	.6115	.5991
11	.8215	.7938	.7691	.7466	.7259	.7066	.6885	.6715	.6554	.6400	.6255	.6115	.5982	.5854
12	.8168	.7880	.7623	.7389	.7173	.6973	.6785	.6609	.6442	.6283	.6132	.5988	.5851	.5719
13	.8122	.7822	.7555	.7312	.7088	.6880	.6686	.6503	.6330	.6166	.6010	.5862	.5720	.5585
14	.8076	.7765	.7488	.7236	.7003	.6788	.6587	.6397	.6219	.6049	.5889	.5736	.5590	.5451
15	.8030	.7708	.7420	.7159	.6919	.6696	.6488	.6292	.6108	.5933	.5768	.5611	.5461	.5319

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
16	.7985	.7651	.7353	.7083	.6834	.6604	.6389	.6187	.5997	.5818	.5648	.5487	.5334	.5187
17	.7940	.7594	.7286	.7007	.6750	.6512	.6291	.6083	.5888	.5703	.5529	.5364	.5207	.5057
18	.7895	.7538	.7220	.6931	.6666	.6421	.6192	.5979	.5778	.5589	.5410	.5241	.5080	.4928
19	.7850	.7482	.7153	.6855	.6582	.6329	.6095	.5875	.5669	.5475	.5293	.5119	.4955	.4799
20	.7806	.7426	.7087	.6780	.6498	.6238	.5997	.5772	.5561	.5362	.5175	.4999	.4831	.4672
21	.7762	.7370	.7021	.6704	.6414	.6147	.5899	.5668	.5452	.5249	.5058	.4878	.4707	.4546
22	.7718	.7314	.6954	.6629	.6331	.6056	.5802	.5566	.5344	.5137	.4942	.4758	.4585	.4420
23	.7675	.7259	.6888	.6553	.6247	.5966	.5705	.5463	.5237	.5025	.4827	.4639	.4463	.4296
24	.7632	.7203	.6822	.6478	.6164	.5875	.5608	.5361	.5130	.4914	.4711	.4521	.4341	.4172
25	.7588	.7148	.6757	.6403	.6081	.5785	.5512	.5259	.5023	.4803	.4597	.4403	.4221	.4048
26	.7546	.7093	.6691	.6328	.5997	.5695	.5415	.5157	.4916	.4692	.4482	.4285	.4100	.3926
27	.7503	.7038	.6625	.6253	.5914	.5604	.5319	.5055	.4810	.4582	.4368	.4169	.3981	.3804
28	.7461	.6984	.6560	.6178	.5831	.5514	.5223	.4953	.4704	.4472	.4255	.4052	.3862	.3682
29	.7419	.6929	.6494	.6103	.5748	.5424	.5127	.4852	.4598	.4362	.4142	.3936	.3743	.3562
30	.7377	.6875	.6429	.6029	.5666	.5334	.5031	.4751	.4492	.4252	.4029	.3820	.3624	.3441
31	.7336	.6821	.6364	.5954	.5583	.5245	.4935	.4650	.4387	.4143	.3916	.3705	.3507	.3321
32	.7295	.6767	.6299	.5880	.5500	.5155	.4839	.4549	.4282	.4034	.3804	.3589	.3388	.3200
33	.7254	.6714	.6235	.5806	.5418	.5066	.4744	.4448	.4176	.3925	.3691	.3474	.3271	.3080
34	.7214	.6661	.6170	.5731	.5335	.4976	.4648	.4347	.4071	.3815	.3578	.3358	.3152	.2960
35	.7174	.6608	.6106	.5657	.5253	.4886	.4552	.4246	.3965	.3706	.3466	.3242	.3034	.2840
36	.7134	.6555	.6042	.5583	.5170	.4796	.4456	.4145	.3859	.3596	.3352	.3126	.2916	.2720
37	.7095	.6502	.5978	.5509	.5087	.4706	.4359	.4043	.3753	.3485	.3238	.3010	.2798	.2601
38	.7056	.6450	.5914	.5435	.5005	.4616	.4263	.3941	.3646	.3375	.3125	.2894	.2680	.2482
39	.7018	.6399	.5850	.5361	.4922	.4526	.4167	.3839	.3539	.3264	.3011	.2778	.2563	.2365
40	.6981	.6348	.5788	.5288	.4840	.4436	.4070	.3737	.3433	.3154	.2899	.2664	.2448	.2250
41	.6945	.6298	.5726	.5216	.4759	.4347	.3975	.3636	.3327	.3045	.2787	.2551	.2335	.2136
42	.6909	.6249	.5665	.5144	.4678	.4259	.3879	.3535	.3222	.2937	.2677	.2440	.2223	.2025
43	.6875	.6201	.5604	.5073	.4598	.4171	.3785	.3435	.3118	.2830	.2568	.2330	.2114	.1917
44	.6841	.6154	.5545	.5003	.4518	.4083	.3691	.3336	.3015	.2724	.2461	.2223	.2007	.1811
45	.6808	.6108	.5487	.4934	.4440	.3996	.3597	.3237	.2913	.2620	.2356	.2117	.1902	.1708
46	.6777	.6063	.5429	.4865	.4361	.3910	.3504	.3140	.2812	.2517	.2252	.2014	.1800	.1607
47	.6746	.6018	.5372	.4797	.4283	.3824	.3412	.3043	.2712	.2415	.2150	.1912	.1700	.1510
48	.6716	.5975	.5316	.4729	.4206	.3738	.3320	.2947	.2613	.2315	.2049	.1813	.1602	.1415
49	.6688	.5932	.5261	.4662	.4129	.3653	.3229	.2851	.2515	.2216	.1951	.1715	.1507	.1323
50	.6660	.5891	.5206	.4596	.4053	.3569	.3139	.2757	.2418	.2119	.1854	.1620	.1414	.1233
51	.6633	.5850	.5152	.4530	.3977	.3485	.3049	.2664	.2323	.2023	.1759	.1527	.1324	.1147
52	.6607	.5810	.5099	.4465	.3901	.3402	.2960	.2571	.2229	.1928	.1666	.1437	.1237	.1064
53	.6582	.5772	.5047	.4400	.3827	.3319	.2872	.2479	.2135	.1835	.1574	.1348	.1152	.0983
54	.6558	.5734	.4995	.4337	.3753	.3237	.2785	.2389	.2044	.1744	.1485	.1262	.1070	.0905
55	.6535	.5697	.4944	.4273	.3679	.3156	.2698	.2299	.1953	.1655	.1398	.1178	.0991	.0831
56	.6513	.5661	.4895	.4211	.3607	.3075	.2612	.2211	.1864	.1567	.1313	.1097	.0914	.0760
57	.6493	.5627	.4846	.4150	.3535	.2996	.2527	.2123	.1776	.1481	.1230	.1018	.0840	.0691
58	.6473	.5593	.4798	.4089	.3463	.2917	.2443	.2037	.1690	.1396	.1149	.0942	.0769	.0626
59	.6454	.5561	.4752	.4030	.3393	.2839	.2360	.1952	.1605	.1313	.1070	.0868	.0701	.0564
60	.6437	.5530	.4706	.3971	.3324	.2762	.2278	.1868	.1522	.1233	.0994	.0797	.0636	.0506
61	.6420	.5500	.4662	.3914	.3256	.2685	.2197	.1785	.1440	.1154	.0920	.0729	.0574	.0451
62	.6405	.5472	.4620	.3858	.3189	.2610	.2118	.1704	.1360	.1078	.0848	.0664	.0516	.0399
63	.6391	.5445	.4579	.3803	.3123	.2536	.2039	.1624	.1282	.1003	.0780	.0601	.0461	.0351
64	.6378	.5420	.4540	.3750	.3058	.2463	.1962	.1545	.1205	.0931	.0714	.0542	.0409	.0306
65	.6367	.5396	.4502	.3699	.2995	.2392	.1885	.1468	.1131	.0862	.0650	.0486	.0361	.0265
66	.6357	.5374	.4466	.3649	.2933	.2321	.1811	.1393	.1058	.0795	.0590	.0434	.0316	.0228
67	.6347	.5354	.4432	.3600	.2872	.2252	.1737	.1320	.0988	.0730	.0533	.0385	.0275	.0194
68	.6339	.5335	.4399	.3554	.2813	.2184	.1665	.1248	.0920	.0669	.0479	.0339	.0237	.0164
69	.6332	.5318	.4369	.3508	.2755	.2118	.1595	.1178	.0855	.0610	.0428	.0297	.0203	.0137
70	.6327	.5303	.4340	.3465	.2699	.2053	.1526	.1110	.0791	.0554	.0381	.0258	.0172	.0113

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
71	.6322	.5289	.4313	.3423	.2643	.1987	.1457	.1042	.0729	.0500	.0336	.0222	.0144	.0092
72	.6318	.5278	.4289	.3384	.2591	.1926	.1392	.0980	.0672	.0451	.0296	.0191	.0121	.0075
73	.6315	.5268	.4268	.3348	.2542	.1869	.1331	.0921	.0620	.0407	.0261	.0164	.0101	.0061
74	.6314	.5263	.4255	.3326	.2512	.1832	.1293	.0885	.0588	.0380	.0240	.0148	.0090	.0053

Premium-Based Plan, with no Single Loss Limit

Insurance Savings Table
 Hazard Group 4
 Effective November 19, 2010

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0339	.0708	.1106	.1524	.2396	.3298	.4218	.5152
2	.0000	.0323	.0681	.1072	.1484	.2345	.3236	.4147	.5072
3	.0000	.0307	.0656	.1040	.1446	.2294	.3175	.4076	.4993
4	.0000	.0292	.0632	.1009	.1407	.2244	.3114	.4005	.4913
5	.0000	.0277	.0608	.0978	.1370	.2194	.3053	.3935	.4834
6	.0000	.0263	.0586	.0948	.1333	.2145	.2993	.3865	.4755
7	.0000	.0249	.0564	.0918	.1296	.2096	.2933	.3795	.4677
8	.0000	.0236	.0543	.0890	.1261	.2047	.2874	.3726	.4598
9	.0000	.0224	.0522	.0861	.1225	.2000	.2815	.3657	.4521
10	.0000	.0212	.0502	.0834	.1190	.1952	.2756	.3589	.4443
11	.0000	.0201	.0483	.0806	.1156	.1905	.2698	.3521	.4366
12	.0000	.0191	.0464	.0780	.1122	.1858	.2640	.3453	.4289
13	.0000	.0180	.0445	.0753	.1089	.1812	.2582	.3385	.4212
14	.0000	.0171	.0427	.0727	.1056	.1766	.2525	.3318	.4136
15	.0000	.0161	.0409	.0702	.1023	.1720	.2468	.3250	.4059
16	.0000	.0152	.0392	.0677	.0990	.1675	.2411	.3183	.3983
17	.0000	.0144	.0375	.0652	.0958	.1630	.2354	.3116	.3907
18	.0000	.0135	.0358	.0627	.0927	.1585	.2298	.3050	.3831
19	.0000	.0127	.0342	.0604	.0895	.1540	.2242	.2983	.3755
20	.0000	.0120	.0326	.0580	.0865	.1496	.2186	.2917	.3680
21	.0000	.0112	.0311	.0557	.0834	.1452	.2130	.2851	.3604
22	.0000	.0105	.0296	.0534	.0804	.1408	.2074	.2784	.3529
23	.0000	.0098	.0281	.0511	.0774	.1365	.2019	.2718	.3453
24	.0000	.0092	.0266	.0489	.0744	.1322	.1963	.2652	.3378
25	.0000	.0085	.0252	.0467	.0715	.1278	.1908	.2587	.3303
26	.0000	.0079	.0238	.0445	.0685	.1236	.1853	.2521	.3228
27	.0000	.0073	.0225	.0424	.0657	.1193	.1798	.2455	.3153
28	.0000	.0068	.0212	.0403	.0629	.1151	.1744	.2390	.3078
29	.0000	.0063	.0199	.0383	.0601	.1109	.1689	.2324	.3003
30	.0000	.0058	.0187	.0363	.0573	.1067	.1635	.2259	.2929
31	.0000	.0053	.0175	.0344	.0546	.1026	.1581	.2194	.2854
32	.0000	.0048	.0164	.0324	.0519	.0985	.1527	.2129	.2780
33	.0000	.0044	.0152	.0306	.0493	.0944	.1474	.2065	.2706
34	.0000	.0040	.0142	.0287	.0467	.0904	.1421	.2000	.2631
35	.0000	.0036	.0131	.0270	.0442	.0864	.1368	.1936	.2557

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
36	.0000	.0033	.0121	.0252	.0417	.0824	.1315	.1872	.2483
37	.0000	.0029	.0112	.0235	.0392	.0785	.1262	.1808	.2409
38	.0000	.0026	.0102	.0219	.0368	.0746	.1210	.1744	.2335
39	.0000	.0023	.0094	.0203	.0345	.0708	.1159	.1680	.2261
40	.0000	.0021	.0085	.0188	.0322	.0671	.1108	.1618	.2188
41	.0000	.0018	.0077	.0173	.0300	.0635	.1058	.1556	.2116
42	.0000	.0016	.0070	.0159	.0279	.0599	.1009	.1495	.2044
43	.0000	.0014	.0063	.0146	.0259	.0565	.0961	.1434	.1973
44	.0000	.0012	.0057	.0133	.0240	.0531	.0914	.1375	.1903
45	.0000	.0011	.0051	.0122	.0221	.0498	.0868	.1317	.1834
46	.0000	.0009	.0045	.0110	.0203	.0467	.0823	.1259	.1765
47	.0000	.0008	.0040	.0100	.0186	.0436	.0778	.1202	.1697
48	.0000	.0007	.0035	.0090	.0170	.0406	.0735	.1146	.1629
49	.0000	.0006	.0031	.0080	.0155	.0378	.0692	.1091	.1562
50	.0000	.0005	.0027	.0072	.0140	.0350	.0651	.1036	.1496
51	.0000	.0004	.0023	.0064	.0127	.0323	.0610	.0982	.1430
52	.0000	.0003	.0020	.0056	.0114	.0297	.0570	.0929	.1365
53	.0000	.0003	.0017	.0049	.0101	.0272	.0532	.0877	.1300
54	.0000	.0002	.0015	.0043	.0090	.0248	.0494	.0825	.1237
55	.0000	.0002	.0012	.0037	.0079	.0225	.0457	.0774	.1173
56	.0000	.0001	.0010	.0032	.0070	.0203	.0421	.0725	.1111
57	.0000	.0001	.0008	.0027	.0060	.0183	.0387	.0676	.1050
58	.0000	.0001	.0007	.0023	.0052	.0163	.0353	.0628	.0989
59	.0000	.0001	.0005	.0019	.0044	.0144	.0321	.0582	.0930
60	.0000	.0000	.0004	.0015	.0037	.0127	.0290	.0536	.0871
61	.0000	.0000	.0003	.0012	.0031	.0110	.0260	.0492	.0814
62	.0000	.0000	.0002	.0010	.0026	.0095	.0232	.0450	.0758
63	.0000	.0000	.0002	.0008	.0021	.0081	.0205	.0409	.0703
64	.0000	.0000	.0001	.0006	.0017	.0068	.0180	.0370	.0650
65	.0000	.0000	.0001	.0004	.0013	.0057	.0156	.0332	.0599
66	.0000	.0000	.0001	.0003	.0010	.0047	.0134	.0296	.0549
67	.0000	.0000	.0000	.0002	.0007	.0037	.0114	.0262	.0500
68	.0000	.0000	.0000	.0002	.0005	.0029	.0095	.0229	.0454
69	.0000	.0000	.0000	.0001	.0004	.0022	.0078	.0199	.0408
70	.0000	.0000	.0000	.0001	.0002	.0017	.0063	.0170	.0365
71	.0000	.0000	.0000	.0000	.0001	.0012	.0049	.0143	.0323
72	.0000	.0000	.0000	.0000	.0001	.0008	.0038	.0119	.0284
73	.0000	.0000	.0000	.0000	.0000	.0005	.0028	.0098	.0248
74	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0085	.0226

Premium-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 4
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.6978	.6343	.5780	.5279	.4829	.4435	.4110	.3840	.3615	.3426	.3268	.3134	.3022	.2931
41	\$120	.6941	.6293	.5718	.5206	.4749	.4362	.4042	.3776	.3555	.3369	.3214	.3084	.2979	.2893
42	\$120	.6906	.6244	.5657	.5134	.4676	.4294	.3978	.3715	.3496	.3314	.3162	.3038	.2939	.2859
43	\$120	.6871	.6196	.5597	.5064	.4608	.4229	.3916	.3656	.3439	.3260	.3114	.2996	.2902	.2827
44	\$120	.6838	.6149	.5538	.4998	.4544	.4167	.3856	.3598	.3384	.3209	.3069	.2958	.2868	.2797
45	\$120	.6805	.6103	.5479	.4936	.4483	.4108	.3797	.3541	.3331	.3162	.3028	.2921	.2837	.2770
46	\$120	.6774	.6057	.5423	.4878	.4425	.4050	.3740	.3486	.3281	.3118	.2989	.2887	.2807	.2745
47	\$120	.6743	.6013	.5369	.4822	.4368	.3993	.3684	.3434	.3235	.3077	.2953	.2856	.2781	.2723
48	\$120	.6713	.5970	.5318	.4769	.4313	.3937	.3630	.3385	.3190	.3037	.2918	.2826	.2756	.2702
49	\$120	.6685	.5928	.5270	.4717	.4259	.3883	.3579	.3337	.3148	.3000	.2886	.2799	.2733	.2684
50	\$120	.6657	.5888	.5224	.4667	.4206	.3830	.3529	.3292	.3107	.2964	.2856	.2774	.2712	.2667
	\$250	.6659	.5889	.5204	.4593	.4049	.3566	.3147	.2789	.2486	.2229	.2012	.1830	.1677	.1550
51	\$120	.6630	.5850	.5180	.4618	.4154	.3779	.3481	.3248	.3068	.2931	.2827	.2750	.2693	.2652
	\$250	.6632	.5849	.5150	.4527	.3973	.3487	.3069	.2713	.2412	.2159	.1946	.1769	.1621	.1499
52	\$120	.6604	.5814	.5137	.4570	.4104	.3730	.3435	.3206	.3031	.2899	.2801	.2729	.2676	.2638
	\$250	.6606	.5809	.5097	.4462	.3899	.3411	.2993	.2639	.2341	.2091	.1882	.1710	.1568	.1452
53	\$120	.6580	.5780	.5095	.4522	.4055	.3682	.3390	.3166	.2996	.2870	.2777	.2709	.2660	.2626
	\$250	.6581	.5770	.5044	.4397	.3828	.3337	.2919	.2567	.2271	.2025	.1821	.1654	.1518	.1408
54	\$120	.6556	.5747	.5054	.4476	.4007	.3635	.3347	.3127	.2963	.2842	.2754	.2691	.2646	.2615
	\$250	.6557	.5733	.4993	.4335	.3760	.3266	.2848	.2496	.2203	.1960	.1762	.1601	.1471	.1366
55	\$120	.6535	.5716	.5014	.4431	.3961	.3590	.3305	.3090	.2932	.2816	.2733	.2674	.2633	.2605
	\$250	.6535	.5696	.4942	.4274	.3693	.3197	.2778	.2427	.2137	.1899	.1706	.1550	.1426	.1328
56	\$120	.6514	.5685	.4975	.4387	.3915	.3546	.3265	.3055	.2902	.2791	.2714	.2659	.2622	.2597
	\$250	.6513	.5660	.4893	.4215	.3629	.3129	.2709	.2360	.2073	.1840	.1652	.1503	.1384	.1292
57	\$120	.6496	.5656	.4938	.4345	.3871	.3504	.3226	.3021	.2874	.2769	.2696	.2646	.2612	.2589
	\$250	.6492	.5625	.4845	.4159	.3566	.3063	.2642	.2294	.2011	.1783	.1601	.1457	.1345	.1258
58	\$120	.6478	.5628	.4901	.4303	.3828	.3462	.3189	.2989	.2847	.2747	.2679	.2633	.2602	.2582
	\$250	.6472	.5592	.4800	.4104	.3505	.2998	.2576	.2230	.1951	.1728	.1552	.1415	.1309	.1227
	\$500	.6473	.5593	.4798	.4088	.3462	.2915	.2443	.2039	.1697	.1411	.1173	.0976	.0814	.0682
59	\$120	.6461	.5601	.4866	.4263	.3786	.3422	.3153	.2959	.2822	.2728	.2664	.2622	.2594	.2577
	\$250	.6454	.5560	.4756	.4051	.3445	.2934	.2512	.2169	.1893	.1676	.1506	.1375	.1275	.1199
	\$500	.6454	.5560	.4751	.4029	.3392	.2838	.2361	.1957	.1617	.1334	.1101	.0909	.0754	.0629
60	\$120	.6446	.5576	.4832	.4223	.3746	.3384	.3118	.2930	.2798	.2710	.2650	.2612	.2587	.2572
	\$250	.6436	.5530	.4714	.3999	.3386	.2872	.2450	.2108	.1837	.1625	.1462	.1337	.1243	.1173
	\$500	.6437	.5529	.4706	.3970	.3323	.2762	.2282	.1877	.1539	.1260	.1031	.0846	.0697	.0579
61	\$120	.6431	.5551	.4799	.4185	.3706	.3346	.3085	.2902	.2776	.2693	.2638	.2603	.2581	.2568
	\$250	.6420	.5501	.4674	.3948	.3329	.2811	.2388	.2050	.1783	.1577	.1420	.1302	.1214	.1149
	\$500	.6420	.5500	.4662	.3913	.3255	.2687	.2204	.1798	.1463	.1187	.0965	.0786	.0644	.0532
62	\$120	.6418	.5528	.4767	.4148	.3668	.3310	.3054	.2876	.2756	.2677	.2627	.2595	.2576	.2564
	\$250	.6405	.5474	.4635	.3900	.3273	.2752	.2329	.1993	.1732	.1532	.1381	.1269	.1187	.1128
	\$500	.6405	.5471	.4619	.3858	.3189	.2614	.2127	.1722	.1388	.1118	.0901	.0729	.0594	.0489
63	\$120	.6405	.5505	.4736	.4112	.3630	.3275	.3023	.2851	.2737	.2663	.2617	.2588	.2571	.2561
	\$250	.6391	.5449	.4598	.3852	.3218	.2694	.2271	.1939	.1682	.1488	.1344	.1239	.1163	.1109
	\$500	.6391	.5445	.4578	.3803	.3125	.2543	.2053	.1647	.1316	.1050	.0840	.0675	.0547	.0449
64	\$120	.6394	.5484	.4706	.4077	.3594	.3241	.2994	.2828	.2719	.2650	.2608	.2582	.2567	.2558
	\$250	.6379	.5426	.4562	.3806	.3165	.2637	.2215	.1886	.1634	.1447	.1310	.1211	.1141	.1092
	\$500	.6378	.5420	.4539	.3751	.3062	.2473	.1979	.1574	.1246	.0985	.0781	.0623	.0503	.0412
	\$1,000	.6378	.5420	.4540	.3750	.3058	.2463	.1961	.1545	.1205	.0932	.0714	.0543	.0410	.0308

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
65	\$120	.6384	.5464	.4677	.4043	.3559	.3209	.2967	.2806	.2703	.2639	.2600	.2577	.2564	.2556
	\$250	.6368	.5404	.4529	.3762	.3113	.2582	.2160	.1835	.1589	.1408	.1277	.1185	.1120	.1076
	\$500	.6367	.5396	.4502	.3700	.3000	.2404	.1907	.1502	.1178	.0923	.0726	.0575	.0462	.0378
	\$1,000	.6367	.5396	.4502	.3699	.2995	.2391	.1885	.1468	.1131	.0862	.0651	.0487	.0362	.0267
66	\$120	.6374	.5446	.4650	.4010	.3525	.3178	.2941	.2786	.2688	.2628	.2593	.2572	.2561	.2554
	\$250	.6358	.5384	.4496	.3719	.3063	.2529	.2108	.1785	.1546	.1371	.1248	.1161	.1103	.1063
	\$500	.6356	.5374	.4466	.3652	.2941	.2337	.1837	.1433	.1112	.0863	.0673	.0531	.0425	.0348
	\$1,000	.6357	.5374	.4466	.3649	.2933	.2321	.1811	.1393	.1059	.0795	.0591	.0435	.0318	.0230
67	\$120	.6366	.5428	.4623	.3978	.3493	.3148	.2916	.2767	.2674	.2619	.2587	.2568	.2558	.2553
	\$250	.6349	.5365	.4466	.3678	.3014	.2477	.2056	.1738	.1504	.1337	.1220	.1140	.1087	.1051
	\$500	.6347	.5354	.4433	.3604	.2882	.2272	.1769	.1365	.1049	.0806	.0624	.0489	.0391	.0321
	\$1,000	.6347	.5354	.4432	.3600	.2872	.2252	.1737	.1320	.0989	.0731	.0535	.0387	.0277	.0197
68	\$120	.6358	.5411	.4598	.3948	.3462	.3120	.2893	.2749	.2661	.2610	.2581	.2565	.2556	.2552
	\$250	.6342	.5348	.4437	.3638	.2967	.2426	.2007	.1693	.1465	.1305	.1195	.1121	.1072	.1041
	\$500	.6339	.5336	.4401	.3559	.2826	.2208	.1702	.1300	.0988	.0752	.0578	.0451	.0360	.0296
	\$1,000	.6339	.5335	.4399	.3553	.2813	.2184	.1666	.1249	.0921	.0670	.0481	.0341	.0240	.0167
69	\$120	.6351	.5396	.4574	.3918	.3432	.3093	.2871	.2733	.2650	.2603	.2576	.2562	.2555	.2551
	\$250	.6335	.5332	.4410	.3600	.2921	.2377	.1959	.1650	.1429	.1275	.1172	.1104	.1060	.1032
	\$500	.6332	.5319	.4371	.3516	.2771	.2145	.1636	.1236	.0929	.0701	.0534	.0415	.0332	.0275
	\$1,000	.6332	.5318	.4369	.3508	.2755	.2118	.1595	.1179	.0856	.0612	.0431	.0300	.0206	.0141
70	\$120	.6345	.5381	.4551	.3890	.3403	.3067	.2851	.2718	.2640	.2596	.2572	.2560	.2553	.2550
	\$250	.6329	.5318	.4384	.3563	.2877	.2330	.1913	.1609	.1394	.1248	.1151	.1088	.1049	.1025
	\$500	.6327	.5304	.4344	.3474	.2718	.2084	.1573	.1174	.0873	.0652	.0494	.0383	.0307	.0256
	\$1,000	.6327	.5303	.4340	.3465	.2699	.2053	.1526	.1111	.0793	.0556	.0384	.0261	.0176	.0118
71	\$120	.6339	.5368	.4529	.3862	.3374	.3042	.2831	.2703	.2630	.2590	.2569	.2558	.2552	.2549
	\$250	.6325	.5305	.4360	.3528	.2833	.2283	.1868	.1568	.1360	.1221	.1131	.1074	.1039	.1018
	\$500	.6322	.5291	.4317	.3434	.2665	.2023	.1510	.1114	.0818	.0605	.0455	.0353	.0284	.0239
	\$1,000	.6322	.5289	.4313	.3423	.2643	.1988	.1458	.1044	.0731	.0503	.0339	.0226	.0149	.0097
72	\$120	.6334	.5356	.4508	.3837	.3349	.3020	.2813	.2691	.2622	.2585	.2566	.2556	.2551	.2549
	\$250	.6321	.5294	.4338	.3495	.2793	.2240	.1826	.1532	.1331	.1199	.1114	.1063	.1031	.1013
	\$500	.6318	.5279	.4294	.3397	.2616	.1967	.1451	.1058	.0769	.0563	.0422	.0327	.0265	.0226
	\$1,000	.6318	.5278	.4289	.3384	.2592	.1927	.1393	.0982	.0675	.0454	.0300	.0195	.0125	.0080
73	\$120	.6330	.5345	.4490	.3814	.3325	.2999	.2797	.2680	.2615	.2580	.2563	.2555	.2551	.2549
	\$250	.6318	.5284	.4318	.3465	.2755	.2200	.1788	.1499	.1304	.1178	.1100	.1053	.1025	.1009
	\$500	.6315	.5270	.4274	.3363	.2570	.1914	.1396	.1006	.0723	.0526	.0393	.0305	.0250	.0215
	\$1,000	.6315	.5268	.4268	.3349	.2543	.1870	.1333	.0924	.0624	.0411	.0266	.0169	.0106	.0066
74	\$120	.6328	.5338	.4478	.3799	.3310	.2987	.2788	.2673	.2610	.2578	.2562	.2554	.2550	.2548
	\$250	.6316	.5278	.4306	.3446	.2732	.2174	.1764	.1478	.1288	.1166	.1091	.1047	.1021	.1007
	\$500	.6314	.5265	.4261	.3342	.2541	.1880	.1362	.0973	.0695	.0503	.0375	.0292	.0240	.0208
	\$1,000	.6314	.5263	.4255	.3327	.2512	.1834	.1295	.0888	.0592	.0385	.0245	.0153	.0095	.0059

*Single Loss Limit values are expressed in thousands of dollars.

Premium-Based Plan, with Various Single Loss Limits

Insurance Savings Table
Hazard Group 4
Effective November 19, 2010

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0020	.0085	.0187	.0320	.0668	.1103	.1610	.2179
41	\$120	.0000	.0018	.0077	.0172	.0299	.0631	.1053	.1548	.2106

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
42	\$120	.0000	.0016	.0070	.0158	.0278	.0596	.1004	.1487	.2034
43	\$120	.0000	.0014	.0063	.0145	.0257	.0561	.0956	.1427	.1964
44	\$120	.0000	.0012	.0056	.0132	.0238	.0528	.0909	.1368	.1898
45	\$120	.0000	.0010	.0050	.0121	.0220	.0495	.0863	.1309	.1836
46	\$120	.0000	.0009	.0045	.0109	.0202	.0464	.0817	.1253	.1778
47	\$120	.0000	.0008	.0040	.0099	.0185	.0433	.0773	.1199	.1722
48	\$120	.0000	.0007	.0035	.0089	.0169	.0403	.0730	.1148	.1669
49	\$120	.0000	.0006	.0031	.0080	.0154	.0375	.0688	.1100	.1617
50	\$120	.0000	.0005	.0027	.0071	.0139	.0347	.0648	.1054	.1567
	\$250	.0000	.0005	.0027	.0072	.0140	.0349	.0649	.1034	.1493
51	\$120	.0000	.0004	.0023	.0063	.0125	.0320	.0610	.1010	.1518
	\$250	.0000	.0004	.0023	.0063	.0126	.0322	.0609	.0980	.1427
52	\$120	.0000	.0003	.0020	.0056	.0113	.0294	.0574	.0967	.1470
	\$250	.0000	.0003	.0020	.0056	.0113	.0296	.0569	.0927	.1362
53	\$120	.0000	.0003	.0017	.0049	.0100	.0270	.0540	.0925	.1422
	\$250	.0000	.0003	.0017	.0049	.0101	.0271	.0530	.0874	.1297
54	\$120	.0000	.0002	.0014	.0042	.0089	.0246	.0507	.0884	.1376
	\$250	.0000	.0002	.0014	.0043	.0090	.0247	.0493	.0823	.1235
55	\$120	.0000	.0002	.0012	.0036	.0079	.0225	.0476	.0844	.1331
	\$250	.0000	.0002	.0012	.0037	.0079	.0225	.0456	.0772	.1174
56	\$120	.0000	.0001	.0010	.0031	.0069	.0204	.0445	.0805	.1287
	\$250	.0000	.0001	.0010	.0031	.0069	.0203	.0420	.0723	.1115
57	\$120	.0000	.0001	.0008	.0026	.0060	.0186	.0416	.0768	.1245
	\$250	.0000	.0001	.0008	.0027	.0060	.0182	.0385	.0675	.1059
58	\$120	.0000	.0001	.0007	.0022	.0051	.0168	.0388	.0731	.1203
	\$250	.0000	.0001	.0007	.0022	.0052	.0162	.0352	.0630	.1004
	\$500	.0000	.0001	.0007	.0022	.0052	.0163	.0353	.0628	.0988
59	\$120	.0000	.0001	.0005	.0018	.0044	.0151	.0361	.0696	.1163
	\$250	.0000	.0001	.0005	.0019	.0044	.0144	.0320	.0586	.0951
	\$500	.0000	.0001	.0005	.0019	.0044	.0144	.0320	.0581	.0929
60	\$120	.0000	.0000	.0004	.0015	.0037	.0136	.0336	.0662	.1123
	\$250	.0000	.0000	.0004	.0015	.0037	.0126	.0290	.0544	.0899
	\$500	.0000	.0000	.0004	.0015	.0037	.0127	.0289	.0536	.0870
61	\$120	.0000	.0000	.0003	.0012	.0031	.0121	.0311	.0629	.1085
	\$250	.0000	.0000	.0003	.0012	.0031	.0110	.0261	.0504	.0848
	\$500	.0000	.0000	.0003	.0012	.0031	.0110	.0260	.0492	.0813
62	\$120	.0000	.0000	.0002	.0010	.0026	.0108	.0288	.0597	.1048
	\$250	.0000	.0000	.0002	.0010	.0026	.0095	.0234	.0465	.0800
	\$500	.0000	.0000	.0002	.0010	.0026	.0095	.0231	.0449	.0758
63	\$120	.0000	.0000	.0002	.0008	.0022	.0095	.0265	.0566	.1012
	\$250	.0000	.0000	.0002	.0008	.0021	.0081	.0209	.0428	.0752
	\$500	.0000	.0000	.0002	.0008	.0021	.0081	.0205	.0408	.0703
64	\$120	.0000	.0000	.0001	.0006	.0018	.0084	.0244	.0536	.0977
	\$250	.0000	.0000	.0001	.0006	.0017	.0069	.0186	.0392	.0706
	\$500	.0000	.0000	.0001	.0006	.0017	.0068	.0180	.0369	.0651

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$1,000	.0000	.0000	.0001	.0006	.0017	.0068	.0180	.0370	.0650
65	\$120	.0000	.0000	.0001	.0005	.0014	.0074	.0224	.0507	.0943
	\$250	.0000	.0000	.0001	.0004	.0013	.0058	.0164	.0359	.0662
	\$500	.0000	.0000	.0001	.0004	.0013	.0057	.0156	.0332	.0600
	\$1,000	.0000	.0000	.0001	.0004	.0013	.0057	.0156	.0332	.0599
66	\$120	.0000	.0000	.0001	.0003	.0012	.0064	.0206	.0480	.0910
	\$250	.0000	.0000	.0001	.0003	.0010	.0048	.0144	.0326	.0619
	\$500	.0000	.0000	.0001	.0003	.0010	.0046	.0134	.0296	.0552
	\$1,000	.0000	.0000	.0001	.0003	.0010	.0047	.0134	.0296	.0549
67	\$120	.0000	.0000	.0000	.0003	.0009	.0056	.0188	.0453	.0878
	\$250	.0000	.0000	.0000	.0002	.0007	.0039	.0125	.0296	.0578
	\$500	.0000	.0000	.0000	.0002	.0007	.0037	.0114	.0263	.0504
	\$1,000	.0000	.0000	.0000	.0002	.0007	.0037	.0114	.0262	.0500
68	\$120	.0000	.0000	.0000	.0002	.0007	.0048	.0171	.0428	.0848
	\$250	.0000	.0000	.0000	.0002	.0005	.0032	.0108	.0267	.0538
	\$500	.0000	.0000	.0000	.0002	.0005	.0029	.0096	.0231	.0459
	\$1,000	.0000	.0000	.0000	.0002	.0005	.0029	.0095	.0229	.0453
69	\$120	.0000	.0000	.0000	.0001	.0005	.0041	.0156	.0404	.0818
	\$250	.0000	.0000	.0000	.0001	.0004	.0025	.0092	.0240	.0500
	\$500	.0000	.0000	.0000	.0001	.0004	.0022	.0079	.0201	.0416
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0022	.0078	.0199	.0408
70	\$120	.0000	.0000	.0000	.0001	.0004	.0035	.0141	.0381	.0790
	\$250	.0000	.0000	.0000	.0001	.0003	.0019	.0078	.0214	.0463
	\$500	.0000	.0000	.0000	.0001	.0002	.0017	.0064	.0174	.0374
	\$1,000	.0000	.0000	.0000	.0001	.0002	.0017	.0063	.0170	.0365
71	\$120	.0000	.0000	.0000	.0001	.0003	.0029	.0128	.0359	.0762
	\$250	.0000	.0000	.0000	.0000	.0002	.0015	.0065	.0190	.0428
	\$500	.0000	.0000	.0000	.0000	.0001	.0012	.0051	.0147	.0334
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0012	.0049	.0143	.0323
72	\$120	.0000	.0000	.0000	.0000	.0002	.0024	.0116	.0338	.0737
	\$250	.0000	.0000	.0000	.0000	.0001	.0011	.0054	.0168	.0395
	\$500	.0000	.0000	.0000	.0000	.0001	.0008	.0039	.0124	.0297
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0008	.0038	.0119	.0284
73	\$120	.0000	.0000	.0000	.0000	.0002	.0020	.0105	.0320	.0714
	\$250	.0000	.0000	.0000	.0000	.0001	.0008	.0044	.0148	.0365
	\$500	.0000	.0000	.0000	.0000	.0000	.0005	.0030	.0104	.0263
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0005	.0028	.0098	.0249
74	\$120	.0000	.0000	.0000	.0000	.0001	.0018	.0098	.0308	.0699
	\$250	.0000	.0000	.0000	.0000	.0000	.0006	.0038	.0136	.0346
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0025	.0091	.0242
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0085	.0227

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with no Single Loss Limit

Insurance Charge Table
Hazard Group 4
Effective November 19, 2010

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.9145	.8968	.8811	.8669	.8537	.8414	.8298	.8188	.8084	.7984	.7889	.7797	.7708	.7622
2	.9091	.8903	.8736	.8584	.8444	.8313	.8190	.8074	.7963	.7857	.7755	.7657	.7563	.7472
3	.9038	.8839	.8662	.8501	.8352	.8214	.8083	.7960	.7842	.7730	.7622	.7519	.7420	.7324
4	.8985	.8775	.8588	.8417	.8260	.8113	.7975	.7845	.7721	.7602	.7489	.7380	.7275	.7174
5	.8933	.8711	.8514	.8334	.8168	.8014	.7868	.7731	.7600	.7475	.7356	.7241	.7131	.7025
6	.8881	.8648	.8440	.8251	.8077	.7914	.7761	.7617	.7479	.7348	.7223	.7103	.6988	.6877
7	.8830	.8585	.8367	.8169	.7986	.7815	.7655	.7503	.7359	.7222	.7091	.6966	.6845	.6729
8	.8779	.8523	.8294	.8087	.7895	.7716	.7548	.7390	.7240	.7097	.6960	.6829	.6704	.6583
9	.8728	.8461	.8222	.8005	.7804	.7618	.7443	.7277	.7121	.6972	.6829	.6693	.6563	.6437
10	.8679	.8399	.8150	.7923	.7714	.7520	.7337	.7165	.7002	.6847	.6699	.6558	.6423	.6293
11	.8629	.8338	.8078	.7842	.7625	.7422	.7232	.7053	.6884	.6723	.6570	.6424	.6284	.6150
12	.8580	.8277	.8007	.7761	.7535	.7325	.7127	.6942	.6766	.6600	.6441	.6290	.6146	.6007
13	.8532	.8217	.7936	.7681	.7446	.7227	.7023	.6831	.6649	.6477	.6313	.6157	.6009	.5866
14	.8483	.8157	.7865	.7600	.7357	.7130	.6919	.6720	.6532	.6355	.6186	.6025	.5872	.5726
15	.8435	.8097	.7794	.7520	.7268	.7033	.6815	.6609	.6416	.6233	.6059	.5894	.5737	.5587
16	.8388	.8037	.7724	.7440	.7179	.6937	.6711	.6499	.6300	.6112	.5933	.5764	.5602	.5449
17	.8340	.7977	.7654	.7360	.7090	.6841	.6608	.6390	.6184	.5991	.5808	.5634	.5469	.5312
18	.8293	.7918	.7584	.7280	.7002	.6744	.6505	.6280	.6069	.5871	.5683	.5505	.5337	.5176
19	.8246	.7859	.7514	.7201	.6914	.6649	.6402	.6171	.5955	.5751	.5559	.5378	.5205	.5041
20	.8200	.7800	.7444	.7122	.6826	.6553	.6299	.6063	.5841	.5633	.5436	.5251	.5075	.4908
21	.8154	.7742	.7375	.7042	.6738	.6457	.6197	.5954	.5727	.5514	.5313	.5124	.4945	.4775
22	.8108	.7683	.7305	.6963	.6650	.6362	.6095	.5846	.5614	.5396	.5191	.4998	.4816	.4643
23	.8062	.7625	.7236	.6884	.6562	.6267	.5993	.5739	.5501	.5279	.5070	.4873	.4688	.4512
24	.8016	.7567	.7166	.6805	.6475	.6172	.5891	.5631	.5388	.5162	.4949	.4749	.4560	.4382
25	.7971	.7509	.7097	.6726	.6387	.6077	.5790	.5524	.5276	.5045	.4828	.4625	.4433	.4253
26	.7926	.7451	.7028	.6647	.6300	.5982	.5688	.5417	.5164	.4929	.4708	.4502	.4307	.4124
27	.7881	.7393	.6959	.6568	.6213	.5887	.5587	.5310	.5053	.4813	.4589	.4379	.4182	.3996
28	.7837	.7336	.6890	.6489	.6125	.5792	.5486	.5203	.4941	.4697	.4469	.4256	.4056	.3868
29	.7793	.7279	.6822	.6411	.6038	.5698	.5385	.5097	.4830	.4582	.4351	.4134	.3932	.3741
30	.7749	.7222	.6753	.6333	.5951	.5603	.5284	.4991	.4719	.4467	.4232	.4013	.3807	.3614
31	.7706	.7165	.6685	.6254	.5865	.5509	.5184	.4885	.4608	.4352	.4114	.3891	.3683	.3488
32	.7663	.7109	.6617	.6176	.5778	.5415	.5083	.4779	.4497	.4237	.3995	.3770	.3559	.3362
33	.7620	.7052	.6549	.6098	.5691	.5321	.4983	.4673	.4387	.4123	.3877	.3649	.3436	.3236
34	.7577	.6996	.6481	.6020	.5604	.5227	.4882	.4566	.4276	.4008	.3759	.3527	.3311	.3109
35	.7536	.6941	.6414	.5942	.5518	.5132	.4781	.4460	.4165	.3893	.3640	.3406	.3187	.2983
36	.7494	.6885	.6346	.5864	.5431	.5038	.4680	.4354	.4054	.3777	.3521	.3284	.3063	.2857
37	.7453	.6830	.6279	.5787	.5344	.4943	.4579	.4247	.3942	.3661	.3402	.3162	.2939	.2732
38	.7412	.6776	.6212	.5709	.5257	.4849	.4478	.4140	.3830	.3545	.3282	.3040	.2815	.2608
39	.7372	.6722	.6145	.5632	.5170	.4754	.4377	.4033	.3718	.3429	.3163	.2918	.2693	.2485
40	.7333	.6668	.6080	.5555	.5084	.4660	.4276	.3926	.3606	.3313	.3045	.2798	.2572	.2363
41	.7295	.6616	.6014	.5479	.4999	.4566	.4175	.3819	.3495	.3199	.2928	.2680	.2452	.2244
42	.7258	.6564	.5950	.5403	.4914	.4473	.4075	.3714	.3385	.3085	.2812	.2563	.2335	.2128
43	.7221	.6514	.5887	.5329	.4830	.4381	.3976	.3608	.3275	.2973	.2698	.2448	.2220	.2014
44	.7186	.6464	.5825	.5255	.4746	.4289	.3877	.3504	.3167	.2862	.2585	.2335	.2108	.1902
45	.7152	.6416	.5763	.5182	.4663	.4198	.3778	.3400	.3060	.2752	.2474	.2224	.1998	.1794
46	.7118	.6368	.5703	.5110	.4581	.4107	.3681	.3298	.2954	.2644	.2365	.2115	.1890	.1688
47	.7086	.6322	.5643	.5039	.4499	.4016	.3584	.3196	.2849	.2537	.2258	.2008	.1785	.1586
48	.7055	.6276	.5584	.4968	.4418	.3927	.3488	.3095	.2745	.2432	.2153	.1904	.1683	.1486
49	.7025	.6232	.5526	.4897	.4337	.3838	.3392	.2995	.2642	.2328	.2049	.1802	.1583	.1389
50	.6995	.6188	.5468	.4828	.4257	.3749	.3297	.2896	.2540	.2225	.1947	.1702	.1486	.1295

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
51	.6967	.6145	.5412	.4759	.4177	.3661	.3203	.2798	.2440	.2125	.1847	.1604	.1391	.1205
52	.6940	.6103	.5356	.4690	.4098	.3573	.3110	.2701	.2341	.2026	.1750	.1509	.1299	.1117
53	.6914	.6063	.5301	.4622	.4020	.3487	.3017	.2604	.2243	.1928	.1654	.1416	.1210	.1033
54	.6889	.6023	.5247	.4555	.3942	.3401	.2925	.2509	.2147	.1832	.1560	.1326	.1124	.0951
55	.6865	.5984	.5194	.4489	.3865	.3315	.2834	.2415	.2052	.1738	.1468	.1238	.1041	.0873
56	.6842	.5947	.5141	.4423	.3788	.3231	.2744	.2322	.1958	.1646	.1379	.1152	.0960	.0798
57	.6820	.5910	.5090	.4359	.3713	.3147	.2655	.2230	.1866	.1555	.1292	.1069	.0882	.0726
58	.6799	.5875	.5040	.4295	.3638	.3064	.2567	.2139	.1775	.1466	.1207	.0989	.0808	.0658
59	.6780	.5841	.4991	.4233	.3564	.2982	.2479	.2050	.1686	.1380	.1124	.0912	.0736	.0593
60	.6761	.5808	.4944	.4172	.3492	.2901	.2393	.1962	.1598	.1295	.1044	.0837	.0668	.0531
61	.6744	.5777	.4898	.4111	.3420	.2821	.2308	.1875	.1513	.1212	.0966	.0766	.0603	.0473
62	.6728	.5748	.4853	.4053	.3350	.2742	.2224	.1790	.1429	.1132	.0891	.0697	.0542	.0419
63	.6713	.5720	.4810	.3995	.3280	.2664	.2142	.1706	.1346	.1054	.0819	.0632	.0484	.0369
64	.6700	.5693	.4768	.3939	.3212	.2587	.2060	.1623	.1266	.0978	.0749	.0570	.0430	.0322
65	.6688	.5668	.4729	.3885	.3146	.2512	.1980	.1542	.1188	.0905	.0683	.0511	.0379	.0279
66	.6677	.5645	.4691	.3833	.3081	.2438	.1902	.1463	.1112	.0835	.0620	.0456	.0332	.0240
67	.6667	.5624	.4655	.3782	.3017	.2366	.1825	.1386	.1038	.0767	.0560	.0404	.0289	.0204
68	.6659	.5604	.4621	.3733	.2955	.2294	.1749	.1311	.0967	.0702	.0503	.0356	.0249	.0172
69	.6652	.5587	.4589	.3685	.2894	.2224	.1675	.1237	.0898	.0640	.0450	.0312	.0213	.0144
70	.6646	.5571	.4559	.3640	.2835	.2156	.1603	.1166	.0831	.0582	.0400	.0271	.0181	.0119
71	.6640	.5556	.4531	.3595	.2776	.2087	.1530	.1095	.0766	.0525	.0353	.0233	.0152	.0097
72	.6636	.5544	.4505	.3555	.2722	.2023	.1462	.1029	.0706	.0474	.0311	.0201	.0127	.0079
73	.6633	.5534	.4483	.3517	.2671	.1963	.1399	.0968	.0652	.0428	.0274	.0172	.0106	.0064
74	.6632	.5528	.4469	.3494	.2638	.1924	.1358	.0929	.0617	.0400	.0252	.0156	.0094	.0056

Loss-Based Plan, with no Single Loss Limit

**Insurance Savings Table
Hazard Group 4
Effective November 19, 2010**

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0356	.0744	.1161	.1601	.2517	.3464	.4431	.5412
2	.0000	.0339	.0716	.1126	.1559	.2463	.3399	.4356	.5328
3	.0000	.0322	.0689	.1093	.1519	.2410	.3335	.4282	.5245
4	.0000	.0306	.0664	.1060	.1478	.2357	.3271	.4207	.5161
5	.0000	.0291	.0639	.1027	.1439	.2305	.3207	.4133	.5078
6	.0000	.0276	.0615	.0996	.1400	.2253	.3144	.4060	.4995
7	.0000	.0262	.0592	.0965	.1362	.2201	.3081	.3987	.4912
8	.0000	.0248	.0570	.0934	.1324	.2151	.3018	.3914	.4830
9	.0000	.0235	.0548	.0905	.1287	.2100	.2957	.3842	.4748
10	.0000	.0223	.0527	.0876	.1250	.2050	.2895	.3770	.4667
11	.0000	.0211	.0507	.0847	.1214	.2001	.2834	.3698	.4586
12	.0000	.0200	.0487	.0819	.1179	.1952	.2773	.3627	.4505
13	.0000	.0190	.0467	.0791	.1144	.1903	.2713	.3556	.4425
14	.0000	.0179	.0448	.0764	.1109	.1855	.2652	.3485	.4344
15	.0000	.0169	.0430	.0737	.1074	.1807	.2592	.3414	.4264
16	.0000	.0160	.0411	.0711	.1040	.1759	.2533	.3344	.4184
17	.0000	.0151	.0394	.0685	.1007	.1712	.2473	.3274	.4104
18	.0000	.0142	.0376	.0659	.0973	.1665	.2414	.3204	.4024

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
19	.0000	.0134	.0359	.0634	.0941	.1618	.2355	.3134	.3945
20	.0000	.0126	.0343	.0609	.0908	.1572	.2296	.3064	.3865
21	.0000	.0118	.0326	.0585	.0876	.1525	.2237	.2994	.3786
22	.0000	.0110	.0310	.0561	.0844	.1479	.2179	.2925	.3707
23	.0000	.0103	.0295	.0537	.0813	.1434	.2121	.2855	.3627
24	.0000	.0096	.0280	.0513	.0781	.1388	.2062	.2786	.3548
25	.0000	.0090	.0265	.0490	.0751	.1343	.2004	.2717	.3469
26	.0000	.0083	.0250	.0468	.0720	.1298	.1947	.2648	.3391
27	.0000	.0077	.0236	.0446	.0690	.1253	.1889	.2579	.3312
28	.0000	.0071	.0223	.0424	.0660	.1209	.1832	.2510	.3233
29	.0000	.0066	.0209	.0402	.0631	.1165	.1774	.2442	.3155
30	.0000	.0061	.0196	.0381	.0602	.1121	.1717	.2373	.3076
31	.0000	.0056	.0184	.0361	.0574	.1078	.1661	.2305	.2998
32	.0000	.0051	.0172	.0341	.0545	.1034	.1604	.2237	.2920
33	.0000	.0046	.0160	.0321	.0518	.0992	.1548	.2169	.2842
34	.0000	.0042	.0149	.0302	.0491	.0949	.1492	.2101	.2764
35	.0000	.0038	.0138	.0283	.0464	.0907	.1437	.2034	.2686
36	.0000	.0034	.0127	.0265	.0438	.0866	.1381	.1966	.2608
37	.0000	.0031	.0117	.0247	.0412	.0825	.1326	.1899	.2530
38	.0000	.0028	.0107	.0230	.0387	.0784	.1271	.1832	.2453
39	.0000	.0025	.0098	.0213	.0362	.0744	.1217	.1765	.2375
40	.0000	.0022	.0090	.0197	.0339	.0705	.1164	.1699	.2299
41	.0000	.0019	.0081	.0182	.0316	.0667	.1112	.1634	.2222
42	.0000	.0017	.0074	.0167	.0293	.0629	.1060	.1570	.2147
43	.0000	.0015	.0066	.0153	.0272	.0593	.1010	.1507	.2073
44	.0000	.0013	.0060	.0140	.0252	.0558	.0960	.1444	.1999
45	.0000	.0011	.0053	.0128	.0232	.0524	.0912	.1383	.1926
46	.0000	.0010	.0047	.0116	.0214	.0490	.0864	.1322	.1854
47	.0000	.0008	.0042	.0105	.0196	.0458	.0817	.1263	.1782
48	.0000	.0007	.0037	.0094	.0179	.0427	.0772	.1204	.1712
49	.0000	.0006	.0033	.0085	.0163	.0397	.0727	.1146	.1641
50	.0000	.0005	.0028	.0075	.0148	.0367	.0684	.1088	.1571
51	.0000	.0004	.0025	.0067	.0133	.0339	.0641	.1032	.1502
52	.0000	.0003	.0021	.0059	.0119	.0312	.0599	.0976	.1434
53	.0000	.0003	.0018	.0052	.0107	.0286	.0558	.0921	.1366
54	.0000	.0002	.0015	.0045	.0095	.0261	.0519	.0867	.1299
55	.0000	.0002	.0013	.0039	.0083	.0237	.0480	.0813	.1233
56	.0000	.0001	.0011	.0033	.0073	.0214	.0442	.0761	.1167
57	.0000	.0001	.0009	.0028	.0063	.0192	.0406	.0710	.1103
58	.0000	.0001	.0007	.0024	.0055	.0171	.0371	.0660	.1039
59	.0000	.0001	.0006	.0020	.0047	.0151	.0337	.0611	.0976
60	.0000	.0000	.0004	.0016	.0039	.0133	.0304	.0564	.0915
61	.0000	.0000	.0003	.0013	.0033	.0116	.0273	.0517	.0855
62	.0000	.0000	.0003	.0010	.0027	.0100	.0243	.0473	.0796
63	.0000	.0000	.0002	.0008	.0022	.0085	.0215	.0430	.0739
64	.0000	.0000	.0001	.0006	.0017	.0072	.0189	.0388	.0683

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
65	.0000	.0000	.0001	.0005	.0014	.0060	.0164	.0349	.0629
66	.0000	.0000	.0001	.0003	.0010	.0049	.0141	.0311	.0576
67	.0000	.0000	.0000	.0002	.0008	.0039	.0120	.0275	.0525
68	.0000	.0000	.0000	.0002	.0006	.0031	.0100	.0241	.0476
69	.0000	.0000	.0000	.0001	.0004	.0024	.0082	.0209	.0429
70	.0000	.0000	.0000	.0001	.0002	.0017	.0066	.0179	.0384
71	.0000	.0000	.0000	.0000	.0001	.0012	.0052	.0150	.0339
72	.0000	.0000	.0000	.0000	.0001	.0008	.0040	.0125	.0298
73	.0000	.0000	.0000	.0000	.0000	.0005	.0030	.0103	.0261
74	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0089	.0238

Loss-Based Plan, with Various Single Loss Limits

**Insurance Charge Table
Hazard Group 4
Effective November 19, 2010**

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7329	.6663	.6072	.5545	.5072	.4659	.4317	.4034	.3797	.3599	.3433	.3292	.3175	.3079
41	\$120	.7291	.6610	.6007	.5469	.4989	.4582	.4246	.3967	.3734	.3539	.3376	.3240	.3129	.3039
42	\$120	.7254	.6559	.5942	.5393	.4912	.4510	.4178	.3902	.3672	.3481	.3321	.3192	.3087	.3003
43	\$120	.7218	.6508	.5879	.5320	.4840	.4442	.4113	.3840	.3613	.3424	.3271	.3147	.3049	.2969
44	\$120	.7182	.6459	.5817	.5250	.4773	.4378	.4050	.3779	.3555	.3371	.3224	.3107	.3013	.2938
45	\$120	.7148	.6410	.5755	.5185	.4709	.4315	.3989	.3720	.3499	.3322	.3181	.3069	.2980	.2910
46	\$120	.7115	.6363	.5696	.5124	.4648	.4254	.3929	.3662	.3447	.3276	.3140	.3033	.2949	.2884
47	\$120	.7083	.6316	.5640	.5066	.4589	.4194	.3870	.3607	.3398	.3232	.3102	.3000	.2921	.2860
48	\$120	.7052	.6271	.5586	.5010	.4531	.4136	.3813	.3555	.3351	.3190	.3065	.2969	.2895	.2839
49	\$120	.7022	.6227	.5536	.4955	.4474	.4079	.3759	.3506	.3306	.3151	.3031	.2940	.2871	.2819
50	\$120	.6992	.6185	.5487	.4902	.4418	.4023	.3707	.3458	.3263	.3114	.3000	.2914	.2849	.2801
	\$250	.6995	.6186	.5466	.4824	.4253	.3746	.3306	.2930	.2611	.2341	.2114	.1923	.1762	.1628
51	\$120	.6964	.6145	.5441	.4851	.4364	.3970	.3657	.3412	.3223	.3079	.2970	.2889	.2829	.2785
	\$250	.6966	.6144	.5410	.4755	.4173	.3663	.3223	.2850	.2534	.2268	.2044	.1858	.1703	.1575
52	\$120	.6937	.6107	.5396	.4800	.4311	.3918	.3608	.3368	.3184	.3046	.2942	.2866	.2811	.2771
	\$250	.6939	.6102	.5354	.4687	.4096	.3583	.3144	.2772	.2459	.2196	.1977	.1796	.1647	.1525
53	\$120	.6911	.6071	.5352	.4750	.4259	.3868	.3561	.3326	.3147	.3014	.2917	.2846	.2795	.2758
	\$250	.6913	.6061	.5299	.4619	.4021	.3505	.3066	.2696	.2385	.2127	.1912	.1737	.1594	.1479
54	\$120	.6887	.6037	.5309	.4702	.4209	.3819	.3516	.3285	.3112	.2985	.2893	.2827	.2780	.2747
	\$250	.6888	.6022	.5245	.4553	.3949	.3431	.2991	.2622	.2314	.2059	.1851	.1681	.1545	.1435
55	\$120	.6864	.6004	.5267	.4654	.4160	.3771	.3472	.3246	.3079	.2958	.2871	.2809	.2766	.2736
	\$250	.6864	.5983	.5191	.4489	.3879	.3358	.2918	.2550	.2245	.1995	.1792	.1629	.1498	.1395
56	\$120	.6843	.5972	.5226	.4609	.4113	.3725	.3430	.3209	.3048	.2932	.2850	.2793	.2754	.2727
	\$250	.6841	.5945	.5140	.4428	.3812	.3287	.2846	.2479	.2177	.1932	.1735	.1578	.1454	.1357
57	\$120	.6823	.5941	.5187	.4564	.4066	.3680	.3389	.3174	.3018	.2908	.2832	.2779	.2743	.2720
	\$250	.6819	.5909	.5090	.4368	.3746	.3218	.2775	.2410	.2112	.1873	.1682	.1531	.1413	.1322
58	\$120	.6804	.5912	.5148	.4520	.4021	.3637	.3350	.3140	.2990	.2886	.2814	.2766	.2734	.2713
	\$250	.6799	.5874	.5042	.4311	.3682	.3149	.2706	.2343	.2049	.1815	.1630	.1486	.1375	.1289
	\$500	.6799	.5875	.5040	.4294	.3637	.3062	.2566	.2142	.1783	.1482	.1232	.1025	.0855	.0716
59	\$120	.6787	.5884	.5111	.4478	.3977	.3595	.3312	.3108	.2964	.2865	.2798	.2754	.2725	.2707
	\$250	.6779	.5840	.4996	.4255	.3618	.3082	.2639	.2278	.1989	.1760	.1582	.1444	.1339	.1259
	\$500	.6779	.5841	.4991	.4232	.3563	.2981	.2480	.2056	.1699	.1401	.1156	.0955	.0792	.0660

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
60	\$120	.6771	.5857	.5075	.4436	.3934	.3554	.3276	.3077	.2940	.2846	.2784	.2744	.2718	.2701
	\$250	.6761	.5809	.4952	.4200	.3557	.3017	.2573	.2215	.1930	.1707	.1535	.1404	.1306	.1232
	\$500	.6761	.5808	.4943	.4171	.3491	.2901	.2397	.1972	.1617	.1323	.1083	.0889	.0733	.0608
61	\$120	.6755	.5831	.5041	.4396	.3893	.3515	.3241	.3048	.2916	.2828	.2771	.2734	.2711	.2697
	\$250	.6744	.5779	.4909	.4148	.3496	.2953	.2509	.2153	.1873	.1657	.1492	.1367	.1275	.1207
	\$500	.6744	.5777	.4897	.4110	.3420	.2823	.2315	.1889	.1536	.1247	.1013	.0826	.0676	.0559
62	\$120	.6741	.5806	.5007	.4357	.3852	.3477	.3208	.3021	.2895	.2812	.2759	.2726	.2706	.2693
	\$250	.6728	.5750	.4869	.4096	.3438	.2891	.2447	.2094	.1819	.1609	.1450	.1333	.1247	.1185
	\$500	.6728	.5747	.4852	.4052	.3350	.2746	.2235	.1809	.1458	.1174	.0946	.0765	.0624	.0513
63	\$120	.6728	.5783	.4975	.4319	.3813	.3440	.3176	.2995	.2875	.2797	.2749	.2719	.2701	.2690
	\$250	.6713	.5724	.4830	.4046	.3380	.2830	.2386	.2036	.1767	.1563	.1412	.1301	.1221	.1165
	\$500	.6713	.5719	.4809	.3995	.3282	.2671	.2156	.1730	.1382	.1103	.0882	.0709	.0574	.0471
64	\$120	.6716	.5761	.4943	.4282	.3775	.3405	.3145	.2970	.2856	.2784	.2739	.2712	.2697	.2687
	\$250	.6700	.5699	.4792	.3998	.3324	.2770	.2327	.1981	.1717	.1520	.1376	.1272	.1198	.1147
	\$500	.6700	.5693	.4768	.3940	.3216	.2597	.2079	.1653	.1309	.1035	.0821	.0655	.0528	.0433
	\$1,000	.6700	.5693	.4768	.3939	.3212	.2587	.2060	.1623	.1266	.0979	.0750	.0570	.0431	.0323
65	\$120	.6705	.5740	.4913	.4246	.3739	.3371	.3117	.2948	.2839	.2772	.2731	.2707	.2693	.2685
	\$250	.6689	.5676	.4757	.3951	.3270	.2712	.2269	.1927	.1669	.1479	.1342	.1245	.1177	.1131
	\$500	.6688	.5668	.4729	.3887	.3152	.2525	.2003	.1578	.1237	.0970	.0762	.0604	.0486	.0397
	\$1,000	.6688	.5668	.4729	.3885	.3146	.2512	.1980	.1542	.1188	.0906	.0684	.0512	.0380	.0281
66	\$120	.6695	.5720	.4884	.4212	.3703	.3338	.3089	.2926	.2823	.2761	.2723	.2702	.2690	.2683
	\$250	.6678	.5655	.4723	.3907	.3217	.2656	.2214	.1875	.1624	.1441	.1311	.1220	.1158	.1116
	\$500	.6677	.5645	.4692	.3836	.3089	.2455	.1930	.1505	.1168	.0907	.0707	.0557	.0446	.0365
	\$1,000	.6677	.5645	.4691	.3833	.3081	.2438	.1902	.1464	.1112	.0836	.0621	.0457	.0334	.0242
67	\$120	.6686	.5702	.4857	.4179	.3669	.3307	.3063	.2906	.2809	.2751	.2717	.2698	.2687	.2682
	\$250	.6669	.5635	.4691	.3863	.3166	.2602	.2160	.1826	.1580	.1405	.1282	.1198	.1141	.1104
	\$500	.6667	.5624	.4656	.3786	.3028	.2386	.1858	.1434	.1102	.0847	.0655	.0514	.0411	.0337
	\$1,000	.6667	.5624	.4655	.3782	.3017	.2366	.1825	.1387	.1039	.0768	.0562	.0406	.0291	.0207
68	\$120	.6678	.5684	.4830	.4147	.3636	.3278	.3039	.2888	.2796	.2742	.2711	.2694	.2685	.2680
	\$250	.6661	.5617	.4661	.3822	.3117	.2549	.2108	.1778	.1539	.1371	.1255	.1177	.1126	.1093
	\$500	.6659	.5605	.4623	.3739	.2968	.2319	.1788	.1365	.1038	.0790	.0607	.0473	.0378	.0311
	\$1,000	.6659	.5604	.4621	.3733	.2955	.2294	.1750	.1312	.0968	.0704	.0505	.0359	.0252	.0176
69	\$120	.6671	.5668	.4805	.4116	.3605	.3249	.3016	.2870	.2784	.2734	.2706	.2691	.2683	.2679
	\$250	.6654	.5601	.4632	.3781	.3068	.2497	.2058	.1733	.1501	.1339	.1231	.1159	.1113	.1084
	\$500	.6652	.5587	.4592	.3693	.2911	.2253	.1719	.1298	.0976	.0736	.0561	.0436	.0349	.0289
	\$1,000	.6652	.5587	.4589	.3685	.2894	.2225	.1676	.1238	.0899	.0642	.0452	.0315	.0217	.0148
70	\$120	.6665	.5653	.4781	.4086	.3574	.3222	.2994	.2855	.2773	.2727	.2702	.2689	.2682	.2679
	\$250	.6649	.5586	.4605	.3743	.3022	.2447	.2010	.1690	.1464	.1310	.1209	.1143	.1102	.1076
	\$500	.6646	.5572	.4563	.3649	.2855	.2189	.1652	.1234	.0917	.0685	.0519	.0402	.0323	.0269
	\$1,000	.6646	.5571	.4559	.3640	.2835	.2156	.1603	.1167	.0833	.0584	.0403	.0275	.0185	.0123
71	\$120	.6659	.5638	.4757	.4057	.3545	.3196	.2974	.2840	.2763	.2720	.2698	.2687	.2681	.2678
	\$250	.6644	.5572	.4580	.3705	.2976	.2398	.1962	.1647	.1429	.1283	.1188	.1128	.1092	.1070
	\$500	.6641	.5557	.4535	.3607	.2799	.2125	.1586	.1170	.0860	.0636	.0478	.0371	.0299	.0252
	\$1,000	.6640	.5556	.4531	.3596	.2777	.2088	.1531	.1097	.0768	.0528	.0356	.0237	.0156	.0102
72	\$120	.6654	.5626	.4736	.4030	.3517	.3172	.2955	.2826	.2754	.2715	.2695	.2685	.2680	.2678
	\$250	.6640	.5560	.4557	.3671	.2933	.2353	.1918	.1609	.1398	.1259	.1171	.1116	.1083	.1064
	\$500	.6637	.5546	.4511	.3568	.2748	.2066	.1524	.1111	.0807	.0592	.0443	.0344	.0279	.0237
	\$1,000	.6636	.5544	.4505	.3555	.2722	.2024	.1464	.1031	.0709	.0477	.0315	.0205	.0132	.0084
73	\$120	.6650	.5614	.4716	.4006	.3493	.3151	.2938	.2815	.2747	.2711	.2692	.2683	.2679	.2677
	\$250	.6636	.5550	.4536	.3640	.2894	.2310	.1878	.1574	.1370	.1238	.1155	.1106	.1077	.1060
	\$500	.6634	.5536	.4489	.3533	.2700	.2010	.1467	.1056	.0759	.0552	.0412	.0321	.0262	.0226
	\$1,000	.6633	.5534	.4483	.3518	.2671	.1964	.1401	.0970	.0655	.0432	.0279	.0177	.0112	.0070
74	\$120	.6647	.5607	.4704	.3991	.3477	.3137	.2928	.2808	.2742	.2708	.2691	.2683	.2679	.2677

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$250	.6635	.5545	.4524	.3620	.2870	.2284	.1853	.1553	.1353	.1225	.1146	.1100	.1073	.1057
	\$500	.6632	.5530	.4476	.3511	.2670	.1975	.1430	.1022	.0730	.0528	.0394	.0307	.0252	.0219
	\$1,000	.6632	.5528	.4469	.3494	.2639	.1926	.1361	.0932	.0621	.0404	.0257	.0161	.0100	.0062

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 4
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0022	.0089	.0196	.0337	.0701	.1158	.1692	.2289
41	\$120	.0000	.0019	.0081	.0181	.0314	.0663	.1106	.1626	.2212
42	\$120	.0000	.0017	.0073	.0166	.0292	.0626	.1055	.1562	.2137
43	\$120	.0000	.0015	.0066	.0152	.0270	.0590	.1004	.1499	.2063
44	\$120	.0000	.0013	.0059	.0139	.0250	.0554	.0955	.1437	.1994
45	\$120	.0000	.0011	.0053	.0127	.0231	.0520	.0906	.1375	.1929
46	\$120	.0000	.0009	.0047	.0115	.0212	.0487	.0859	.1316	.1868
47	\$120	.0000	.0008	.0042	.0104	.0194	.0455	.0812	.1259	.1809
48	\$120	.0000	.0007	.0037	.0093	.0177	.0424	.0767	.1206	.1753
49	\$120	.0000	.0006	.0032	.0084	.0161	.0393	.0723	.1156	.1699
50	\$120	.0000	.0005	.0028	.0075	.0146	.0364	.0680	.1107	.1646
	\$250	.0000	.0005	.0028	.0075	.0147	.0366	.0682	.1086	.1568
51	\$120	.0000	.0004	.0024	.0066	.0132	.0336	.0641	.1061	.1594
	\$250	.0000	.0004	.0024	.0067	.0133	.0338	.0639	.1029	.1499
52	\$120	.0000	.0003	.0021	.0058	.0118	.0309	.0603	.1015	.1544
	\$250	.0000	.0003	.0021	.0059	.0119	.0311	.0598	.0973	.1431
53	\$120	.0000	.0003	.0018	.0051	.0106	.0283	.0567	.0971	.1494
	\$250	.0000	.0003	.0018	.0051	.0106	.0285	.0557	.0918	.1363
54	\$120	.0000	.0002	.0015	.0044	.0094	.0259	.0533	.0929	.1445
	\$250	.0000	.0002	.0015	.0045	.0094	.0260	.0517	.0864	.1297
55	\$120	.0000	.0002	.0013	.0038	.0082	.0236	.0500	.0887	.1398
	\$250	.0000	.0002	.0013	.0039	.0083	.0236	.0479	.0811	.1233
56	\$120	.0000	.0001	.0010	.0033	.0072	.0215	.0468	.0846	.1352
	\$250	.0000	.0001	.0011	.0033	.0073	.0213	.0441	.0759	.1172
57	\$120	.0000	.0001	.0009	.0028	.0063	.0195	.0437	.0806	.1308
	\$250	.0000	.0001	.0009	.0028	.0063	.0191	.0405	.0710	.1112
58	\$120	.0000	.0001	.0007	.0023	.0054	.0176	.0408	.0768	.1264
	\$250	.0000	.0001	.0007	.0024	.0054	.0170	.0370	.0662	.1054
	\$500	.0000	.0001	.0007	.0024	.0055	.0171	.0370	.0659	.1038
59	\$120	.0000	.0001	.0006	.0019	.0046	.0159	.0379	.0731	.1221
	\$250	.0000	.0001	.0006	.0020	.0046	.0151	.0336	.0615	.0998
	\$500	.0000	.0001	.0006	.0020	.0047	.0151	.0337	.0610	.0976
60	\$120	.0000	.0000	.0004	.0016	.0039	.0143	.0353	.0695	.1180

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$250	.0000	.0000	.0004	.0016	.0039	.0133	.0304	.0571	.0944
	\$500	.0000	.0000	.0004	.0016	.0039	.0133	.0304	.0563	.0914
61	\$120	.0000	.0000	.0003	.0013	.0033	.0127	.0327	.0660	.1140
	\$250	.0000	.0000	.0003	.0013	.0033	.0115	.0274	.0529	.0891
	\$500	.0000	.0000	.0003	.0013	.0033	.0116	.0273	.0517	.0854
62	\$120	.0000	.0000	.0003	.0010	.0028	.0113	.0302	.0627	.1101
	\$250	.0000	.0000	.0003	.0010	.0027	.0100	.0246	.0488	.0840
	\$500	.0000	.0000	.0003	.0010	.0027	.0100	.0243	.0472	.0796
63	\$120	.0000	.0000	.0002	.0008	.0023	.0100	.0279	.0594	.1063
	\$250	.0000	.0000	.0002	.0008	.0022	.0085	.0220	.0449	.0790
	\$500	.0000	.0000	.0002	.0008	.0022	.0085	.0215	.0429	.0739
64	\$120	.0000	.0000	.0001	.0006	.0019	.0088	.0257	.0563	.1026
	\$250	.0000	.0000	.0001	.0006	.0017	.0072	.0195	.0412	.0742
	\$500	.0000	.0000	.0001	.0006	.0017	.0072	.0189	.0388	.0684
	\$1,000	.0000	.0000	.0001	.0006	.0017	.0072	.0189	.0388	.0683
65	\$120	.0000	.0000	.0001	.0005	.0015	.0077	.0236	.0533	.0990
	\$250	.0000	.0000	.0001	.0005	.0014	.0061	.0172	.0377	.0695
	\$500	.0000	.0000	.0001	.0005	.0014	.0060	.0164	.0349	.0631
	\$1,000	.0000	.0000	.0001	.0005	.0014	.0060	.0164	.0348	.0629
66	\$120	.0000	.0000	.0001	.0004	.0012	.0067	.0216	.0504	.0956
	\$250	.0000	.0000	.0001	.0003	.0010	.0050	.0151	.0343	.0650
	\$500	.0000	.0000	.0001	.0003	.0010	.0049	.0141	.0311	.0579
	\$1,000	.0000	.0000	.0001	.0003	.0010	.0049	.0141	.0311	.0576
67	\$120	.0000	.0000	.0000	.0003	.0010	.0058	.0197	.0476	.0922
	\$250	.0000	.0000	.0000	.0002	.0008	.0041	.0131	.0311	.0607
	\$500	.0000	.0000	.0000	.0002	.0008	.0039	.0120	.0276	.0530
	\$1,000	.0000	.0000	.0000	.0002	.0008	.0039	.0120	.0275	.0525
68	\$120	.0000	.0000	.0000	.0002	.0007	.0050	.0180	.0450	.0890
	\$250	.0000	.0000	.0000	.0002	.0006	.0033	.0113	.0281	.0565
	\$500	.0000	.0000	.0000	.0002	.0006	.0031	.0101	.0243	.0482
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0031	.0100	.0241	.0476
69	\$120	.0000	.0000	.0000	.0001	.0006	.0043	.0164	.0424	.0859
	\$250	.0000	.0000	.0000	.0001	.0004	.0026	.0097	.0252	.0525
	\$500	.0000	.0000	.0000	.0001	.0004	.0024	.0083	.0212	.0437
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0024	.0082	.0209	.0429
70	\$120	.0000	.0000	.0000	.0001	.0004	.0036	.0149	.0400	.0830
	\$250	.0000	.0000	.0000	.0001	.0003	.0020	.0082	.0225	.0487
	\$500	.0000	.0000	.0000	.0001	.0002	.0018	.0067	.0182	.0393
	\$1,000	.0000	.0000	.0000	.0001	.0002	.0017	.0066	.0179	.0384
71	\$120	.0000	.0000	.0000	.0001	.0003	.0031	.0134	.0377	.0801
	\$250	.0000	.0000	.0000	.0000	.0002	.0015	.0068	.0199	.0449
	\$500	.0000	.0000	.0000	.0000	.0001	.0012	.0053	.0155	.0351
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0012	.0052	.0150	.0339
72	\$120	.0000	.0000	.0000	.0000	.0002	.0026	.0121	.0355	.0774

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$250	.0000	.0000	.0000	.0000	.0001	.0011	.0056	.0176	.0415
	\$500	.0000	.0000	.0000	.0000	.0001	.0009	.0041	.0130	.0312
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0008	.0040	.0125	.0299
73	\$120	.0000	.0000	.0000	.0000	.0002	.0022	.0110	.0336	.0750
	\$250	.0000	.0000	.0000	.0000	.0001	.0008	.0046	.0156	.0383
	\$500	.0000	.0000	.0000	.0000	.0000	.0006	.0031	.0109	.0276
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0005	.0030	.0103	.0261
74	\$120	.0000	.0000	.0000	.0000	.0001	.0019	.0103	.0324	.0734
	\$250	.0000	.0000	.0000	.0000	.0000	.0007	.0040	.0143	.0364
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0026	.0096	.0254
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0089	.0238

*Single Loss Limit values are expressed in thousands of dollars.

NEW SECTION

WAC 296-17B-950 Hazard Group 5 tables.

Premium-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 5
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.8774	.8618	.8479	.8353	.8235	.8126	.8023	.7925	.7832	.7744	.7658	.7576	.7498	.7421
2	.8725	.8559	.8411	.8276	.8151	.8035	.7925	.7821	.7723	.7628	.7538	.7451	.7367	.7286
3	.8676	.8500	.8343	.8200	.8068	.7944	.7828	.7718	.7613	.7513	.7418	.7326	.7237	.7151
4	.8628	.8442	.8275	.8124	.7984	.7853	.7730	.7614	.7503	.7398	.7297	.7200	.7106	.7016
5	.8580	.8383	.8207	.8047	.7900	.7762	.7633	.7510	.7394	.7283	.7176	.7074	.6976	.6881
6	.8532	.8325	.8140	.7972	.7816	.7671	.7535	.7406	.7284	.7167	.7056	.6949	.6845	.6746
7	.8484	.8267	.8073	.7896	.7733	.7581	.7438	.7303	.7175	.7053	.6936	.6824	.6716	.6612
8	.8437	.8209	.8006	.7821	.7650	.7491	.7341	.7200	.7066	.6938	.6816	.6699	.6587	.6478
9	.8391	.8152	.7939	.7746	.7567	.7401	.7245	.7097	.6958	.6824	.6697	.6575	.6458	.6345
10	.8344	.8095	.7873	.7671	.7485	.7311	.7149	.6995	.6849	.6710	.6578	.6451	.6329	.6213
11	.8298	.8039	.7807	.7597	.7403	.7222	.7052	.6892	.6741	.6597	.6459	.6328	.6202	.6081
12	.8253	.7982	.7741	.7522	.7320	.7132	.6956	.6790	.6633	.6484	.6341	.6205	.6074	.5949
13	.8207	.7926	.7676	.7448	.7238	.7043	.6860	.6688	.6525	.6370	.6223	.6082	.5947	.5818
14	.8162	.7870	.7610	.7374	.7156	.6954	.6764	.6586	.6417	.6257	.6105	.5960	.5821	.5688
15	.8117	.7814	.7545	.7300	.7074	.6864	.6668	.6484	.6310	.6145	.5987	.5838	.5695	.5557
16	.8072	.7759	.7479	.7226	.6992	.6775	.6573	.6382	.6202	.6032	.5870	.5716	.5569	.5428
17	.8028	.7703	.7414	.7152	.6910	.6686	.6477	.6280	.6095	.5920	.5753	.5595	.5444	.5299
18	.7983	.7648	.7349	.7078	.6828	.6597	.6381	.6179	.5988	.5807	.5636	.5474	.5319	.5171
19	.7939	.7593	.7284	.7004	.6746	.6508	.6285	.6077	.5881	.5695	.5520	.5353	.5194	.5043
20	.7895	.7538	.7219	.6930	.6664	.6418	.6190	.5975	.5774	.5584	.5404	.5233	.5071	.4916
21	.7851	.7482	.7154	.6855	.6582	.6329	.6094	.5873	.5667	.5472	.5287	.5113	.4947	.4789
22	.7808	.7427	.7088	.6781	.6500	.6239	.5998	.5772	.5559	.5360	.5171	.4993	.4823	.4662
23	.7764	.7372	.7023	.6707	.6417	.6150	.5902	.5670	.5453	.5248	.5055	.4873	.4700	.4536
24	.7721	.7317	.6958	.6633	.6335	.6060	.5805	.5568	.5345	.5136	.4939	.4753	.4577	.4410
25	.7678	.7263	.6893	.6558	.6252	.5970	.5709	.5466	.5238	.5025	.4824	.4634	.4455	.4284
26	.7635	.7208	.6827	.6483	.6169	.5880	.5613	.5364	.5131	.4913	.4708	.4515	.4332	.4159
27	.7592	.7153	.6762	.6409	.6087	.5790	.5516	.5261	.5024	.4801	.4592	.4395	.4210	.4034

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
28	.7549	.7098	.6696	.6334	.6003	.5700	.5419	.5159	.4916	.4689	.4476	.4276	.4087	.3909
29	.7507	.7043	.6631	.6259	.5920	.5609	.5322	.5057	.4809	.4578	.4361	.4157	.3965	.3784
30	.7465	.6989	.6565	.6184	.5837	.5519	.5225	.4954	.4701	.4465	.4245	.4038	.3842	.3658
31	.7423	.6934	.6500	.6109	.5753	.5428	.5128	.4851	.4594	.4354	.4129	.3918	.3720	.3533
32	.7381	.6880	.6434	.6034	.5670	.5337	.5031	.4748	.4485	.4241	.4013	.3799	.3597	.3408
33	.7339	.6825	.6369	.5958	.5586	.5245	.4933	.4644	.4377	.4128	.3896	.3679	.3475	.3283
34	.7297	.6771	.6303	.5883	.5501	.5154	.4835	.4541	.4268	.4015	.3779	.3558	.3351	.3157
35	.7256	.6717	.6237	.5807	.5417	.5062	.4736	.4436	.4159	.3902	.3662	.3438	.3228	.3031
36	.7215	.6662	.6171	.5731	.5332	.4969	.4637	.4331	.4049	.3787	.3543	.3316	.3103	.2905
37	.7174	.6608	.6106	.5655	.5247	.4876	.4537	.4226	.3938	.3672	.3425	.3194	.2980	.2779
38	.7134	.6554	.6040	.5578	.5162	.4783	.4437	.4120	.3827	.3557	.3305	.3072	.2856	.2655
39	.7094	.6501	.5974	.5502	.5077	.4690	.4337	.4014	.3716	.3441	.3187	.2951	.2733	.2531
40	.7055	.6448	.5909	.5427	.4992	.4597	.4237	.3908	.3605	.3326	.3068	.2831	.2612	.2410
41	.7017	.6396	.5844	.5351	.4907	.4504	.4137	.3802	.3494	.3211	.2951	.2712	.2492	.2290
42	.6979	.6344	.5781	.5276	.4823	.4412	.4038	.3696	.3384	.3098	.2835	.2595	.2375	.2173
43	.6942	.6293	.5717	.5202	.4739	.4319	.3938	.3591	.3274	.2985	.2721	.2480	.2259	.2058
44	.6906	.6243	.5655	.5129	.4655	.4228	.3840	.3487	.3166	.2874	.2608	.2366	.2146	.1946
45	.6871	.6194	.5593	.5056	.4572	.4136	.3741	.3383	.3059	.2764	.2497	.2255	.2035	.1836
46	.6837	.6146	.5532	.4983	.4490	.4045	.3644	.3281	.2953	.2656	.2388	.2146	.1927	.1730
47	.6803	.6099	.5472	.4911	.4408	.3955	.3547	.3179	.2847	.2549	.2280	.2038	.1821	.1626
48	.6771	.6052	.5412	.4839	.4326	.3865	.3450	.3078	.2743	.2443	.2174	.1933	.1718	.1525
49	.6739	.6006	.5353	.4768	.4245	.3775	.3354	.2977	.2640	.2339	.2070	.1830	.1617	.1427
50	.6709	.5961	.5294	.4697	.4164	.3686	.3259	.2878	.2538	.2236	.1968	.1730	.1519	.1332
51	.6679	.5917	.5236	.4627	.4083	.3597	.3164	.2779	.2438	.2135	.1867	.1631	.1423	.1240
52	.6650	.5874	.5179	.4558	.4003	.3509	.3071	.2682	.2338	.2035	.1769	.1535	.1330	.1151
53	.6622	.5831	.5122	.4489	.3924	.3422	.2977	.2585	.2240	.1937	.1672	.1441	.1240	.1065
54	.6596	.5790	.5067	.4420	.3845	.3335	.2885	.2490	.2143	.1841	.1578	.1350	.1152	.0982
55	.6570	.5749	.5012	.4353	.3767	.3249	.2794	.2395	.2048	.1746	.1485	.1261	.1068	.0902
56	.6545	.5710	.4958	.4286	.3689	.3164	.2703	.2302	.1954	.1653	.1395	.1174	.0985	.0825
57	.6521	.5671	.4905	.4220	.3613	.3079	.2613	.2209	.1861	.1562	.1307	.1090	.0906	.0752
58	.6499	.5634	.4853	.4155	.3537	.2995	.2525	.2118	.1769	.1472	.1221	.1008	.0830	.0682
59	.6477	.5598	.4802	.4090	.3462	.2913	.2437	.2028	.1680	.1385	.1137	.0930	.0757	.0615
60	.6457	.5563	.4752	.4028	.3388	.2831	.2350	.1939	.1591	.1299	.1055	.0854	.0687	.0551
61	.6438	.5530	.4704	.3966	.3315	.2750	.2264	.1852	.1505	.1215	.0976	.0780	.0621	.0491
62	.6421	.5498	.4658	.3906	.3244	.2670	.2180	.1765	.1420	.1134	.0900	.0710	.0557	.0435
63	.6404	.5468	.4613	.3847	.3173	.2591	.2096	.1681	.1336	.1055	.0826	.0643	.0498	.0383
64	.6389	.5440	.4569	.3789	.3104	.2514	.2014	.1597	.1255	.0978	.0755	.0579	.0441	.0334
65	.6376	.5413	.4528	.3733	.3036	.2437	.1933	.1515	.1176	.0903	.0687	.0519	.0389	.0289
66	.6364	.5389	.4488	.3679	.2969	.2362	.1853	.1435	.1098	.0831	.0623	.0462	.0340	.0248
67	.6353	.5366	.4451	.3626	.2904	.2288	.1775	.1357	.1023	.0762	.0561	.0408	.0295	.0210
68	.6344	.5345	.4415	.3576	.2841	.2215	.1698	.1280	.0950	.0696	.0503	.0359	.0253	.0177
69	.6335	.5326	.4381	.3527	.2778	.2144	.1622	.1205	.0880	.0632	.0447	.0313	.0216	.0147
70	.6329	.5308	.4350	.3480	.2718	.2074	.1548	.1132	.0812	.0572	.0396	.0270	.0182	.0121
71	.6323	.5293	.4320	.3433	.2657	.2003	.1474	.1059	.0744	.0513	.0347	.0231	.0151	.0097
72	.6319	.5280	.4293	.3391	.2601	.1937	.1404	.0991	.0683	.0460	.0303	.0196	.0125	.0078
73	.6315	.5269	.4270	.3352	.2548	.1875	.1338	.0928	.0626	.0412	.0265	.0167	.0103	.0063
74	.6314	.5263	.4256	.3328	.2514	.1835	.1296	.0888	.0591	.0383	.0242	.0150	.0091	.0054

Premium-Based Plan, with no Single Loss Limit

Insurance Savings Table
 Hazard Group 5
 Effective November 19, 2010

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0355	.0738	.1148	.1576	.2464	.3378	.4309	.5253
2	.0000	.0340	.0713	.1116	.1538	.2415	.3319	.4241	.5176
3	.0000	.0325	.0689	.1085	.1501	.2366	.3260	.4173	.5100
4	.0000	.0310	.0665	.1055	.1464	.2318	.3202	.4105	.5024
5	.0000	.0295	.0642	.1025	.1428	.2270	.3143	.4037	.4947
6	.0000	.0281	.0620	.0996	.1392	.2222	.3085	.3970	.4872
7	.0000	.0268	.0599	.0967	.1356	.2174	.3027	.3903	.4796
8	.0000	.0255	.0578	.0939	.1321	.2127	.2969	.3836	.4721
9	.0000	.0243	.0558	.0911	.1287	.2081	.2912	.3769	.4646
10	.0000	.0231	.0538	.0884	.1253	.2034	.2855	.3703	.4571
11	.0000	.0220	.0519	.0857	.1219	.1988	.2799	.3637	.4497
12	.0000	.0209	.0500	.0830	.1185	.1943	.2742	.3571	.4422
13	.0000	.0199	.0481	.0804	.1152	.1897	.2686	.3506	.4348
14	.0000	.0189	.0463	.0778	.1119	.1852	.2630	.3440	.4274
15	.0000	.0179	.0445	.0752	.1087	.1807	.2574	.3375	.4200
16	.0000	.0170	.0427	.0727	.1054	.1762	.2519	.3309	.4126
17	.0000	.0161	.0410	.0702	.1022	.1718	.2463	.3244	.4052
18	.0000	.0152	.0393	.0678	.0991	.1673	.2408	.3179	.3978
19	.0000	.0144	.0376	.0653	.0959	.1629	.2353	.3114	.3904
20	.0000	.0136	.0360	.0629	.0928	.1585	.2298	.3049	.3830
21	.0000	.0128	.0344	.0605	.0897	.1541	.2242	.2984	.3755
22	.0000	.0120	.0328	.0582	.0866	.1498	.2187	.2918	.3681
23	.0000	.0113	.0313	.0559	.0836	.1454	.2132	.2853	.3607
24	.0000	.0106	.0298	.0536	.0806	.1411	.2077	.2788	.3533
25	.0000	.0099	.0283	.0513	.0776	.1368	.2023	.2723	.3458
26	.0000	.0093	.0268	.0491	.0747	.1325	.1968	.2657	.3383
27	.0000	.0086	.0254	.0469	.0717	.1282	.1913	.2592	.3309
28	.0000	.0080	.0240	.0448	.0688	.1239	.1858	.2526	.3234
29	.0000	.0074	.0227	.0427	.0660	.1197	.1803	.2461	.3159
30	.0000	.0069	.0214	.0406	.0631	.1155	.1749	.2395	.3084
31	.0000	.0063	.0201	.0385	.0603	.1113	.1694	.2330	.3009
32	.0000	.0058	.0188	.0365	.0575	.1071	.1640	.2264	.2934
33	.0000	.0053	.0176	.0345	.0548	.1029	.1585	.2199	.2858
34	.0000	.0049	.0164	.0326	.0521	.0987	.1531	.2133	.2783
35	.0000	.0044	.0153	.0307	.0494	.0946	.1477	.2067	.2707
36	.0000	.0040	.0142	.0288	.0468	.0905	.1422	.2001	.2631
37	.0000	.0036	.0131	.0270	.0442	.0864	.1368	.1936	.2555
38	.0000	.0033	.0121	.0252	.0416	.0824	.1314	.1870	.2478
39	.0000	.0029	.0111	.0235	.0392	.0784	.1261	.1804	.2402
40	.0000	.0026	.0102	.0218	.0367	.0745	.1208	.1739	.2327
41	.0000	.0023	.0093	.0202	.0344	.0707	.1156	.1674	.2251
42	.0000	.0021	.0085	.0187	.0321	.0669	.1104	.1611	.2176

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
43	.0000	.0018	.0077	.0172	.0299	.0632	.1053	.1547	.2102
44	.0000	.0016	.0069	.0158	.0278	.0596	.1003	.1485	.2029
45	.0000	.0014	.0062	.0145	.0257	.0561	.0954	.1423	.1956
46	.0000	.0012	.0056	.0132	.0238	.0527	.0906	.1362	.1883
47	.0000	.0010	.0050	.0120	.0219	.0493	.0859	.1302	.1811
48	.0000	.0009	.0044	.0109	.0201	.0461	.0812	.1242	.1739
49	.0000	.0008	.0039	.0098	.0183	.0429	.0766	.1183	.1668
50	.0000	.0006	.0034	.0088	.0167	.0399	.0721	.1124	.1597
51	.0000	.0005	.0030	.0078	.0151	.0369	.0677	.1066	.1527
52	.0000	.0004	.0026	.0069	.0136	.0340	.0634	.1009	.1458
53	.0000	.0004	.0022	.0061	.0122	.0312	.0591	.0952	.1389
54	.0000	.0003	.0019	.0053	.0109	.0286	.0550	.0897	.1320
55	.0000	.0002	.0016	.0046	.0096	.0260	.0509	.0842	.1253
56	.0000	.0002	.0013	.0040	.0085	.0235	.0470	.0788	.1186
57	.0000	.0002	.0011	.0034	.0074	.0211	.0431	.0735	.1120
58	.0000	.0001	.0009	.0029	.0064	.0189	.0394	.0683	.1055
59	.0000	.0001	.0007	.0024	.0055	.0167	.0358	.0632	.0990
60	.0000	.0001	.0006	.0020	.0046	.0147	.0323	.0582	.0928
61	.0000	.0000	.0004	.0016	.0039	.0128	.0290	.0534	.0866
62	.0000	.0000	.0003	.0013	.0032	.0111	.0258	.0488	.0806
63	.0000	.0000	.0003	.0010	.0026	.0094	.0228	.0443	.0747
64	.0000	.0000	.0002	.0008	.0021	.0079	.0200	.0399	.0689
65	.0000	.0000	.0001	.0006	.0016	.0066	.0173	.0358	.0633
66	.0000	.0000	.0001	.0004	.0012	.0054	.0149	.0318	.0579
67	.0000	.0000	.0001	.0003	.0009	.0043	.0126	.0281	.0526
68	.0000	.0000	.0000	.0002	.0006	.0034	.0105	.0245	.0476
69	.0000	.0000	.0000	.0001	.0004	.0025	.0086	.0211	.0427
70	.0000	.0000	.0000	.0001	.0003	.0019	.0068	.0180	.0380
71	.0000	.0000	.0000	.0000	.0002	.0013	.0053	.0150	.0333
72	.0000	.0000	.0000	.0000	.0001	.0009	.0040	.0123	.0291
73	.0000	.0000	.0000	.0000	.0000	.0005	.0029	.0100	.0252
74	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0086	.0228

Premium-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 5
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7051	.6442	.5901	.5417	.4979	.4599	.4289	.4034	.3822	.3645	.3495	.3368	.3262	.3177
41	\$120	.7013	.6390	.5836	.5341	.4897	.4526	.4223	.3972	.3764	.3589	.3442	.3319	.3220	.3140
42	\$120	.6975	.6338	.5772	.5266	.4823	.4459	.4160	.3912	.3706	.3534	.3390	.3274	.3182	.3107
43	\$120	.6938	.6287	.5709	.5193	.4755	.4395	.4099	.3854	.3650	.3481	.3344	.3234	.3147	.3077
44	\$120	.6902	.6238	.5647	.5125	.4691	.4334	.4040	.3797	.3595	.3431	.3301	.3197	.3114	.3049
45	\$120	.6867	.6189	.5585	.5062	.4630	.4275	.3983	.3741	.3543	.3386	.3261	.3162	.3084	.3023
46	\$120	.6833	.6140	.5525	.5003	.4572	.4218	.3926	.3687	.3495	.3343	.3224	.3130	.3056	.2999

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
47	\$120	.6800	.6093	.5470	.4947	.4516	.4161	.3870	.3635	.3449	.3303	.3189	.3099	.3030	.2978
48	\$120	.6767	.6046	.5417	.4893	.4461	.4106	.3817	.3587	.3406	.3265	.3155	.3071	.3007	.2959
49	\$120	.6736	.6001	.5367	.4840	.4406	.4051	.3766	.3541	.3365	.3229	.3124	.3045	.2986	.2941
50	\$120	.6705	.5958	.5320	.4789	.4353	.3998	.3717	.3497	.3326	.3195	.3096	.3022	.2966	.2925
	\$250	.6708	.5959	.5291	.4694	.4159	.3684	.3272	.2922	.2624	.2372	.2160	.1980	.1828	.1702
51	\$120	.6676	.5918	.5274	.4739	.4300	.3947	.3670	.3454	.3288	.3163	.3069	.3000	.2949	.2911
	\$250	.6678	.5915	.5234	.4624	.4079	.3601	.3192	.2844	.2550	.2301	.2092	.1916	.1770	.1650
52	\$120	.6647	.5880	.5230	.4690	.4249	.3898	.3624	.3413	.3253	.3133	.3044	.2979	.2932	.2899
	\$250	.6649	.5872	.5176	.4554	.4002	.3523	.3114	.2768	.2477	.2232	.2026	.1856	.1716	.1602
53	\$120	.6620	.5844	.5186	.4641	.4200	.3851	.3580	.3374	.3219	.3105	.3021	.2961	.2918	.2888
	\$250	.6621	.5830	.5120	.4485	.3927	.3447	.3039	.2695	.2406	.2164	.1963	.1799	.1665	.1557
54	\$120	.6594	.5809	.5144	.4594	.4152	.3805	.3538	.3337	.3188	.3079	.3000	.2944	.2905	.2878
	\$250	.6595	.5788	.5064	.4419	.3856	.3374	.2966	.2623	.2336	.2098	.1903	.1745	.1617	.1515
55	\$120	.6570	.5775	.5102	.4548	.4105	.3760	.3497	.3301	.3158	.3054	.2981	.2929	.2893	.2869
	\$250	.6569	.5748	.5009	.4354	.3787	.3303	.2894	.2552	.2268	.2035	.1846	.1694	.1572	.1475
56	\$120	.6547	.5743	.5061	.4503	.4059	.3717	.3458	.3267	.3129	.3031	.2963	.2915	.2883	.2861
	\$250	.6544	.5708	.4956	.4293	.3720	.3233	.2824	.2483	.2203	.1975	.1792	.1645	.1529	.1438
57	\$120	.6526	.5711	.5022	.4459	.4015	.3675	.3420	.3235	.3103	.3010	.2946	.2903	.2874	.2855
	\$250	.6520	.5670	.4905	.4233	.3655	.3165	.2754	.2416	.2140	.1917	.1740	.1599	.1490	.1404
58	\$120	.6506	.5681	.4983	.4416	.3972	.3634	.3384	.3204	.3078	.2990	.2931	.2892	.2866	.2849
	\$250	.6498	.5632	.4856	.4175	.3591	.3097	.2687	.2350	.2078	.1861	.1690	.1556	.1453	.1373
	\$500	.6498	.5633	.4852	.4153	.3536	.2994	.2524	.2122	.1780	.1493	.1252	.1052	.0887	.0751
59	\$120	.6488	.5652	.4946	.4375	.3930	.3594	.3349	.3175	.3054	.2972	.2917	.2882	.2858	.2844
	\$250	.6477	.5597	.4808	.4119	.3528	.3031	.2621	.2287	.2019	.1808	.1643	.1515	.1418	.1344
	\$500	.6477	.5597	.4801	.4089	.3461	.2912	.2439	.2036	.1696	.1412	.1176	.0982	.0824	.0695
60	\$120	.6470	.5624	.4910	.4334	.3889	.3556	.3316	.3148	.3032	.2955	.2905	.2873	.2852	.2839
	\$250	.6456	.5564	.4763	.4064	.3467	.2967	.2556	.2225	.1962	.1757	.1598	.1477	.1386	.1318
	\$500	.6457	.5563	.4752	.4026	.3387	.2832	.2355	.1952	.1614	.1334	.1103	.0915	.0764	.0642
61	\$120	.6454	.5597	.4875	.4295	.3849	.3519	.3284	.3122	.3012	.2940	.2894	.2865	.2847	.2836
	\$250	.6438	.5532	.4720	.4011	.3407	.2904	.2494	.2165	.1908	.1708	.1556	.1442	.1357	.1294
	\$500	.6438	.5530	.4704	.3965	.3315	.2753	.2273	.1870	.1534	.1258	.1033	.0852	.0707	.0592
62	\$120	.6438	.5571	.4841	.4256	.3810	.3484	.3254	.3097	.2993	.2926	.2884	.2858	.2842	.2833
	\$250	.6420	.5502	.4678	.3959	.3348	.2842	.2432	.2108	.1855	.1662	.1516	.1409	.1330	.1273
	\$500	.6420	.5498	.4657	.3905	.3245	.2676	.2193	.1789	.1456	.1185	.0966	.0791	.0654	.0546
63	\$120	.6424	.5547	.4808	.4219	.3773	.3450	.3225	.3074	.2976	.2914	.2875	.2852	.2838	.2830
	\$250	.6404	.5474	.4638	.3909	.3291	.2782	.2373	.2051	.1804	.1618	.1479	.1378	.1305	.1253
	\$500	.6404	.5468	.4612	.3847	.3176	.2600	.2114	.1710	.1380	.1114	.0901	.0734	.0604	.0503
64	\$120	.6411	.5524	.4776	.4183	.3736	.3417	.3197	.3052	.2960	.2902	.2867	.2847	.2835	.2828
	\$250	.6390	.5448	.4600	.3860	.3235	.2723	.2315	.1997	.1756	.1576	.1444	.1350	.1283	.1236
	\$500	.6389	.5440	.4569	.3790	.3109	.2526	.2037	.1634	.1306	.1045	.0840	.0680	.0557	.0464
	\$1,000	.6389	.5440	.4569	.3789	.3104	.2513	.2014	.1597	.1255	.0978	.0756	.0581	.0443	.0336
65	\$120	.6399	.5501	.4745	.4148	.3701	.3385	.3171	.3032	.2945	.2892	.2861	.2842	.2832	.2827
	\$250	.6377	.5424	.4563	.3812	.3181	.2666	.2259	.1945	.1710	.1537	.1412	.1324	.1263	.1221
	\$500	.6376	.5413	.4528	.3736	.3044	.2454	.1961	.1558	.1235	.0980	.0781	.0629	.0514	.0428
	\$1,000	.6376	.5413	.4528	.3733	.3036	.2437	.1933	.1515	.1176	.0904	.0689	.0521	.0391	.0292
66	\$120	.6388	.5480	.4716	.4114	.3667	.3355	.3147	.3013	.2931	.2883	.2855	.2839	.2830	.2825
	\$250	.6366	.5401	.4528	.3767	.3128	.2610	.2204	.1895	.1666	.1500	.1382	.1300	.1245	.1207
	\$500	.6364	.5388	.4489	.3683	.2980	.2383	.1887	.1485	.1166	.0917	.0726	.0581	.0474	.0395
	\$1,000	.6364	.5388	.4488	.3679	.2969	.2362	.1853	.1436	.1099	.0832	.0624	.0464	.0343	.0251
67	\$120	.6377	.5461	.4688	.4081	.3635	.3326	.3123	.2996	.2919	.2875	.2849	.2835	.2828	.2824
	\$250	.6356	.5380	.4494	.3722	.3076	.2556	.2151	.1847	.1624	.1465	.1354	.1279	.1229	.1196
	\$500	.6353	.5366	.4452	.3632	.2918	.2313	.1815	.1414	.1099	.0856	.0673	.0537	.0438	.0366
	\$1,000	.6353	.5366	.4451	.3626	.2904	.2288	.1775	.1357	.1024	.0764	.0563	.0411	.0298	.0214

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
68	\$120	.6368	.5442	.4660	.4049	.3603	.3299	.3102	.2980	.2908	.2867	.2845	.2833	.2826	.2823
	\$250	.6347	.5361	.4463	.3680	.3026	.2503	.2100	.1800	.1584	.1433	.1329	.1260	.1215	.1186
	\$500	.6344	.5345	.4418	.3583	.2857	.2245	.1744	.1345	.1035	.0799	.0624	.0496	.0405	.0340
	\$1,000	.6344	.5345	.4415	.3576	.2841	.2216	.1698	.1281	.0952	.0698	.0505	.0362	.0257	.0182
69	\$120	.6360	.5424	.4634	.4018	.3573	.3272	.3081	.2965	.2898	.2861	.2841	.2830	.2825	.2822
	\$250	.6339	.5343	.4433	.3639	.2978	.2452	.2051	.1756	.1547	.1403	.1306	.1243	.1203	.1177
	\$500	.6335	.5326	.4385	.3536	.2798	.2179	.1675	.1277	.0972	.0744	.0578	.0459	.0375	.0317
	\$1,000	.6335	.5326	.4381	.3527	.2778	.2144	.1623	.1206	.0882	.0635	.0451	.0317	.0220	.0152
70	\$120	.6353	.5408	.4609	.3989	.3544	.3248	.3062	.2952	.2889	.2855	.2838	.2829	.2824	.2822
	\$250	.6332	.5327	.4405	.3599	.2931	.2402	.2003	.1714	.1512	.1375	.1285	.1228	.1192	.1170
	\$500	.6329	.5310	.4355	.3491	.2741	.2114	.1607	.1212	.0913	.0693	.0535	.0424	.0348	.0297
	\$1,000	.6329	.5308	.4350	.3480	.2718	.2074	.1549	.1134	.0814	.0575	.0400	.0275	.0187	.0127
71	\$120	.6346	.5392	.4585	.3960	.3516	.3224	.3044	.2939	.2881	.2850	.2835	.2827	.2823	.2822
	\$250	.6327	.5312	.4378	.3560	.2884	.2353	.1957	.1673	.1478	.1349	.1266	.1214	.1183	.1164
	\$500	.6323	.5295	.4326	.3447	.2684	.2049	.1540	.1148	.0855	.0643	.0495	.0392	.0324	.0279
	\$1,000	.6323	.5293	.4320	.3434	.2658	.2004	.1475	.1061	.0748	.0517	.0352	.0236	.0157	.0104
72	\$120	.6340	.5378	.4562	.3933	.3490	.3202	.3027	.2928	.2874	.2846	.2832	.2826	.2823	.2821
	\$250	.6322	.5300	.4353	.3525	.2841	.2308	.1914	.1636	.1448	.1326	.1250	.1203	.1175	.1159
	\$500	.6319	.5282	.4300	.3407	.2632	.1988	.1477	.1088	.0802	.0599	.0459	.0365	.0304	.0265
	\$1,000	.6319	.5280	.4293	.3391	.2601	.1939	.1406	.0994	.0687	.0465	.0309	.0203	.0132	.0085
73	\$120	.6335	.5365	.4542	.3909	.3466	.3182	.3013	.2918	.2868	.2843	.2830	.2825	.2822	.2821
	\$250	.6319	.5289	.4332	.3492	.2801	.2266	.1874	.1602	.1422	.1306	.1236	.1193	.1169	.1155
	\$500	.6316	.5271	.4278	.3371	.2583	.1931	.1419	.1033	.0754	.0559	.0428	.0342	.0287	.0253
	\$1,000	.6315	.5269	.4270	.3353	.2549	.1877	.1341	.0932	.0631	.0418	.0271	.0174	.0111	.0070
74	\$120	.6333	.5358	.4529	.3893	.3452	.3170	.3004	.2913	.2865	.2841	.2829	.2824	.2822	.2821
	\$250	.6317	.5282	.4318	.3472	.2776	.2239	.1850	.1581	.1405	.1294	.1227	.1188	.1166	.1153
	\$500	.6314	.5265	.4264	.3348	.2552	.1895	.1382	.0998	.0724	.0535	.0409	.0328	.0277	.0246
	\$1,000	.6314	.5263	.4256	.3329	.2515	.1837	.1300	.0892	.0596	.0389	.0249	.0157	.0098	.0062

*Single Loss Limit values are expressed in thousands of dollars.

Premium-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 5
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0026	.0101	.0217	.0365	.0741	.1202	.1731	.2317
41	\$120	.0000	.0023	.0092	.0201	.0342	.0703	.1150	.1666	.2241
42	\$120	.0000	.0020	.0084	.0185	.0319	.0665	.1098	.1602	.2166
43	\$120	.0000	.0018	.0076	.0171	.0297	.0628	.1047	.1539	.2093
44	\$120	.0000	.0016	.0069	.0157	.0276	.0592	.0998	.1477	.2025
45	\$120	.0000	.0014	.0062	.0144	.0255	.0557	.0949	.1415	.1962
46	\$120	.0000	.0012	.0055	.0131	.0236	.0523	.0900	.1355	.1903
47	\$120	.0000	.0010	.0049	.0119	.0217	.0490	.0853	.1300	.1847
48	\$120	.0000	.0009	.0044	.0108	.0199	.0457	.0806	.1247	.1793
49	\$120	.0000	.0007	.0039	.0097	.0182	.0426	.0761	.1197	.1740
50	\$120	.0000	.0006	.0034	.0087	.0165	.0395	.0718	.1150	.1689

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$250	.0000	.0006	.0034	.0087	.0166	.0398	.0719	.1121	.1594
51	\$120	.0000	.0005	.0030	.0077	.0150	.0366	.0678	.1104	.1639
	\$250	.0000	.0005	.0030	.0078	.0151	.0368	.0675	.1064	.1524
52	\$120	.0000	.0004	.0026	.0069	.0135	.0337	.0640	.1060	.1590
	\$250	.0000	.0004	.0026	.0069	.0136	.0339	.0632	.1006	.1454
53	\$120	.0000	.0004	.0022	.0060	.0121	.0310	.0604	.1016	.1541
	\$250	.0000	.0004	.0022	.0061	.0122	.0311	.0590	.0950	.1385
54	\$120	.0000	.0003	.0019	.0053	.0108	.0284	.0569	.0974	.1494
	\$250	.0000	.0003	.0019	.0053	.0108	.0285	.0548	.0894	.1319
55	\$120	.0000	.0002	.0016	.0046	.0095	.0260	.0535	.0932	.1448
	\$250	.0000	.0002	.0016	.0046	.0096	.0259	.0508	.0839	.1254
56	\$120	.0000	.0002	.0013	.0039	.0084	.0237	.0503	.0891	.1403
	\$250	.0000	.0002	.0013	.0040	.0084	.0234	.0468	.0786	.1193
57	\$120	.0000	.0001	.0011	.0034	.0073	.0216	.0471	.0852	.1359
	\$250	.0000	.0002	.0011	.0034	.0073	.0210	.0430	.0735	.1133
58	\$120	.0000	.0001	.0009	.0028	.0063	.0196	.0441	.0813	.1316
	\$250	.0000	.0001	.0009	.0029	.0063	.0188	.0392	.0686	.1075
	\$500	.0000	.0001	.0009	.0029	.0064	.0188	.0393	.0682	.1053
59	\$120	.0000	.0001	.0007	.0024	.0054	.0178	.0412	.0776	.1275
	\$250	.0000	.0001	.0007	.0024	.0054	.0167	.0357	.0638	.1019
	\$500	.0000	.0001	.0007	.0024	.0054	.0167	.0357	.0631	.0989
60	\$120	.0000	.0001	.0006	.0019	.0046	.0160	.0384	.0740	.1234
	\$250	.0000	.0001	.0006	.0020	.0046	.0146	.0324	.0593	.0964
	\$500	.0000	.0001	.0006	.0020	.0046	.0147	.0323	.0582	.0926
61	\$120	.0000	.0000	.0004	.0016	.0039	.0144	.0357	.0705	.1195
	\$250	.0000	.0000	.0004	.0016	.0038	.0128	.0292	.0550	.0911
	\$500	.0000	.0000	.0004	.0016	.0039	.0128	.0290	.0534	.0865
62	\$120	.0000	.0000	.0003	.0013	.0033	.0128	.0331	.0671	.1156
	\$250	.0000	.0000	.0003	.0013	.0032	.0110	.0262	.0508	.0859
	\$500	.0000	.0000	.0003	.0013	.0032	.0110	.0258	.0487	.0805
63	\$120	.0000	.0000	.0003	.0010	.0027	.0114	.0307	.0638	.1119
	\$250	.0000	.0000	.0003	.0010	.0026	.0094	.0234	.0468	.0809
	\$500	.0000	.0000	.0003	.0010	.0026	.0094	.0228	.0442	.0747
64	\$120	.0000	.0000	.0002	.0008	.0022	.0101	.0284	.0606	.1083
	\$250	.0000	.0000	.0002	.0008	.0020	.0080	.0208	.0430	.0760
	\$500	.0000	.0000	.0002	.0008	.0021	.0079	.0200	.0399	.0690
	\$1,000	.0000	.0000	.0002	.0008	.0021	.0079	.0200	.0399	.0689
65	\$120	.0000	.0000	.0001	.0006	.0018	.0089	.0261	.0575	.1048
	\$250	.0000	.0000	.0001	.0006	.0016	.0067	.0184	.0393	.0712
	\$500	.0000	.0000	.0001	.0006	.0016	.0066	.0173	.0358	.0636
	\$1,000	.0000	.0000	.0001	.0006	.0016	.0066	.0173	.0358	.0633
66	\$120	.0000	.0000	.0001	.0005	.0015	.0078	.0240	.0546	.1014
	\$250	.0000	.0000	.0001	.0004	.0012	.0056	.0161	.0358	.0667
	\$500	.0000	.0000	.0001	.0004	.0012	.0054	.0148	.0319	.0583

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$1,000	.0000	.0000	.0001	.0004	.0012	.0054	.0148	.0318	.0579
67	\$120	.0000	.0000	.0001	.0003	.0012	.0067	.0221	.0518	.0981
	\$250	.0000	.0000	.0001	.0003	.0009	.0046	.0140	.0324	.0622
	\$500	.0000	.0000	.0001	.0003	.0009	.0043	.0126	.0282	.0532
	\$1,000	.0000	.0000	.0001	.0003	.0009	.0043	.0126	.0281	.0526
68	\$120	.0000	.0000	.0000	.0002	.0009	.0058	.0202	.0490	.0949
	\$250	.0000	.0000	.0000	.0002	.0007	.0037	.0121	.0293	.0580
	\$500	.0000	.0000	.0000	.0002	.0006	.0034	.0105	.0248	.0483
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0034	.0105	.0245	.0476
69	\$120	.0000	.0000	.0000	.0002	.0007	.0050	.0184	.0464	.0918
	\$250	.0000	.0000	.0000	.0001	.0005	.0029	.0103	.0263	.0539
	\$500	.0000	.0000	.0000	.0001	.0004	.0025	.0086	.0215	.0436
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0025	.0086	.0211	.0427
70	\$120	.0000	.0000	.0000	.0001	.0005	.0043	.0168	.0439	.0889
	\$250	.0000	.0000	.0000	.0001	.0003	.0022	.0087	.0235	.0499
	\$500	.0000	.0000	.0000	.0001	.0003	.0019	.0070	.0185	.0391
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0019	.0068	.0180	.0380
71	\$120	.0000	.0000	.0000	.0001	.0004	.0036	.0152	.0415	.0860
	\$250	.0000	.0000	.0000	.0000	.0002	.0017	.0072	.0208	.0460
	\$500	.0000	.0000	.0000	.0000	.0002	.0013	.0055	.0156	.0347
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0013	.0053	.0150	.0334
72	\$120	.0000	.0000	.0000	.0000	.0003	.0030	.0138	.0392	.0833
	\$250	.0000	.0000	.0000	.0000	.0001	.0012	.0060	.0183	.0425
	\$500	.0000	.0000	.0000	.0000	.0001	.0009	.0042	.0130	.0307
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0009	.0040	.0123	.0291
73	\$120	.0000	.0000	.0000	.0000	.0002	.0025	.0125	.0372	.0809
	\$250	.0000	.0000	.0000	.0000	.0001	.0009	.0049	.0162	.0392
	\$500	.0000	.0000	.0000	.0000	.0000	.0006	.0031	.0108	.0271
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0005	.0029	.0100	.0253
74	\$120	.0000	.0000	.0000	.0000	.0002	.0023	.0118	.0359	.0793
	\$250	.0000	.0000	.0000	.0000	.0000	.0007	.0042	.0148	.0372
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0025	.0094	.0248
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0086	.0229

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 5
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.9216	.9053	.8907	.8774	.8651	.8536	.8427	.8325	.8227	.8134	.8045	.7959	.7876	.7795
2	.9165	.8991	.8835	.8693	.8562	.8440	.8325	.8216	.8112	.8013	.7918	.7826	.7738	.7653
3	.9114	.8929	.8764	.8614	.8474	.8345	.8223	.8107	.7997	.7892	.7792	.7695	.7602	.7512
4	.9063	.8867	.8692	.8533	.8386	.8249	.8120	.7998	.7882	.7771	.7665	.7563	.7464	.7370

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
5	.9012	.8806	.8621	.8453	.8298	.8153	.8017	.7889	.7766	.7650	.7538	.7431	.7327	.7228
6	.8962	.8744	.8550	.8374	.8210	.8058	.7915	.7780	.7651	.7529	.7412	.7299	.7191	.7086
7	.8912	.8684	.8480	.8294	.8123	.7963	.7813	.7671	.7537	.7408	.7286	.7168	.7054	.6945
8	.8863	.8623	.8410	.8215	.8036	.7869	.7712	.7563	.7422	.7288	.7160	.7037	.6919	.6805
9	.8814	.8563	.8340	.8136	.7949	.7774	.7610	.7455	.7308	.7168	.7035	.6906	.6783	.6665
10	.8765	.8503	.8270	.8058	.7862	.7680	.7509	.7348	.7194	.7049	.6910	.6776	.6649	.6526
11	.8717	.8444	.8201	.7980	.7776	.7586	.7408	.7240	.7081	.6929	.6785	.6647	.6514	.6387
12	.8669	.8385	.8132	.7902	.7689	.7492	.7307	.7133	.6967	.6810	.6661	.6518	.6381	.6249
13	.8621	.8326	.8063	.7824	.7603	.7398	.7206	.7025	.6854	.6692	.6537	.6389	.6247	.6111
14	.8573	.8267	.7994	.7746	.7517	.7304	.7105	.6918	.6741	.6573	.6413	.6260	.6114	.5974
15	.8526	.8208	.7925	.7668	.7431	.7211	.7005	.6811	.6628	.6454	.6289	.6132	.5982	.5838
16	.8479	.8150	.7857	.7590	.7345	.7117	.6904	.6704	.6515	.6336	.6166	.6004	.5850	.5702
17	.8432	.8092	.7788	.7512	.7259	.7023	.6803	.6597	.6402	.6218	.6043	.5877	.5718	.5567
18	.8386	.8034	.7719	.7434	.7172	.6929	.6703	.6490	.6290	.6100	.5921	.5750	.5587	.5432
19	.8339	.7976	.7651	.7357	.7086	.6836	.6602	.6383	.6177	.5983	.5798	.5623	.5456	.5297
20	.8293	.7918	.7583	.7279	.7000	.6742	.6502	.6277	.6065	.5865	.5676	.5497	.5326	.5164
21	.8247	.7860	.7514	.7201	.6914	.6648	.6401	.6170	.5952	.5747	.5554	.5370	.5196	.5030
22	.8202	.7802	.7446	.7123	.6827	.6554	.6300	.6063	.5840	.5630	.5432	.5244	.5066	.4897
23	.8156	.7744	.7377	.7045	.6741	.6460	.6199	.5956	.5727	.5513	.5310	.5119	.4937	.4765
24	.8110	.7686	.7309	.6967	.6654	.6366	.6098	.5849	.5615	.5395	.5188	.4993	.4808	.4632
25	.8065	.7629	.7240	.6889	.6567	.6271	.5997	.5741	.5502	.5278	.5067	.4868	.4679	.4500
26	.8020	.7571	.7171	.6810	.6480	.6177	.5896	.5634	.5390	.5161	.4945	.4742	.4550	.4369
27	.7975	.7513	.7103	.6732	.6393	.6082	.5794	.5527	.5277	.5043	.4824	.4617	.4422	.4237
28	.7930	.7456	.7034	.6653	.6306	.5987	.5692	.5419	.5164	.4926	.4702	.4492	.4293	.4106
29	.7885	.7398	.6965	.6575	.6219	.5892	.5591	.5311	.5051	.4808	.4581	.4367	.4165	.3974
30	.7841	.7341	.6896	.6496	.6131	.5797	.5489	.5203	.4938	.4691	.4459	.4241	.4036	.3843
31	.7797	.7284	.6828	.6417	.6043	.5702	.5387	.5096	.4825	.4573	.4337	.4116	.3908	.3712
32	.7753	.7226	.6759	.6338	.5955	.5606	.5284	.4987	.4711	.4455	.4215	.3990	.3779	.3580
33	.7709	.7169	.6690	.6259	.5867	.5510	.5182	.4879	.4598	.4337	.4093	.3864	.3650	.3448
34	.7665	.7112	.6621	.6179	.5779	.5414	.5078	.4769	.4483	.4218	.3970	.3738	.3520	.3316
35	.7622	.7055	.6552	.6100	.5690	.5317	.4975	.4660	.4369	.4098	.3846	.3611	.3390	.3184
36	.7579	.6998	.6483	.6020	.5601	.5220	.4871	.4550	.4253	.3978	.3722	.3483	.3260	.3051
37	.7536	.6941	.6413	.5940	.5512	.5122	.4766	.4439	.4137	.3857	.3597	.3355	.3130	.2920
38	.7494	.6885	.6344	.5860	.5422	.5024	.4661	.4328	.4020	.3736	.3472	.3227	.3000	.2789
39	.7452	.6829	.6275	.5780	.5333	.4927	.4556	.4216	.3903	.3614	.3347	.3100	.2871	.2659
40	.7411	.6773	.6207	.5700	.5243	.4829	.4451	.4105	.3787	.3493	.3223	.2974	.2744	.2531
41	.7370	.6718	.6139	.5621	.5154	.4731	.4346	.3993	.3670	.3373	.3100	.2849	.2618	.2405
42	.7331	.6664	.6072	.5542	.5066	.4634	.4241	.3883	.3554	.3254	.2978	.2726	.2494	.2282
43	.7292	.6611	.6006	.5464	.4978	.4537	.4137	.3772	.3439	.3136	.2858	.2605	.2373	.2161
44	.7254	.6558	.5940	.5387	.4890	.4441	.4033	.3663	.3326	.3019	.2740	.2486	.2254	.2044
45	.7217	.6507	.5875	.5310	.4803	.4345	.3930	.3554	.3213	.2904	.2623	.2369	.2138	.1929
46	.7181	.6456	.5811	.5234	.4716	.4249	.3827	.3446	.3101	.2790	.2508	.2254	.2024	.1817
47	.7146	.6406	.5747	.5159	.4630	.4154	.3725	.3339	.2991	.2677	.2395	.2141	.1913	.1708
48	.7112	.6357	.5685	.5083	.4544	.4059	.3624	.3233	.2882	.2566	.2284	.2031	.1804	.1602
49	.7079	.6309	.5622	.5009	.4459	.3965	.3523	.3127	.2773	.2457	.2174	.1923	.1699	.1499
50	.7047	.6262	.5561	.4934	.4373	.3872	.3423	.3023	.2666	.2349	.2067	.1817	.1595	.1399
51	.7016	.6215	.5500	.4861	.4289	.3779	.3324	.2920	.2561	.2243	.1961	.1713	.1495	.1303
52	.6985	.6170	.5440	.4787	.4205	.3686	.3225	.2817	.2456	.2138	.1858	.1612	.1397	.1209
53	.6956	.6125	.5381	.4715	.4122	.3594	.3128	.2716	.2353	.2035	.1757	.1514	.1302	.1119
54	.6928	.6082	.5322	.4643	.4039	.3503	.3031	.2615	.2251	.1934	.1657	.1418	.1210	.1032
55	.6901	.6039	.5264	.4572	.3957	.3413	.2935	.2516	.2151	.1834	.1560	.1324	.1121	.0948
56	.6875	.5997	.5207	.4502	.3875	.3323	.2839	.2418	.2052	.1736	.1465	.1233	.1035	.0867
57	.6850	.5957	.5152	.4432	.3795	.3234	.2745	.2321	.1955	.1641	.1373	.1145	.0952	.0790
58	.6826	.5918	.5097	.4364	.3715	.3146	.2652	.2225	.1859	.1547	.1282	.1059	.0872	.0716
59	.6804	.5880	.5044	.4297	.3637	.3059	.2560	.2130	.1764	.1454	.1194	.0976	.0795	.0646

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
60	.6783	.5844	.4992	.4231	.3559	.2973	.2468	.2037	.1672	.1365	.1109	.0897	.0722	.0579
61	.6763	.5809	.4941	.4166	.3482	.2888	.2378	.1945	.1580	.1277	.1026	.0820	.0652	.0516
62	.6744	.5775	.4893	.4102	.3407	.2805	.2289	.1854	.1491	.1191	.0945	.0746	.0586	.0457
63	.6727	.5744	.4845	.4040	.3333	.2722	.2202	.1765	.1404	.1108	.0868	.0676	.0523	.0402
64	.6711	.5714	.4800	.3980	.3260	.2640	.2115	.1678	.1318	.1027	.0794	.0609	.0463	.0351
65	.6697	.5686	.4756	.3921	.3189	.2560	.2030	.1592	.1235	.0949	.0722	.0545	.0408	.0303
66	.6685	.5660	.4715	.3864	.3119	.2481	.1946	.1508	.1154	.0873	.0654	.0485	.0357	.0260
67	.6673	.5636	.4675	.3809	.3051	.2403	.1864	.1425	.1075	.0800	.0589	.0429	.0309	.0221
68	.6663	.5614	.4638	.3756	.2984	.2327	.1783	.1345	.0998	.0731	.0528	.0377	.0266	.0186
69	.6655	.5594	.4602	.3704	.2918	.2252	.1704	.1266	.0924	.0664	.0470	.0328	.0226	.0154
70	.6648	.5576	.4569	.3655	.2855	.2178	.1626	.1189	.0853	.0600	.0416	.0284	.0191	.0127
71	.6642	.5560	.4538	.3607	.2791	.2104	.1548	.1112	.0782	.0539	.0364	.0242	.0159	.0102
72	.6637	.5546	.4510	.3562	.2732	.2035	.1475	.1041	.0717	.0483	.0319	.0206	.0131	.0082
73	.6634	.5535	.4485	.3521	.2676	.1970	.1406	.0975	.0658	.0433	.0278	.0175	.0108	.0066
74	.6632	.5528	.4470	.3496	.2641	.1928	.1362	.0933	.0621	.0402	.0254	.0157	.0095	.0057

Loss-Based Plan, with no Single Loss Limit

Insurance Savings Table
Hazard Group 5
Effective November 19, 2010

Minimum Loss Ratio										
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%	
1	.0000	.0373	.0775	.1206	.1655	.2588	.3549	.4527	.5518	
2	.0000	.0357	.0749	.1172	.1615	.2537	.3486	.4455	.5437	
3	.0000	.0341	.0723	.1140	.1577	.2486	.3425	.4384	.5357	
4	.0000	.0325	.0699	.1108	.1538	.2435	.3363	.4312	.5277	
5	.0000	.0310	.0675	.1077	.1500	.2384	.3301	.4241	.5197	
6	.0000	.0296	.0652	.1046	.1462	.2334	.3240	.4170	.5117	
7	.0000	.0282	.0629	.1016	.1425	.2284	.3179	.4100	.5038	
8	.0000	.0268	.0607	.0986	.1388	.2235	.3119	.4029	.4959	
9	.0000	.0255	.0586	.0957	.1352	.2186	.3059	.3960	.4880	
10	.0000	.0243	.0565	.0928	.1316	.2137	.2999	.3890	.4802	
11	.0000	.0231	.0545	.0900	.1280	.2089	.2940	.3821	.4723	
12	.0000	.0220	.0525	.0872	.1245	.2040	.2881	.3751	.4645	
13	.0000	.0209	.0505	.0844	.1210	.1993	.2822	.3682	.4567	
14	.0000	.0199	.0486	.0817	.1176	.1945	.2763	.3614	.4489	
15	.0000	.0189	.0467	.0790	.1141	.1898	.2704	.3545	.4411	
16	.0000	.0179	.0449	.0764	.1107	.1851	.2646	.3476	.4334	
17	.0000	.0169	.0430	.0738	.1074	.1804	.2588	.3408	.4256	
18	.0000	.0160	.0413	.0712	.1040	.1758	.2529	.3339	.4178	
19	.0000	.0151	.0395	.0686	.1007	.1711	.2471	.3271	.4100	
20	.0000	.0143	.0378	.0661	.0975	.1665	.2413	.3202	.4023	
21	.0000	.0134	.0361	.0636	.0942	.1619	.2355	.3134	.3945	
22	.0000	.0126	.0345	.0611	.0910	.1573	.2298	.3066	.3867	
23	.0000	.0119	.0328	.0587	.0878	.1528	.2240	.2997	.3789	
24	.0000	.0111	.0313	.0563	.0847	.1482	.2182	.2929	.3711	
25	.0000	.0104	.0297	.0539	.0815	.1437	.2125	.2860	.3632	
26	.0000	.0097	.0282	.0516	.0784	.1392	.2067	.2791	.3554	

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
27	.0000	.0091	.0267	.0493	.0753	.1347	.2009	.2723	.3476
28	.0000	.0084	.0252	.0470	.0723	.1302	.1952	.2654	.3397
29	.0000	.0078	.0238	.0448	.0693	.1257	.1894	.2585	.3318
30	.0000	.0072	.0224	.0426	.0663	.1213	.1837	.2516	.3239
31	.0000	.0067	.0211	.0405	.0634	.1169	.1780	.2447	.3161
32	.0000	.0061	.0198	.0383	.0604	.1125	.1722	.2378	.3081
33	.0000	.0056	.0185	.0363	.0576	.1081	.1665	.2310	.3002
34	.0000	.0051	.0173	.0342	.0547	.1037	.1608	.2241	.2923
35	.0000	.0047	.0161	.0322	.0519	.0994	.1551	.2172	.2843
36	.0000	.0042	.0149	.0302	.0491	.0951	.1494	.2102	.2763
37	.0000	.0038	.0138	.0283	.0464	.0908	.1437	.2033	.2683
38	.0000	.0034	.0127	.0265	.0437	.0866	.1381	.1964	.2603
39	.0000	.0031	.0117	.0247	.0411	.0824	.1324	.1895	.2523
40	.0000	.0028	.0107	.0229	.0386	.0783	.1269	.1827	.2444
41	.0000	.0024	.0098	.0212	.0361	.0742	.1214	.1759	.2365
42	.0000	.0022	.0089	.0196	.0337	.0703	.1160	.1692	.2286
43	.0000	.0019	.0081	.0181	.0314	.0664	.1106	.1625	.2208
44	.0000	.0017	.0073	.0166	.0292	.0626	.1054	.1560	.2131
45	.0000	.0015	.0066	.0152	.0270	.0589	.1002	.1495	.2054
46	.0000	.0013	.0059	.0139	.0250	.0553	.0952	.1431	.1978
47	.0000	.0011	.0052	.0126	.0230	.0518	.0902	.1367	.1902
48	.0000	.0009	.0047	.0114	.0211	.0484	.0853	.1304	.1827
49	.0000	.0008	.0041	.0103	.0193	.0451	.0805	.1242	.1752
50	.0000	.0007	.0036	.0092	.0175	.0419	.0758	.1181	.1678
51	.0000	.0006	.0031	.0082	.0159	.0388	.0711	.1120	.1604
52	.0000	.0005	.0027	.0073	.0143	.0357	.0666	.1060	.1531
53	.0000	.0004	.0023	.0064	.0128	.0328	.0621	.1000	.1459
54	.0000	.0003	.0020	.0056	.0114	.0300	.0577	.0942	.1387
55	.0000	.0003	.0017	.0049	.0101	.0273	.0535	.0884	.1316
56	.0000	.0002	.0014	.0042	.0089	.0247	.0493	.0827	.1245
57	.0000	.0002	.0012	.0036	.0078	.0222	.0453	.0772	.1176
58	.0000	.0001	.0009	.0030	.0067	.0198	.0414	.0717	.1108
59	.0000	.0001	.0008	.0025	.0057	.0176	.0376	.0664	.1040
60	.0000	.0001	.0006	.0021	.0049	.0154	.0339	.0612	.0974
61	.0000	.0001	.0005	.0017	.0041	.0135	.0305	.0561	.0910
62	.0000	.0000	.0004	.0013	.0033	.0116	.0271	.0512	.0846
63	.0000	.0000	.0003	.0011	.0027	.0099	.0240	.0465	.0784
64	.0000	.0000	.0002	.0008	.0022	.0083	.0210	.0420	.0724
65	.0000	.0000	.0001	.0006	.0017	.0069	.0182	.0376	.0665
66	.0000	.0000	.0001	.0004	.0013	.0056	.0156	.0334	.0608
67	.0000	.0000	.0001	.0003	.0009	.0045	.0132	.0295	.0553
68	.0000	.0000	.0000	.0002	.0007	.0035	.0110	.0257	.0500
69	.0000	.0000	.0000	.0001	.0005	.0027	.0090	.0222	.0448
70	.0000	.0000	.0000	.0001	.0003	.0020	.0072	.0189	.0399
71	.0000	.0000	.0000	.0000	.0002	.0014	.0056	.0157	.0350
72	.0000	.0000	.0000	.0000	.0001	.0009	.0042	.0130	.0306

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
73	.0000	.0000	.0000	.0000	.0000	.0006	.0031	.0105	.0265
74	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0090	.0240

Loss-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 5
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7407	.6767	.6199	.5690	.5230	.4831	.4506	.4238	.4015	.3829	.3671	.3538	.3427	.3337
41	\$120	.7366	.6712	.6131	.5610	.5144	.4755	.4436	.4173	.3953	.3770	.3615	.3486	.3382	.3299
42	\$120	.7327	.6658	.6064	.5532	.5066	.4684	.4370	.4110	.3893	.3712	.3561	.3440	.3342	.3264
43	\$120	.7288	.6605	.5997	.5455	.4994	.4617	.4306	.4048	.3834	.3656	.3512	.3397	.3305	.3232
44	\$120	.7250	.6552	.5931	.5383	.4927	.4553	.4244	.3989	.3777	.3604	.3467	.3358	.3271	.3202
45	\$120	.7213	.6501	.5867	.5317	.4864	.4491	.4184	.3930	.3722	.3556	.3425	.3322	.3240	.3175
46	\$120	.7178	.6450	.5804	.5255	.4803	.4430	.4124	.3872	.3671	.3512	.3386	.3287	.3210	.3150
47	\$120	.7143	.6400	.5745	.5196	.4743	.4371	.4065	.3819	.3623	.3470	.3349	.3255	.3183	.3128
48	\$120	.7109	.6351	.5690	.5139	.4685	.4313	.4009	.3768	.3578	.3430	.3314	.3226	.3159	.3108
49	\$120	.7076	.6304	.5638	.5084	.4629	.4255	.3955	.3719	.3535	.3392	.3282	.3199	.3136	.3089
50	\$120	.7043	.6259	.5588	.5031	.4572	.4200	.3904	.3673	.3493	.3356	.3252	.3174	.3116	.3073
	\$250	.7046	.6260	.5558	.4931	.4369	.3869	.3437	.3069	.2757	.2492	.2268	.2080	.1920	.1788
51	\$120	.7012	.6217	.5540	.4978	.4517	.4146	.3855	.3628	.3454	.3322	.3224	.3151	.3097	.3058
	\$250	.7015	.6214	.5497	.4857	.4285	.3783	.3353	.2987	.2678	.2417	.2198	.2013	.1860	.1733
52	\$120	.6982	.6176	.5493	.4926	.4463	.4095	.3807	.3585	.3417	.3291	.3198	.3130	.3080	.3045
	\$250	.6984	.6168	.5437	.4784	.4203	.3700	.3271	.2908	.2602	.2344	.2128	.1950	.1803	.1683
53	\$120	.6953	.6138	.5448	.4875	.4411	.4045	.3761	.3544	.3382	.3261	.3174	.3110	.3065	.3033
	\$250	.6955	.6123	.5378	.4712	.4125	.3621	.3192	.2831	.2527	.2273	.2062	.1890	.1749	.1635
54	\$120	.6926	.6102	.5403	.4825	.4361	.3997	.3717	.3505	.3348	.3234	.3151	.3093	.3051	.3023
	\$250	.6927	.6080	.5319	.4641	.4050	.3544	.3116	.2755	.2454	.2204	.1999	.1833	.1699	.1591
55	\$120	.6901	.6066	.5359	.4777	.4312	.3950	.3674	.3468	.3317	.3208	.3131	.3077	.3039	.3014
	\$250	.6900	.6037	.5262	.4574	.3978	.3470	.3040	.2681	.2382	.2138	.1939	.1779	.1651	.1549
56	\$120	.6877	.6032	.5316	.4730	.4264	.3904	.3633	.3432	.3287	.3184	.3112	.3062	.3028	.3005
	\$250	.6874	.5996	.5206	.4509	.3908	.3396	.2966	.2608	.2314	.2075	.1882	.1728	.1607	.1511
57	\$120	.6855	.5999	.5275	.4684	.4217	.3860	.3593	.3398	.3259	.3162	.3095	.3049	.3019	.2998
	\$250	.6849	.5955	.5152	.4446	.3839	.3324	.2893	.2537	.2247	.2014	.1827	.1680	.1565	.1475
58	\$120	.6834	.5967	.5235	.4639	.4172	.3817	.3555	.3366	.3233	.3141	.3079	.3037	.3010	.2992
	\$250	.6826	.5916	.5100	.4386	.3772	.3254	.2822	.2469	.2183	.1955	.1775	.1635	.1526	.1442
	\$500	.6826	.5917	.5096	.4363	.3714	.3145	.2652	.2229	.1870	.1568	.1315	.1105	.0932	.0789
59	\$120	.6815	.5937	.5195	.4595	.4128	.3776	.3518	.3335	.3208	.3122	.3064	.3027	.3003	.2987
	\$250	.6803	.5879	.5051	.4327	.3706	.3184	.2753	.2402	.2121	.1899	.1726	.1592	.1489	.1412
	\$500	.6804	.5880	.5043	.4296	.3635	.3059	.2562	.2139	.1782	.1483	.1236	.1032	.0865	.0730
60	\$120	.6796	.5907	.5157	.4553	.4085	.3735	.3483	.3306	.3185	.3104	.3052	.3018	.2996	.2983
	\$250	.6782	.5844	.5004	.4269	.3642	.3116	.2685	.2338	.2061	.1845	.1679	.1552	.1456	.1385
	\$500	.6782	.5843	.4991	.4230	.3558	.2974	.2474	.2051	.1696	.1401	.1159	.0962	.0802	.0674
61	\$120	.6779	.5879	.5121	.4511	.4043	.3697	.3450	.3279	.3164	.3088	.3040	.3009	.2990	.2979
	\$250	.6762	.5811	.4958	.4213	.3579	.3050	.2619	.2275	.2004	.1794	.1634	.1514	.1425	.1359
	\$500	.6763	.5808	.4941	.4165	.3482	.2892	.2388	.1964	.1611	.1321	.1085	.0895	.0743	.0622
62	\$120	.6763	.5852	.5085	.4471	.4002	.3659	.3418	.3253	.3144	.3074	.3029	.3002	.2986	.2976
	\$250	.6744	.5780	.4914	.4159	.3517	.2985	.2555	.2214	.1948	.1745	.1593	.1480	.1397	.1337
	\$500	.6744	.5775	.4892	.4102	.3409	.2811	.2304	.1880	.1530	.1244	.1014	.0831	.0687	.0573
63	\$120	.6748	.5827	.5050	.4432	.3963	.3623	.3387	.3229	.3126	.3060	.3020	.2996	.2981	.2973

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$250	.6727	.5750	.4872	.4106	.3457	.2922	.2492	.2155	.1895	.1699	.1554	.1447	.1371	.1316
	\$500	.6727	.5744	.4845	.4041	.3336	.2731	.2221	.1797	.1450	.1170	.0947	.0771	.0634	.0528
64	\$120	.6734	.5802	.5017	.4394	.3925	.3589	.3358	.3206	.3109	.3048	.3012	.2990	.2978	.2971
	\$250	.6712	.5723	.4831	.4054	.3398	.2860	.2432	.2098	.1844	.1655	.1517	.1418	.1347	.1298
	\$500	.6711	.5714	.4800	.3981	.3266	.2654	.2140	.1716	.1372	.1098	.0882	.0714	.0585	.0487
	\$1,000	.6711	.5714	.4800	.3980	.3260	.2640	.2115	.1678	.1318	.1027	.0794	.0610	.0465	.0353
65	\$120	.6721	.5779	.4985	.4357	.3888	.3556	.3331	.3185	.3093	.3038	.3005	.2986	.2975	.2969
	\$250	.6699	.5697	.4793	.4005	.3341	.2800	.2372	.2043	.1796	.1614	.1483	.1391	.1326	.1282
	\$500	.6697	.5686	.4756	.3924	.3197	.2577	.2060	.1637	.1297	.1029	.0820	.0661	.0540	.0449
	\$1,000	.6697	.5686	.4756	.3921	.3189	.2560	.2030	.1592	.1235	.0949	.0723	.0547	.0411	.0306
66	\$120	.6710	.5757	.4954	.4321	.3852	.3524	.3305	.3165	.3079	.3028	.2998	.2982	.2973	.2968
	\$250	.6687	.5673	.4756	.3956	.3285	.2742	.2315	.1990	.1750	.1575	.1452	.1366	.1308	.1268
	\$500	.6684	.5660	.4716	.3869	.3130	.2503	.1982	.1560	.1225	.0963	.0762	.0611	.0498	.0415
	\$1,000	.6685	.5660	.4715	.3864	.3119	.2481	.1947	.1508	.1154	.0874	.0656	.0488	.0360	.0264
67	\$120	.6699	.5736	.4924	.4286	.3818	.3494	.3281	.3147	.3066	.3019	.2993	.2978	.2971	.2966
	\$250	.6676	.5651	.4721	.3910	.3231	.2685	.2260	.1940	.1706	.1539	.1423	.1344	.1291	.1256
	\$500	.6673	.5636	.4677	.3815	.3065	.2430	.1906	.1485	.1154	.0900	.0707	.0564	.0460	.0384
	\$1,000	.6673	.5636	.4675	.3809	.3051	.2403	.1864	.1426	.1076	.0802	.0591	.0432	.0313	.0225
68	\$120	.6689	.5716	.4895	.4253	.3785	.3465	.3258	.3130	.3055	.3012	.2988	.2976	.2969	.2966
	\$250	.6667	.5631	.4688	.3865	.3179	.2629	.2206	.1891	.1664	.1505	.1396	.1324	.1276	.1246
	\$500	.6663	.5615	.4640	.3764	.3002	.2358	.1832	.1413	.1087	.0839	.0655	.0521	.0425	.0357
	\$1,000	.6663	.5614	.4638	.3756	.2984	.2327	.1784	.1346	.1000	.0733	.0531	.0380	.0270	.0191
69	\$120	.6681	.5698	.4868	.4221	.3753	.3437	.3236	.3115	.3044	.3005	.2984	.2973	.2968	.2965
	\$250	.6659	.5612	.4656	.3822	.3128	.2576	.2154	.1845	.1625	.1474	.1372	.1306	.1263	.1237
	\$500	.6655	.5595	.4606	.3715	.2940	.2288	.1759	.1342	.1022	.0782	.0607	.0482	.0394	.0333
	\$1,000	.6655	.5594	.4602	.3704	.2919	.2252	.1705	.1267	.0926	.0667	.0474	.0333	.0231	.0160
70	\$120	.6673	.5680	.4841	.4190	.3723	.3411	.3216	.3100	.3035	.2999	.2981	.2971	.2966	.2964
	\$250	.6652	.5596	.4627	.3781	.3079	.2524	.2104	.1801	.1588	.1444	.1350	.1290	.1252	.1229
	\$500	.6648	.5577	.4574	.3667	.2880	.2220	.1688	.1273	.0959	.0728	.0562	.0446	.0366	.0312
	\$1,000	.6648	.5576	.4569	.3655	.2855	.2179	.1627	.1191	.0855	.0604	.0420	.0289	.0197	.0133
71	\$120	.6666	.5664	.4816	.4159	.3693	.3386	.3197	.3087	.3026	.2994	.2978	.2969	.2966	.2964
	\$250	.6646	.5580	.4598	.3740	.3030	.2472	.2055	.1757	.1553	.1417	.1330	.1276	.1242	.1223
	\$500	.6642	.5561	.4544	.3621	.2820	.2152	.1618	.1205	.0898	.0676	.0519	.0412	.0340	.0293
	\$1,000	.6642	.5560	.4538	.3607	.2792	.2105	.1550	.1115	.0785	.0543	.0369	.0248	.0165	.0109
72	\$120	.6660	.5649	.4792	.4132	.3666	.3363	.3180	.3076	.3019	.2990	.2975	.2968	.2965	.2963
	\$250	.6641	.5567	.4573	.3703	.2984	.2424	.2010	.1718	.1521	.1393	.1313	.1264	.1234	.1218
	\$500	.6637	.5548	.4517	.3579	.2764	.2088	.1552	.1143	.0842	.0629	.0482	.0384	.0319	.0278
	\$1,000	.6637	.5546	.4510	.3562	.2733	.2036	.1477	.1044	.0721	.0488	.0325	.0213	.0138	.0090
73	\$120	.6655	.5636	.4771	.4106	.3641	.3343	.3165	.3065	.3013	.2986	.2973	.2967	.2964	.2963
	\$250	.6638	.5555	.4550	.3668	.2942	.2380	.1969	.1683	.1493	.1372	.1298	.1254	.1228	.1213
	\$500	.6634	.5537	.4493	.3541	.2713	.2029	.1490	.1085	.0792	.0587	.0449	.0359	.0301	.0266
	\$1,000	.6634	.5535	.4485	.3522	.2677	.1971	.1409	.0979	.0663	.0439	.0285	.0183	.0116	.0074
74	\$120	.6652	.5628	.4757	.4090	.3626	.3330	.3156	.3059	.3009	.2984	.2972	.2967	.2964	.2963
	\$250	.6636	.5549	.4536	.3647	.2916	.2352	.1943	.1661	.1476	.1360	.1289	.1248	.1224	.1211
	\$500	.6632	.5531	.4479	.3517	.2680	.1991	.1451	.1048	.0760	.0562	.0430	.0345	.0291	.0259
	\$1,000	.6632	.5528	.4471	.3497	.2642	.1930	.1365	.0937	.0626	.0408	.0261	.0165	.0103	.0065

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with Various Single Loss Limits

Insurance Savings Table
Hazard Group 5
Effective November 19, 2010

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0027	.0106	.0228	.0384	.0779	.1263	.1818	.2433
41	\$120	.0000	.0024	.0097	.0211	.0359	.0738	.1208	.1750	.2354
42	\$120	.0000	.0021	.0088	.0195	.0335	.0699	.1154	.1683	.2275
43	\$120	.0000	.0019	.0080	.0179	.0312	.0660	.1100	.1617	.2198
44	\$120	.0000	.0016	.0072	.0165	.0290	.0622	.1048	.1551	.2127
45	\$120	.0000	.0014	.0065	.0151	.0268	.0585	.0996	.1486	.2061
46	\$120	.0000	.0012	.0058	.0138	.0248	.0549	.0946	.1424	.1999
47	\$120	.0000	.0011	.0052	.0125	.0228	.0515	.0896	.1365	.1940
48	\$120	.0000	.0009	.0046	.0113	.0209	.0481	.0847	.1310	.1883
49	\$120	.0000	.0008	.0041	.0102	.0191	.0447	.0800	.1258	.1828
50	\$120	.0000	.0007	.0036	.0091	.0174	.0415	.0755	.1208	.1774
	\$250	.0000	.0007	.0036	.0092	.0175	.0418	.0756	.1178	.1674
51	\$120	.0000	.0006	.0031	.0081	.0157	.0384	.0712	.1160	.1722
	\$250	.0000	.0006	.0031	.0082	.0158	.0386	.0709	.1117	.1601
52	\$120	.0000	.0005	.0027	.0072	.0142	.0354	.0672	.1113	.1670
	\$250	.0000	.0005	.0027	.0073	.0143	.0356	.0664	.1057	.1528
53	\$120	.0000	.0004	.0023	.0063	.0127	.0325	.0634	.1067	.1619
	\$250	.0000	.0004	.0023	.0064	.0128	.0327	.0619	.0998	.1455
54	\$120	.0000	.0003	.0020	.0055	.0113	.0298	.0597	.1023	.1569
	\$250	.0000	.0003	.0020	.0056	.0114	.0299	.0576	.0939	.1385
55	\$120	.0000	.0002	.0017	.0048	.0100	.0273	.0562	.0979	.1521
	\$250	.0000	.0003	.0017	.0048	.0101	.0272	.0533	.0882	.1318
56	\$120	.0000	.0002	.0014	.0041	.0088	.0249	.0528	.0936	.1474
	\$250	.0000	.0002	.0014	.0042	.0089	.0246	.0492	.0825	.1253
57	\$120	.0000	.0002	.0011	.0035	.0077	.0227	.0495	.0895	.1428
	\$250	.0000	.0002	.0012	.0036	.0077	.0221	.0451	.0772	.1190
58	\$120	.0000	.0001	.0009	.0030	.0066	.0206	.0463	.0854	.1383
	\$250	.0000	.0001	.0009	.0030	.0067	.0197	.0412	.0720	.1129
	\$500	.0000	.0001	.0009	.0030	.0067	.0198	.0413	.0716	.1107
59	\$120	.0000	.0001	.0007	.0025	.0057	.0187	.0433	.0815	.1339
	\$250	.0000	.0001	.0008	.0025	.0057	.0175	.0375	.0671	.1070
	\$500	.0000	.0001	.0008	.0025	.0057	.0175	.0375	.0663	.1039
60	\$120	.0000	.0001	.0006	.0020	.0048	.0168	.0403	.0777	.1296
	\$250	.0000	.0001	.0006	.0021	.0048	.0154	.0340	.0623	.1013
	\$500	.0000	.0001	.0006	.0021	.0048	.0154	.0339	.0611	.0973
61	\$120	.0000	.0000	.0005	.0017	.0041	.0151	.0375	.0740	.1255
	\$250	.0000	.0001	.0005	.0017	.0040	.0134	.0307	.0578	.0957
	\$500	.0000	.0001	.0005	.0017	.0040	.0134	.0304	.0560	.0908
62	\$120	.0000	.0000	.0004	.0013	.0034	.0135	.0348	.0705	.1215
	\$250	.0000	.0000	.0004	.0013	.0033	.0116	.0276	.0534	.0902

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$500	.0000	.0000	.0004	.0013	.0033	.0116	.0271	.0512	.0846
63	\$120	.0000	.0000	.0003	.0010	.0029	.0120	.0322	.0670	.1175
	\$250	.0000	.0000	.0003	.0010	.0027	.0099	.0246	.0492	.0849
	\$500	.0000	.0000	.0003	.0011	.0027	.0099	.0239	.0464	.0784
64	\$120	.0000	.0000	.0002	.0008	.0024	.0106	.0298	.0637	.1137
	\$250	.0000	.0000	.0002	.0008	.0021	.0084	.0219	.0451	.0798
	\$500	.0000	.0000	.0002	.0008	.0022	.0083	.0210	.0419	.0725
	\$1,000	.0000	.0000	.0002	.0008	.0022	.0083	.0210	.0420	.0724
65	\$120	.0000	.0000	.0001	.0006	.0019	.0093	.0275	.0604	.1100
	\$250	.0000	.0000	.0001	.0006	.0017	.0071	.0193	.0413	.0748
	\$500	.0000	.0000	.0001	.0006	.0017	.0069	.0182	.0376	.0668
	\$1,000	.0000	.0000	.0001	.0006	.0017	.0069	.0182	.0376	.0665
66	\$120	.0000	.0000	.0001	.0005	.0015	.0082	.0252	.0573	.1065
	\$250	.0000	.0000	.0001	.0004	.0013	.0059	.0169	.0376	.0700
	\$500	.0000	.0000	.0001	.0004	.0013	.0056	.0156	.0335	.0612
	\$1,000	.0000	.0000	.0001	.0004	.0013	.0056	.0156	.0334	.0608
67	\$120	.0000	.0000	.0001	.0004	.0012	.0071	.0232	.0544	.1030
	\$250	.0000	.0000	.0001	.0003	.0010	.0048	.0147	.0341	.0654
	\$500	.0000	.0000	.0001	.0003	.0009	.0045	.0132	.0297	.0559
	\$1,000	.0000	.0000	.0001	.0003	.0009	.0045	.0132	.0295	.0553
68	\$120	.0000	.0000	.0000	.0003	.0010	.0061	.0212	.0515	.0997
	\$250	.0000	.0000	.0000	.0002	.0007	.0039	.0127	.0308	.0609
	\$500	.0000	.0000	.0000	.0002	.0007	.0035	.0110	.0260	.0508
	\$1,000	.0000	.0000	.0000	.0002	.0007	.0035	.0110	.0257	.0500
69	\$120	.0000	.0000	.0000	.0002	.0007	.0053	.0193	.0487	.0965
	\$250	.0000	.0000	.0000	.0001	.0005	.0030	.0108	.0276	.0566
	\$500	.0000	.0000	.0000	.0001	.0005	.0027	.0091	.0226	.0458
	\$1,000	.0000	.0000	.0000	.0001	.0005	.0027	.0090	.0222	.0448
70	\$120	.0000	.0000	.0000	.0001	.0006	.0045	.0176	.0461	.0934
	\$250	.0000	.0000	.0000	.0001	.0003	.0024	.0091	.0246	.0524
	\$500	.0000	.0000	.0000	.0001	.0003	.0020	.0073	.0194	.0411
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0020	.0072	.0189	.0399
71	\$120	.0000	.0000	.0000	.0001	.0004	.0038	.0160	.0435	.0903
	\$250	.0000	.0000	.0000	.0000	.0002	.0018	.0076	.0218	.0484
	\$500	.0000	.0000	.0000	.0000	.0002	.0014	.0057	.0163	.0365
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0014	.0056	.0158	.0350
72	\$120	.0000	.0000	.0000	.0000	.0003	.0032	.0145	.0412	.0875
	\$250	.0000	.0000	.0000	.0000	.0001	.0013	.0063	.0193	.0446
	\$500	.0000	.0000	.0000	.0000	.0001	.0009	.0044	.0137	.0323
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0009	.0042	.0130	.0306
73	\$120	.0000	.0000	.0000	.0000	.0002	.0027	.0132	.0391	.0850
	\$250	.0000	.0000	.0000	.0000	.0001	.0009	.0051	.0170	.0412
	\$500	.0000	.0000	.0000	.0000	.0000	.0006	.0033	.0113	.0284
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0006	.0031	.0105	.0266

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
74	\$120	.0000	.0000	.0000	.0000	.0002	.0024	.0124	.0377	.0833
	\$250	.0000	.0000	.0000	.0000	.0000	.0007	.0045	.0156	.0391
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0027	.0099	.0260
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0090	.0240

*Single Loss Limit values are expressed in thousands of dollars.

NEW SECTION

WAC 296-17B-960 Hazard Group 6 tables.

Premium-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 6
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.8825	.8680	.8551	.8433	.8324	.8222	.8125	.8034	.7946	.7863	.7783	.7706	.7631	.7560
2	.8778	.8624	.8486	.8360	.8244	.8135	.8032	.7935	.7842	.7753	.7668	.7586	.7507	.7430
3	.8732	.8568	.8422	.8288	.8164	.8049	.7939	.7836	.7738	.7644	.7553	.7466	.7383	.7302
4	.8686	.8512	.8357	.8215	.8084	.7961	.7846	.7737	.7632	.7533	.7438	.7346	.7257	.7172
5	.8639	.8456	.8292	.8142	.8004	.7874	.7753	.7637	.7527	.7422	.7322	.7225	.7132	.7043
6	.8594	.8400	.8228	.8070	.7924	.7787	.7659	.7538	.7422	.7312	.7206	.7105	.7007	.6913
7	.8548	.8345	.8163	.7997	.7844	.7701	.7566	.7439	.7317	.7202	.7091	.6985	.6883	.6784
8	.8503	.8290	.8099	.7925	.7764	.7614	.7473	.7339	.7213	.7092	.6976	.6865	.6758	.6655
9	.8458	.8234	.8034	.7852	.7684	.7527	.7380	.7240	.7108	.6982	.6861	.6745	.6634	.6527
10	.8413	.8179	.7970	.7780	.7604	.7441	.7287	.7141	.7003	.6872	.6746	.6626	.6510	.6399
11	.8368	.8124	.7907	.7708	.7525	.7354	.7194	.7042	.6899	.6762	.6632	.6506	.6386	.6271
12	.8324	.8070	.7843	.7636	.7445	.7268	.7101	.6944	.6794	.6652	.6517	.6387	.6263	.6144
13	.8279	.8015	.7779	.7564	.7366	.7181	.7008	.6845	.6690	.6543	.6402	.6268	.6140	.6016
14	.8235	.7960	.7715	.7492	.7286	.7094	.6915	.6746	.6585	.6433	.6288	.6149	.6017	.5890
15	.8191	.7906	.7651	.7420	.7206	.7008	.6822	.6646	.6481	.6323	.6174	.6031	.5894	.5763
16	.8147	.7852	.7588	.7348	.7126	.6921	.6728	.6547	.6376	.6214	.6059	.5912	.5771	.5637
17	.8104	.7797	.7524	.7275	.7046	.6834	.6635	.6448	.6272	.6104	.5945	.5794	.5649	.5511
18	.8060	.7743	.7460	.7203	.6966	.6747	.6542	.6349	.6167	.5995	.5831	.5676	.5527	.5385
19	.8016	.7689	.7396	.7130	.6886	.6660	.6448	.6249	.6062	.5885	.5717	.5557	.5405	.5260
20	.7973	.7634	.7332	.7058	.6806	.6572	.6354	.6150	.5958	.5776	.5603	.5439	.5283	.5134
21	.7929	.7580	.7268	.6985	.6725	.6485	.6260	.6050	.5852	.5666	.5489	.5321	.5161	.5009
22	.7886	.7526	.7204	.6912	.6644	.6397	.6166	.5950	.5747	.5556	.5375	.5203	.5040	.4884
23	.7843	.7471	.7140	.6839	.6563	.6309	.6072	.5850	.5642	.5446	.5261	.5085	.4918	.4759
24	.7800	.7417	.7075	.6766	.6482	.6220	.5977	.5750	.5536	.5336	.5146	.4967	.4796	.4634
25	.7757	.7362	.7010	.6692	.6401	.6132	.5882	.5649	.5431	.5225	.5032	.4848	.4674	.4509
26	.7714	.7307	.6946	.6618	.6319	.6043	.5787	.5548	.5325	.5115	.4917	.4729	.4552	.4383
27	.7671	.7253	.6881	.6544	.6237	.5954	.5691	.5447	.5218	.5004	.4802	.4611	.4430	.4258
28	.7628	.7198	.6815	.6470	.6154	.5864	.5595	.5345	.5111	.4892	.4686	.4491	.4307	.4132
29	.7585	.7143	.6750	.6395	.6072	.5774	.5499	.5243	.5005	.4781	.4570	.4372	.4184	.4006
30	.7542	.7088	.6685	.6321	.5989	.5684	.5402	.5141	.4897	.4669	.4454	.4252	.4060	.3879
31	.7500	.7034	.6619	.6246	.5906	.5593	.5305	.5038	.4789	.4556	.4337	.4131	.3937	.3752
32	.7457	.6979	.6554	.6170	.5822	.5502	.5208	.4935	.4681	.4443	.4220	.4010	.3812	.3624
33	.7415	.6924	.6488	.6095	.5738	.5411	.5110	.4831	.4572	.4329	.4102	.3888	.3686	.3496
34	.7372	.6869	.6422	.6019	.5653	.5319	.5011	.4726	.4462	.4215	.3983	.3765	.3560	.3366
35	.7330	.6814	.6355	.5943	.5569	.5227	.4912	.4621	.4351	.4099	.3863	.3641	.3433	.3236

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
36	.7288	.6759	.6289	.5866	.5483	.5133	.4812	.4515	.4239	.3982	.3742	.3516	.3305	.3106
37	.7246	.6704	.6222	.5789	.5397	.5039	.4711	.4408	.4127	.3865	.3620	.3391	.3176	.2976
38	.7205	.6649	.6155	.5712	.5311	.4945	.4609	.4300	.4013	.3746	.3497	.3265	.3048	.2846
39	.7164	.6594	.6088	.5635	.5224	.4850	.4507	.4191	.3899	.3627	.3374	.3139	.2921	.2718
40	.7123	.6539	.6022	.5557	.5138	.4755	.4405	.4082	.3784	.3508	.3252	.3015	.2795	.2591
41	.7083	.6486	.5956	.5480	.5051	.4660	.4302	.3973	.3670	.3389	.3130	.2891	.2670	.2465
42	.7043	.6432	.5890	.5404	.4965	.4565	.4200	.3864	.3556	.3271	.3010	.2769	.2547	.2342
43	.7005	.6380	.5825	.5328	.4878	.4470	.4097	.3756	.3442	.3155	.2891	.2649	.2426	.2222
44	.6967	.6328	.5760	.5252	.4793	.4375	.3995	.3647	.3330	.3039	.2773	.2530	.2307	.2104
45	.6930	.6277	.5696	.5176	.4707	.4281	.3893	.3540	.3218	.2924	.2657	.2413	.2191	.1988
46	.6894	.6226	.5633	.5101	.4621	.4186	.3792	.3433	.3107	.2811	.2542	.2298	.2077	.1876
47	.6858	.6176	.5570	.5026	.4536	.4092	.3690	.3327	.2997	.2699	.2429	.2185	.1965	.1766
48	.6824	.6127	.5507	.4951	.4450	.3998	.3590	.3221	.2889	.2589	.2318	.2075	.1855	.1658
49	.6790	.6079	.5445	.4877	.4365	.3904	.3490	.3116	.2781	.2479	.2208	.1966	.1749	.1554
50	.6757	.6031	.5383	.4802	.4280	.3811	.3390	.3012	.2674	.2371	.2101	.1859	.1644	.1453
51	.6725	.5984	.5322	.4728	.4196	.3718	.3291	.2909	.2568	.2265	.1995	.1755	.1542	.1354
52	.6693	.5938	.5261	.4655	.4112	.3626	.3193	.2807	.2464	.2159	.1890	.1653	.1443	.1259
53	.6663	.5892	.5201	.4582	.4028	.3534	.3095	.2705	.2360	.2056	.1788	.1553	.1347	.1166
54	.6634	.5847	.5141	.4509	.3945	.3443	.2998	.2604	.2258	.1954	.1688	.1455	.1253	.1077
55	.6605	.5803	.5082	.4437	.3862	.3352	.2901	.2505	.2157	.1854	.1589	.1360	.1162	.0991
56	.6578	.5760	.5024	.4366	.3780	.3262	.2806	.2406	.2058	.1755	.1493	.1267	.1073	.0907
57	.6551	.5718	.4967	.4296	.3699	.3172	.2711	.2308	.1959	.1658	.1399	.1177	.0988	.0828
58	.6526	.5677	.4911	.4226	.3618	.3084	.2617	.2212	.1862	.1563	.1307	.1090	.0906	.0751
59	.6502	.5638	.4856	.4157	.3539	.2996	.2524	.2116	.1767	.1469	.1217	.1005	.0827	.0678
60	.6479	.5599	.4802	.4090	.3460	.2909	.2432	.2022	.1673	.1378	.1130	.0923	.0751	.0609
61	.6457	.5563	.4750	.4023	.3382	.2823	.2341	.1929	.1581	.1288	.1045	.0844	.0678	.0543
62	.6437	.5527	.4699	.3958	.3305	.2738	.2251	.1837	.1490	.1201	.0963	.0768	.0609	.0481
63	.6419	.5494	.4650	.3895	.3230	.2654	.2162	.1747	.1401	.1116	.0883	.0695	.0544	.0423
64	.6402	.5462	.4603	.3833	.3156	.2571	.2074	.1658	.1314	.1033	.0806	.0625	.0482	.0369
65	.6386	.5432	.4557	.3772	.3083	.2489	.1988	.1570	.1229	.0953	.0733	.0559	.0424	.0319
66	.6372	.5405	.4514	.3713	.3011	.2409	.1902	.1485	.1146	.0875	.0662	.0497	.0370	.0273
67	.6359	.5379	.4472	.3656	.2941	.2329	.1818	.1400	.1065	.0800	.0595	.0438	.0319	.0231
68	.6348	.5355	.4433	.3601	.2872	.2251	.1735	.1318	.0986	.0728	.0531	.0383	.0273	.0194
69	.6339	.5334	.4396	.3547	.2805	.2174	.1654	.1236	.0909	.0659	.0470	.0332	.0231	.0160
70	.6331	.5314	.4361	.3496	.2739	.2098	.1574	.1157	.0835	.0593	.0414	.0285	.0194	.0130
71	.6324	.5297	.4328	.3445	.2673	.2022	.1493	.1078	.0762	.0528	.0360	.0241	.0159	.0104
72	.6319	.5282	.4298	.3399	.2611	.1950	.1417	.1004	.0694	.0470	.0312	.0203	.0130	.0082
73	.6316	.5270	.4272	.3356	.2553	.1881	.1345	.0934	.0632	.0417	.0269	.0170	.0105	.0064
74	.6314	.5263	.4256	.3329	.2516	.1837	.1299	.0890	.0593	.0384	.0243	.0151	.0091	.0054

Premium-Based Plan, with no Single Loss Limit

**Insurance Savings Table
Hazard Group 6
Effective November 19, 2010**

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0366	.0759	.1177	.1613	.2515	.3440	.4381	.5333
2	.0000	.0351	.0735	.1147	.1577	.2468	.3384	.4316	.5260
3	.0000	.0337	.0712	.1118	.1542	.2422	.3328	.4252	.5188
4	.0000	.0322	.0689	.1089	.1507	.2376	.3272	.4187	.5115
5	.0000	.0308	.0667	.1060	.1472	.2329	.3216	.4122	.5042
6	.0000	.0295	.0646	.1032	.1437	.2284	.3160	.4058	.4970

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
7	.0000	.0282	.0625	.1004	.1403	.2238	.3105	.3993	.4897
8	.0000	.0269	.0605	.0977	.1369	.2193	.3050	.3929	.4825
9	.0000	.0257	.0585	.0950	.1336	.2148	.2994	.3864	.4752
10	.0000	.0246	.0566	.0923	.1303	.2103	.2939	.3800	.4680
11	.0000	.0234	.0547	.0897	.1270	.2058	.2884	.3737	.4608
12	.0000	.0224	.0528	.0871	.1237	.2014	.2830	.3673	.4536
13	.0000	.0213	.0509	.0845	.1205	.1969	.2775	.3609	.4464
14	.0000	.0203	.0491	.0820	.1172	.1925	.2720	.3545	.4392
15	.0000	.0194	.0473	.0794	.1140	.1881	.2666	.3481	.4320
16	.0000	.0184	.0456	.0769	.1109	.1837	.2612	.3418	.4248
17	.0000	.0175	.0439	.0745	.1077	.1794	.2557	.3354	.4175
18	.0000	.0166	.0422	.0720	.1046	.1750	.2503	.3290	.4103
19	.0000	.0158	.0405	.0696	.1014	.1706	.2449	.3226	.4030
20	.0000	.0149	.0388	.0672	.0983	.1663	.2394	.3162	.3958
21	.0000	.0141	.0372	.0648	.0952	.1619	.2340	.3098	.3885
22	.0000	.0133	.0356	.0624	.0922	.1576	.2286	.3034	.3812
23	.0000	.0126	.0340	.0601	.0891	.1533	.2231	.2970	.3739
24	.0000	.0118	.0325	.0578	.0861	.1490	.2177	.2905	.3666
25	.0000	.0111	.0310	.0555	.0831	.1447	.2122	.2840	.3592
26	.0000	.0104	.0295	.0532	.0801	.1404	.2067	.2776	.3518
27	.0000	.0097	.0280	.0510	.0771	.1361	.2013	.2711	.3444
28	.0000	.0091	.0266	.0488	.0742	.1318	.1958	.2645	.3370
29	.0000	.0085	.0252	.0466	.0713	.1275	.1903	.2580	.3295
30	.0000	.0079	.0238	.0444	.0684	.1232	.1848	.2515	.3221
31	.0000	.0073	.0224	.0423	.0655	.1190	.1794	.2449	.3146
32	.0000	.0067	.0211	.0402	.0626	.1147	.1739	.2384	.3070
33	.0000	.0062	.0198	.0381	.0598	.1105	.1684	.2318	.2995
34	.0000	.0057	.0186	.0361	.0570	.1062	.1629	.2252	.2919
35	.0000	.0052	.0174	.0341	.0542	.1020	.1574	.2185	.2843
36	.0000	.0048	.0162	.0321	.0515	.0978	.1519	.2119	.2766
37	.0000	.0043	.0150	.0302	.0488	.0936	.1464	.2052	.2689
38	.0000	.0039	.0139	.0283	.0461	.0895	.1409	.1985	.2612
39	.0000	.0035	.0129	.0265	.0435	.0854	.1354	.1918	.2535
40	.0000	.0032	.0118	.0247	.0409	.0813	.1299	.1852	.2457
41	.0000	.0028	.0108	.0230	.0384	.0773	.1246	.1786	.2380
42	.0000	.0025	.0099	.0213	.0360	.0733	.1192	.1720	.2304
43	.0000	.0022	.0090	.0197	.0337	.0695	.1140	.1655	.2228
44	.0000	.0020	.0082	.0182	.0314	.0657	.1088	.1590	.2152
45	.0000	.0017	.0074	.0167	.0292	.0620	.1037	.1526	.2076
46	.0000	.0015	.0067	.0153	.0270	.0584	.0986	.1463	.2001
47	.0000	.0013	.0060	.0140	.0250	.0548	.0936	.1400	.1926
48	.0000	.0011	.0053	.0127	.0230	.0514	.0887	.1337	.1851
49	.0000	.0010	.0047	.0115	.0211	.0480	.0839	.1275	.1777
50	.0000	.0008	.0042	.0104	.0193	.0447	.0791	.1213	.1702
51	.0000	.0007	.0037	.0093	.0175	.0415	.0744	.1152	.1628
52	.0000	.0006	.0032	.0083	.0159	.0383	.0698	.1091	.1555

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
53	.0000	.0005	.0028	.0073	.0143	.0353	.0652	.1031	.1482
54	.0000	.0004	.0024	.0064	.0128	.0324	.0607	.0971	.1409
55	.0000	.0003	.0020	.0056	.0114	.0295	.0563	.0912	.1337
56	.0000	.0003	.0017	.0049	.0100	.0268	.0520	.0854	.1266
57	.0000	.0002	.0014	.0042	.0088	.0241	.0478	.0797	.1196
58	.0000	.0002	.0012	.0035	.0076	.0216	.0437	.0741	.1126
59	.0000	.0001	.0009	.0030	.0065	.0192	.0398	.0686	.1057
60	.0000	.0001	.0007	.0025	.0056	.0169	.0359	.0632	.0990
61	.0000	.0001	.0006	.0020	.0047	.0147	.0323	.0580	.0923
62	.0000	.0000	.0005	.0016	.0039	.0127	.0287	.0529	.0858
63	.0000	.0000	.0003	.0013	.0031	.0109	.0254	.0480	.0795
64	.0000	.0000	.0002	.0010	.0025	.0092	.0222	.0433	.0733
65	.0000	.0000	.0002	.0007	.0020	.0076	.0192	.0387	.0672
66	.0000	.0000	.0001	.0005	.0015	.0062	.0165	.0344	.0613
67	.0000	.0000	.0001	.0004	.0011	.0049	.0139	.0302	.0556
68	.0000	.0000	.0000	.0002	.0008	.0038	.0115	.0263	.0501
69	.0000	.0000	.0000	.0002	.0005	.0029	.0094	.0226	.0447
70	.0000	.0000	.0000	.0001	.0003	.0021	.0074	.0191	.0396
71	.0000	.0000	.0000	.0000	.0002	.0014	.0057	.0158	.0345
72	.0000	.0000	.0000	.0000	.0001	.0009	.0042	.0128	.0299
73	.0000	.0000	.0000	.0000	.0000	.0006	.0030	.0102	.0256
74	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0086	.0229

Premium-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 6
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7119	.6533	.6013	.5547	.5125	.4761	.4468	.4230	.4032	.3867	.3727	.3610	.3511	.3432
41	\$120	.7079	.6479	.5947	.5470	.5042	.4689	.4404	.4170	.3975	.3813	.3676	.3562	.3471	.3398
42	\$120	.7039	.6426	.5881	.5393	.4968	.4624	.4343	.4112	.3920	.3760	.3626	.3520	.3435	.3367
43	\$120	.7001	.6374	.5816	.5318	.4900	.4561	.4284	.4056	.3866	.3708	.3582	.3482	.3402	.3339
44	\$120	.6963	.6322	.5752	.5249	.4837	.4502	.4227	.4000	.3813	.3661	.3541	.3447	.3372	.3313
45	\$120	.6926	.6271	.5688	.5186	.4778	.4444	.4171	.3946	.3762	.3618	.3504	.3414	.3344	.3289
46	\$120	.6890	.6220	.5626	.5127	.4720	.4388	.4116	.3893	.3716	.3577	.3469	.3384	.3318	.3267
47	\$120	.6854	.6170	.5569	.5071	.4665	.4333	.4061	.3843	.3673	.3540	.3436	.3356	.3294	.3248
48	\$120	.6820	.6121	.5516	.5017	.4610	.4278	.4009	.3797	.3632	.3504	.3405	.3330	.3273	.3230
49	\$120	.6786	.6074	.5465	.4965	.4556	.4224	.3959	.3753	.3593	.3470	.3376	.3306	.3253	.3214
50	\$120	.6753	.6029	.5417	.4914	.4503	.4172	.3912	.3711	.3556	.3438	.3350	.3284	.3236	.3200
	\$250	.6756	.6029	.5380	.4798	.4275	.3810	.3409	.3069	.2782	.2538	.2332	.2158	.2010	.1887
51	\$120	.6721	.5987	.5370	.4863	.4450	.4122	.3867	.3670	.3520	.3408	.3325	.3264	.3220	.3188
	\$250	.6723	.5982	.5319	.4725	.4191	.3725	.3328	.2991	.2707	.2467	.2264	.2094	.1952	.1836
52	\$120	.6690	.5947	.5325	.4813	.4400	.4075	.3823	.3631	.3487	.3380	.3302	.3246	.3205	.3177
	\$250	.6692	.5936	.5258	.4651	.4111	.3645	.3250	.2915	.2634	.2397	.2198	.2033	.1898	.1788
53	\$120	.6660	.5909	.5280	.4764	.4351	.4029	.3781	.3594	.3456	.3354	.3281	.3229	.3192	.3167
	\$250	.6662	.5890	.5198	.4578	.4034	.3568	.3174	.2842	.2562	.2328	.2135	.1976	.1847	.1743

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
54	\$120	.6632	.5872	.5237	.4716	.4304	.3984	.3740	.3559	.3426	.3330	.3262	.3214	.3181	.3158
	\$250	.6632	.5845	.5139	.4508	.3961	.3494	.3100	.2769	.2492	.2262	.2075	.1922	.1800	.1701
55	\$120	.6606	.5837	.5193	.4670	.4257	.3940	.3701	.3526	.3398	.3308	.3245	.3201	.3171	.3151
	\$250	.6604	.5801	.5080	.4441	.3890	.3422	.3027	.2697	.2423	.2199	.2018	.1872	.1755	.1662
56	\$120	.6581	.5803	.5151	.4625	.4212	.3898	.3664	.3494	.3372	.3287	.3228	.3189	.3162	.3144
	\$250	.6577	.5758	.5023	.4376	.3821	.3351	.2955	.2627	.2357	.2139	.1963	.1823	.1712	.1625
57	\$120	.6558	.5770	.5111	.4581	.4168	.3857	.3628	.3464	.3348	.3268	.3214	.3178	.3154	.3138
	\$250	.6550	.5716	.4968	.4314	.3754	.3281	.2885	.2559	.2294	.2081	.1911	.1778	.1673	.1592
58	\$120	.6537	.5737	.5071	.4538	.4126	.3818	.3594	.3435	.3325	.3250	.3201	.3168	.3147	.3134
	\$250	.6525	.5676	.4916	.4254	.3688	.3212	.2816	.2493	.2233	.2025	.1862	.1735	.1636	.1561
	\$500	.6526	.5677	.4910	.4225	.3616	.3082	.2617	.2218	.1879	.1592	.1350	.1149	.0982	.0844
59	\$120	.6516	.5706	.5032	.4495	.4084	.3779	.3561	.3408	.3304	.3234	.3189	.3160	.3141	.3129
	\$250	.6501	.5637	.4866	.4196	.3624	.3144	.2749	.2429	.2174	.1972	.1815	.1694	.1602	.1533
	\$500	.6502	.5637	.4855	.4156	.3537	.2995	.2528	.2129	.1791	.1507	.1271	.1076	.0916	.0785
60	\$120	.6497	.5676	.4995	.4454	.4044	.3743	.3529	.3383	.3284	.3220	.3178	.3152	.3136	.3126
	\$250	.6478	.5601	.4818	.4138	.3560	.3078	.2684	.2367	.2117	.1921	.1771	.1657	.1571	.1507
	\$500	.6479	.5599	.4802	.4089	.3459	.2911	.2440	.2041	.1705	.1426	.1195	.1006	.0852	.0729
61	\$120	.6478	.5647	.4958	.4414	.4004	.3707	.3499	.3359	.3266	.3206	.3169	.3146	.3131	.3123
	\$250	.6457	.5566	.4772	.4082	.3497	.3013	.2620	.2307	.2062	.1873	.1729	.1622	.1542	.1484
	\$500	.6457	.5562	.4749	.4022	.3382	.2828	.2355	.1955	.1622	.1346	.1121	.0939	.0793	.0676
62	\$120	.6461	.5620	.4923	.4376	.3966	.3673	.3471	.3336	.3249	.3194	.3160	.3140	.3128	.3121
	\$250	.6437	.5534	.4727	.4028	.3437	.2950	.2558	.2248	.2009	.1827	.1690	.1589	.1516	.1463
	\$500	.6437	.5527	.4699	.3958	.3308	.2747	.2270	.1871	.1540	.1270	.1051	.0876	.0737	.0627
63	\$120	.6445	.5593	.4888	.4338	.3929	.3641	.3444	.3315	.3234	.3183	.3153	.3135	.3125	.3119
	\$250	.6419	.5503	.4684	.3974	.3377	.2888	.2497	.2192	.1959	.1783	.1654	.1559	.1492	.1444
	\$500	.6418	.5494	.4650	.3895	.3235	.2668	.2188	.1788	.1461	.1195	.0983	.0815	.0684	.0582
64	\$120	.6430	.5568	.4855	.4301	.3894	.3609	.3419	.3296	.3220	.3174	.3146	.3131	.3122	.3117
	\$250	.6403	.5474	.4643	.3923	.3319	.2828	.2439	.2138	.1910	.1742	.1620	.1532	.1470	.1428
	\$500	.6401	.5462	.4603	.3835	.3164	.2589	.2107	.1708	.1384	.1124	.0919	.0758	.0635	.0540
	\$1,000	.6401	.5462	.4603	.3833	.3155	.2571	.2074	.1658	.1314	.1034	.0808	.0627	.0485	.0373
65	\$120	.6416	.5544	.4823	.4265	.3859	.3579	.3395	.3278	.3207	.3165	.3141	.3127	.3120	.3116
	\$250	.6388	.5447	.4603	.3873	.3262	.2769	.2381	.2085	.1864	.1703	.1588	.1507	.1451	.1413
	\$500	.6386	.5432	.4558	.3776	.3094	.2513	.2027	.1629	.1309	.1055	.0857	.0705	.0589	.0502
	\$1,000	.6386	.5432	.4557	.3772	.3082	.2489	.1987	.1571	.1229	.0954	.0735	.0562	.0427	.0324
66	\$120	.6403	.5520	.4791	.4231	.3826	.3551	.3372	.3262	.3196	.3157	.3136	.3124	.3118	.3115
	\$250	.6375	.5422	.4565	.3824	.3207	.2712	.2326	.2035	.1821	.1667	.1559	.1484	.1434	.1400
	\$500	.6372	.5405	.4515	.3720	.3026	.2438	.1949	.1552	.1236	.0989	.0799	.0655	.0547	.0468
	\$1,000	.6372	.5405	.4514	.3713	.3011	.2408	.1902	.1485	.1147	.0877	.0665	.0500	.0374	.0279
67	\$120	.6392	.5499	.4761	.4197	.3794	.3523	.3351	.3246	.3185	.3151	.3132	.3122	.3117	.3114
	\$250	.6363	.5398	.4529	.3777	.3154	.2656	.2273	.1987	.1779	.1633	.1532	.1464	.1419	.1390
	\$500	.6359	.5379	.4475	.3665	.2960	.2364	.1873	.1477	.1166	.0926	.0744	.0608	.0509	.0437
	\$1,000	.6359	.5379	.4472	.3656	.2941	.2329	.1819	.1401	.1066	.0803	.0599	.0443	.0325	.0238
68	\$120	.6381	.5478	.4732	.4165	.3763	.3498	.3331	.3232	.3176	.3145	.3128	.3120	.3116	.3114
	\$250	.6353	.5377	.4494	.3732	.3101	.2602	.2221	.1941	.1740	.1602	.1508	.1446	.1406	.1380
	\$500	.6348	.5356	.4437	.3612	.2896	.2292	.1798	.1405	.1098	.0866	.0692	.0565	.0474	.0410
	\$1,000	.6348	.5355	.4433	.3601	.2872	.2251	.1736	.1319	.0988	.0732	.0536	.0389	.0280	.0202
69	\$120	.6371	.5458	.4704	.4133	.3734	.3473	.3313	.3220	.3168	.3140	.3125	.3118	.3115	.3113
	\$250	.6344	.5357	.4462	.3688	.3050	.2549	.2171	.1896	.1704	.1573	.1486	.1430	.1394	.1372
	\$500	.6339	.5335	.4401	.3561	.2832	.2221	.1725	.1333	.1033	.0808	.0644	.0526	.0443	.0385
	\$1,000	.6339	.5334	.4396	.3547	.2805	.2175	.1655	.1239	.0913	.0663	.0476	.0339	.0240	.0169
70	\$120	.6363	.5440	.4678	.4103	.3706	.3450	.3296	.3208	.3160	.3136	.3123	.3117	.3114	.3113
	\$250	.6336	.5339	.4431	.3645	.3001	.2498	.2123	.1854	.1669	.1546	.1466	.1416	.1385	.1366
	\$500	.6331	.5316	.4367	.3513	.2771	.2152	.1654	.1265	.0971	.0754	.0599	.0490	.0415	.0364

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$1,000	.6331	.5314	.4361	.3496	.2739	.2099	.1576	.1160	.0839	.0598	.0421	.0293	.0203	.0140
71	\$120	.6355	.5422	.4651	.4074	.3678	.3428	.3280	.3197	.3154	.3132	.3121	.3116	.3113	.3112
	\$250	.6330	.5322	.4401	.3604	.2952	.2447	.2075	.1814	.1637	.1521	.1448	.1403	.1376	.1360
	\$500	.6325	.5299	.4336	.3465	.2710	.2083	.1582	.1197	.0909	.0702	.0556	.0456	.0390	.0346
	\$1,000	.6324	.5297	.4328	.3446	.2674	.2023	.1496	.1082	.0767	.0535	.0368	.0250	.0170	.0115
72	\$120	.6348	.5406	.4627	.4047	.3653	.3408	.3266	.3188	.3148	.3129	.3119	.3115	.3113	.3112
	\$250	.6324	.5308	.4374	.3565	.2907	.2400	.2032	.1777	.1607	.1499	.1433	.1393	.1369	.1356
	\$500	.6320	.5285	.4307	.3421	.2653	.2018	.1516	.1133	.0854	.0655	.0519	.0428	.0368	.0331
	\$1,000	.6319	.5282	.4298	.3399	.2612	.1952	.1420	.1009	.0701	.0478	.0321	.0214	.0142	.0095
73	\$120	.6342	.5391	.4605	.4022	.3630	.3390	.3253	.3180	.3144	.3126	.3118	.3114	.3113	.3112
	\$250	.6320	.5295	.4350	.3530	.2864	.2357	.1992	.1743	.1582	.1480	.1419	.1384	.1364	.1353
	\$500	.6316	.5273	.4283	.3381	.2600	.1957	.1453	.1075	.0803	.0613	.0486	.0404	.0351	.0318
	\$1,000	.6316	.5270	.4272	.3357	.2555	.1884	.1350	.0941	.0640	.0427	.0280	.0182	.0118	.0078
74	\$120	.6338	.5383	.4592	.4006	.3616	.3379	.3245	.3176	.3141	.3125	.3117	.3114	.3113	.3112
	\$250	.6318	.5288	.4335	.3508	.2838	.2329	.1967	.1723	.1566	.1469	.1412	.1379	.1361	.1351
	\$500	.6314	.5267	.4268	.3356	.2567	.1919	.1414	.1038	.0771	.0588	.0467	.0389	.0341	.0312
	\$1,000	.6314	.5263	.4257	.3331	.2518	.1841	.1304	.0898	.0602	.0395	.0255	.0164	.0105	.0069

*Single Loss Limit values are expressed in thousands of dollars.

Premium-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 6
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0031	.0117	.0245	.0407	.0809	.1293	.1843	.2447
41	\$120	.0000	.0028	.0108	.0228	.0382	.0769	.1239	.1777	.2370
42	\$120	.0000	.0025	.0098	.0212	.0358	.0729	.1186	.1711	.2293
43	\$120	.0000	.0022	.0090	.0196	.0334	.0691	.1134	.1646	.2218
44	\$120	.0000	.0019	.0081	.0181	.0312	.0653	.1082	.1582	.2149
45	\$120	.0000	.0017	.0074	.0166	.0289	.0616	.1031	.1518	.2086
46	\$120	.0000	.0015	.0066	.0152	.0268	.0580	.0980	.1456	.2027
47	\$120	.0000	.0013	.0059	.0139	.0248	.0544	.0930	.1399	.1971
48	\$120	.0000	.0011	.0053	.0126	.0228	.0510	.0881	.1346	.1917
49	\$120	.0000	.0010	.0047	.0114	.0209	.0476	.0834	.1295	.1865
50	\$120	.0000	.0008	.0041	.0103	.0191	.0443	.0789	.1247	.1814
	\$250	.0000	.0008	.0042	.0103	.0192	.0446	.0789	.1210	.1698
51	\$120	.0000	.0007	.0036	.0092	.0174	.0411	.0747	.1200	.1763
	\$250	.0000	.0007	.0037	.0093	.0175	.0413	.0742	.1149	.1625
52	\$120	.0000	.0006	.0032	.0082	.0157	.0380	.0707	.1155	.1713
	\$250	.0000	.0006	.0032	.0082	.0158	.0382	.0696	.1088	.1551
53	\$120	.0000	.0005	.0027	.0072	.0141	.0350	.0669	.1110	.1664
	\$250	.0000	.0005	.0027	.0073	.0142	.0352	.0650	.1028	.1478
54	\$120	.0000	.0004	.0023	.0064	.0126	.0322	.0632	.1067	.1616
	\$250	.0000	.0004	.0024	.0064	.0127	.0322	.0605	.0969	.1408

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
55	\$120	.0000	.0003	.0020	.0055	.0112	.0296	.0597	.1023	.1570
	\$250	.0000	.0003	.0020	.0056	.0113	.0294	.0561	.0910	.1341
56	\$120	.0000	.0003	.0017	.0048	.0099	.0271	.0563	.0981	.1525
	\$250	.0000	.0003	.0017	.0048	.0100	.0267	.0518	.0853	.1276
57	\$120	.0000	.0002	.0014	.0041	.0087	.0248	.0530	.0941	.1481
	\$250	.0000	.0002	.0014	.0041	.0087	.0240	.0476	.0798	.1214
58	\$120	.0000	.0002	.0011	.0035	.0075	.0227	.0497	.0901	.1438
	\$250	.0000	.0002	.0011	.0035	.0076	.0215	.0436	.0746	.1154
	\$500	.0000	.0002	.0012	.0035	.0076	.0216	.0437	.0740	.1125
59	\$120	.0000	.0001	.0009	.0029	.0065	.0206	.0466	.0862	.1395
	\$250	.0000	.0001	.0009	.0029	.0065	.0191	.0397	.0696	.1096
	\$500	.0000	.0001	.0009	.0030	.0065	.0192	.0397	.0685	.1056
60	\$120	.0000	.0001	.0007	.0024	.0056	.0187	.0436	.0825	.1354
	\$250	.0000	.0001	.0007	.0024	.0055	.0168	.0361	.0648	.1038
	\$500	.0000	.0001	.0007	.0024	.0056	.0169	.0359	.0632	.0989
61	\$120	.0000	.0001	.0006	.0020	.0047	.0168	.0407	.0788	.1314
	\$250	.0000	.0001	.0006	.0020	.0046	.0147	.0326	.0602	.0982
	\$500	.0000	.0001	.0006	.0020	.0047	.0147	.0322	.0579	.0922
62	\$120	.0000	.0000	.0004	.0016	.0040	.0151	.0380	.0753	.1276
	\$250	.0000	.0000	.0004	.0016	.0038	.0127	.0294	.0557	.0928
	\$500	.0000	.0000	.0005	.0016	.0039	.0127	.0287	.0529	.0858
63	\$120	.0000	.0000	.0003	.0013	.0034	.0135	.0353	.0718	.1238
	\$250	.0000	.0000	.0003	.0013	.0031	.0109	.0263	.0514	.0874
	\$500	.0000	.0000	.0003	.0013	.0031	.0108	.0254	.0480	.0795
64	\$120	.0000	.0000	.0002	.0010	.0028	.0120	.0328	.0685	.1201
	\$250	.0000	.0000	.0002	.0010	.0025	.0093	.0234	.0473	.0823
	\$500	.0000	.0000	.0002	.0010	.0025	.0091	.0222	.0433	.0735
	\$1,000	.0000	.0000	.0002	.0010	.0025	.0091	.0222	.0433	.0733
65	\$120	.0000	.0000	.0002	.0008	.0023	.0106	.0304	.0653	.1165
	\$250	.0000	.0000	.0002	.0007	.0019	.0078	.0207	.0433	.0773
	\$500	.0000	.0000	.0002	.0007	.0019	.0076	.0192	.0388	.0676
	\$1,000	.0000	.0000	.0002	.0007	.0020	.0076	.0192	.0387	.0672
66	\$120	.0000	.0000	.0001	.0006	.0018	.0093	.0280	.0621	.1131
	\$250	.0000	.0000	.0001	.0005	.0015	.0065	.0182	.0395	.0724
	\$500	.0000	.0000	.0001	.0005	.0015	.0062	.0165	.0345	.0620
	\$1,000	.0000	.0000	.0001	.0005	.0015	.0062	.0165	.0344	.0613
67	\$120	.0000	.0000	.0001	.0004	.0015	.0082	.0259	.0591	.1097
	\$250	.0000	.0000	.0001	.0004	.0011	.0053	.0158	.0359	.0677
	\$500	.0000	.0000	.0001	.0004	.0011	.0049	.0139	.0305	.0565
	\$1,000	.0000	.0000	.0001	.0004	.0011	.0049	.0139	.0302	.0556
68	\$120	.0000	.0000	.0001	.0003	.0012	.0071	.0238	.0562	.1065
	\$250	.0000	.0000	.0000	.0002	.0008	.0043	.0137	.0324	.0632
	\$500	.0000	.0000	.0000	.0002	.0008	.0038	.0116	.0267	.0512
	\$1,000	.0000	.0000	.0000	.0002	.0008	.0038	.0115	.0263	.0501

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
69	\$120	.0000	.0000	.0000	.0002	.0009	.0061	.0218	.0534	.1033
	\$250	.0000	.0000	.0000	.0002	.0006	.0034	.0117	.0292	.0588
	\$500	.0000	.0000	.0000	.0002	.0005	.0029	.0095	.0231	.0461
	\$1,000	.0000	.0000	.0000	.0002	.0005	.0029	.0094	.0226	.0447
70	\$120	.0000	.0000	.0000	.0002	.0007	.0053	.0200	.0508	.1003
	\$250	.0000	.0000	.0000	.0001	.0004	.0026	.0099	.0261	.0545
	\$500	.0000	.0000	.0000	.0001	.0003	.0021	.0076	.0197	.0413
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0021	.0074	.0191	.0396
71	\$120	.0000	.0000	.0000	.0001	.0005	.0045	.0182	.0481	.0974
	\$250	.0000	.0000	.0000	.0001	.0002	.0020	.0082	.0231	.0504
	\$500	.0000	.0000	.0000	.0000	.0002	.0015	.0059	.0166	.0365
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0014	.0057	.0158	.0346
72	\$120	.0000	.0000	.0000	.0001	.0004	.0038	.0166	.0457	.0947
	\$250	.0000	.0000	.0000	.0000	.0001	.0014	.0068	.0204	.0465
	\$500	.0000	.0000	.0000	.0000	.0001	.0010	.0045	.0137	.0321
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0009	.0042	.0128	.0299
73	\$120	.0000	.0000	.0000	.0000	.0003	.0032	.0151	.0435	.0922
	\$250	.0000	.0000	.0000	.0000	.0001	.0010	.0055	.0180	.0430
	\$500	.0000	.0000	.0000	.0000	.0000	.0006	.0033	.0113	.0281
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0006	.0030	.0102	.0257
74	\$120	.0000	.0000	.0000	.0000	.0002	.0028	.0143	.0422	.0906
	\$250	.0000	.0000	.0000	.0000	.0001	.0008	.0048	.0165	.0408
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0027	.0098	.0256
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0023	.0087	.0231

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 6
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.9270	.9118	.8982	.8858	.8744	.8636	.8535	.8439	.8347	.8259	.8175	.8094	.8016	.7941
2	.9221	.9059	.8914	.8782	.8660	.8545	.8437	.8335	.8237	.8144	.8054	.7968	.7885	.7805
3	.9172	.9000	.8846	.8706	.8576	.8454	.8340	.8231	.8128	.8029	.7934	.7843	.7755	.7670
4	.9123	.8941	.8778	.8629	.8492	.8363	.8241	.8127	.8017	.7913	.7813	.7716	.7623	.7534
5	.9075	.8883	.8710	.8553	.8407	.8271	.8143	.8022	.7907	.7797	.7691	.7590	.7492	.7398
6	.9027	.8824	.8642	.8477	.8323	.8180	.8045	.7918	.7797	.7681	.7570	.7463	.7361	.7262
7	.8979	.8766	.8575	.8400	.8239	.8089	.7947	.7814	.7686	.7565	.7449	.7337	.7230	.7126
8	.8932	.8707	.8507	.8324	.8155	.7998	.7850	.7709	.7576	.7449	.7328	.7211	.7099	.6991
9	.8884	.8649	.8440	.8248	.8072	.7907	.7752	.7605	.7466	.7334	.7207	.7085	.6969	.6856
10	.8837	.8592	.8372	.8172	.7988	.7816	.7654	.7501	.7356	.7218	.7086	.6960	.6838	.6721
11	.8790	.8534	.8305	.8097	.7904	.7725	.7557	.7398	.7247	.7103	.6966	.6835	.6708	.6587
12	.8744	.8477	.8238	.8021	.7821	.7634	.7459	.7294	.7137	.6988	.6846	.6709	.6579	.6453
13	.8697	.8419	.8171	.7945	.7737	.7543	.7361	.7190	.7027	.6873	.6725	.6584	.6449	.6320
14	.8650	.8362	.8104	.7870	.7653	.7452	.7263	.7086	.6917	.6757	.6605	.6460	.6320	.6186
15	.8604	.8305	.8037	.7794	.7570	.7361	.7165	.6981	.6807	.6642	.6485	.6335	.6191	.6053

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
16	.8558	.8247	.7970	.7718	.7486	.7270	.7068	.6877	.6698	.6527	.6365	.6210	.6062	.5921
17	.8512	.8190	.7903	.7642	.7402	.7178	.6970	.6773	.6588	.6412	.6245	.6086	.5934	.5789
18	.8466	.8133	.7836	.7566	.7318	.7087	.6871	.6669	.6478	.6297	.6125	.5962	.5806	.5656
19	.8421	.8076	.7769	.7490	.7233	.6995	.6773	.6564	.6368	.6182	.6005	.5838	.5678	.5525
20	.8375	.8019	.7702	.7414	.7149	.6904	.6675	.6460	.6258	.6067	.5886	.5714	.5550	.5393
21	.8329	.7962	.7635	.7337	.7064	.6812	.6576	.6355	.6148	.5951	.5766	.5589	.5422	.5262
22	.8284	.7905	.7567	.7261	.6979	.6719	.6477	.6250	.6037	.5836	.5646	.5465	.5294	.5130
23	.8238	.7848	.7500	.7184	.6894	.6627	.6378	.6145	.5927	.5721	.5526	.5341	.5166	.4999
24	.8193	.7791	.7432	.7107	.6809	.6534	.6278	.6040	.5816	.5605	.5406	.5217	.5038	.4868
25	.8148	.7733	.7364	.7030	.6723	.6441	.6179	.5934	.5705	.5489	.5285	.5093	.4910	.4736
26	.8103	.7676	.7296	.6952	.6637	.6347	.6079	.5828	.5593	.5372	.5164	.4968	.4782	.4605
27	.8057	.7618	.7228	.6874	.6551	.6254	.5978	.5721	.5481	.5256	.5044	.4843	.4653	.4473
28	.8012	.7561	.7159	.6796	.6465	.6160	.5877	.5615	.5369	.5139	.4922	.4718	.4524	.4340
29	.7967	.7503	.7091	.6718	.6378	.6065	.5776	.5508	.5257	.5022	.4801	.4592	.4395	.4208
30	.7922	.7446	.7022	.6639	.6291	.5970	.5675	.5400	.5144	.4904	.4678	.4466	.4265	.4075
31	.7878	.7388	.6953	.6561	.6203	.5876	.5573	.5292	.5031	.4786	.4556	.4340	.4135	.3941
32	.7833	.7331	.6884	.6481	.6115	.5780	.5470	.5184	.4917	.4667	.4433	.4212	.4004	.3807
33	.7789	.7273	.6815	.6402	.6027	.5684	.5368	.5075	.4802	.4548	.4309	.4084	.3872	.3672
34	.7744	.7215	.6745	.6322	.5938	.5587	.5264	.4965	.4687	.4427	.4184	.3955	.3739	.3536
35	.7700	.7157	.6676	.6242	.5849	.5490	.5160	.4854	.4571	.4306	.4058	.3825	.3606	.3399
36	.7656	.7099	.6606	.6162	.5759	.5392	.5054	.4743	.4453	.4183	.3930	.3694	.3471	.3262
37	.7612	.7042	.6536	.6081	.5669	.5294	.4949	.4630	.4335	.4059	.3802	.3562	.3336	.3126
38	.7568	.6984	.6465	.6000	.5579	.5194	.4842	.4517	.4215	.3935	.3673	.3429	.3202	.2990
39	.7525	.6926	.6395	.5919	.5488	.5095	.4735	.4403	.4095	.3810	.3544	.3298	.3068	.2855
40	.7482	.6869	.6325	.5838	.5397	.4995	.4627	.4288	.3975	.3685	.3416	.3167	.2936	.2721
41	.7440	.6813	.6256	.5757	.5306	.4895	.4519	.4174	.3855	.3560	.3288	.3037	.2805	.2590
42	.7399	.6757	.6187	.5676	.5215	.4795	.4412	.4059	.3735	.3436	.3162	.2909	.2675	.2460
43	.7358	.6701	.6118	.5596	.5124	.4696	.4304	.3945	.3616	.3314	.3037	.2782	.2548	.2334
44	.7318	.6647	.6051	.5516	.5034	.4596	.4196	.3831	.3498	.3192	.2913	.2657	.2424	.2210
45	.7279	.6593	.5983	.5437	.4944	.4497	.4089	.3718	.3380	.3072	.2791	.2535	.2301	.2088
46	.7241	.6540	.5917	.5358	.4854	.4397	.3983	.3606	.3264	.2953	.2671	.2414	.2181	.1970
47	.7204	.6488	.5851	.5279	.4764	.4298	.3877	.3495	.3149	.2835	.2552	.2296	.2064	.1855
48	.7168	.6436	.5785	.5201	.4675	.4200	.3771	.3384	.3034	.2719	.2435	.2179	.1949	.1742
49	.7132	.6385	.5720	.5122	.4585	.4101	.3666	.3274	.2921	.2604	.2320	.2065	.1837	.1632
50	.7097	.6335	.5655	.5044	.4496	.4003	.3561	.3164	.2809	.2491	.2206	.1953	.1727	.1526
51	.7064	.6286	.5590	.4967	.4407	.3906	.3457	.3056	.2698	.2379	.2095	.1843	.1620	.1422
52	.7031	.6237	.5526	.4889	.4319	.3809	.3354	.2948	.2588	.2268	.1986	.1736	.1516	.1322
53	.6999	.6189	.5463	.4813	.4231	.3712	.3251	.2841	.2479	.2160	.1878	.1631	.1414	.1225
54	.6968	.6142	.5401	.4736	.4144	.3616	.3149	.2736	.2372	.2053	.1773	.1529	.1316	.1131
55	.6938	.6096	.5339	.4661	.4057	.3521	.3048	.2631	.2266	.1947	.1670	.1429	.1220	.1040
56	.6909	.6051	.5278	.4586	.3971	.3426	.2947	.2527	.2161	.1843	.1568	.1331	.1128	.0953
57	.6882	.6006	.5218	.4512	.3885	.3332	.2848	.2425	.2058	.1742	.1470	.1237	.1038	.0869
58	.6855	.5963	.5159	.4439	.3801	.3239	.2749	.2323	.1956	.1642	.1373	.1145	.0952	.0789
59	.6830	.5922	.5101	.4367	.3717	.3147	.2651	.2223	.1856	.1543	.1279	.1055	.0868	.0712
60	.6806	.5882	.5045	.4296	.3634	.3056	.2554	.2124	.1758	.1447	.1187	.0969	.0789	.0640
61	.6783	.5843	.4990	.4226	.3553	.2965	.2459	.2026	.1660	.1353	.1098	.0886	.0712	.0570
62	.6762	.5806	.4936	.4158	.3472	.2876	.2364	.1930	.1565	.1262	.1011	.0806	.0640	.0505
63	.6742	.5771	.4885	.4091	.3393	.2788	.2271	.1835	.1472	.1172	.0928	.0730	.0571	.0444
64	.6724	.5738	.4835	.4026	.3315	.2701	.2179	.1742	.1380	.1085	.0847	.0657	.0506	.0388
65	.6708	.5706	.4787	.3962	.3238	.2615	.2088	.1650	.1291	.1001	.0770	.0587	.0445	.0335
66	.6693	.5677	.4741	.3900	.3163	.2530	.1998	.1559	.1203	.0919	.0696	.0522	.0388	.0287
67	.6680	.5650	.4698	.3840	.3089	.2447	.1910	.1471	.1118	.0840	.0625	.0460	.0336	.0243
68	.6668	.5625	.4656	.3782	.3017	.2365	.1823	.1384	.1036	.0765	.0558	.0402	.0287	.0203
69	.6659	.5603	.4617	.3726	.2946	.2283	.1737	.1299	.0955	.0692	.0494	.0349	.0243	.0168
70	.6650	.5582	.4581	.3672	.2877	.2204	.1653	.1215	.0877	.0622	.0435	.0299	.0203	.0137

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
71	.6643	.5564	.4546	.3619	.2807	.2124	.1568	.1132	.0800	.0555	.0378	.0253	.0167	.0109
72	.6638	.5549	.4515	.3570	.2743	.2048	.1488	.1054	.0729	.0493	.0327	.0213	.0136	.0086
73	.6634	.5536	.4488	.3525	.2682	.1976	.1413	.0981	.0664	.0438	.0282	.0178	.0111	.0067
74	.6632	.5529	.4471	.3497	.2643	.1930	.1364	.0935	.0622	.0404	.0255	.0158	.0096	.0057

Loss-Based Plan, with no Single Loss Limit

**Insurance Savings Table
Hazard Group 6
Effective November 19, 2010**

Minimum Loss Ratio										
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%	
1	.0000	.0385	.0798	.1237	.1695	.2641	.3614	.4602	.5602	
2	.0000	.0369	.0772	.1205	.1657	.2592	.3554	.4534	.5526	
3	.0000	.0354	.0748	.1174	.1620	.2544	.3496	.4466	.5450	
4	.0000	.0339	.0724	.1143	.1583	.2495	.3437	.4398	.5373	
5	.0000	.0324	.0701	.1114	.1546	.2447	.3378	.4330	.5297	
6	.0000	.0310	.0678	.1084	.1510	.2399	.3320	.4262	.5220	
7	.0000	.0296	.0657	.1055	.1474	.2351	.3261	.4194	.5144	
8	.0000	.0283	.0635	.1026	.1438	.2303	.3203	.4127	.5068	
9	.0000	.0270	.0615	.0998	.1403	.2256	.3145	.4059	.4992	
10	.0000	.0258	.0594	.0970	.1368	.2209	.3087	.3992	.4916	
11	.0000	.0246	.0574	.0942	.1334	.2162	.3030	.3925	.4840	
12	.0000	.0235	.0554	.0915	.1300	.2115	.2972	.3858	.4765	
13	.0000	.0224	.0535	.0888	.1265	.2069	.2915	.3791	.4689	
14	.0000	.0214	.0516	.0861	.1232	.2022	.2858	.3724	.4613	
15	.0000	.0203	.0497	.0834	.1198	.1976	.2800	.3657	.4537	
16	.0000	.0193	.0479	.0808	.1164	.1930	.2743	.3590	.4462	
17	.0000	.0184	.0461	.0782	.1131	.1884	.2686	.3523	.4386	
18	.0000	.0174	.0443	.0756	.1098	.1838	.2629	.3456	.4310	
19	.0000	.0165	.0425	.0731	.1066	.1792	.2572	.3389	.4234	
20	.0000	.0157	.0408	.0706	.1033	.1747	.2515	.3322	.4158	
21	.0000	.0148	.0391	.0681	.1001	.1701	.2458	.3254	.4081	
22	.0000	.0140	.0374	.0656	.0968	.1656	.2401	.3187	.4004	
23	.0000	.0132	.0358	.0631	.0936	.1610	.2344	.3119	.3928	
24	.0000	.0124	.0341	.0607	.0904	.1565	.2286	.3052	.3850	
25	.0000	.0117	.0325	.0583	.0873	.1520	.2229	.2984	.3773	
26	.0000	.0109	.0310	.0559	.0841	.1474	.2172	.2916	.3696	
27	.0000	.0102	.0294	.0536	.0810	.1429	.2114	.2847	.3618	
28	.0000	.0095	.0279	.0512	.0779	.1384	.2057	.2779	.3540	
29	.0000	.0089	.0264	.0489	.0749	.1339	.1999	.2710	.3462	
30	.0000	.0083	.0250	.0467	.0718	.1294	.1942	.2642	.3383	
31	.0000	.0077	.0236	.0444	.0688	.1250	.1884	.2573	.3304	
32	.0000	.0071	.0222	.0422	.0658	.1205	.1826	.2504	.3225	
33	.0000	.0065	.0208	.0401	.0628	.1160	.1769	.2435	.3146	
34	.0000	.0060	.0195	.0379	.0599	.1116	.1711	.2365	.3066	
35	.0000	.0055	.0182	.0358	.0570	.1072	.1653	.2295	.2986	

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
36	.0000	.0050	.0170	.0338	.0541	.1027	.1595	.2225	.2906
37	.0000	.0045	.0158	.0317	.0512	.0984	.1537	.2155	.2825
38	.0000	.0041	.0146	.0298	.0484	.0940	.1480	.2085	.2744
39	.0000	.0037	.0135	.0278	.0457	.0897	.1422	.2015	.2662
40	.0000	.0033	.0124	.0259	.0430	.0854	.1365	.1945	.2581
41	.0000	.0030	.0114	.0241	.0404	.0812	.1308	.1876	.2500
42	.0000	.0026	.0104	.0224	.0378	.0770	.1252	.1807	.2420
43	.0000	.0023	.0095	.0207	.0353	.0730	.1197	.1738	.2340
44	.0000	.0021	.0086	.0191	.0330	.0690	.1143	.1670	.2260
45	.0000	.0018	.0078	.0176	.0306	.0651	.1089	.1603	.2181
46	.0000	.0016	.0070	.0161	.0284	.0613	.1036	.1537	.2102
47	.0000	.0014	.0063	.0147	.0262	.0576	.0984	.1470	.2023
48	.0000	.0012	.0056	.0134	.0242	.0540	.0932	.1405	.1944
49	.0000	.0010	.0050	.0121	.0222	.0504	.0881	.1339	.1866
50	.0000	.0009	.0044	.0109	.0202	.0469	.0831	.1274	.1788
51	.0000	.0007	.0039	.0098	.0184	.0436	.0782	.1210	.1710
52	.0000	.0006	.0034	.0087	.0167	.0403	.0733	.1146	.1633
53	.0000	.0005	.0029	.0077	.0150	.0371	.0685	.1083	.1556
54	.0000	.0004	.0025	.0068	.0134	.0340	.0638	.1020	.1480
55	.0000	.0003	.0021	.0059	.0119	.0310	.0592	.0958	.1405
56	.0000	.0003	.0018	.0051	.0105	.0281	.0546	.0897	.1330
57	.0000	.0002	.0015	.0044	.0092	.0253	.0502	.0837	.1256
58	.0000	.0002	.0012	.0037	.0080	.0227	.0459	.0778	.1183
59	.0000	.0001	.0010	.0031	.0069	.0202	.0418	.0721	.1111
60	.0000	.0001	.0008	.0026	.0058	.0178	.0378	.0664	.1040
61	.0000	.0001	.0006	.0021	.0049	.0155	.0339	.0609	.0970
62	.0000	.0001	.0005	.0017	.0041	.0134	.0302	.0556	.0902
63	.0000	.0000	.0004	.0013	.0033	.0114	.0267	.0504	.0835
64	.0000	.0000	.0003	.0010	.0026	.0096	.0233	.0455	.0770
65	.0000	.0000	.0002	.0008	.0021	.0080	.0202	.0407	.0706
66	.0000	.0000	.0001	.0006	.0016	.0065	.0173	.0361	.0644
67	.0000	.0000	.0001	.0004	.0012	.0052	.0146	.0317	.0584
68	.0000	.0000	.0001	.0003	.0008	.0040	.0121	.0276	.0526
69	.0000	.0000	.0000	.0002	.0006	.0030	.0098	.0237	.0470
70	.0000	.0000	.0000	.0001	.0004	.0022	.0078	.0200	.0416
71	.0000	.0000	.0000	.0000	.0002	.0015	.0060	.0165	.0363
72	.0000	.0000	.0000	.0000	.0001	.0010	.0044	.0135	.0314
73	.0000	.0000	.0000	.0000	.0000	.0006	.0032	.0107	.0269
74	.0000	.0000	.0000	.0000	.0000	.0004	.0025	.0091	.0241

Loss-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 6
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7478	.6863	.6317	.5827	.5383	.5001	.4694	.4443	.4235	.4062	.3915	.3791	.3688	.3605
41	\$120	.7435	.6806	.6247	.5746	.5296	.4926	.4626	.4380	.4176	.4005	.3861	.3741	.3646	.3570
42	\$120	.7394	.6750	.6178	.5665	.5218	.4857	.4562	.4319	.4118	.3949	.3809	.3697	.3608	.3537
43	\$120	.7354	.6695	.6110	.5586	.5147	.4791	.4500	.4260	.4061	.3895	.3762	.3657	.3574	.3508
44	\$120	.7314	.6640	.6042	.5514	.5081	.4729	.4440	.4202	.4005	.3845	.3720	.3621	.3542	.3480
45	\$120	.7275	.6587	.5975	.5448	.5018	.4668	.4381	.4145	.3952	.3800	.3681	.3587	.3513	.3455
46	\$120	.7237	.6534	.5910	.5386	.4958	.4609	.4323	.4089	.3903	.3758	.3644	.3555	.3485	.3432
47	\$120	.7200	.6481	.5850	.5327	.4900	.4551	.4266	.4037	.3858	.3718	.3609	.3525	.3460	.3411
48	\$120	.7164	.6430	.5794	.5270	.4843	.4493	.4211	.3988	.3815	.3680	.3576	.3497	.3438	.3393
49	\$120	.7128	.6380	.5741	.5215	.4786	.4437	.4159	.3942	.3774	.3645	.3546	.3473	.3417	.3377
50	\$120	.7094	.6333	.5690	.5162	.4730	.4382	.4109	.3898	.3735	.3611	.3519	.3450	.3399	.3362
	\$250	.7096	.6333	.5652	.5040	.4491	.4002	.3581	.3224	.2922	.2666	.2450	.2266	.2112	.1982
51	\$120	.7060	.6289	.5641	.5109	.4675	.4330	.4062	.3855	.3698	.3580	.3493	.3429	.3382	.3348
	\$250	.7062	.6284	.5587	.4963	.4403	.3913	.3495	.3142	.2843	.2591	.2378	.2199	.2051	.1928
52	\$120	.7027	.6247	.5593	.5056	.4622	.4280	.4016	.3814	.3663	.3551	.3469	.3409	.3367	.3337
	\$250	.7030	.6235	.5523	.4885	.4318	.3829	.3413	.3062	.2767	.2518	.2309	.2136	.1994	.1878
53	\$120	.6996	.6207	.5547	.5004	.4570	.4232	.3971	.3775	.3630	.3524	.3447	.3392	.3353	.3326
	\$250	.6998	.6187	.5460	.4809	.4237	.3748	.3334	.2985	.2691	.2446	.2242	.2076	.1940	.1831
54	\$120	.6967	.6169	.5501	.4954	.4521	.4184	.3929	.3738	.3599	.3498	.3427	.3376	.3341	.3317
	\$250	.6967	.6140	.5398	.4735	.4160	.3670	.3256	.2908	.2617	.2376	.2179	.2019	.1890	.1787
55	\$120	.6939	.6132	.5455	.4905	.4472	.4139	.3888	.3703	.3570	.3475	.3408	.3362	.3331	.3309
	\$250	.6937	.6094	.5336	.4665	.4086	.3594	.3180	.2833	.2545	.2310	.2119	.1966	.1843	.1746
56	\$120	.6913	.6096	.5411	.4858	.4425	.4094	.3849	.3670	.3542	.3453	.3391	.3349	.3321	.3303
	\$250	.6908	.6049	.5276	.4597	.4014	.3520	.3104	.2759	.2476	.2247	.2062	.1915	.1799	.1707
57	\$120	.6889	.6061	.5368	.4812	.4378	.4051	.3811	.3638	.3517	.3433	.3376	.3338	.3313	.3297
	\$250	.6881	.6005	.5219	.4532	.3944	.3446	.3030	.2688	.2410	.2186	.2008	.1867	.1757	.1672
58	\$120	.6866	.6027	.5327	.4766	.4334	.4010	.3775	.3608	.3493	.3414	.3362	.3328	.3306	.3292
	\$250	.6854	.5962	.5164	.4469	.3874	.3374	.2958	.2619	.2345	.2127	.1956	.1822	.1719	.1640
	\$500	.6855	.5963	.5158	.4438	.3799	.3237	.2749	.2330	.1973	.1672	.1418	.1207	.1032	.0887
59	\$120	.6845	.5994	.5286	.4722	.4290	.3970	.3740	.3580	.3470	.3397	.3350	.3319	.3299	.3287
	\$250	.6829	.5921	.5111	.4407	.3806	.3302	.2888	.2552	.2283	.2071	.1907	.1780	.1683	.1610
	\$500	.6829	.5921	.5100	.4365	.3715	.3146	.2655	.2236	.1881	.1583	.1335	.1130	.0962	.0824
60	\$120	.6824	.5962	.5247	.4679	.4248	.3931	.3707	.3553	.3450	.3382	.3338	.3311	.3294	.3284
	\$250	.6805	.5883	.5061	.4347	.3739	.3233	.2819	.2486	.2223	.2018	.1860	.1740	.1650	.1583
	\$500	.6805	.5881	.5044	.4295	.3633	.3058	.2563	.2144	.1791	.1498	.1255	.1057	.0895	.0765
61	\$120	.6805	.5932	.5208	.4637	.4206	.3894	.3676	.3528	.3431	.3368	.3328	.3304	.3289	.3281
	\$250	.6782	.5847	.5013	.4288	.3674	.3165	.2752	.2423	.2166	.1967	.1816	.1704	.1620	.1559
	\$500	.6783	.5843	.4989	.4225	.3553	.2971	.2473	.2054	.1703	.1414	.1178	.0987	.0833	.0710
62	\$120	.6787	.5903	.5171	.4596	.4166	.3858	.3646	.3505	.3413	.3355	.3320	.3298	.3285	.3278
	\$250	.6762	.5813	.4966	.4231	.3610	.3099	.2687	.2362	.2110	.1919	.1775	.1669	.1592	.1537
	\$500	.6762	.5806	.4935	.4158	.3475	.2886	.2385	.1965	.1618	.1334	.1104	.0920	.0774	.0659
63	\$120	.6770	.5875	.5135	.4556	.4128	.3824	.3618	.3483	.3397	.3344	.3312	.3293	.3282	.3276
	\$250	.6743	.5780	.4920	.4175	.3548	.3034	.2623	.2303	.2057	.1873	.1737	.1638	.1567	.1517
	\$500	.6742	.5771	.4884	.4092	.3398	.2802	.2298	.1879	.1534	.1256	.1033	.0856	.0718	.0611
64	\$120	.6754	.5848	.5100	.4518	.4090	.3791	.3591	.3462	.3382	.3334	.3305	.3289	.3279	.3274
	\$250	.6726	.5750	.4877	.4121	.3487	.2970	.2562	.2245	.2007	.1830	.1701	.1609	.1545	.1500
	\$500	.6724	.5737	.4835	.4028	.3323	.2720	.2213	.1794	.1453	.1181	.0965	.0797	.0667	.0568
	\$1,000	.6724	.5738	.4835	.4026	.3315	.2700	.2178	.1741	.1380	.1086	.0848	.0659	.0509	.0392

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
65	\$120	.6740	.5823	.5066	.4480	.4054	.3760	.3566	.3443	.3369	.3325	.3299	.3285	.3277	.3273
	\$250	.6710	.5722	.4835	.4068	.3427	.2909	.2502	.2190	.1958	.1789	.1668	.1583	.1524	.1484
	\$500	.6708	.5706	.4788	.3967	.3250	.2639	.2129	.1711	.1375	.1108	.0900	.0740	.0619	.0528
	\$1,000	.6708	.5706	.4787	.3962	.3238	.2614	.2088	.1650	.1291	.1002	.0772	.0590	.0449	.0340
66	\$120	.6726	.5799	.5033	.4444	.4019	.3730	.3542	.3426	.3357	.3317	.3294	.3282	.3275	.3272
	\$250	.6696	.5695	.4795	.4017	.3369	.2848	.2443	.2138	.1913	.1751	.1637	.1559	.1506	.1471
	\$500	.6693	.5677	.4743	.3907	.3179	.2561	.2047	.1630	.1298	.1039	.0839	.0688	.0575	.0492
	\$1,000	.6693	.5677	.4741	.3900	.3163	.2530	.1998	.1560	.1205	.0921	.0699	.0526	.0393	.0293
67	\$120	.6714	.5776	.5001	.4409	.3985	.3701	.3520	.3410	.3346	.3310	.3290	.3279	.3274	.3271
	\$250	.6684	.5671	.4757	.3968	.3313	.2790	.2387	.2087	.1869	.1715	.1609	.1538	.1490	.1460
	\$500	.6680	.5651	.4701	.3850	.3109	.2483	.1967	.1552	.1225	.0973	.0781	.0639	.0535	.0459
	\$1,000	.6680	.5650	.4698	.3840	.3089	.2447	.1910	.1472	.1120	.0843	.0629	.0465	.0342	.0250
68	\$120	.6703	.5754	.4971	.4375	.3953	.3674	.3499	.3395	.3336	.3303	.3286	.3277	.3273	.3271
	\$250	.6673	.5648	.4721	.3920	.3258	.2733	.2333	.2038	.1828	.1682	.1584	.1519	.1477	.1450
	\$500	.6668	.5626	.4661	.3794	.3042	.2408	.1889	.1475	.1154	.0909	.0727	.0594	.0498	.0430
	\$1,000	.6668	.5625	.4656	.3782	.3017	.2365	.1824	.1386	.1038	.0768	.0563	.0409	.0295	.0212
69	\$120	.6693	.5733	.4942	.4342	.3922	.3648	.3480	.3382	.3327	.3298	.3283	.3276	.3272	.3270
	\$250	.6664	.5627	.4687	.3874	.3204	.2678	.2280	.1992	.1790	.1652	.1561	.1502	.1465	.1442
	\$500	.6659	.5604	.4623	.3741	.2975	.2333	.1812	.1401	.1085	.0849	.0676	.0552	.0465	.0405
	\$1,000	.6659	.5603	.4617	.3726	.2946	.2284	.1739	.1301	.0959	.0697	.0500	.0356	.0252	.0177
70	\$120	.6683	.5714	.4914	.4310	.3893	.3624	.3462	.3370	.3320	.3294	.3280	.3274	.3271	.3270
	\$250	.6656	.5608	.4654	.3829	.3152	.2624	.2230	.1948	.1754	.1624	.1540	.1487	.1454	.1435
	\$500	.6650	.5584	.4588	.3690	.2911	.2261	.1737	.1329	.1020	.0792	.0629	.0514	.0436	.0382
	\$1,000	.6650	.5582	.4581	.3672	.2877	.2205	.1655	.1219	.0882	.0628	.0442	.0308	.0213	.0147
71	\$120	.6675	.5695	.4886	.4279	.3864	.3601	.3445	.3359	.3313	.3290	.3278	.3273	.3270	.3269
	\$250	.6649	.5590	.4623	.3785	.3101	.2571	.2180	.1905	.1719	.1598	.1521	.1474	.1445	.1429
	\$500	.6644	.5566	.4554	.3639	.2847	.2188	.1662	.1257	.0955	.0737	.0584	.0479	.0409	.0363
	\$1,000	.6643	.5564	.4546	.3619	.2808	.2125	.1571	.1136	.0806	.0562	.0386	.0263	.0178	.0121
72	\$120	.6668	.5678	.4861	.4251	.3837	.3580	.3430	.3349	.3307	.3286	.3276	.3272	.3270	.3269
	\$250	.6643	.5575	.4595	.3745	.3053	.2521	.2135	.1866	.1689	.1575	.1505	.1463	.1438	.1424
	\$500	.6638	.5552	.4525	.3594	.2787	.2120	.1592	.1191	.0897	.0688	.0545	.0450	.0387	.0347
	\$1,000	.6638	.5549	.4515	.3571	.2744	.2050	.1492	.1060	.0736	.0502	.0337	.0224	.0149	.0099
73	\$120	.6662	.5663	.4837	.4224	.3813	.3561	.3417	.3341	.3302	.3284	.3275	.3271	.3270	.3269
	\$250	.6639	.5562	.4569	.3708	.3009	.2476	.2093	.1831	.1661	.1555	.1491	.1454	.1433	.1421
	\$500	.6635	.5539	.4498	.3552	.2731	.2056	.1526	.1129	.0843	.0644	.0511	.0424	.0369	.0334
	\$1,000	.6634	.5536	.4488	.3526	.2684	.1979	.1418	.0988	.0672	.0448	.0294	.0191	.0124	.0082
74	\$120	.6658	.5654	.4823	.4208	.3798	.3549	.3409	.3336	.3299	.3282	.3274	.3271	.3269	.3269
	\$250	.6637	.5555	.4554	.3685	.2981	.2447	.2066	.1810	.1645	.1543	.1483	.1449	.1429	.1419
	\$500	.6633	.5532	.4483	.3525	.2696	.2016	.1485	.1090	.0810	.0618	.0490	.0409	.0358	.0327
	\$1,000	.6632	.5529	.4472	.3498	.2645	.1934	.1370	.0943	.0632	.0415	.0268	.0172	.0110	.0072

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 6
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0033	.0123	.0258	.0427	.0849	.1358	.1936	.2570
41	\$120	.0000	.0029	.0113	.0240	.0401	.0807	.1302	.1867	.2489
42	\$120	.0000	.0026	.0103	.0222	.0376	.0766	.1246	.1798	.2409

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
43	\$120	.0000	.0023	.0094	.0206	.0351	.0725	.1191	.1729	.2330
44	\$120	.0000	.0020	.0085	.0190	.0327	.0686	.1136	.1661	.2258
45	\$120	.0000	.0018	.0077	.0174	.0304	.0647	.1083	.1594	.2191
46	\$120	.0000	.0016	.0070	.0160	.0282	.0609	.1030	.1530	.2129
47	\$120	.0000	.0014	.0062	.0146	.0260	.0572	.0977	.1470	.2070
48	\$120	.0000	.0012	.0056	.0132	.0240	.0535	.0926	.1414	.2014
49	\$120	.0000	.0010	.0049	.0120	.0220	.0500	.0876	.1360	.1959
50	\$120	.0000	.0009	.0044	.0108	.0201	.0465	.0829	.1310	.1905
	\$250	.0000	.0009	.0044	.0109	.0202	.0468	.0829	.1271	.1784
51	\$120	.0000	.0007	.0038	.0097	.0182	.0432	.0784	.1261	.1852
	\$250	.0000	.0007	.0038	.0097	.0183	.0434	.0780	.1207	.1706
52	\$120	.0000	.0006	.0033	.0086	.0165	.0399	.0743	.1213	.1800
	\$250	.0000	.0006	.0033	.0087	.0166	.0401	.0731	.1143	.1629
53	\$120	.0000	.0005	.0029	.0076	.0148	.0368	.0703	.1166	.1748
	\$250	.0000	.0005	.0029	.0077	.0149	.0370	.0683	.1080	.1553
54	\$120	.0000	.0004	.0025	.0067	.0133	.0338	.0664	.1120	.1698
	\$250	.0000	.0004	.0025	.0067	.0134	.0339	.0636	.1017	.1479
55	\$120	.0000	.0003	.0021	.0058	.0118	.0311	.0627	.1075	.1649
	\$250	.0000	.0003	.0021	.0059	.0119	.0309	.0590	.0956	.1408
56	\$120	.0000	.0003	.0018	.0050	.0104	.0285	.0591	.1031	.1602
	\$250	.0000	.0003	.0018	.0051	.0105	.0280	.0545	.0896	.1341
57	\$120	.0000	.0002	.0015	.0043	.0091	.0261	.0556	.0988	.1555
	\$250	.0000	.0002	.0015	.0044	.0092	.0252	.0501	.0838	.1276
58	\$120	.0000	.0002	.0012	.0037	.0079	.0238	.0522	.0946	.1510
	\$250	.0000	.0002	.0012	.0037	.0080	.0226	.0458	.0784	.1212
	\$500	.0000	.0002	.0012	.0037	.0080	.0227	.0459	.0778	.1181
59	\$120	.0000	.0001	.0010	.0031	.0068	.0216	.0490	.0906	.1466
	\$250	.0000	.0001	.0010	.0031	.0068	.0201	.0417	.0731	.1151
	\$500	.0000	.0001	.0010	.0031	.0069	.0201	.0417	.0720	.1109
60	\$120	.0000	.0001	.0008	.0025	.0059	.0196	.0458	.0866	.1423
	\$250	.0000	.0001	.0008	.0026	.0058	.0177	.0379	.0681	.1091
	\$500	.0000	.0001	.0008	.0026	.0058	.0177	.0377	.0663	.1038
61	\$120	.0000	.0001	.0006	.0021	.0050	.0177	.0428	.0828	.1381
	\$250	.0000	.0001	.0006	.0021	.0049	.0154	.0342	.0632	.1032
	\$500	.0000	.0001	.0006	.0021	.0049	.0155	.0338	.0608	.0969
62	\$120	.0000	.0000	.0005	.0017	.0042	.0159	.0399	.0791	.1340
	\$250	.0000	.0001	.0005	.0017	.0040	.0133	.0308	.0585	.0974
	\$500	.0000	.0001	.0005	.0017	.0040	.0134	.0301	.0555	.0901
63	\$120	.0000	.0000	.0003	.0013	.0035	.0142	.0371	.0755	.1300
	\$250	.0000	.0000	.0004	.0013	.0033	.0115	.0276	.0540	.0919
	\$500	.0000	.0000	.0004	.0013	.0033	.0114	.0266	.0504	.0836
64	\$120	.0000	.0000	.0003	.0010	.0029	.0126	.0344	.0719	.1261
	\$250	.0000	.0000	.0003	.0010	.0026	.0097	.0246	.0497	.0864
	\$500	.0000	.0000	.0003	.0010	.0026	.0096	.0233	.0454	.0772
	\$1,000	.0000	.0000	.0003	.0010	.0026	.0096	.0233	.0455	.0769
65	\$120	.0000	.0000	.0002	.0008	.0024	.0111	.0319	.0686	.1224
	\$250	.0000	.0000	.0002	.0008	.0020	.0082	.0218	.0455	.0812
	\$500	.0000	.0000	.0002	.0008	.0020	.0080	.0202	.0407	.0710
	\$1,000	.0000	.0000	.0002	.0008	.0021	.0080	.0202	.0407	.0706
66	\$120	.0000	.0000	.0001	.0006	.0019	.0098	.0295	.0653	.1188
	\$250	.0000	.0000	.0001	.0006	.0016	.0068	.0191	.0415	.0761
	\$500	.0000	.0000	.0001	.0006	.0016	.0065	.0173	.0363	.0651
	\$1,000	.0000	.0000	.0001	.0006	.0016	.0065	.0173	.0361	.0644
67	\$120	.0000	.0000	.0001	.0005	.0016	.0086	.0272	.0621	.1152

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$250	.0000	.0000	.0001	.0004	.0012	.0056	.0166	.0377	.0711
	\$500	.0000	.0000	.0001	.0004	.0011	.0052	.0146	.0320	.0593
	\$1,000	.0000	.0000	.0001	.0004	.0012	.0052	.0146	.0317	.0584
68	\$120	.0000	.0000	.0001	.0003	.0012	.0075	.0250	.0591	.1118
	\$250	.0000	.0000	.0001	.0003	.0008	.0045	.0144	.0341	.0664
	\$500	.0000	.0000	.0001	.0003	.0008	.0040	.0122	.0280	.0538
	\$1,000	.0000	.0000	.0001	.0003	.0008	.0040	.0121	.0276	.0526
69	\$120	.0000	.0000	.0000	.0002	.0009	.0064	.0229	.0561	.1086
	\$250	.0000	.0000	.0000	.0002	.0006	.0036	.0123	.0306	.0617
	\$500	.0000	.0000	.0000	.0002	.0006	.0030	.0100	.0243	.0485
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0030	.0098	.0237	.0470
70	\$120	.0000	.0000	.0000	.0002	.0007	.0055	.0210	.0533	.1054
	\$250	.0000	.0000	.0000	.0001	.0004	.0028	.0104	.0274	.0573
	\$500	.0000	.0000	.0000	.0001	.0004	.0022	.0080	.0207	.0433
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0022	.0078	.0200	.0416
71	\$120	.0000	.0000	.0000	.0001	.0005	.0047	.0191	.0506	.1023
	\$250	.0000	.0000	.0000	.0001	.0002	.0021	.0086	.0242	.0529
	\$500	.0000	.0000	.0000	.0000	.0002	.0015	.0062	.0174	.0383
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0015	.0060	.0166	.0363
72	\$120	.0000	.0000	.0000	.0001	.0004	.0040	.0174	.0480	.0994
	\$250	.0000	.0000	.0000	.0000	.0001	.0015	.0071	.0214	.0489
	\$500	.0000	.0000	.0000	.0000	.0001	.0010	.0047	.0144	.0337
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0010	.0044	.0135	.0315
73	\$120	.0000	.0000	.0000	.0000	.0003	.0033	.0159	.0457	.0968
	\$250	.0000	.0000	.0000	.0000	.0001	.0011	.0058	.0189	.0452
	\$500	.0000	.0000	.0000	.0000	.0001	.0006	.0035	.0118	.0295
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0006	.0032	.0108	.0270
74	\$120	.0000	.0000	.0000	.0000	.0002	.0030	.0150	.0443	.0952
	\$250	.0000	.0000	.0000	.0000	.0001	.0009	.0050	.0173	.0429
	\$500	.0000	.0000	.0000	.0000	.0000	.0004	.0028	.0103	.0269
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0025	.0091	.0242

*Single Loss Limit values are expressed in thousands of dollars.

NEW SECTION

WAC 296-17B-970 Hazard Group 7 tables.

Premium-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 7
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.8868	.8733	.8613	.8503	.8401	.8306	.8216	.8130	.8049	.7971	.7896	.7824	.7754	.7687
2	.8823	.8680	.8551	.8434	.8325	.8224	.8128	.8037	.7950	.7867	.7787	.7710	.7636	.7565
3	.8779	.8627	.8490	.8366	.8250	.8142	.8040	.7943	.7851	.7763	.7678	.7597	.7519	.7443
4	.8735	.8573	.8429	.8296	.8174	.8059	.7951	.7849	.7751	.7658	.7569	.7482	.7399	.7319
5	.8691	.8520	.8367	.8227	.8098	.7977	.7862	.7754	.7651	.7553	.7459	.7368	.7280	.7196
6	.8648	.8467	.8305	.8158	.8021	.7894	.7774	.7660	.7551	.7448	.7349	.7253	.7161	.7072
7	.8604	.8414	.8244	.8089	.7945	.7811	.7685	.7565	.7451	.7343	.7239	.7139	.7042	.6949
8	.8561	.8361	.8182	.8020	.7869	.7728	.7596	.7471	.7351	.7238	.7129	.7024	.6923	.6826
9	.8517	.8308	.8121	.7950	.7793	.7645	.7507	.7376	.7251	.7132	.7018	.6909	.6804	.6703
10	.8474	.8255	.8060	.7881	.7716	.7563	.7418	.7281	.7151	.7027	.6908	.6794	.6685	.6579

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
11	.8431	.8203	.7998	.7812	.7640	.7480	.7329	.7186	.7051	.6922	.6798	.6680	.6566	.6456
12	.8388	.8150	.7937	.7743	.7564	.7397	.7239	.7091	.6950	.6816	.6688	.6565	.6447	.6333
13	.8345	.8097	.7876	.7674	.7487	.7313	.7150	.6996	.6850	.6710	.6577	.6450	.6328	.6210
14	.8303	.8045	.7814	.7604	.7410	.7230	.7060	.6900	.6749	.6604	.6467	.6335	.6209	.6087
15	.8260	.7992	.7752	.7534	.7333	.7146	.6970	.6804	.6647	.6498	.6356	.6220	.6089	.5964
16	.8217	.7939	.7691	.7465	.7256	.7062	.6880	.6709	.6546	.6392	.6245	.6105	.5970	.5841
17	.8174	.7886	.7629	.7395	.7179	.6978	.6790	.6612	.6445	.6286	.6134	.5989	.5851	.5718
18	.8132	.7833	.7567	.7324	.7101	.6893	.6699	.6516	.6343	.6179	.6023	.5874	.5732	.5595
19	.8089	.7780	.7505	.7254	.7023	.6808	.6608	.6419	.6241	.6072	.5911	.5758	.5612	.5472
20	.8047	.7727	.7442	.7183	.6945	.6723	.6517	.6322	.6139	.5965	.5800	.5643	.5493	.5349
21	.8004	.7674	.7380	.7112	.6866	.6638	.6425	.6225	.6036	.5857	.5688	.5526	.5373	.5226
22	.7962	.7621	.7317	.7041	.6787	.6552	.6333	.6127	.5933	.5749	.5575	.5410	.5253	.5102
23	.7919	.7568	.7254	.6969	.6708	.6466	.6240	.6028	.5829	.5641	.5463	.5294	.5132	.4978
24	.7876	.7514	.7191	.6897	.6628	.6379	.6147	.5930	.5725	.5532	.5350	.5176	.5012	.4854
25	.7834	.7460	.7127	.6825	.6548	.6292	.6054	.5830	.5621	.5423	.5236	.5059	.4890	.4730
26	.7791	.7406	.7063	.6752	.6467	.6204	.5959	.5731	.5516	.5314	.5122	.4941	.4769	.4605
27	.7748	.7352	.6999	.6679	.6386	.6116	.5865	.5631	.5411	.5204	.5008	.4823	.4647	.4480
28	.7705	.7298	.6934	.6606	.6305	.6027	.5770	.5530	.5305	.5093	.4893	.4704	.4524	.4354
29	.7663	.7243	.6870	.6532	.6223	.5938	.5675	.5428	.5198	.4982	.4778	.4584	.4401	.4227
30	.7620	.7189	.6805	.6458	.6141	.5849	.5578	.5326	.5091	.4870	.4661	.4464	.4277	.4100
31	.7577	.7134	.6739	.6383	.6058	.5759	.5482	.5224	.4983	.4757	.4544	.4343	.4153	.3972
32	.7534	.7079	.6674	.6308	.5974	.5668	.5384	.5121	.4874	.4644	.4426	.4221	.4027	.3843
33	.7492	.7024	.6608	.6233	.5891	.5576	.5286	.5017	.4765	.4530	.4308	.4099	.3901	.3714
34	.7449	.6968	.6541	.6156	.5806	.5484	.5187	.4912	.4655	.4414	.4188	.3975	.3773	.3583
35	.7406	.6913	.6475	.6080	.5721	.5391	.5088	.4806	.4543	.4298	.4067	.3850	.3645	.3451
36	.7363	.6857	.6408	.6003	.5634	.5297	.4987	.4699	.4430	.4180	.3945	.3723	.3515	.3318
37	.7320	.6801	.6340	.5925	.5548	.5203	.4885	.4591	.4317	.4061	.3821	.3596	.3384	.3185
38	.7278	.6745	.6272	.5847	.5461	.5107	.4782	.4481	.4202	.3941	.3696	.3467	.3253	.3053
39	.7235	.6689	.6204	.5768	.5373	.5011	.4679	.4371	.4086	.3820	.3571	.3339	.3123	.2921
40	.7193	.6634	.6137	.5690	.5285	.4915	.4575	.4261	.3970	.3698	.3446	.3212	.2994	.2791
41	.7152	.6578	.6069	.5611	.5197	.4818	.4471	.4150	.3853	.3577	.3322	.3085	.2866	.2662
42	.7111	.6524	.6002	.5533	.5109	.4722	.4366	.4039	.3736	.3457	.3199	.2960	.2739	.2534
43	.7071	.6469	.5935	.5455	.5021	.4625	.4262	.3928	.3620	.3337	.3076	.2836	.2614	.2409
44	.7031	.6416	.5869	.5377	.4933	.4528	.4157	.3817	.3505	.3219	.2955	.2713	.2490	.2285
45	.6992	.6363	.5802	.5300	.4845	.4431	.4052	.3707	.3390	.3101	.2835	.2592	.2369	.2164
46	.6954	.6310	.5737	.5222	.4757	.4334	.3948	.3597	.3276	.2984	.2716	.2472	.2249	.2046
47	.6917	.6258	.5671	.5145	.4669	.4237	.3844	.3487	.3163	.2867	.2599	.2354	.2132	.1930
48	.6880	.6206	.5606	.5067	.4581	.4140	.3740	.3378	.3050	.2752	.2482	.2238	.2017	.1817
49	.6844	.6155	.5541	.4990	.4492	.4043	.3637	.3270	.2938	.2638	.2368	.2124	.1904	.1706
50	.6808	.6105	.5477	.4913	.4404	.3946	.3534	.3162	.2827	.2525	.2254	.2011	.1793	.1597
51	.6774	.6055	.5412	.4835	.4317	.3850	.3431	.3054	.2716	.2414	.2143	.1901	.1685	.1492
52	.6740	.6006	.5348	.4758	.4229	.3754	.3328	.2947	.2607	.2303	.2033	.1792	.1579	.1390
53	.6707	.5957	.5285	.4682	.4141	.3658	.3226	.2841	.2498	.2194	.1924	.1686	.1476	.1290
54	.6675	.5909	.5222	.4606	.4054	.3562	.3124	.2735	.2391	.2086	.1818	.1582	.1375	.1193
55	.6644	.5862	.5159	.4530	.3968	.3467	.3023	.2631	.2284	.1980	.1713	.1480	.1277	.1100
56	.6614	.5815	.5097	.4454	.3881	.3372	.2923	.2526	.2179	.1875	.1611	.1381	.1182	.1010
57	.6585	.5770	.5036	.4380	.3795	.3278	.2823	.2423	.2075	.1772	.1510	.1284	.1089	.0923
58	.6556	.5725	.4976	.4306	.3710	.3184	.2723	.2321	.1972	.1671	.1411	.1189	.1000	.0839
59	.6530	.5682	.4917	.4233	.3626	.3091	.2625	.2220	.1871	.1571	.1315	.1098	.0914	.0759
60	.6504	.5640	.4859	.4160	.3542	.2999	.2527	.2120	.1771	.1473	.1221	.1009	.0831	.0682
61	.6480	.5600	.4802	.4089	.3459	.2908	.2430	.2021	.1672	.1377	.1129	.0923	.0751	.0610
62	.6457	.5561	.4747	.4019	.3377	.2817	.2335	.1923	.1575	.1283	.1040	.0840	.0675	.0541
63	.6436	.5524	.4694	.3951	.3296	.2727	.2240	.1826	.1479	.1191	.0954	.0760	.0603	.0476
64	.6416	.5488	.4642	.3883	.3216	.2639	.2146	.1731	.1386	.1102	.0870	.0683	.0534	.0415
65	.6398	.5455	.4592	.3818	.3138	.2551	.2053	.1637	.1294	.1014	.0790	.0611	.0469	.0359

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
66	.6382	.5424	.4544	.3754	.3060	.2464	.1961	.1544	.1204	.0930	.0712	.0542	.0409	.0307
67	.6367	.5395	.4498	.3691	.2984	.2379	.1871	.1453	.1116	.0848	.0638	.0476	.0353	.0260
68	.6354	.5368	.4454	.3631	.2910	.2294	.1781	.1364	.1030	.0769	.0568	.0415	.0301	.0217
69	.6343	.5344	.4413	.3572	.2836	.2210	.1693	.1275	.0946	.0693	.0501	.0358	.0253	.0178
70	.6334	.5322	.4374	.3516	.2764	.2128	.1605	.1189	.0865	.0620	.0438	.0305	.0210	.0144
71	.6326	.5302	.4337	.3460	.2692	.2044	.1517	.1102	.0784	.0548	.0377	.0255	.0171	.0113
72	.6320	.5285	.4304	.3408	.2624	.1965	.1433	.1020	.0709	.0483	.0323	.0212	.0137	.0087
73	.6316	.5271	.4275	.3361	.2560	.1889	.1353	.0942	.0639	.0423	.0274	.0174	.0108	.0066
74	.6314	.5264	.4257	.3331	.2518	.1840	.1301	.0893	.0595	.0386	.0245	.0152	.0092	.0055

Premium-Based Plan, with no Single Loss Limit

Insurance Savings Table
Hazard Group 7
Effective November 19, 2010

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0376	.0777	.1202	.1645	.2558	.3493	.4443	.5403
2	.0000	.0361	.0754	.1173	.1610	.2513	.3440	.4381	.5334
3	.0000	.0347	.0731	.1145	.1577	.2469	.3387	.4320	.5266
4	.0000	.0333	.0709	.1117	.1543	.2425	.3333	.4259	.5196
5	.0000	.0319	.0688	.1090	.1510	.2381	.3280	.4197	.5127
6	.0000	.0306	.0668	.1063	.1477	.2338	.3227	.4135	.5058
7	.0000	.0293	.0648	.1036	.1444	.2294	.3174	.4074	.4989
8	.0000	.0281	.0628	.1010	.1411	.2251	.3121	.4012	.4920
9	.0000	.0269	.0609	.0984	.1379	.2207	.3068	.3951	.4850
10	.0000	.0258	.0590	.0958	.1347	.2164	.3015	.3890	.4781
11	.0000	.0247	.0571	.0932	.1315	.2121	.2963	.3828	.4712
12	.0000	.0236	.0553	.0907	.1284	.2078	.2910	.3767	.4643
13	.0000	.0226	.0535	.0882	.1252	.2035	.2857	.3706	.4574
14	.0000	.0216	.0517	.0857	.1221	.1993	.2805	.3644	.4504
15	.0000	.0206	.0499	.0832	.1189	.1950	.2752	.3582	.4434
16	.0000	.0197	.0482	.0808	.1158	.1907	.2699	.3521	.4365
17	.0000	.0187	.0465	.0783	.1127	.1864	.2646	.3459	.4295
18	.0000	.0178	.0448	.0759	.1096	.1822	.2593	.3397	.4224
19	.0000	.0170	.0431	.0735	.1066	.1779	.2540	.3335	.4154
20	.0000	.0161	.0415	.0711	.1035	.1737	.2487	.3272	.4083
21	.0000	.0153	.0398	.0687	.1005	.1694	.2434	.3210	.4012
22	.0000	.0145	.0382	.0664	.0974	.1652	.2381	.3147	.3941
23	.0000	.0137	.0366	.0641	.0944	.1609	.2328	.3084	.3869
24	.0000	.0130	.0351	.0617	.0914	.1566	.2274	.3021	.3797
25	.0000	.0122	.0335	.0594	.0884	.1524	.2220	.2957	.3725
26	.0000	.0115	.0320	.0572	.0854	.1481	.2166	.2893	.3652
27	.0000	.0108	.0305	.0549	.0824	.1438	.2112	.2829	.3579
28	.0000	.0101	.0290	.0527	.0794	.1395	.2058	.2764	.3506
29	.0000	.0095	.0276	.0504	.0765	.1353	.2003	.2700	.3432
30	.0000	.0088	.0262	.0482	.0736	.1310	.1949	.2635	.3358
31	.0000	.0082	.0248	.0461	.0706	.1267	.1894	.2569	.3283
32	.0000	.0076	.0234	.0439	.0677	.1224	.1839	.2504	.3208

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
33	.0000	.0071	.0221	.0418	.0649	.1182	.1784	.2438	.3133
34	.0000	.0065	.0207	.0397	.0620	.1139	.1728	.2371	.3056
35	.0000	.0060	.0195	.0376	.0592	.1096	.1673	.2305	.2980
36	.0000	.0055	.0182	.0356	.0563	.1053	.1617	.2238	.2903
37	.0000	.0050	.0170	.0336	.0535	.1010	.1561	.2170	.2825
38	.0000	.0046	.0158	.0316	.0508	.0968	.1505	.2102	.2747
39	.0000	.0041	.0146	.0296	.0480	.0925	.1449	.2034	.2668
40	.0000	.0037	.0135	.0277	.0453	.0883	.1394	.1967	.2590
41	.0000	.0034	.0125	.0259	.0427	.0842	.1338	.1899	.2511
42	.0000	.0030	.0115	.0241	.0402	.0801	.1284	.1832	.2433
43	.0000	.0027	.0105	.0224	.0377	.0761	.1229	.1765	.2355
44	.0000	.0024	.0096	.0208	.0352	.0721	.1176	.1699	.2277
45	.0000	.0021	.0087	.0192	.0329	.0682	.1123	.1632	.2200
46	.0000	.0019	.0079	.0176	.0306	.0644	.1070	.1567	.2122
47	.0000	.0016	.0071	.0162	.0284	.0607	.1018	.1501	.2045
48	.0000	.0014	.0064	.0148	.0262	.0570	.0966	.1436	.1967
49	.0000	.0012	.0057	.0134	.0241	.0534	.0915	.1371	.1890
50	.0000	.0010	.0051	.0122	.0221	.0498	.0865	.1307	.1813
51	.0000	.0009	.0045	.0109	.0202	.0464	.0815	.1242	.1735
52	.0000	.0007	.0039	.0098	.0184	.0430	.0766	.1178	.1658
53	.0000	.0006	.0034	.0087	.0166	.0397	.0717	.1115	.1582
54	.0000	.0005	.0029	.0077	.0149	.0365	.0669	.1052	.1506
55	.0000	.0004	.0025	.0068	.0133	.0334	.0622	.0989	.1430
56	.0000	.0003	.0021	.0059	.0118	.0304	.0575	.0927	.1354
57	.0000	.0003	.0018	.0051	.0104	.0275	.0530	.0866	.1280
58	.0000	.0002	.0015	.0043	.0091	.0246	.0485	.0806	.1206
59	.0000	.0002	.0012	.0036	.0078	.0220	.0442	.0747	.1133
60	.0000	.0001	.0010	.0030	.0067	.0194	.0400	.0689	.1060
61	.0000	.0001	.0008	.0025	.0056	.0170	.0360	.0632	.0989
62	.0000	.0001	.0006	.0020	.0047	.0147	.0321	.0577	.0919
63	.0000	.0000	.0004	.0016	.0038	.0126	.0284	.0524	.0851
64	.0000	.0000	.0003	.0012	.0030	.0106	.0248	.0472	.0783
65	.0000	.0000	.0002	.0009	.0024	.0088	.0215	.0422	.0718
66	.0000	.0000	.0002	.0007	.0018	.0072	.0184	.0374	.0654
67	.0000	.0000	.0001	.0005	.0013	.0057	.0155	.0328	.0591
68	.0000	.0000	.0001	.0003	.0010	.0044	.0128	.0284	.0531
69	.0000	.0000	.0000	.0002	.0006	.0033	.0104	.0243	.0472
70	.0000	.0000	.0000	.0001	.0004	.0024	.0082	.0204	.0416
71	.0000	.0000	.0000	.0001	.0002	.0016	.0062	.0167	.0360
72	.0000	.0000	.0000	.0000	.0001	.0010	.0045	.0134	.0308
73	.0000	.0000	.0000	.0000	.0001	.0006	.0031	.0105	.0261
74	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0087	.0231

Premium-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 7
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7189	.6627	.6128	.5679	.5272	.4924	.4649	.4427	.4243	.4090	.3961	.3851	.3760	.3688
41	\$120	.7147	.6572	.6060	.5601	.5188	.4855	.4588	.4370	.4189	.4038	.3911	.3806	.3723	.3657
42	\$120	.7107	.6517	.5993	.5522	.5115	.4791	.4529	.4314	.4136	.3987	.3864	.3766	.3689	.3628
43	\$120	.7066	.6463	.5926	.5446	.5048	.4731	.4472	.4260	.4084	.3938	.3821	.3731	.3659	.3602
44	\$120	.7027	.6409	.5860	.5377	.4987	.4673	.4417	.4206	.4032	.3892	.3784	.3698	.3631	.3578
45	\$120	.6988	.6356	.5794	.5314	.4929	.4617	.4363	.4153	.3984	.3852	.3749	.3668	.3605	.3556
46	\$120	.6950	.6303	.5731	.5255	.4873	.4562	.4309	.4102	.3940	.3814	.3716	.3640	.3581	.3536
47	\$120	.6912	.6251	.5672	.5200	.4818	.4508	.4255	.4055	.3899	.3779	.3685	.3614	.3559	.3518
48	\$120	.6876	.6200	.5618	.5147	.4765	.4454	.4205	.4010	.3861	.3745	.3656	.3590	.3540	.3503
49	\$120	.6840	.6150	.5567	.5095	.4712	.4401	.4157	.3969	.3824	.3713	.3630	.3568	.3522	.3489
50	\$120	.6804	.6103	.5519	.5044	.4658	.4351	.4112	.3929	.3789	.3684	.3606	.3548	.3506	.3476
	\$250	.6807	.6103	.5474	.4908	.4399	.3946	.3559	.3233	.2958	.2726	.2529	.2362	.2221	.2104
51	\$120	.6770	.6060	.5472	.4993	.4606	.4303	.4069	.3890	.3756	.3656	.3583	.3530	.3492	.3465
	\$250	.6773	.6053	.5409	.4831	.4312	.3860	.3478	.3156	.2884	.2655	.2462	.2299	.2164	.2053
52	\$120	.6736	.6018	.5426	.4943	.4556	.4256	.4027	.3853	.3725	.3631	.3563	.3514	.3479	.3455
	\$250	.6739	.6004	.5345	.4754	.4229	.3780	.3400	.3081	.2812	.2586	.2396	.2239	.2111	.2007
53	\$120	.6704	.5979	.5380	.4893	.4508	.4212	.3986	.3819	.3696	.3607	.3544	.3499	.3468	.3447
	\$250	.6706	.5955	.5282	.4678	.4151	.3702	.3325	.3007	.2740	.2517	.2333	.2183	.2061	.1963
54	\$120	.6674	.5941	.5336	.4845	.4462	.4168	.3948	.3786	.3669	.3585	.3527	.3486	.3458	.3439
	\$250	.6674	.5907	.5219	.4605	.4076	.3628	.3251	.2935	.2670	.2452	.2274	.2131	.2015	.1922
55	\$120	.6646	.5905	.5291	.4799	.4417	.4126	.3911	.3755	.3643	.3565	.3511	.3474	.3449	.3433
	\$250	.6643	.5860	.5156	.4536	.4004	.3555	.3178	.2863	.2602	.2390	.2219	.2081	.1971	.1884
56	\$120	.6619	.5869	.5248	.4754	.4372	.4086	.3876	.3725	.3619	.3546	.3497	.3464	.3442	.3427
	\$250	.6613	.5813	.5096	.4469	.3934	.3483	.3106	.2792	.2537	.2331	.2165	.2034	.1930	.1849
57	\$120	.6594	.5834	.5206	.4710	.4329	.4047	.3842	.3697	.3597	.3529	.3484	.3454	.3435	.3423
	\$250	.6583	.5768	.5038	.4405	.3866	.3413	.3034	.2725	.2474	.2274	.2115	.1989	.1892	.1817
58	\$120	.6571	.5799	.5166	.4667	.4287	.4009	.3810	.3671	.3577	.3514	.3473	.3446	.3429	.3419
	\$250	.6555	.5724	.4983	.4343	.3799	.3342	.2965	.2659	.2414	.2219	.2066	.1948	.1857	.1787
	\$500	.6556	.5725	.4975	.4304	.3708	.3182	.2725	.2332	.1997	.1712	.1473	.1273	.1106	.0968
59	\$120	.6548	.5766	.5126	.4624	.4247	.3972	.3779	.3646	.3558	.3500	.3462	.3439	.3424	.3415
	\$250	.6529	.5682	.4931	.4283	.3732	.3273	.2898	.2596	.2355	.2167	.2021	.1909	.1824	.1760
	\$500	.6529	.5681	.4916	.4231	.3623	.3091	.2632	.2239	.1906	.1626	.1391	.1197	.1037	.0905
60	\$120	.6527	.5734	.5087	.4583	.4207	.3937	.3750	.3623	.3540	.3487	.3453	.3433	.3420	.3413
	\$250	.6503	.5642	.4880	.4223	.3667	.3207	.2833	.2534	.2299	.2117	.1978	.1873	.1794	.1736
	\$500	.6504	.5640	.4858	.4159	.3541	.3003	.2541	.2148	.1817	.1541	.1312	.1124	.0971	.0847
61	\$120	.6506	.5704	.5049	.4543	.4169	.3904	.3722	.3602	.3524	.3475	.3445	.3427	.3417	.3410
	\$250	.6479	.5605	.4832	.4165	.3603	.3141	.2769	.2474	.2245	.2070	.1938	.1839	.1767	.1714
	\$500	.6479	.5599	.4801	.4088	.3460	.2916	.2451	.2059	.1730	.1459	.1236	.1055	.0909	.0792
62	\$120	.6487	.5674	.5013	.4504	.4132	.3871	.3696	.3582	.3510	.3465	.3438	.3423	.3414	.3409
	\$250	.6457	.5570	.4784	.4107	.3541	.3077	.2707	.2417	.2194	.2025	.1900	.1808	.1742	.1694
	\$500	.6456	.5560	.4746	.4019	.3381	.2831	.2364	.1971	.1646	.1379	.1163	.0989	.0851	.0741
63	\$120	.6469	.5645	.4977	.4466	.4096	.3841	.3671	.3563	.3496	.3456	.3432	.3419	.3411	.3407
	\$250	.6436	.5536	.4738	.4052	.3479	.3014	.2646	.2361	.2144	.1983	.1865	.1780	.1720	.1677
	\$500	.6435	.5523	.4693	.3952	.3304	.2748	.2277	.1885	.1563	.1302	.1093	.0926	.0796	.0694
64	\$120	.6452	.5618	.4942	.4429	.4062	.3811	.3648	.3546	.3484	.3448	.3427	.3416	.3409	.3406
	\$250	.6418	.5505	.4694	.3998	.3420	.2953	.2587	.2307	.2097	.1944	.1833	.1754	.1699	.1662
	\$500	.6416	.5488	.4642	.3887	.3229	.2666	.2193	.1802	.1483	.1228	.1026	.0867	.0745	.0651
	\$1,000	.6416	.5488	.4642	.3883	.3216	.2638	.2145	.1731	.1386	.1103	.0873	.0688	.0540	.0423

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
65	\$120	.6437	.5592	.4909	.4393	.4028	.3783	.3626	.3530	.3474	.3441	.3423	.3413	.3408	.3405
	\$250	.6401	.5475	.4651	.3945	.3361	.2894	.2530	.2256	.2053	.1906	.1803	.1731	.1682	.1648
	\$500	.6398	.5455	.4593	.3825	.3155	.2585	.2110	.1720	.1405	.1156	.0962	.0812	.0697	.0611
	\$1,000	.6398	.5455	.4592	.3817	.3137	.2551	.2053	.1637	.1295	.1017	.0794	.0616	.0477	.0368
66	\$120	.6422	.5567	.4876	.4359	.3996	.3757	.3606	.3516	.3464	.3435	.3419	.3411	.3406	.3404
	\$250	.6386	.5447	.4610	.3894	.3304	.2836	.2475	.2206	.2011	.1872	.1775	.1710	.1666	.1637
	\$500	.6381	.5424	.4546	.3764	.3083	.2506	.2028	.1640	.1330	.1088	.0901	.0760	.0654	.0576
	\$1,000	.6382	.5424	.4544	.3754	.3060	.2464	.1962	.1545	.1206	.0934	.0718	.0549	.0418	.0318
67	\$120	.6409	.5543	.4845	.4325	.3965	.3731	.3587	.3503	.3455	.3429	.3416	.3409	.3405	.3404
	\$250	.6372	.5421	.4571	.3844	.3249	.2779	.2422	.2159	.1971	.1840	.1750	.1691	.1652	.1627
	\$500	.6367	.5395	.4502	.3705	.3013	.2429	.1948	.1561	.1257	.1022	.0844	.0712	.0614	.0543
	\$1,000	.6367	.5395	.4498	.3691	.2984	.2379	.1872	.1455	.1119	.0853	.0645	.0486	.0364	.0273
68	\$120	.6396	.5520	.4814	.4292	.3936	.3707	.3570	.3491	.3448	.3425	.3413	.3407	.3405	.3403
	\$250	.6361	.5397	.4534	.3796	.3194	.2724	.2370	.2114	.1933	.1810	.1728	.1674	.1640	.1619
	\$500	.6354	.5369	.4461	.3648	.2944	.2353	.1870	.1486	.1187	.0960	.0791	.0667	.0578	.0515
	\$1,000	.6354	.5368	.4454	.3631	.2910	.2295	.1783	.1367	.1035	.0776	.0577	.0426	.0314	.0232
69	\$120	.6385	.5498	.4785	.4261	.3907	.3685	.3554	.3480	.3441	.3421	.3411	.3406	.3404	.3403
	\$250	.6350	.5374	.4498	.3749	.3142	.2670	.2321	.2071	.1898	.1783	.1708	.1660	.1630	.1612
	\$500	.6343	.5346	.4421	.3593	.2877	.2278	.1793	.1411	.1119	.0901	.0741	.0626	.0546	.0490
	\$1,000	.6343	.5344	.4413	.3572	.2837	.2212	.1695	.1280	.0953	.0701	.0512	.0371	.0269	.0195
70	\$120	.6375	.5477	.4756	.4231	.3880	.3664	.3539	.3471	.3435	.3418	.3409	.3405	.3404	.3403
	\$250	.6341	.5354	.4464	.3704	.3090	.2619	.2273	.2030	.1866	.1758	.1689	.1647	.1622	.1607
	\$500	.6334	.5325	.4384	.3540	.2811	.2205	.1718	.1340	.1054	.0845	.0694	.0589	.0517	.0468
	\$1,000	.6334	.5322	.4374	.3516	.2765	.2130	.1609	.1195	.0873	.0631	.0451	.0321	.0228	.0163
71	\$120	.6365	.5457	.4728	.4201	.3854	.3644	.3525	.3462	.3430	.3415	.3408	.3405	.3403	.3403
	\$250	.6333	.5335	.4431	.3660	.3039	.2567	.2226	.1990	.1835	.1735	.1673	.1636	.1614	.1602
	\$500	.6327	.5305	.4349	.3488	.2745	.2131	.1643	.1268	.0990	.0791	.0651	.0555	.0491	.0449
	\$1,000	.6326	.5302	.4337	.3461	.2694	.2048	.1522	.1110	.0795	.0562	.0393	.0274	.0191	.0135
72	\$120	.6357	.5439	.4703	.4174	.3830	.3626	.3513	.3455	.3426	.3413	.3407	.3404	.3403	.3403
	\$250	.6327	.5318	.4402	.3619	.2992	.2519	.2183	.1955	.1807	.1715	.1659	.1627	.1609	.1598
	\$500	.6321	.5289	.4318	.3441	.2684	.2062	.1572	.1202	.0932	.0742	.0612	.0526	.0470	.0434
	\$1,000	.6320	.5285	.4305	.3410	.2626	.1970	.1440	.1030	.0722	.0499	.0342	.0233	.0160	.0112
73	\$120	.6350	.5423	.4679	.4148	.3808	.3610	.3502	.3448	.3423	.3411	.3406	.3404	.3403	.3402
	\$250	.6322	.5304	.4375	.3580	.2947	.2475	.2144	.1923	.1783	.1698	.1648	.1620	.1604	.1596
	\$500	.6317	.5276	.4290	.3397	.2627	.1997	.1506	.1141	.0879	.0699	.0579	.0501	.0452	.0422
	\$1,000	.6316	.5272	.4276	.3363	.2563	.1896	.1363	.0955	.0656	.0443	.0296	.0198	.0135	.0094
74	\$120	.6346	.5413	.4665	.4133	.3795	.3600	.3496	.3445	.3421	.3410	.3405	.3403	.3403	.3402
	\$250	.6320	.5296	.4358	.3556	.2919	.2447	.2119	.1903	.1769	.1688	.1641	.1615	.1601	.1594
	\$500	.6315	.5269	.4274	.3370	.2591	.1956	.1464	.1102	.0846	.0673	.0559	.0487	.0442	.0415
	\$1,000	.6314	.5264	.4258	.3333	.2523	.1848	.1313	.0908	.0614	.0408	.0269	.0178	.0120	.0084

*Single Loss Limit values are expressed in thousands of dollars.

Premium-Based Plan, with Various Single Loss Limits

Insurance Savings Table
 Hazard Group 7
 Effective November 19, 2010

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0037	.0134	.0276	.0451	.0879	.1387	.1958	.2579

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
41	\$120	.0000	.0033	.0124	.0257	.0425	.0837	.1332	.1890	.2501
42	\$120	.0000	.0030	.0114	.0240	.0399	.0797	.1277	.1823	.2422
43	\$120	.0000	.0026	.0104	.0223	.0374	.0756	.1223	.1756	.2346
44	\$120	.0000	.0023	.0095	.0206	.0350	.0717	.1169	.1690	.2277
45	\$120	.0000	.0021	.0086	.0190	.0326	.0678	.1116	.1624	.2214
46	\$120	.0000	.0018	.0078	.0175	.0304	.0640	.1063	.1561	.2155
47	\$120	.0000	.0016	.0070	.0160	.0281	.0602	.1011	.1502	.2100
48	\$120	.0000	.0014	.0063	.0146	.0260	.0566	.0960	.1448	.2047
49	\$120	.0000	.0012	.0056	.0133	.0239	.0530	.0910	.1397	.1995
50	\$120	.0000	.0010	.0050	.0120	.0219	.0494	.0863	.1349	.1944
	\$250	.0000	.0010	.0050	.0121	.0221	.0497	.0863	.1304	.1808
51	\$120	.0000	.0009	.0044	.0108	.0200	.0460	.0820	.1302	.1893
	\$250	.0000	.0009	.0044	.0109	.0201	.0463	.0813	.1239	.1731
52	\$120	.0000	.0007	.0039	.0097	.0182	.0426	.0778	.1256	.1843
	\$250	.0000	.0007	.0039	.0098	.0183	.0429	.0764	.1175	.1654
53	\$120	.0000	.0006	.0034	.0086	.0164	.0394	.0739	.1210	.1793
	\$250	.0000	.0006	.0034	.0087	.0165	.0396	.0715	.1112	.1578
54	\$120	.0000	.0005	.0029	.0076	.0148	.0364	.0701	.1166	.1745
	\$250	.0000	.0005	.0029	.0077	.0149	.0364	.0667	.1049	.1505
55	\$120	.0000	.0004	.0025	.0067	.0132	.0336	.0665	.1121	.1699
	\$250	.0000	.0004	.0025	.0067	.0133	.0333	.0620	.0986	.1436
56	\$120	.0000	.0003	.0021	.0058	.0117	.0309	.0629	.1078	.1654
	\$250	.0000	.0003	.0021	.0058	.0118	.0303	.0573	.0926	.1369
57	\$120	.0000	.0003	.0017	.0050	.0103	.0284	.0594	.1036	.1610
	\$250	.0000	.0003	.0018	.0050	.0103	.0273	.0528	.0868	.1305
58	\$120	.0000	.0002	.0014	.0043	.0090	.0261	.0559	.0996	.1567
	\$250	.0000	.0002	.0015	.0043	.0090	.0245	.0484	.0813	.1243
	\$500	.0000	.0002	.0015	.0043	.0090	.0246	.0485	.0805	.1204
59	\$120	.0000	.0002	.0012	.0036	.0078	.0238	.0526	.0956	.1524
	\$250	.0000	.0002	.0012	.0036	.0078	.0219	.0442	.0761	.1183
	\$500	.0000	.0002	.0012	.0036	.0078	.0219	.0441	.0746	.1131
60	\$120	.0000	.0001	.0009	.0030	.0067	.0217	.0494	.0917	.1483
	\$250	.0000	.0001	.0010	.0030	.0066	.0193	.0402	.0710	.1123
	\$500	.0000	.0001	.0010	.0030	.0067	.0194	.0400	.0688	.1059
61	\$120	.0000	.0001	.0007	.0024	.0057	.0196	.0464	.0879	.1443
	\$250	.0000	.0001	.0008	.0025	.0056	.0169	.0365	.0662	.1065
	\$500	.0000	.0001	.0008	.0025	.0056	.0169	.0359	.0631	.0988
62	\$120	.0000	.0001	.0006	.0020	.0049	.0177	.0434	.0843	.1404
	\$250	.0000	.0001	.0006	.0020	.0046	.0147	.0330	.0614	.1007
	\$500	.0000	.0001	.0006	.0020	.0047	.0146	.0320	.0576	.0919
63	\$120	.0000	.0000	.0004	.0016	.0041	.0159	.0405	.0807	.1366
	\$250	.0000	.0000	.0004	.0016	.0038	.0126	.0296	.0568	.0952
	\$500	.0000	.0000	.0004	.0016	.0038	.0125	.0283	.0523	.0852
64	\$120	.0000	.0000	.0003	.0013	.0034	.0142	.0378	.0772	.1329

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$250	.0000	.0000	.0003	.0012	.0030	.0108	.0265	.0524	.0898
	\$500	.0000	.0000	.0003	.0012	.0030	.0106	.0248	.0472	.0787
	\$1,000	.0000	.0000	.0003	.0012	.0030	.0106	.0248	.0472	.0783
65	\$120	.0000	.0000	.0002	.0010	.0028	.0127	.0352	.0739	.1293
	\$250	.0000	.0000	.0002	.0009	.0024	.0091	.0235	.0481	.0845
	\$500	.0000	.0000	.0002	.0009	.0024	.0088	.0215	.0423	.0725
	\$1,000	.0000	.0000	.0002	.0009	.0024	.0088	.0215	.0422	.0717
66	\$120	.0000	.0000	.0002	.0008	.0023	.0112	.0327	.0706	.1259
	\$250	.0000	.0000	.0002	.0007	.0018	.0076	.0207	.0440	.0794
	\$500	.0000	.0000	.0002	.0007	.0018	.0071	.0184	.0376	.0664
	\$1,000	.0000	.0000	.0002	.0007	.0018	.0072	.0184	.0374	.0654
67	\$120	.0000	.0000	.0001	.0006	.0019	.0099	.0303	.0675	.1225
	\$250	.0000	.0000	.0001	.0005	.0014	.0062	.0181	.0401	.0744
	\$500	.0000	.0000	.0001	.0005	.0013	.0057	.0155	.0332	.0605
	\$1,000	.0000	.0000	.0001	.0005	.0013	.0057	.0155	.0328	.0591
68	\$120	.0000	.0000	.0001	.0004	.0015	.0086	.0280	.0644	.1192
	\$250	.0000	.0000	.0001	.0003	.0010	.0051	.0157	.0364	.0696
	\$500	.0000	.0000	.0001	.0003	.0009	.0044	.0129	.0291	.0548
	\$1,000	.0000	.0000	.0001	.0003	.0010	.0044	.0128	.0284	.0531
69	\$120	.0000	.0000	.0000	.0003	.0011	.0075	.0258	.0615	.1161
	\$250	.0000	.0000	.0000	.0002	.0007	.0040	.0134	.0328	.0649
	\$500	.0000	.0000	.0000	.0002	.0006	.0033	.0106	.0251	.0493
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0033	.0104	.0243	.0472
70	\$120	.0000	.0000	.0000	.0002	.0009	.0065	.0237	.0586	.1131
	\$250	.0000	.0000	.0000	.0001	.0005	.0031	.0114	.0294	.0604
	\$500	.0000	.0000	.0000	.0001	.0004	.0024	.0085	.0214	.0440
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0024	.0082	.0204	.0416
71	\$120	.0000	.0000	.0000	.0001	.0007	.0055	.0217	.0558	.1101
	\$250	.0000	.0000	.0000	.0001	.0003	.0023	.0095	.0261	.0560
	\$500	.0000	.0000	.0000	.0001	.0002	.0017	.0065	.0179	.0388
	\$1,000	.0000	.0000	.0000	.0001	.0002	.0016	.0062	.0167	.0361
72	\$120	.0000	.0000	.0000	.0001	.0005	.0047	.0199	.0533	.1074
	\$250	.0000	.0000	.0000	.0000	.0002	.0017	.0078	.0232	.0519
	\$500	.0000	.0000	.0000	.0000	.0001	.0011	.0049	.0148	.0341
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0010	.0045	.0135	.0310
73	\$120	.0000	.0000	.0000	.0001	.0003	.0040	.0183	.0509	.1048
	\$250	.0000	.0000	.0000	.0000	.0001	.0012	.0064	.0205	.0480
	\$500	.0000	.0000	.0000	.0000	.0001	.0007	.0036	.0120	.0297
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0006	.0032	.0106	.0263
74	\$120	.0000	.0000	.0000	.0000	.0003	.0036	.0173	.0495	.1033
	\$250	.0000	.0000	.0000	.0000	.0001	.0010	.0056	.0188	.0456
	\$500	.0000	.0000	.0000	.0000	.0000	.0005	.0029	.0104	.0270
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0024	.0088	.0233

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with no Single Loss Limit

Insurance Charge Table
Hazard Group 7
Effective November 19, 2010

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.9315	.9173	.9047	.8932	.8825	.8724	.8630	.8540	.8455	.8373	.8294	.8218	.8145	.8074
2	.9268	.9117	.8983	.8859	.8745	.8638	.8537	.8442	.8351	.8263	.8180	.8099	.8021	.7946
3	.9222	.9062	.8918	.8787	.8666	.8552	.8445	.8344	.8247	.8154	.8066	.7980	.7898	.7818
4	.9176	.9006	.8854	.8715	.8586	.8466	.8352	.8245	.8142	.8044	.7950	.7860	.7773	.7688
5	.9130	.8950	.8789	.8642	.8506	.8379	.8259	.8145	.8037	.7934	.7835	.7739	.7648	.7559
6	.9084	.8894	.8724	.8569	.8426	.8292	.8166	.8046	.7932	.7823	.7719	.7619	.7522	.7429
7	.9038	.8838	.8660	.8497	.8346	.8205	.8072	.7947	.7827	.7713	.7604	.7498	.7397	.7299
8	.8992	.8783	.8595	.8424	.8266	.8118	.7979	.7847	.7722	.7603	.7488	.7378	.7272	.7170
9	.8947	.8727	.8531	.8351	.8186	.8031	.7885	.7748	.7617	.7492	.7372	.7258	.7147	.7041
10	.8901	.8672	.8466	.8279	.8106	.7944	.7792	.7648	.7512	.7381	.7257	.7137	.7022	.6911
11	.8856	.8616	.8402	.8206	.8025	.7857	.7698	.7548	.7406	.7271	.7141	.7017	.6897	.6782
12	.8811	.8561	.8337	.8133	.7945	.7769	.7604	.7449	.7301	.7160	.7025	.6896	.6772	.6653
13	.8766	.8505	.8273	.8060	.7865	.7682	.7510	.7349	.7195	.7049	.6909	.6775	.6647	.6523
14	.8721	.8450	.8208	.7987	.7784	.7594	.7416	.7248	.7089	.6937	.6793	.6654	.6522	.6394
15	.8676	.8395	.8143	.7914	.7703	.7506	.7322	.7147	.6983	.6826	.6676	.6533	.6396	.6265
16	.8631	.8339	.8078	.7841	.7622	.7418	.7227	.7047	.6876	.6714	.6560	.6412	.6271	.6136
17	.8587	.8284	.8014	.7767	.7541	.7330	.7132	.6946	.6770	.6603	.6443	.6291	.6146	.6007
18	.8542	.8228	.7948	.7694	.7459	.7241	.7037	.6844	.6663	.6490	.6326	.6170	.6021	.5877
19	.8497	.8173	.7883	.7620	.7377	.7152	.6941	.6743	.6556	.6378	.6210	.6049	.5895	.5748
20	.8453	.8117	.7818	.7545	.7295	.7062	.6845	.6641	.6448	.6266	.6092	.5927	.5770	.5619
21	.8408	.8061	.7752	.7471	.7212	.6973	.6749	.6538	.6340	.6153	.5975	.5805	.5644	.5489
22	.8363	.8005	.7686	.7396	.7129	.6882	.6652	.6436	.6232	.6039	.5857	.5683	.5517	.5359
23	.8318	.7949	.7620	.7321	.7046	.6792	.6555	.6332	.6123	.5926	.5738	.5560	.5391	.5229
24	.8273	.7893	.7553	.7245	.6962	.6701	.6457	.6229	.6014	.5811	.5620	.5437	.5264	.5099
25	.8229	.7836	.7486	.7169	.6878	.6609	.6359	.6124	.5904	.5697	.5500	.5314	.5137	.4968
26	.8184	.7780	.7419	.7093	.6794	.6517	.6260	.6020	.5794	.5582	.5381	.5190	.5009	.4837
27	.8139	.7723	.7352	.7016	.6709	.6425	.6161	.5914	.5683	.5466	.5261	.5066	.4881	.4706
28	.8094	.7666	.7284	.6939	.6623	.6331	.6061	.5808	.5572	.5350	.5140	.4941	.4752	.4573
29	.8049	.7609	.7216	.6861	.6537	.6238	.5961	.5702	.5460	.5233	.5018	.4816	.4623	.4440
30	.8004	.7551	.7148	.6783	.6450	.6144	.5859	.5595	.5347	.5115	.4896	.4689	.4493	.4307
31	.7959	.7494	.7079	.6705	.6363	.6049	.5758	.5487	.5234	.4997	.4774	.4562	.4362	.4173
32	.7914	.7436	.7010	.6626	.6276	.5953	.5656	.5379	.5120	.4878	.4650	.4434	.4230	.4037
33	.7869	.7378	.6941	.6547	.6188	.5858	.5553	.5270	.5005	.4758	.4525	.4306	.4098	.3901
34	.7824	.7320	.6871	.6467	.6099	.5761	.5449	.5159	.4889	.4637	.4399	.4175	.3964	.3763
35	.7779	.7262	.6801	.6386	.6009	.5663	.5344	.5048	.4772	.4514	.4272	.4044	.3829	.3625
36	.7734	.7203	.6731	.6305	.5919	.5564	.5238	.4936	.4654	.4391	.4144	.3911	.3692	.3485
37	.7689	.7144	.6660	.6224	.5828	.5465	.5131	.4822	.4534	.4266	.4014	.3777	.3555	.3346
38	.7645	.7085	.6589	.6142	.5736	.5365	.5023	.4707	.4414	.4139	.3883	.3642	.3417	.3207
39	.7600	.7027	.6517	.6059	.5644	.5264	.4915	.4592	.4292	.4012	.3751	.3508	.3281	.3069
40	.7556	.6968	.6446	.5977	.5551	.5163	.4806	.4476	.4170	.3885	.3620	.3374	.3145	.2932
41	.7513	.6910	.6375	.5894	.5459	.5061	.4696	.4359	.4047	.3758	.3490	.3241	.3010	.2796
42	.7470	.6853	.6304	.5812	.5366	.4960	.4587	.4242	.3925	.3631	.3360	.3109	.2877	.2662
43	.7427	.6796	.6234	.5730	.5274	.4858	.4477	.4126	.3803	.3506	.3232	.2979	.2745	.2530
44	.7386	.6739	.6164	.5648	.5182	.4756	.4367	.4009	.3682	.3381	.3104	.2850	.2616	.2401
45	.7345	.6683	.6095	.5567	.5089	.4654	.4257	.3894	.3561	.3257	.2978	.2722	.2488	.2274
46	.7305	.6628	.6026	.5486	.4997	.4552	.4147	.3778	.3442	.3134	.2853	.2597	.2363	.2149
47	.7265	.6573	.5957	.5404	.4904	.4450	.4038	.3663	.3322	.3012	.2730	.2473	.2239	.2027
48	.7227	.6519	.5889	.5323	.4811	.4349	.3929	.3549	.3204	.2891	.2608	.2351	.2118	.1908
49	.7189	.6466	.5821	.5242	.4719	.4247	.3820	.3435	.3086	.2771	.2487	.2231	.2000	.1792
50	.7152	.6413	.5753	.5160	.4626	.4145	.3712	.3321	.2969	.2653	.2368	.2113	.1883	.1678

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
51	.7115	.6360	.5685	.5079	.4534	.4044	.3604	.3208	.2853	.2535	.2251	.1997	.1770	.1567
52	.7080	.6308	.5618	.4998	.4442	.3943	.3496	.3096	.2738	.2419	.2135	.1883	.1659	.1460
53	.7045	.6257	.5551	.4918	.4350	.3842	.3389	.2984	.2624	.2305	.2022	.1771	.1550	.1355
54	.7012	.6207	.5485	.4838	.4259	.3742	.3282	.2873	.2511	.2192	.1910	.1662	.1444	.1254
55	.6979	.6157	.5419	.4758	.4168	.3642	.3176	.2763	.2400	.2080	.1800	.1555	.1341	.1155
56	.6947	.6108	.5354	.4679	.4077	.3542	.3070	.2654	.2289	.1970	.1692	.1450	.1241	.1060
57	.6917	.6061	.5290	.4601	.3987	.3443	.2965	.2546	.2180	.1862	.1586	.1349	.1144	.0969
58	.6887	.6014	.5227	.4523	.3897	.3345	.2861	.2438	.2072	.1755	.1483	.1249	.1050	.0881
59	.6859	.5969	.5165	.4446	.3808	.3247	.2757	.2332	.1965	.1650	.1381	.1153	.0960	.0797
60	.6832	.5925	.5104	.4370	.3720	.3150	.2655	.2227	.1860	.1547	.1282	.1060	.0873	.0717
61	.6806	.5882	.5044	.4295	.3633	.3054	.2553	.2123	.1756	.1446	.1186	.0969	.0789	.0640
62	.6782	.5841	.4987	.4222	.3547	.2959	.2452	.2020	.1654	.1348	.1093	.0882	.0709	.0568
63	.6760	.5802	.4930	.4150	.3462	.2865	.2353	.1918	.1554	.1251	.1002	.0798	.0633	.0500
64	.6739	.5765	.4876	.4079	.3378	.2772	.2254	.1818	.1455	.1157	.0914	.0718	.0561	.0436
65	.6720	.5730	.4823	.4010	.3296	.2679	.2156	.1719	.1359	.1066	.0829	.0641	.0493	.0377
66	.6703	.5697	.4773	.3943	.3215	.2588	.2060	.1622	.1264	.0977	.0748	.0569	.0430	.0323
67	.6688	.5667	.4725	.3878	.3135	.2498	.1965	.1526	.1172	.0891	.0670	.0500	.0371	.0273
68	.6675	.5639	.4679	.3814	.3056	.2410	.1871	.1432	.1082	.0808	.0596	.0436	.0316	.0228
69	.6663	.5613	.4635	.3752	.2979	.2322	.1778	.1340	.0994	.0728	.0526	.0376	.0266	.0187
70	.6653	.5590	.4595	.3693	.2904	.2235	.1686	.1249	.0909	.0651	.0460	.0320	.0221	.0151
71	.6645	.5569	.4556	.3634	.2828	.2147	.1593	.1157	.0824	.0576	.0396	.0268	.0179	.0118
72	.6639	.5552	.4521	.3580	.2756	.2064	.1506	.1071	.0745	.0507	.0339	.0222	.0144	.0092
73	.6634	.5537	.4490	.3530	.2689	.1984	.1421	.0990	.0671	.0445	.0288	.0183	.0114	.0070
74	.6632	.5529	.4472	.3499	.2645	.1933	.1367	.0938	.0625	.0406	.0257	.0159	.0097	.0058

Loss-Based Plan, with no Single Loss Limit

**Insurance Savings Table
Hazard Group 7
Effective November 19, 2010**

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0395	.0816	.1263	.1728	.2687	.3669	.4667	.5675
2	.0000	.0379	.0792	.1233	.1692	.2640	.3613	.4602	.5603
3	.0000	.0365	.0768	.1203	.1656	.2594	.3558	.4538	.5531
4	.0000	.0350	.0745	.1174	.1621	.2548	.3502	.4473	.5458
5	.0000	.0336	.0723	.1145	.1586	.2501	.3446	.4409	.5386
6	.0000	.0322	.0701	.1116	.1551	.2456	.3390	.4344	.5313
7	.0000	.0308	.0680	.1088	.1517	.2410	.3334	.4279	.5240
8	.0000	.0295	.0660	.1061	.1483	.2364	.3278	.4215	.5168
9	.0000	.0283	.0639	.1033	.1449	.2319	.3223	.4150	.5095
10	.0000	.0271	.0619	.1006	.1415	.2273	.3167	.4086	.5022
11	.0000	.0259	.0600	.0979	.1382	.2228	.3112	.4021	.4950
12	.0000	.0248	.0580	.0953	.1348	.2183	.3057	.3957	.4877
13	.0000	.0237	.0561	.0926	.1315	.2138	.3001	.3892	.4804
14	.0000	.0227	.0543	.0900	.1282	.2093	.2946	.3828	.4731
15	.0000	.0216	.0524	.0874	.1249	.2048	.2890	.3763	.4658
16	.0000	.0207	.0506	.0848	.1217	.2003	.2835	.3698	.4585
17	.0000	.0197	.0488	.0823	.1184	.1958	.2780	.3633	.4511
18	.0000	.0187	.0470	.0797	.1152	.1914	.2724	.3568	.4437

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
19	.0000	.0178	.0453	.0772	.1119	.1869	.2669	.3503	.4363
20	.0000	.0169	.0435	.0747	.1087	.1824	.2613	.3437	.4289
21	.0000	.0161	.0418	.0722	.1055	.1780	.2557	.3372	.4215
22	.0000	.0152	.0401	.0697	.1023	.1735	.2501	.3306	.4140
23	.0000	.0144	.0385	.0673	.0992	.1690	.2445	.3239	.4064
24	.0000	.0136	.0368	.0649	.0960	.1645	.2389	.3173	.3989
25	.0000	.0128	.0352	.0624	.0928	.1600	.2332	.3106	.3913
26	.0000	.0121	.0336	.0600	.0897	.1556	.2275	.3039	.3836
27	.0000	.0113	.0320	.0577	.0866	.1511	.2219	.2972	.3760
28	.0000	.0106	.0305	.0553	.0835	.1466	.2161	.2904	.3682
29	.0000	.0099	.0290	.0530	.0804	.1421	.2104	.2836	.3605
30	.0000	.0093	.0275	.0507	.0773	.1376	.2047	.2767	.3527
31	.0000	.0086	.0260	.0484	.0742	.1331	.1989	.2699	.3449
32	.0000	.0080	.0246	.0461	.0712	.1286	.1932	.2630	.3370
33	.0000	.0074	.0232	.0439	.0681	.1241	.1874	.2561	.3290
34	.0000	.0068	.0218	.0417	.0651	.1196	.1816	.2491	.3211
35	.0000	.0063	.0204	.0395	.0621	.1151	.1757	.2421	.3130
36	.0000	.0058	.0191	.0374	.0592	.1106	.1699	.2350	.3049
37	.0000	.0053	.0178	.0352	.0562	.1061	.1640	.2279	.2967
38	.0000	.0048	.0166	.0332	.0533	.1016	.1581	.2208	.2885
39	.0000	.0043	.0154	.0311	.0504	.0972	.1523	.2137	.2803
40	.0000	.0039	.0142	.0291	.0476	.0928	.1464	.2066	.2720
41	.0000	.0035	.0131	.0272	.0449	.0884	.1406	.1995	.2638
42	.0000	.0032	.0120	.0253	.0422	.0841	.1348	.1924	.2556
43	.0000	.0028	.0110	.0235	.0396	.0799	.1291	.1854	.2474
44	.0000	.0025	.0101	.0218	.0370	.0758	.1235	.1784	.2392
45	.0000	.0022	.0091	.0201	.0345	.0717	.1179	.1715	.2311
46	.0000	.0019	.0083	.0185	.0321	.0677	.1124	.1646	.2229
47	.0000	.0017	.0075	.0170	.0298	.0637	.1069	.1577	.2148
48	.0000	.0015	.0067	.0155	.0275	.0599	.1015	.1509	.2067
49	.0000	.0013	.0060	.0141	.0254	.0561	.0961	.1440	.1985
50	.0000	.0011	.0053	.0128	.0233	.0524	.0908	.1373	.1904
51	.0000	.0009	.0047	.0115	.0212	.0487	.0856	.1305	.1823
52	.0000	.0008	.0041	.0103	.0193	.0452	.0804	.1238	.1742
53	.0000	.0007	.0036	.0092	.0174	.0417	.0753	.1171	.1662
54	.0000	.0005	.0031	.0081	.0157	.0383	.0703	.1105	.1582
55	.0000	.0004	.0026	.0071	.0140	.0351	.0653	.1039	.1502
56	.0000	.0004	.0022	.0062	.0124	.0319	.0604	.0974	.1423
57	.0000	.0003	.0019	.0053	.0109	.0288	.0556	.0910	.1344
58	.0000	.0002	.0015	.0045	.0095	.0259	.0510	.0847	.1267
59	.0000	.0002	.0013	.0038	.0082	.0231	.0464	.0785	.1190
60	.0000	.0001	.0010	.0032	.0070	.0204	.0420	.0724	.1114
61	.0000	.0001	.0008	.0026	.0059	.0178	.0378	.0664	.1039
62	.0000	.0001	.0006	.0021	.0049	.0154	.0337	.0606	.0966
63	.0000	.0001	.0005	.0017	.0040	.0132	.0298	.0550	.0894
64	.0000	.0000	.0003	.0013	.0032	.0111	.0261	.0495	.0823

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
65	.0000	.0000	.0002	.0010	.0025	.0092	.0226	.0443	.0754
66	.0000	.0000	.0002	.0007	.0019	.0075	.0193	.0392	.0687
67	.0000	.0000	.0001	.0005	.0014	.0060	.0163	.0344	.0621
68	.0000	.0000	.0001	.0003	.0010	.0046	.0135	.0299	.0558
69	.0000	.0000	.0000	.0002	.0007	.0035	.0109	.0255	.0496
70	.0000	.0000	.0000	.0001	.0004	.0025	.0086	.0214	.0437
71	.0000	.0000	.0000	.0001	.0002	.0017	.0065	.0175	.0378
72	.0000	.0000	.0000	.0000	.0001	.0011	.0047	.0141	.0324
73	.0000	.0000	.0000	.0000	.0001	.0006	.0033	.0110	.0274
74	.0000	.0000	.0000	.0000	.0000	.0004	.0025	.0092	.0243

Loss-Based Plan, with Various Single Loss Limits

**Insurance Charge Table
Hazard Group 7
Effective November 19, 2010**

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7551	.6961	.6437	.5966	.5538	.5172	.4884	.4650	.4457	.4296	.4161	.4046	.3950	.3874
41	\$120	.7508	.6903	.6366	.5883	.5450	.5099	.4819	.4590	.4401	.4242	.4109	.3998	.3910	.3841
42	\$120	.7465	.6846	.6295	.5801	.5373	.5032	.4757	.4532	.4345	.4188	.4058	.3956	.3875	.3811
43	\$120	.7423	.6789	.6225	.5720	.5303	.4969	.4698	.4475	.4290	.4136	.4014	.3919	.3844	.3784
44	\$120	.7381	.6732	.6155	.5648	.5238	.4909	.4640	.4419	.4235	.4089	.3974	.3885	.3814	.3758
45	\$120	.7340	.6676	.6086	.5582	.5177	.4850	.4583	.4363	.4185	.4046	.3938	.3853	.3787	.3735
46	\$120	.7300	.6621	.6019	.5520	.5118	.4793	.4526	.4309	.4139	.4006	.3904	.3823	.3761	.3714
47	\$120	.7261	.6567	.5958	.5462	.5061	.4736	.4470	.4259	.4096	.3969	.3871	.3796	.3739	.3696
48	\$120	.7222	.6512	.5902	.5406	.5005	.4679	.4417	.4213	.4055	.3934	.3841	.3771	.3718	.3679
49	\$120	.7185	.6460	.5848	.5352	.4949	.4623	.4367	.4169	.4017	.3900	.3813	.3748	.3700	.3664
50	\$120	.7148	.6411	.5797	.5298	.4893	.4570	.4319	.4127	.3980	.3869	.3788	.3727	.3683	.3651
	\$250	.7150	.6410	.5750	.5156	.4621	.4145	.3739	.3396	.3107	.2863	.2657	.2481	.2333	.2210
51	\$120	.7111	.6365	.5748	.5245	.4839	.4519	.4274	.4086	.3945	.3841	.3764	.3708	.3668	.3640
	\$250	.7114	.6358	.5682	.5075	.4530	.4055	.3653	.3315	.3030	.2789	.2586	.2415	.2273	.2157
52	\$120	.7076	.6322	.5699	.5192	.4786	.4471	.4230	.4048	.3913	.3814	.3742	.3691	.3655	.3629
	\$250	.7079	.6306	.5615	.4994	.4442	.3970	.3572	.3236	.2954	.2716	.2516	.2352	.2217	.2108
53	\$120	.7042	.6280	.5652	.5140	.4736	.4424	.4187	.4011	.3882	.3789	.3723	.3676	.3643	.3620
	\$250	.7044	.6255	.5548	.4914	.4360	.3889	.3492	.3159	.2879	.2644	.2451	.2293	.2165	.2062
54	\$120	.7010	.6241	.5605	.5090	.4687	.4379	.4147	.3977	.3854	.3766	.3704	.3662	.3632	.3613
	\$250	.7010	.6205	.5482	.4837	.4282	.3811	.3415	.3082	.2805	.2575	.2389	.2238	.2117	.2019
55	\$120	.6981	.6202	.5558	.5041	.4639	.4334	.4108	.3944	.3827	.3745	.3688	.3649	.3623	.3606
	\$250	.6978	.6155	.5416	.4764	.4206	.3734	.3338	.3007	.2733	.2510	.2330	.2186	.2071	.1979
56	\$120	.6953	.6165	.5513	.4994	.4593	.4292	.4071	.3913	.3802	.3725	.3673	.3638	.3615	.3600
	\$250	.6946	.6106	.5353	.4694	.4133	.3659	.3262	.2933	.2665	.2448	.2274	.2136	.2028	.1942
57	\$120	.6927	.6128	.5469	.4947	.4548	.4251	.4036	.3884	.3779	.3707	.3660	.3628	.3608	.3595
	\$250	.6915	.6059	.5292	.4627	.4061	.3585	.3187	.2862	.2599	.2388	.2221	.2090	.1988	.1909
58	\$120	.6902	.6092	.5426	.4902	.4504	.4211	.4002	.3856	.3757	.3691	.3648	.3620	.3602	.3591
	\$250	.6886	.6012	.5235	.4562	.3991	.3511	.3115	.2793	.2536	.2331	.2171	.2046	.1950	.1877
	\$500	.6887	.6013	.5226	.4521	.3895	.3343	.2862	.2449	.2097	.1799	.1548	.1337	.1162	.1016
59	\$120	.6878	.6057	.5384	.4857	.4461	.4173	.3970	.3830	.3737	.3676	.3637	.3612	.3597	.3588
	\$250	.6858	.5968	.5180	.4498	.3921	.3438	.3044	.2727	.2474	.2276	.2123	.2005	.1916	.1849
	\$500	.6858	.5968	.5164	.4444	.3806	.3247	.2764	.2352	.2002	.1707	.1461	.1257	.1089	.0951

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
60	\$120	.6856	.6023	.5344	.4814	.4419	.4136	.3939	.3806	.3719	.3663	.3627	.3606	.3593	.3585
	\$250	.6831	.5927	.5127	.4436	.3852	.3368	.2976	.2662	.2415	.2224	.2078	.1967	.1885	.1824
	\$500	.6831	.5924	.5103	.4368	.3719	.3154	.2669	.2256	.1909	.1619	.1378	.1181	.1020	.0890
61	\$120	.6834	.5991	.5304	.4772	.4379	.4101	.3910	.3783	.3702	.3651	.3619	.3600	.3589	.3582
	\$250	.6806	.5887	.5075	.4374	.3785	.3299	.2908	.2599	.2359	.2174	.2036	.1932	.1856	.1800
	\$500	.6806	.5881	.5043	.4294	.3634	.3063	.2575	.2163	.1818	.1532	.1298	.1108	.0955	.0832
62	\$120	.6814	.5960	.5265	.4731	.4340	.4067	.3882	.3762	.3687	.3640	.3612	.3595	.3586	.3580
	\$250	.6782	.5850	.5025	.4315	.3719	.3232	.2843	.2538	.2304	.2128	.1996	.1900	.1830	.1780
	\$500	.6782	.5841	.4985	.4222	.3552	.2974	.2483	.2071	.1729	.1449	.1221	.1039	.0893	.0779
63	\$120	.6795	.5930	.5228	.4691	.4303	.4034	.3856	.3743	.3673	.3630	.3605	.3591	.3583	.3579
	\$250	.6761	.5815	.4977	.4256	.3655	.3166	.2780	.2480	.2253	.2083	.1959	.1870	.1806	.1762
	\$500	.6760	.5802	.4929	.4151	.3471	.2887	.2392	.1980	.1642	.1368	.1148	.0973	.0836	.0729
64	\$120	.6778	.5901	.5192	.4652	.4266	.4003	.3832	.3725	.3660	.3622	.3600	.3588	.3581	.3578
	\$250	.6741	.5782	.4930	.4199	.3592	.3102	.2718	.2424	.2203	.2042	.1925	.1843	.1785	.1746
	\$500	.6739	.5765	.4876	.4083	.3392	.2800	.2303	.1892	.1558	.1290	.1077	.0911	.0782	.0684
	\$1,000	.6739	.5765	.4876	.4079	.3378	.2771	.2254	.1818	.1456	.1159	.0917	.0722	.0567	.0444
65	\$120	.6761	.5874	.5156	.4615	.4231	.3974	.3809	.3708	.3649	.3614	.3595	.3585	.3580	.3577
	\$250	.6724	.5751	.4886	.4144	.3531	.3039	.2658	.2369	.2156	.2003	.1894	.1818	.1766	.1732
	\$500	.6720	.5730	.4824	.4017	.3314	.2716	.2216	.1806	.1476	.1215	.1010	.0853	.0733	.0642
	\$1,000	.6720	.5730	.4823	.4010	.3295	.2679	.2156	.1720	.1360	.1068	.0834	.0647	.0501	.0387
66	\$120	.6746	.5847	.5122	.4578	.4198	.3946	.3788	.3693	.3639	.3608	.3591	.3583	.3578	.3576
	\$250	.6708	.5722	.4843	.4090	.3471	.2978	.2600	.2317	.2112	.1966	.1865	.1796	.1750	.1720
	\$500	.6703	.5697	.4776	.3953	.3239	.2633	.2130	.1722	.1397	.1143	.0947	.0798	.0687	.0605
	\$1,000	.6703	.5697	.4773	.3943	.3214	.2588	.2061	.1623	.1267	.0981	.0754	.0577	.0439	.0334
67	\$120	.6732	.5822	.5089	.4543	.4165	.3919	.3768	.3680	.3630	.3602	.3588	.3581	.3577	.3575
	\$250	.6694	.5694	.4802	.4038	.3412	.2919	.2544	.2268	.2070	.1932	.1839	.1776	.1735	.1709
	\$500	.6688	.5668	.4729	.3892	.3165	.2551	.2046	.1640	.1321	.1074	.0887	.0748	.0645	.0571
	\$1,000	.6688	.5667	.4724	.3877	.3135	.2499	.1966	.1529	.1176	.0896	.0678	.0510	.0382	.0287
68	\$120	.6719	.5798	.5057	.4509	.4134	.3894	.3750	.3667	.3622	.3598	.3585	.3579	.3576	.3575
	\$250	.6681	.5669	.4762	.3988	.3356	.2861	.2490	.2220	.2031	.1901	.1815	.1759	.1723	.1701
	\$500	.6675	.5640	.4685	.3832	.3093	.2471	.1964	.1560	.1247	.1009	.0831	.0701	.0607	.0541
	\$1,000	.6675	.5639	.4679	.3814	.3057	.2411	.1873	.1436	.1087	.0815	.0606	.0448	.0330	.0244
69	\$120	.6707	.5775	.5026	.4476	.4104	.3871	.3733	.3656	.3615	.3594	.3583	.3578	.3576	.3575
	\$250	.6670	.5645	.4725	.3938	.3300	.2805	.2438	.2175	.1994	.1873	.1794	.1744	.1712	.1693
	\$500	.6663	.5615	.4644	.3774	.3022	.2393	.1883	.1483	.1176	.0946	.0778	.0658	.0573	.0515
	\$1,000	.6663	.5613	.4635	.3753	.2980	.2323	.1781	.1344	.1001	.0737	.0538	.0390	.0282	.0205
70	\$120	.6696	.5753	.4996	.4444	.4076	.3849	.3717	.3646	.3609	.3590	.3581	.3577	.3575	.3574
	\$250	.6661	.5624	.4689	.3891	.3246	.2751	.2387	.2132	.1960	.1847	.1775	.1730	.1703	.1688
	\$500	.6654	.5593	.4605	.3719	.2953	.2316	.1805	.1407	.1107	.0887	.0729	.0619	.0543	.0492
	\$1,000	.6653	.5590	.4595	.3693	.2905	.2238	.1691	.1255	.0918	.0662	.0474	.0337	.0240	.0172
71	\$120	.6686	.5732	.4967	.4413	.4048	.3827	.3703	.3637	.3603	.3587	.3580	.3576	.3575	.3574
	\$250	.6653	.5604	.4655	.3844	.3192	.2696	.2338	.2091	.1927	.1822	.1758	.1719	.1696	.1683
	\$500	.6646	.5573	.4568	.3664	.2884	.2239	.1726	.1332	.1040	.0830	.0683	.0583	.0516	.0472
	\$1,000	.6645	.5569	.4556	.3635	.2829	.2151	.1599	.1166	.0835	.0590	.0413	.0287	.0201	.0142
72	\$120	.6678	.5714	.4940	.4384	.4023	.3808	.3690	.3629	.3599	.3585	.3578	.3576	.3575	.3574
	\$250	.6646	.5586	.4624	.3801	.3143	.2646	.2293	.2054	.1898	.1801	.1743	.1709	.1690	.1679
	\$500	.6640	.5556	.4535	.3614	.2820	.2166	.1652	.1263	.0979	.0780	.0643	.0552	.0493	.0456
	\$1,000	.6639	.5552	.4522	.3582	.2759	.2069	.1513	.1082	.0759	.0524	.0359	.0245	.0168	.0118
73	\$120	.6670	.5696	.4915	.4358	.4000	.3792	.3679	.3622	.3595	.3583	.3577	.3575	.3574	.3574
	\$250	.6641	.5572	.4595	.3761	.3096	.2600	.2252	.2020	.1873	.1783	.1731	.1701	.1685	.1676
	\$500	.6635	.5542	.4506	.3568	.2760	.2098	.1582	.1198	.0924	.0734	.0608	.0526	.0475	.0443
	\$1,000	.6634	.5537	.4491	.3532	.2692	.1991	.1432	.1004	.0689	.0465	.0311	.0208	.0141	.0099
74	\$120	.6666	.5686	.4900	.4341	.3986	.3781	.3672	.3618	.3593	.3582	.3577	.3575	.3574	.3574

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$250	.6638	.5563	.4578	.3736	.3067	.2571	.2226	.1999	.1858	.1773	.1724	.1697	.1682	.1674
	\$500	.6633	.5534	.4489	.3539	.2721	.2054	.1538	.1158	.0889	.0707	.0587	.0511	.0464	.0436
	\$1,000	.6632	.5529	.4473	.3501	.2650	.1941	.1379	.0954	.0645	.0429	.0283	.0187	.0126	.0088

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 7
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0039	.0141	.0290	.0474	.0923	.1457	.2057	.2709
41	\$120	.0000	.0035	.0130	.0270	.0446	.0880	.1399	.1986	.2627
42	\$120	.0000	.0031	.0119	.0252	.0419	.0837	.1342	.1915	.2544
43	\$120	.0000	.0028	.0109	.0234	.0393	.0795	.1285	.1845	.2464
44	\$120	.0000	.0025	.0100	.0217	.0367	.0753	.1228	.1775	.2391
45	\$120	.0000	.0022	.0091	.0200	.0343	.0712	.1172	.1705	.2325
46	\$120	.0000	.0019	.0082	.0184	.0319	.0672	.1117	.1639	.2264
47	\$120	.0000	.0017	.0074	.0169	.0296	.0633	.1062	.1578	.2206
48	\$120	.0000	.0015	.0066	.0154	.0273	.0594	.1008	.1521	.2150
49	\$120	.0000	.0013	.0059	.0140	.0251	.0556	.0956	.1468	.2095
50	\$120	.0000	.0011	.0053	.0126	.0230	.0519	.0907	.1417	.2042
	\$250	.0000	.0011	.0053	.0127	.0232	.0522	.0906	.1369	.1900
51	\$120	.0000	.0009	.0046	.0114	.0210	.0483	.0861	.1367	.1989
	\$250	.0000	.0009	.0047	.0115	.0212	.0486	.0854	.1302	.1819
52	\$120	.0000	.0008	.0041	.0102	.0191	.0448	.0818	.1319	.1936
	\$250	.0000	.0008	.0041	.0103	.0192	.0450	.0802	.1235	.1738
53	\$120	.0000	.0006	.0035	.0091	.0173	.0414	.0776	.1271	.1884
	\$250	.0000	.0007	.0036	.0091	.0174	.0416	.0751	.1168	.1658
54	\$120	.0000	.0005	.0030	.0080	.0155	.0382	.0737	.1224	.1833
	\$250	.0000	.0005	.0031	.0081	.0156	.0382	.0701	.1102	.1581
55	\$120	.0000	.0004	.0026	.0070	.0138	.0353	.0698	.1178	.1785
	\$250	.0000	.0004	.0026	.0071	.0139	.0349	.0651	.1036	.1508
56	\$120	.0000	.0004	.0022	.0061	.0123	.0325	.0660	.1133	.1737
	\$250	.0000	.0004	.0022	.0061	.0123	.0318	.0602	.0973	.1438
57	\$120	.0000	.0003	.0018	.0052	.0108	.0299	.0623	.1089	.1691
	\$250	.0000	.0003	.0019	.0053	.0109	.0287	.0555	.0912	.1371
58	\$120	.0000	.0002	.0015	.0045	.0094	.0274	.0587	.1046	.1645
	\$250	.0000	.0002	.0015	.0045	.0095	.0258	.0508	.0855	.1306
	\$500	.0000	.0002	.0015	.0045	.0095	.0258	.0509	.0846	.1265
59	\$120	.0000	.0002	.0012	.0038	.0082	.0250	.0553	.1004	.1601
	\$250	.0000	.0002	.0013	.0038	.0082	.0230	.0464	.0799	.1242
	\$500	.0000	.0002	.0013	.0038	.0082	.0230	.0464	.0783	.1188

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
60	\$120	.0000	.0001	.0010	.0031	.0070	.0228	.0519	.0963	.1558
	\$250	.0000	.0001	.0010	.0032	.0070	.0203	.0422	.0746	.1180
	\$500	.0000	.0001	.0010	.0032	.0070	.0203	.0420	.0723	.1112
61	\$120	.0000	.0001	.0008	.0026	.0060	.0206	.0487	.0924	.1516
	\$250	.0000	.0001	.0008	.0026	.0059	.0177	.0383	.0695	.1118
	\$500	.0000	.0001	.0008	.0026	.0059	.0178	.0377	.0663	.1038
62	\$120	.0000	.0001	.0006	.0021	.0051	.0186	.0456	.0885	.1475
	\$250	.0000	.0001	.0006	.0021	.0049	.0154	.0346	.0645	.1058
	\$500	.0000	.0001	.0006	.0021	.0049	.0154	.0336	.0605	.0965
63	\$120	.0000	.0000	.0005	.0017	.0043	.0167	.0426	.0848	.1435
	\$250	.0000	.0000	.0005	.0017	.0040	.0133	.0311	.0597	.1000
	\$500	.0000	.0000	.0005	.0017	.0040	.0132	.0297	.0549	.0895
64	\$120	.0000	.0000	.0003	.0013	.0036	.0150	.0397	.0811	.1396
	\$250	.0000	.0000	.0003	.0013	.0032	.0113	.0278	.0550	.0943
	\$500	.0000	.0000	.0003	.0013	.0032	.0111	.0260	.0495	.0827
	\$1,000	.0000	.0000	.0003	.0013	.0032	.0111	.0261	.0495	.0823
65	\$120	.0000	.0000	.0002	.0010	.0030	.0133	.0369	.0776	.1359
	\$250	.0000	.0000	.0002	.0010	.0025	.0096	.0247	.0505	.0888
	\$500	.0000	.0000	.0002	.0010	.0025	.0092	.0226	.0444	.0761
	\$1,000	.0000	.0000	.0002	.0010	.0025	.0092	.0226	.0443	.0754
66	\$120	.0000	.0000	.0002	.0008	.0024	.0118	.0343	.0742	.1322
	\$250	.0000	.0000	.0002	.0007	.0019	.0080	.0217	.0462	.0834
	\$500	.0000	.0000	.0002	.0007	.0019	.0075	.0193	.0395	.0697
	\$1,000	.0000	.0000	.0002	.0007	.0019	.0075	.0193	.0392	.0686
67	\$120	.0000	.0000	.0001	.0006	.0020	.0104	.0318	.0709	.1287
	\$250	.0000	.0000	.0001	.0005	.0014	.0066	.0190	.0421	.0782
	\$500	.0000	.0000	.0001	.0005	.0014	.0060	.0163	.0349	.0635
	\$1,000	.0000	.0000	.0001	.0005	.0014	.0060	.0163	.0344	.0621
68	\$120	.0000	.0000	.0001	.0004	.0015	.0091	.0294	.0677	.1253
	\$250	.0000	.0000	.0001	.0003	.0010	.0053	.0165	.0382	.0731
	\$500	.0000	.0000	.0001	.0003	.0010	.0046	.0136	.0305	.0576
	\$1,000	.0000	.0000	.0001	.0003	.0010	.0046	.0135	.0298	.0558
69	\$120	.0000	.0000	.0000	.0003	.0012	.0079	.0271	.0646	.1220
	\$250	.0000	.0000	.0000	.0002	.0007	.0042	.0141	.0344	.0682
	\$500	.0000	.0000	.0000	.0002	.0007	.0035	.0111	.0264	.0518
	\$1,000	.0000	.0000	.0000	.0002	.0007	.0035	.0109	.0255	.0496
70	\$120	.0000	.0000	.0000	.0002	.0009	.0068	.0249	.0616	.1188
	\$250	.0000	.0000	.0000	.0001	.0005	.0033	.0120	.0309	.0635
	\$500	.0000	.0000	.0000	.0001	.0004	.0026	.0089	.0225	.0462
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0025	.0086	.0214	.0437
71	\$120	.0000	.0000	.0000	.0001	.0007	.0058	.0228	.0587	.1156
	\$250	.0000	.0000	.0000	.0001	.0003	.0025	.0100	.0274	.0588
	\$500	.0000	.0000	.0000	.0001	.0002	.0018	.0069	.0188	.0408
	\$1,000	.0000	.0000	.0000	.0001	.0002	.0017	.0065	.0176	.0379

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
72	\$120	.0000	.0000	.0000	.0001	.0005	.0049	.0209	.0560	.1128
	\$250	.0000	.0000	.0000	.0000	.0002	.0018	.0082	.0243	.0545
	\$500	.0000	.0000	.0000	.0000	.0001	.0012	.0052	.0155	.0358
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0011	.0047	.0141	.0325
73	\$120	.0000	.0000	.0000	.0001	.0004	.0042	.0192	.0535	.1101
	\$250	.0000	.0000	.0000	.0000	.0001	.0013	.0067	.0215	.0505
	\$500	.0000	.0000	.0000	.0000	.0001	.0007	.0038	.0126	.0312
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0006	.0033	.0111	.0276
74	\$120	.0000	.0000	.0000	.0000	.0003	.0038	.0182	.0519	.1085
	\$250	.0000	.0000	.0000	.0000	.0001	.0010	.0059	.0198	.0480
	\$500	.0000	.0000	.0000	.0000	.0000	.0005	.0030	.0109	.0283
	\$1,000	.0000	.0000	.0000	.0000	.0000	.0004	.0025	.0093	.0245

*Single Loss Limit values are expressed in thousands of dollars.

NEW SECTION

WAC 296-17B-980 Hazard Group 8 tables.

Premium-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 8
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.8984	.8871	.8769	.8676	.8588	.8506	.8428	.8354	.8283	.8215	.8149	.8086	.8024	.7965
2	.8946	.8825	.8715	.8615	.8521	.8433	.8350	.8271	.8195	.8122	.8052	.7984	.7918	.7854
3	.8907	.8778	.8661	.8554	.8455	.8361	.8272	.8187	.8106	.8028	.7953	.7881	.7811	.7743
4	.8868	.8731	.8607	.8493	.8387	.8287	.8192	.8102	.8016	.7933	.7854	.7777	.7702	.7630
5	.8829	.8683	.8552	.8431	.8318	.8212	.8112	.8017	.7925	.7838	.7753	.7672	.7593	.7517
6	.8790	.8636	.8497	.8369	.8249	.8137	.8031	.7931	.7834	.7741	.7652	.7566	.7483	.7402
7	.8751	.8588	.8441	.8306	.8180	.8062	.7950	.7844	.7742	.7645	.7551	.7460	.7373	.7288
8	.8712	.8540	.8386	.8243	.8111	.7987	.7869	.7757	.7650	.7547	.7449	.7353	.7261	.7172
9	.8673	.8492	.8330	.8180	.8041	.7911	.7787	.7669	.7557	.7450	.7346	.7246	.7150	.7057
10	.8633	.8444	.8274	.8117	.7971	.7834	.7705	.7581	.7464	.7351	.7243	.7138	.7038	.6940
11	.8594	.8396	.8217	.8053	.7901	.7757	.7622	.7493	.7370	.7252	.7139	.7030	.6925	.6823
12	.8554	.8347	.8161	.7989	.7830	.7680	.7538	.7404	.7276	.7153	.7035	.6921	.6812	.6706
13	.8515	.8299	.8104	.7925	.7758	.7602	.7454	.7314	.7180	.7053	.6930	.6812	.6698	.6588
14	.8475	.8250	.8046	.7860	.7686	.7523	.7370	.7224	.7085	.6952	.6824	.6702	.6584	.6470
15	.8435	.8200	.7989	.7794	.7614	.7444	.7284	.7133	.6988	.6850	.6718	.6591	.6468	.6351
16	.8395	.8151	.7931	.7729	.7541	.7365	.7199	.7041	.6891	.6748	.6611	.6480	.6353	.6231
17	.8355	.8101	.7872	.7662	.7467	.7285	.7112	.6949	.6794	.6646	.6504	.6368	.6237	.6111
18	.8314	.8051	.7813	.7596	.7393	.7204	.7025	.6856	.6696	.6542	.6396	.6255	.6120	.5991
19	.8274	.8001	.7754	.7528	.7319	.7122	.6938	.6763	.6597	.6439	.6287	.6142	.6003	.5870
20	.8233	.7950	.7695	.7461	.7244	.7041	.6849	.6669	.6497	.6334	.6178	.6029	.5886	.5748
21	.8192	.7899	.7635	.7392	.7168	.6958	.6760	.6574	.6397	.6229	.6068	.5914	.5767	.5626
22	.8151	.7847	.7574	.7323	.7091	.6874	.6671	.6478	.6296	.6122	.5957	.5799	.5648	.5503
23	.8109	.7796	.7513	.7254	.7014	.6790	.6580	.6382	.6194	.6016	.5846	.5683	.5528	.5379
24	.8068	.7743	.7451	.7184	.6936	.6705	.6489	.6284	.6091	.5908	.5733	.5567	.5408	.5255
25	.8026	.7691	.7389	.7113	.6858	.6620	.6397	.6186	.5988	.5799	.5620	.5449	.5286	.5130
26	.7984	.7638	.7326	.7041	.6778	.6533	.6304	.6087	.5883	.5690	.5506	.5331	.5164	.5004

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
27	.7941	.7584	.7263	.6969	.6698	.6446	.6210	.5988	.5778	.5580	.5392	.5212	.5041	.4878
28	.7898	.7530	.7199	.6896	.6617	.6358	.6115	.5887	.5672	.5469	.5276	.5092	.4917	.4750
29	.7856	.7476	.7135	.6823	.6536	.6269	.6020	.5786	.5565	.5357	.5159	.4972	.4793	.4622
30	.7812	.7421	.7070	.6749	.6453	.6179	.5923	.5683	.5457	.5244	.5041	.4850	.4667	.4492
31	.7769	.7366	.7004	.6674	.6370	.6089	.5826	.5580	.5348	.5130	.4923	.4727	.4540	.4362
32	.7725	.7311	.6938	.6599	.6286	.5997	.5727	.5475	.5238	.5015	.4803	.4603	.4412	.4231
33	.7682	.7255	.6871	.6522	.6202	.5905	.5628	.5370	.5127	.4899	.4683	.4478	.4284	.4098
34	.7637	.7198	.6804	.6445	.6116	.5811	.5528	.5263	.5015	.4781	.4560	.4351	.4153	.3964
35	.7593	.7141	.6736	.6367	.6029	.5717	.5426	.5155	.4901	.4662	.4437	.4224	.4021	.3829
36	.7548	.7084	.6667	.6288	.5941	.5621	.5323	.5046	.4786	.4542	.4312	.4094	.3887	.3691
37	.7503	.7026	.6598	.6209	.5853	.5524	.5219	.4935	.4670	.4420	.4185	.3963	.3752	.3554
38	.7458	.6968	.6528	.6128	.5763	.5426	.5114	.4823	.4552	.4297	.4056	.3830	.3617	.3417
39	.7413	.6909	.6457	.6048	.5673	.5328	.5008	.4711	.4433	.4172	.3927	.3698	.3482	.3280
40	.7369	.6851	.6387	.5966	.5582	.5228	.4901	.4597	.4313	.4047	.3798	.3566	.3348	.3143
41	.7324	.6792	.6316	.5885	.5491	.5129	.4794	.4483	.4192	.3922	.3669	.3434	.3213	.3007
42	.7280	.6734	.6246	.5803	.5400	.5029	.4686	.4368	.4072	.3797	.3541	.3303	.3080	.2873
43	.7236	.6676	.6175	.5722	.5308	.4928	.4578	.4253	.3952	.3673	.3413	.3172	.2948	.2740
44	.7193	.6619	.6105	.5640	.5217	.4828	.4469	.4138	.3832	.3549	.3286	.3043	.2818	.2609
45	.7150	.6562	.6035	.5559	.5125	.4727	.4360	.4023	.3712	.3425	.3160	.2915	.2689	.2480
46	.7107	.6505	.5965	.5477	.5033	.4625	.4252	.3909	.3593	.3302	.3035	.2789	.2562	.2353
47	.7065	.6448	.5895	.5395	.4940	.4524	.4143	.3794	.3474	.3180	.2911	.2663	.2437	.2229
48	.7024	.6392	.5825	.5313	.4847	.4422	.4034	.3680	.3355	.3059	.2787	.2540	.2313	.2106
49	.6983	.6336	.5756	.5231	.4754	.4321	.3926	.3566	.3237	.2938	.2666	.2417	.2191	.1986
50	.6943	.6280	.5686	.5149	.4661	.4219	.3817	.3452	.3120	.2818	.2545	.2297	.2072	.1868
51	.6903	.6225	.5616	.5066	.4568	.4117	.3708	.3338	.3003	.2700	.2426	.2178	.1955	.1754
52	.6864	.6170	.5547	.4984	.4475	.4016	.3600	.3225	.2887	.2582	.2308	.2061	.1840	.1641
53	.6825	.6116	.5477	.4902	.4382	.3914	.3492	.3112	.2771	.2465	.2191	.1946	.1727	.1532
54	.6787	.6062	.5408	.4820	.4289	.3812	.3384	.3000	.2657	.2350	.2077	.1834	.1617	.1426
55	.6750	.6008	.5340	.4738	.4196	.3711	.3277	.2889	.2543	.2236	.1964	.1723	.1510	.1322
56	.6714	.5955	.5271	.4656	.4104	.3610	.3170	.2778	.2431	.2124	.1853	.1615	.1405	.1222
57	.6679	.5903	.5204	.4575	.4012	.3510	.3063	.2668	.2320	.2013	.1744	.1509	.1303	.1125
58	.6645	.5852	.5137	.4494	.3920	.3409	.2958	.2559	.2210	.1904	.1637	.1405	.1204	.1031
59	.6611	.5802	.5070	.4414	.3829	.3310	.2852	.2451	.2101	.1796	.1532	.1304	.1108	.0940
60	.6580	.5753	.5005	.4335	.3738	.3211	.2748	.2344	.1993	.1690	.1429	.1206	.1016	.0854
61	.6549	.5705	.4941	.4257	.3649	.3113	.2645	.2238	.1887	.1586	.1329	.1111	.0926	.0771
62	.6520	.5659	.4879	.4180	.3560	.3016	.2543	.2134	.1783	.1484	.1232	.1019	.0841	.0692
63	.6492	.5614	.4817	.4104	.3472	.2920	.2441	.2030	.1680	.1385	.1137	.0930	.0758	.0617
64	.6466	.5572	.4758	.4029	.3386	.2824	.2341	.1928	.1579	.1287	.1045	.0844	.0680	.0546
65	.6442	.5531	.4700	.3956	.3300	.2730	.2242	.1827	.1480	.1192	.0955	.0762	.0606	.0480
66	.6420	.5492	.4645	.3885	.3216	.2637	.2144	.1728	.1383	.1100	.0870	.0684	.0536	.0418
67	.6400	.5456	.4591	.3815	.3133	.2545	.2047	.1631	.1288	.1010	.0787	.0609	.0470	.0360
68	.6382	.5422	.4540	.3747	.3052	.2454	.1951	.1535	.1196	.0923	.0708	.0539	.0408	.0307
69	.6366	.5391	.4490	.3681	.2971	.2365	.1857	.1440	.1105	.0839	.0631	.0472	.0350	.0259
70	.6352	.5362	.4444	.3617	.2893	.2276	.1763	.1347	.1016	.0758	.0559	.0409	.0297	.0214
71	.6339	.5335	.4399	.3553	.2813	.2186	.1669	.1253	.0928	.0677	.0489	.0349	.0247	.0173
72	.6330	.5312	.4358	.3494	.2738	.2100	.1579	.1165	.0845	.0603	.0424	.0295	.0203	.0138
73	.6322	.5293	.4321	.3438	.2667	.2018	.1493	.1080	.0766	.0534	.0366	.0247	.0164	.0108
74	.6319	.5281	.4299	.3403	.2620	.1965	.1436	.1025	.0716	.0491	.0330	.0218	.0142	.0091

Premium-Based Plan, with no Single Loss Limit

Insurance Savings Table
 Hazard Group 8
 Effective November 19, 2010

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0404	.0830	.1275	.1734	.2674	.3631	.4599	.5576
2	.0000	.0392	.0810	.1250	.1705	.2636	.3585	.4545	.5515
3	.0000	.0379	.0791	.1226	.1675	.2597	.3538	.4491	.5454
4	.0000	.0367	.0772	.1202	.1646	.2558	.3491	.4437	.5393
5	.0000	.0355	.0753	.1178	.1617	.2519	.3443	.4382	.5331
6	.0000	.0343	.0735	.1154	.1587	.2480	.3396	.4327	.5269
7	.0000	.0332	.0717	.1130	.1558	.2441	.3348	.4271	.5206
8	.0000	.0321	.0699	.1106	.1528	.2402	.3300	.4216	.5143
9	.0000	.0310	.0681	.1082	.1499	.2363	.3252	.4160	.5080
10	.0000	.0299	.0664	.1059	.1470	.2323	.3204	.4104	.5017
11	.0000	.0289	.0647	.1035	.1441	.2284	.3156	.4047	.4953
12	.0000	.0279	.0630	.1012	.1411	.2244	.3107	.3991	.4889
13	.0000	.0269	.0613	.0988	.1382	.2205	.3059	.3934	.4825
14	.0000	.0259	.0596	.0965	.1353	.2165	.3010	.3876	.4760
15	.0000	.0250	.0579	.0941	.1323	.2125	.2960	.3819	.4694
16	.0000	.0240	.0562	.0918	.1294	.2085	.2911	.3761	.4629
17	.0000	.0231	.0546	.0895	.1265	.2045	.2861	.3702	.4562
18	.0000	.0222	.0529	.0871	.1235	.2004	.2811	.3643	.4496
19	.0000	.0214	.0513	.0848	.1206	.1964	.2761	.3584	.4428
20	.0000	.0205	.0496	.0825	.1176	.1923	.2710	.3525	.4361
21	.0000	.0196	.0480	.0802	.1147	.1882	.2659	.3465	.4292
22	.0000	.0188	.0464	.0778	.1117	.1841	.2607	.3404	.4223
23	.0000	.0180	.0448	.0755	.1087	.1799	.2556	.3343	.4154
24	.0000	.0171	.0432	.0732	.1057	.1758	.2503	.3281	.4084
25	.0000	.0163	.0416	.0709	.1028	.1716	.2451	.3219	.4013
26	.0000	.0155	.0400	.0686	.0998	.1674	.2398	.3156	.3941
27	.0000	.0148	.0384	.0663	.0968	.1631	.2344	.3093	.3869
28	.0000	.0140	.0369	.0640	.0938	.1588	.2290	.3029	.3796
29	.0000	.0133	.0353	.0617	.0908	.1546	.2236	.2965	.3723
30	.0000	.0125	.0338	.0594	.0878	.1502	.2181	.2900	.3649
31	.0000	.0118	.0323	.0571	.0847	.1459	.2126	.2834	.3574
32	.0000	.0111	.0308	.0548	.0817	.1415	.2071	.2768	.3499
33	.0000	.0104	.0293	.0525	.0787	.1372	.2015	.2701	.3422
34	.0000	.0098	.0278	.0503	.0757	.1327	.1958	.2634	.3345
35	.0000	.0091	.0264	.0480	.0727	.1283	.1901	.2566	.3267
36	.0000	.0085	.0249	.0458	.0696	.1238	.1844	.2497	.3188
37	.0000	.0079	.0235	.0435	.0666	.1193	.1786	.2428	.3109
38	.0000	.0073	.0221	.0413	.0636	.1148	.1728	.2358	.3028
39	.0000	.0067	.0207	.0391	.0606	.1103	.1669	.2287	.2948
40	.0000	.0062	.0194	.0370	.0576	.1059	.1611	.2217	.2866
41	.0000	.0056	.0181	.0348	.0547	.1014	.1552	.2146	.2785
42	.0000	.0052	.0169	.0328	.0518	.0970	.1494	.2076	.2703

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
43	.0000	.0047	.0156	.0307	.0490	.0926	.1436	.2005	.2622
44	.0000	.0042	.0145	.0288	.0462	.0883	.1379	.1935	.2540
45	.0000	.0038	.0133	.0269	.0435	.0840	.1322	.1865	.2459
46	.0000	.0034	.0123	.0250	.0408	.0797	.1265	.1795	.2377
47	.0000	.0031	.0112	.0232	.0382	.0755	.1208	.1725	.2295
48	.0000	.0027	.0102	.0214	.0356	.0714	.1152	.1655	.2213
49	.0000	.0024	.0093	.0197	.0331	.0673	.1096	.1586	.2131
50	.0000	.0021	.0084	.0181	.0307	.0633	.1040	.1516	.2049
51	.0000	.0019	.0075	.0165	.0283	.0593	.0985	.1446	.1966
52	.0000	.0016	.0067	.0150	.0260	.0554	.0930	.1377	.1884
53	.0000	.0014	.0060	.0135	.0238	.0515	.0876	.1307	.1802
54	.0000	.0012	.0053	.0121	.0217	.0477	.0822	.1238	.1720
55	.0000	.0010	.0046	.0108	.0196	.0440	.0768	.1170	.1638
56	.0000	.0008	.0040	.0096	.0176	.0404	.0715	.1101	.1556
57	.0000	.0007	.0034	.0084	.0157	.0369	.0663	.1034	.1475
58	.0000	.0006	.0029	.0073	.0139	.0335	.0612	.0967	.1394
59	.0000	.0005	.0024	.0063	.0122	.0301	.0562	.0900	.1314
60	.0000	.0004	.0020	.0054	.0106	.0270	.0513	.0835	.1235
61	.0000	.0003	.0016	.0045	.0091	.0239	.0465	.0771	.1157
62	.0000	.0002	.0013	.0037	.0077	.0210	.0419	.0709	.1080
63	.0000	.0002	.0010	.0030	.0064	.0182	.0374	.0647	.1004
64	.0000	.0001	.0008	.0024	.0053	.0156	.0332	.0588	.0929
65	.0000	.0001	.0006	.0019	.0043	.0132	.0291	.0530	.0856
66	.0000	.0001	.0004	.0014	.0033	.0110	.0252	.0475	.0785
67	.0000	.0000	.0003	.0010	.0026	.0090	.0216	.0421	.0715
68	.0000	.0000	.0002	.0007	.0019	.0072	.0182	.0370	.0647
69	.0000	.0000	.0001	.0005	.0013	.0056	.0151	.0320	.0581
70	.0000	.0000	.0001	.0003	.0009	.0042	.0122	.0274	.0517
71	.0000	.0000	.0000	.0002	.0005	.0029	.0095	.0229	.0453
72	.0000	.0000	.0000	.0001	.0003	.0020	.0072	.0188	.0394
73	.0000	.0000	.0000	.0000	.0001	.0012	.0053	.0151	.0338
74	.0000	.0000	.0000	.0000	.0001	.0009	.0041	.0129	.0303

Premium-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 8
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7364	.6844	.6378	.5956	.5570	.5249	.5003	.4803	.4637	.4497	.4378	.4276	.4192	.3859
41	\$120	.7319	.6786	.6308	.5874	.5486	.5184	.4945	.4749	.4585	.4447	.4329	.4232	.4157	.3859
42	\$120	.7275	.6728	.6237	.5792	.5416	.5125	.4890	.4697	.4534	.4397	.4283	.4195	.4126	.3859
43	\$120	.7231	.6670	.6166	.5714	.5354	.5069	.4837	.4644	.4483	.4349	.4244	.4162	.4098	.3859
44	\$120	.7188	.6612	.6096	.5647	.5296	.5014	.4784	.4592	.4433	.4307	.4209	.4132	.4072	.3859
45	\$120	.7145	.6555	.6026	.5586	.5241	.4961	.4731	.4540	.4387	.4269	.4177	.4104	.4047	.3859

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
46	\$120	.7103	.6498	.5961	.5531	.5187	.4908	.4679	.4491	.4347	.4234	.4147	.4077	.4024	.3859
47	\$120	.7061	.6441	.5904	.5477	.5135	.4856	.4626	.4447	.4309	.4201	.4117	.4053	.4004	.3859
48	\$120	.7019	.6385	.5850	.5426	.5083	.4802	.4578	.4406	.4273	.4170	.4090	.4031	.3986	.3859
49	\$120	.6979	.6332	.5800	.5375	.5031	.4751	.4534	.4367	.4239	.4140	.4066	.4011	.3970	.3859
50	\$120	.6938	.6283	.5752	.5325	.4978	.4703	.4492	.4330	.4206	.4113	.4044	.3993	.3955	.3859
	\$250	.6941	.6278	.5683	.5144	.4656	.4223	.3860	.3554	.3295	.3075	.2887	.2726	.2590	.2476
51	\$120	.6899	.6238	.5705	.5275	.4927	.4658	.4452	.4294	.4175	.4088	.4023	.3976	.3942	.3859
	\$250	.6901	.6223	.5613	.5062	.4565	.4139	.3780	.3478	.3223	.3005	.2820	.2663	.2533	.2426
52	\$120	.6860	.6196	.5659	.5224	.4879	.4614	.4412	.4260	.4147	.4064	.4004	.3961	.3930	.3859
	\$250	.6862	.6168	.5543	.4979	.4480	.4059	.3704	.3405	.3151	.2935	.2754	.2604	.2481	.2380
53	\$120	.6823	.6155	.5613	.5175	.4833	.4572	.4374	.4228	.4120	.4042	.3987	.3947	.3920	.3859
	\$250	.6824	.6113	.5474	.4898	.4402	.3983	.3630	.3332	.3079	.2867	.2692	.2549	.2432	.2337
54	\$120	.6789	.6116	.5567	.5128	.4789	.4531	.4338	.4197	.4095	.4022	.3971	.3935	.3910	.3859
	\$250	.6786	.6059	.5405	.4823	.4327	.3909	.3557	.3259	.3009	.2803	.2634	.2498	.2386	.2297
55	\$120	.6757	.6077	.5521	.5083	.4746	.4491	.4304	.4169	.4072	.4004	.3957	.3924	.3902	.3859
	\$250	.6749	.6006	.5337	.4752	.4255	.3837	.3484	.3187	.2942	.2742	.2580	.2449	.2343	.2259
56	\$120	.6728	.6039	.5477	.5038	.4703	.4454	.4272	.4142	.4050	.3987	.3944	.3915	.3895	.3859
	\$250	.6713	.5953	.5272	.4684	.4185	.3765	.3411	.3118	.2878	.2684	.2527	.2402	.2302	.2224
57	\$120	.6700	.6000	.5435	.4995	.4662	.4417	.4241	.4116	.4030	.3972	.3932	.3906	.3889	.3859
	\$250	.6678	.5901	.5211	.4618	.4116	.3693	.3340	.3051	.2817	.2628	.2478	.2358	.2265	.2192
58	\$120	.6672	.5963	.5394	.4953	.4623	.4382	.4211	.4093	.4012	.3958	.3922	.3899	.3884	.3859
	\$250	.6643	.5851	.5153	.4555	.4048	.3622	.3272	.2987	.2758	.2575	.2430	.2318	.2230	.2162
	\$500	.6644	.5851	.5135	.4492	.3917	.3408	.2963	.2580	.2251	.1969	.1730	.1527	.1356	.1212
59	\$120	.6646	.5928	.5353	.4912	.4584	.4348	.4183	.4071	.3995	.3945	.3913	.3892	.3880	.3859
	\$250	.6610	.5803	.5097	.4492	.3980	.3554	.3206	.2925	.2701	.2524	.2386	.2279	.2198	.2136
	\$500	.6611	.5801	.5069	.4412	.3826	.3312	.2867	.2484	.2157	.1879	.1644	.1447	.1282	.1146
60	\$120	.6621	.5893	.5314	.4872	.4547	.4316	.4157	.4050	.3979	.3934	.3905	.3887	.3876	.3859
	\$250	.6578	.5759	.5043	.4430	.3913	.3487	.3141	.2864	.2646	.2476	.2344	.2244	.2168	.2111
	\$500	.6579	.5752	.5004	.4333	.3738	.3220	.2773	.2391	.2066	.1792	.1562	.1371	.1213	.1084
61	\$120	.6596	.5860	.5275	.4833	.4511	.4285	.4132	.4031	.3965	.3924	.3898	.3882	.3873	.3859
	\$250	.6548	.5717	.4990	.4368	.3848	.3422	.3078	.2806	.2593	.2430	.2305	.2211	.2141	.2089
	\$500	.6548	.5704	.4940	.4255	.3653	.3130	.2681	.2299	.1976	.1706	.1482	.1298	.1147	.1025
62	\$120	.6573	.5827	.5238	.4795	.4476	.4256	.4109	.4013	.3952	.3914	.3892	.3878	.3870	.3859
	\$250	.6520	.5677	.4939	.4309	.3785	.3358	.3017	.2750	.2543	.2386	.2268	.2181	.2116	.2070
	\$500	.6519	.5658	.4877	.4181	.3570	.3042	.2591	.2209	.1889	.1624	.1406	.1229	.1086	.0970
63	\$120	.6551	.5796	.5201	.4758	.4443	.4228	.4087	.3997	.3940	.3906	.3886	.3874	.3868	.3859
	\$250	.6495	.5638	.4889	.4251	.3723	.3296	.2958	.2696	.2496	.2345	.2234	.2153	.2094	.2052
	\$500	.6492	.5614	.4817	.4108	.3489	.2955	.2501	.2120	.1804	.1545	.1333	.1163	.1027	.0919
64	\$120	.6530	.5765	.5166	.4722	.4411	.4202	.4066	.3982	.3930	.3899	.3882	.3871	.3866	.3859
	\$250	.6471	.5602	.4840	.4195	.3663	.3236	.2901	.2644	.2450	.2307	.2202	.2127	.2074	.2037
	\$500	.6466	.5571	.4759	.4038	.3410	.2870	.2414	.2034	.1722	.1468	.1264	.1101	.0973	.0872
	\$1,000	.6466	.5572	.4758	.4029	.3385	.2824	.2340	.1928	.1581	.1291	.1050	.0853	.0691	.0561
65	\$120	.6510	.5736	.5131	.4688	.4380	.4177	.4047	.3968	.3921	.3893	.3878	.3869	.3864	.3859
	\$250	.6450	.5567	.4793	.4139	.3604	.3177	.2845	.2594	.2407	.2271	.2173	.2104	.2056	.2023
	\$500	.6442	.5531	.4704	.3970	.3332	.2786	.2328	.1950	.1642	.1394	.1197	.1042	.0922	.0829
	\$1,000	.6442	.5531	.4700	.3956	.3300	.2730	.2242	.1829	.1484	.1198	.0964	.0773	.0620	.0498
66	\$120	.6492	.5708	.5098	.4655	.4351	.4153	.4030	.3955	.3912	.3888	.3874	.3867	.3863	.3859
	\$250	.6430	.5533	.4748	.4086	.3546	.3120	.2792	.2547	.2367	.2238	.2147	.2084	.2040	.2011
	\$500	.6420	.5493	.4651	.3904	.3255	.2704	.2245	.1868	.1565	.1323	.1134	.0987	.0875	.0790
	\$1,000	.6420	.5492	.4644	.3884	.3216	.2637	.2145	.1731	.1389	.1108	.0881	.0698	.0553	.0439
67	\$120	.6474	.5681	.5066	.4622	.4323	.4131	.4013	.3944	.3905	.3883	.3872	.3865	.3862	.3859
	\$250	.6412	.5502	.4705	.4034	.3490	.3064	.2740	.2501	.2329	.2207	.2122	.2065	.2027	.2001
	\$500	.6400	.5458	.4601	.3839	.3181	.2624	.2163	.1789	.1490	.1256	.1074	.0936	.0832	.0754

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$1,000	.6400	.5456	.4591	.3815	.3133	.2546	.2049	.1636	.1296	.1021	.0801	.0627	.0491	.0386
68	\$120	.6458	.5655	.5034	.4591	.4296	.4110	.3998	.3934	.3898	.3879	.3869	.3864	.3861	.3859
	\$250	.6395	.5473	.4663	.3983	.3435	.3010	.2691	.2458	.2293	.2178	.2101	.2049	.2015	.1993
	\$500	.6382	.5426	.4552	.3777	.3108	.2545	.2083	.1711	.1418	.1191	.1018	.0889	.0792	.0722
	\$1,000	.6382	.5422	.4539	.3747	.3053	.2457	.1955	.1542	.1206	.0937	.0725	.0560	.0433	.0337
69	\$120	.6443	.5630	.5004	.4562	.4270	.4090	.3984	.3925	.3893	.3876	.3867	.3863	.3861	.3859
	\$250	.6380	.5445	.4623	.3934	.3382	.2958	.2643	.2417	.2260	.2152	.2081	.2034	.2004	.1986
	\$500	.6366	.5396	.4506	.3717	.3037	.2468	.2004	.1636	.1349	.1130	.0966	.0845	.0757	.0694
	\$1,000	.6365	.5391	.4490	.3681	.2973	.2368	.1863	.1449	.1118	.0856	.0653	.0497	.0380	.0292
70	\$120	.6428	.5606	.4975	.4533	.4246	.4072	.3972	.3917	.3888	.3873	.3866	.3862	.3860	.3859
	\$250	.6367	.5419	.4584	.3887	.3331	.2908	.2598	.2379	.2229	.2128	.2063	.2021	.1996	.1980
	\$500	.6353	.5368	.4463	.3658	.2967	.2392	.1928	.1563	.1282	.1072	.0917	.0804	.0725	.0669
	\$1,000	.6352	.5362	.4444	.3618	.2895	.2281	.1772	.1359	.1033	.0779	.0585	.0439	.0332	.0253
71	\$120	.6415	.5583	.4947	.4505	.4223	.4054	.3960	.3909	.3883	.3870	.3864	.3861	.3860	.3859
	\$250	.6355	.5395	.4547	.3839	.3280	.2858	.2553	.2342	.2199	.2106	.2047	.2010	.1988	.1974
	\$500	.6341	.5343	.4421	.3601	.2898	.2317	.1852	.1490	.1217	.1016	.0870	.0767	.0695	.0646
	\$1,000	.6339	.5335	.4399	.3555	.2817	.2193	.1680	.1269	.0948	.0703	.0520	.0385	.0287	.0217
72	\$120	.6403	.5561	.4920	.4479	.4202	.4039	.3950	.3903	.3880	.3869	.3863	.3861	.3860	.3859
	\$250	.6346	.5373	.4513	.3796	.3232	.2812	.2513	.2308	.2173	.2087	.2034	.2001	.1982	.1971
	\$500	.6332	.5321	.4384	.3548	.2833	.2246	.1780	.1424	.1158	.0965	.0829	.0735	.0671	.0628
	\$1,000	.6330	.5313	.4359	.3497	.2744	.2110	.1594	.1185	.0871	.0635	.0461	.0337	.0249	.0188
73	\$120	.6393	.5542	.4896	.4456	.4182	.4025	.3941	.3898	.3877	.3867	.3862	.3861	.3860	.3859
	\$250	.6337	.5354	.4481	.3755	.3188	.2770	.2476	.2278	.2151	.2071	.2022	.1993	.1977	.1967
	\$500	.6325	.5303	.4350	.3499	.2773	.2179	.1714	.1362	.1104	.0920	.0793	.0707	.0650	.0613
	\$1,000	.6323	.5293	.4323	.3443	.2675	.2032	.1512	.1106	.0799	.0572	.0410	.0295	.0216	.0163
74	\$120	.6386	.5530	.4881	.4441	.4171	.4017	.3936	.3895	.3875	.3866	.3862	.3860	.3860	.3859
	\$250	.6333	.5342	.4462	.3730	.3161	.2743	.2453	.2260	.2137	.2061	.2016	.1989	.1974	.1966
	\$500	.6321	.5292	.4329	.3468	.2734	.2137	.1672	.1323	.1070	.0893	.0772	.0691	.0638	.0605
	\$1,000	.6319	.5282	.4301	.3409	.2631	.1982	.1460	.1056	.0754	.0534	.0378	.0271	.0198	.0149

*Single Loss Limit values are expressed in thousands of dollars.

Premium-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 8
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0061	.0193	.0368	.0573	.1054	.1604	.2208	.2856
41	\$120	.0000	.0056	.0180	.0347	.0544	.1009	.1546	.2138	.2774
42	\$120	.0000	.0051	.0167	.0326	.0515	.0965	.1488	.2067	.2692
43	\$120	.0000	.0046	.0155	.0306	.0487	.0921	.1430	.1996	.2614
44	\$120	.0000	.0042	.0144	.0286	.0459	.0878	.1372	.1926	.2547
45	\$120	.0000	.0038	.0132	.0267	.0432	.0835	.1315	.1856	.2486
46	\$120	.0000	.0034	.0122	.0248	.0405	.0793	.1258	.1791	.2431
47	\$120	.0000	.0030	.0111	.0230	.0379	.0751	.1201	.1734	.2377
48	\$120	.0000	.0027	.0102	.0213	.0354	.0709	.1145	.1680	.2326
49	\$120	.0000	.0024	.0092	.0196	.0329	.0669	.1092	.1630	.2275
50	\$120	.0000	.0021	.0083	.0179	.0305	.0628	.1043	.1582	.2225

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$250	.0000	.0021	.0084	.0180	.0306	.0631	.1038	.1513	.2044
51	\$120	.0000	.0018	.0075	.0164	.0281	.0589	.0998	.1535	.2175
	\$250	.0000	.0018	.0075	.0165	.0282	.0591	.0983	.1443	.1962
52	\$120	.0000	.0016	.0067	.0149	.0258	.0550	.0956	.1489	.2124
	\$250	.0000	.0016	.0067	.0149	.0259	.0552	.0928	.1373	.1879
53	\$120	.0000	.0014	.0059	.0134	.0236	.0513	.0915	.1443	.2075
	\$250	.0000	.0014	.0059	.0135	.0237	.0514	.0873	.1304	.1798
54	\$120	.0000	.0012	.0052	.0120	.0215	.0479	.0876	.1397	.2028
	\$250	.0000	.0012	.0052	.0121	.0216	.0476	.0819	.1235	.1723
55	\$120	.0000	.0010	.0045	.0107	.0194	.0447	.0837	.1351	.1983
	\$250	.0000	.0010	.0046	.0108	.0195	.0439	.0766	.1167	.1652
56	\$120	.0000	.0008	.0039	.0095	.0174	.0418	.0799	.1307	.1938
	\$250	.0000	.0008	.0040	.0096	.0175	.0403	.0713	.1102	.1584
57	\$120	.0000	.0007	.0034	.0083	.0155	.0390	.0760	.1265	.1895
	\$250	.0000	.0007	.0034	.0084	.0156	.0368	.0661	.1041	.1518
58	\$120	.0000	.0006	.0029	.0072	.0138	.0362	.0723	.1224	.1853
	\$250	.0000	.0006	.0029	.0073	.0138	.0333	.0611	.0983	.1455
	\$500	.0000	.0006	.0029	.0073	.0139	.0334	.0611	.0965	.1392
59	\$120	.0000	.0004	.0024	.0062	.0122	.0336	.0688	.1183	.1812
	\$250	.0000	.0004	.0024	.0063	.0121	.0300	.0563	.0927	.1392
	\$500	.0000	.0004	.0024	.0063	.0122	.0301	.0561	.0899	.1312
60	\$120	.0000	.0004	.0020	.0053	.0108	.0311	.0653	.1144	.1772
	\$250	.0000	.0004	.0020	.0053	.0106	.0268	.0519	.0873	.1330
	\$500	.0000	.0004	.0020	.0054	.0106	.0269	.0512	.0834	.1233
61	\$120	.0000	.0003	.0016	.0045	.0095	.0286	.0620	.1105	.1733
	\$250	.0000	.0003	.0016	.0045	.0091	.0238	.0477	.0820	.1268
	\$500	.0000	.0003	.0016	.0045	.0091	.0238	.0464	.0770	.1155
62	\$120	.0000	.0002	.0013	.0037	.0083	.0263	.0587	.1068	.1695
	\$250	.0000	.0002	.0013	.0037	.0077	.0210	.0437	.0769	.1209
	\$500	.0000	.0002	.0013	.0037	.0077	.0209	.0418	.0707	.1081
63	\$120	.0000	.0002	.0010	.0031	.0072	.0241	.0556	.1031	.1658
	\$250	.0000	.0002	.0010	.0030	.0064	.0185	.0398	.0719	.1151
	\$500	.0000	.0002	.0010	.0030	.0064	.0182	.0374	.0647	.1008
64	\$120	.0000	.0001	.0008	.0026	.0062	.0220	.0525	.0996	.1622
	\$250	.0000	.0001	.0008	.0024	.0053	.0161	.0362	.0670	.1095
	\$500	.0000	.0001	.0008	.0024	.0053	.0156	.0331	.0589	.0938
	\$1,000	.0000	.0001	.0008	.0024	.0053	.0156	.0332	.0588	.0929
65	\$120	.0000	.0001	.0006	.0021	.0053	.0200	.0496	.0961	.1588
	\$250	.0000	.0001	.0006	.0019	.0043	.0140	.0327	.0623	.1039
	\$500	.0000	.0001	.0006	.0019	.0042	.0132	.0291	.0534	.0870
	\$1,000	.0000	.0001	.0006	.0019	.0043	.0132	.0291	.0530	.0856
66	\$120	.0000	.0001	.0004	.0017	.0045	.0182	.0468	.0928	.1555
	\$250	.0000	.0001	.0004	.0014	.0034	.0120	.0293	.0578	.0986
	\$500	.0000	.0001	.0004	.0014	.0033	.0110	.0253	.0481	.0804

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$1,000	.0000	.0001	.0004	.0014	.0033	.0110	.0252	.0474	.0784
67	\$120	.0000	.0000	.0003	.0013	.0038	.0164	.0441	.0896	.1522
	\$250	.0000	.0000	.0003	.0010	.0026	.0102	.0262	.0535	.0934
	\$500	.0000	.0000	.0003	.0010	.0025	.0090	.0218	.0431	.0739
	\$1,000	.0000	.0000	.0003	.0010	.0026	.0090	.0216	.0421	.0715
68	\$120	.0000	.0000	.0002	.0010	.0031	.0148	.0415	.0864	.1491
	\$250	.0000	.0000	.0002	.0007	.0020	.0085	.0233	.0493	.0883
	\$500	.0000	.0000	.0002	.0007	.0019	.0072	.0186	.0382	.0677
	\$1,000	.0000	.0000	.0002	.0007	.0019	.0072	.0182	.0369	.0647
69	\$120	.0000	.0000	.0001	.0008	.0026	.0133	.0390	.0834	.1462
	\$250	.0000	.0000	.0001	.0005	.0015	.0070	.0205	.0453	.0834
	\$500	.0000	.0000	.0001	.0005	.0013	.0056	.0156	.0336	.0617
	\$1,000	.0000	.0000	.0001	.0005	.0013	.0055	.0151	.0320	.0581
70	\$120	.0000	.0000	.0001	.0006	.0021	.0118	.0366	.0805	.1433
	\$250	.0000	.0000	.0001	.0003	.0011	.0057	.0179	.0414	.0787
	\$500	.0000	.0000	.0001	.0003	.0009	.0043	.0128	.0293	.0558
	\$1,000	.0000	.0000	.0001	.0003	.0009	.0042	.0122	.0274	.0518
71	\$120	.0000	.0000	.0001	.0004	.0017	.0105	.0343	.0777	.1405
	\$250	.0000	.0000	.0000	.0002	.0007	.0045	.0155	.0377	.0739
	\$500	.0000	.0000	.0000	.0002	.0006	.0031	.0103	.0251	.0501
	\$1,000	.0000	.0000	.0000	.0002	.0005	.0029	.0095	.0229	.0455
72	\$120	.0000	.0000	.0000	.0003	.0013	.0093	.0321	.0750	.1379
	\$250	.0000	.0000	.0000	.0001	.0005	.0036	.0133	.0343	.0696
	\$500	.0000	.0000	.0000	.0001	.0003	.0022	.0081	.0214	.0448
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0020	.0073	.0189	.0397
73	\$120	.0000	.0000	.0000	.0002	.0010	.0083	.0302	.0726	.1356
	\$250	.0000	.0000	.0000	.0001	.0003	.0027	.0114	.0311	.0655
	\$500	.0000	.0000	.0000	.0000	.0002	.0015	.0063	.0180	.0399
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0013	.0053	.0153	.0343
74	\$120	.0000	.0000	.0000	.0002	.0009	.0076	.0290	.0711	.1341
	\$250	.0000	.0000	.0000	.0000	.0002	.0023	.0102	.0292	.0630
	\$500	.0000	.0000	.0000	.0000	.0001	.0011	.0052	.0159	.0368
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0009	.0042	.0131	.0309

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 8
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.9437	.9319	.9212	.9113	.9021	.8935	.8853	.8775	.8701	.8629	.8560	.8493	.8429	.8366
2	.9397	.9269	.9155	.9049	.8951	.8859	.8771	.8688	.8608	.8531	.8457	.8386	.8317	.8250
3	.9356	.9221	.9098	.8986	.8881	.8782	.8689	.8600	.8515	.8433	.8355	.8278	.8205	.8133
4	.9315	.9171	.9041	.8921	.8809	.8705	.8605	.8511	.8420	.8333	.8250	.8169	.8091	.8015

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
5	.9274	.9121	.8983	.8856	.8738	.8626	.8521	.8421	.8325	.8233	.8144	.8059	.7976	.7896
6	.9233	.9071	.8925	.8791	.8665	.8548	.8436	.8330	.8229	.8132	.8038	.7948	.7860	.7776
7	.9192	.9021	.8867	.8725	.8593	.8469	.8351	.8240	.8133	.8030	.7931	.7836	.7744	.7655
8	.9151	.8971	.8808	.8659	.8520	.8389	.8266	.8148	.8036	.7928	.7824	.7724	.7628	.7534
9	.9110	.8920	.8750	.8593	.8447	.8309	.8180	.8056	.7938	.7825	.7716	.7612	.7510	.7412
10	.9069	.8870	.8691	.8526	.8373	.8229	.8093	.7964	.7840	.7722	.7608	.7498	.7392	.7290
11	.9027	.8819	.8632	.8459	.8299	.8148	.8006	.7871	.7742	.7618	.7499	.7385	.7274	.7167
12	.8986	.8768	.8572	.8392	.8224	.8067	.7918	.7777	.7642	.7513	.7389	.7270	.7155	.7044
13	.8944	.8717	.8512	.8324	.8149	.7985	.7830	.7683	.7542	.7408	.7279	.7155	.7036	.6920
14	.8902	.8665	.8452	.8256	.8074	.7903	.7741	.7588	.7442	.7302	.7168	.7040	.6915	.6796
15	.8860	.8614	.8391	.8187	.7998	.7820	.7652	.7492	.7341	.7196	.7057	.6923	.6795	.6671
16	.8818	.8562	.8331	.8118	.7921	.7736	.7562	.7396	.7239	.7089	.6945	.6806	.6673	.6545
17	.8776	.8509	.8269	.8049	.7844	.7652	.7471	.7300	.7136	.6981	.6832	.6689	.6552	.6419
18	.8734	.8457	.8207	.7979	.7766	.7567	.7380	.7202	.7033	.6872	.6718	.6571	.6429	.6293
19	.8691	.8404	.8145	.7908	.7688	.7482	.7288	.7104	.6929	.6763	.6604	.6452	.6306	.6165
20	.8648	.8351	.8083	.7837	.7609	.7396	.7195	.7005	.6825	.6653	.6490	.6333	.6182	.6038
21	.8605	.8297	.8019	.7765	.7529	.7309	.7101	.6905	.6719	.6543	.6374	.6212	.6058	.5909
22	.8562	.8243	.7956	.7693	.7449	.7221	.7007	.6805	.6613	.6431	.6257	.6092	.5933	.5780
23	.8518	.8189	.7892	.7620	.7368	.7133	.6912	.6704	.6506	.6319	.6140	.5970	.5807	.5651
24	.8474	.8134	.7827	.7546	.7286	.7043	.6816	.6601	.6398	.6206	.6022	.5847	.5680	.5520
25	.8430	.8079	.7762	.7472	.7203	.6953	.6719	.6498	.6290	.6092	.5904	.5724	.5553	.5389
26	.8386	.8023	.7696	.7396	.7120	.6862	.6621	.6394	.6180	.5977	.5784	.5600	.5424	.5257
27	.8342	.7967	.7629	.7321	.7036	.6771	.6523	.6290	.6070	.5861	.5663	.5475	.5295	.5124
28	.8297	.7910	.7562	.7244	.6951	.6678	.6423	.6184	.5958	.5744	.5542	.5349	.5165	.4990
29	.8252	.7853	.7494	.7167	.6865	.6585	.6323	.6077	.5846	.5627	.5419	.5222	.5034	.4855
30	.8206	.7795	.7426	.7089	.6779	.6491	.6222	.5969	.5732	.5508	.5296	.5094	.4902	.4719
31	.8161	.7738	.7357	.7011	.6692	.6396	.6120	.5861	.5618	.5389	.5171	.4965	.4769	.4582
32	.8115	.7679	.7288	.6931	.6603	.6299	.6016	.5751	.5502	.5267	.5045	.4835	.4635	.4444
33	.8069	.7621	.7218	.6851	.6514	.6202	.5912	.5641	.5386	.5146	.4919	.4704	.4500	.4305
34	.8022	.7561	.7147	.6770	.6424	.6104	.5807	.5528	.5268	.5022	.4790	.4571	.4362	.4164
35	.7976	.7501	.7076	.6688	.6333	.6005	.5700	.5415	.5148	.4897	.4661	.4437	.4224	.4022
36	.7929	.7441	.7003	.6605	.6241	.5904	.5592	.5300	.5027	.4771	.4529	.4300	.4083	.3877
37	.7882	.7380	.6930	.6522	.6148	.5803	.5483	.5184	.4905	.4643	.4396	.4162	.3942	.3734
38	.7835	.7319	.6857	.6437	.6054	.5700	.5372	.5067	.4781	.4513	.4261	.4023	.3800	.3589
39	.7787	.7258	.6783	.6352	.5959	.5596	.5260	.4948	.4656	.4382	.4125	.3884	.3658	.3445
40	.7740	.7196	.6709	.6267	.5863	.5492	.5148	.4829	.4530	.4251	.3990	.3745	.3516	.3302
41	.7693	.7135	.6635	.6182	.5768	.5387	.5035	.4709	.4404	.4119	.3854	.3607	.3375	.3159
42	.7647	.7074	.6561	.6096	.5672	.5282	.4922	.4588	.4277	.3988	.3720	.3469	.3236	.3018
43	.7601	.7013	.6487	.6010	.5576	.5177	.4808	.4467	.4151	.3858	.3585	.3332	.3097	.2878
44	.7555	.6953	.6413	.5925	.5480	.5071	.4694	.4346	.4025	.3727	.3452	.3197	.2960	.2741
45	.7510	.6893	.6339	.5839	.5383	.4965	.4580	.4226	.3899	.3598	.3319	.3062	.2825	.2605
46	.7466	.6833	.6266	.5753	.5286	.4858	.4466	.4106	.3774	.3469	.3188	.2929	.2691	.2472
47	.7422	.6773	.6192	.5667	.5189	.4752	.4352	.3985	.3649	.3341	.3057	.2798	.2559	.2341
48	.7378	.6714	.6119	.5581	.5092	.4645	.4238	.3865	.3525	.3213	.2928	.2668	.2430	.2212
49	.7335	.6655	.6046	.5495	.4994	.4539	.4124	.3745	.3401	.3086	.2800	.2539	.2302	.2086
50	.7293	.6597	.5973	.5408	.4896	.4432	.4009	.3626	.3277	.2960	.2673	.2413	.2176	.1963
51	.7251	.6539	.5900	.5322	.4799	.4325	.3895	.3506	.3154	.2836	.2548	.2288	.2053	.1842
52	.7210	.6481	.5826	.5235	.4701	.4218	.3782	.3388	.3032	.2712	.2424	.2165	.1933	.1724
53	.7169	.6424	.5753	.5149	.4603	.4111	.3668	.3269	.2911	.2590	.2302	.2044	.1814	.1609
54	.7130	.6367	.5681	.5063	.4506	.4005	.3555	.3152	.2791	.2469	.2182	.1926	.1699	.1497
55	.7091	.6311	.5609	.4976	.4408	.3898	.3442	.3035	.2672	.2349	.2063	.1810	.1586	.1389
56	.7053	.6256	.5537	.4891	.4311	.3792	.3329	.2918	.2553	.2231	.1946	.1696	.1476	.1283
57	.7016	.6201	.5466	.4805	.4214	.3687	.3218	.2803	.2437	.2114	.1832	.1585	.1369	.1181
58	.6980	.6147	.5396	.4721	.4118	.3581	.3107	.2688	.2321	.2000	.1719	.1476	.1265	.1083
59	.6945	.6094	.5326	.4637	.4022	.3477	.2996	.2575	.2207	.1886	.1609	.1370	.1164	.0988

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
60	.6911	.6043	.5258	.4554	.3927	.3373	.2887	.2462	.2094	.1775	.1502	.1267	.1067	.0897
61	.6879	.5993	.5190	.4471	.3833	.3270	.2778	.2351	.1983	.1666	.1396	.1167	.0973	.0810
62	.6848	.5944	.5125	.4390	.3740	.3168	.2671	.2241	.1873	.1559	.1294	.1070	.0883	.0727
63	.6819	.5897	.5060	.4311	.3647	.3067	.2564	.2133	.1765	.1455	.1194	.0977	.0797	.0648
64	.6792	.5853	.4998	.4232	.3556	.2967	.2459	.2025	.1659	.1352	.1097	.0887	.0714	.0574
65	.6767	.5810	.4937	.4156	.3467	.2868	.2355	.1920	.1555	.1252	.1004	.0801	.0636	.0504
66	.6744	.5769	.4879	.4081	.3378	.2770	.2252	.1816	.1453	.1155	.0913	.0718	.0563	.0439
67	.6722	.5731	.4822	.4007	.3291	.2674	.2150	.1713	.1353	.1061	.0827	.0640	.0493	.0379
68	.6703	.5696	.4768	.3936	.3206	.2578	.2050	.1612	.1256	.0970	.0743	.0566	.0428	.0323
69	.6687	.5662	.4717	.3866	.3121	.2484	.1950	.1513	.1160	.0881	.0663	.0495	.0368	.0272
70	.6672	.5632	.4668	.3799	.3039	.2391	.1852	.1415	.1067	.0796	.0587	.0430	.0312	.0225
71	.6659	.5604	.4620	.3732	.2955	.2296	.1753	.1317	.0974	.0711	.0513	.0366	.0259	.0182
72	.6649	.5580	.4578	.3670	.2876	.2206	.1658	.1224	.0887	.0633	.0446	.0310	.0213	.0145
73	.6641	.5560	.4539	.3612	.2801	.2120	.1568	.1135	.0805	.0561	.0384	.0259	.0172	.0113
74	.6637	.5548	.4515	.3575	.2753	.2064	.1508	.1077	.0753	.0515	.0346	.0229	.0149	.0096

Loss-Based Plan, with no Single Loss Limit

**Insurance Savings Table
Hazard Group 8
Effective November 19, 2010**

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0425	.0872	.1340	.1822	.2809	.3814	.4831	.5857
2	.0000	.0412	.0851	.1314	.1791	.2769	.3765	.4775	.5793
3	.0000	.0399	.0831	.1288	.1760	.2728	.3716	.4718	.5729
4	.0000	.0386	.0810	.1262	.1729	.2687	.3667	.4660	.5665
5	.0000	.0373	.0791	.1237	.1698	.2646	.3617	.4603	.5600
6	.0000	.0361	.0772	.1212	.1667	.2605	.3567	.4545	.5534
7	.0000	.0349	.0753	.1187	.1636	.2564	.3517	.4486	.5469
8	.0000	.0337	.0734	.1162	.1605	.2523	.3467	.4428	.5403
9	.0000	.0325	.0716	.1137	.1575	.2482	.3416	.4369	.5336
10	.0000	.0314	.0697	.1112	.1544	.2440	.3366	.4310	.5270
11	.0000	.0303	.0679	.1087	.1513	.2399	.3315	.4251	.5203
12	.0000	.0293	.0661	.1063	.1482	.2357	.3264	.4192	.5136
13	.0000	.0282	.0644	.1038	.1452	.2316	.3213	.4132	.5068
14	.0000	.0272	.0626	.1013	.1421	.2274	.3161	.4072	.5000
15	.0000	.0262	.0608	.0989	.1390	.2232	.3109	.4011	.4931
16	.0000	.0253	.0591	.0964	.1359	.2190	.3058	.3950	.4862
17	.0000	.0243	.0573	.0940	.1328	.2148	.3005	.3889	.4792
18	.0000	.0234	.0556	.0915	.1297	.2105	.2953	.3827	.4722
19	.0000	.0224	.0539	.0891	.1266	.2063	.2900	.3765	.4652
20	.0000	.0215	.0521	.0867	.1236	.2020	.2847	.3702	.4581
21	.0000	.0206	.0504	.0842	.1204	.1977	.2793	.3639	.4509
22	.0000	.0197	.0487	.0818	.1173	.1934	.2739	.3576	.4436
23	.0000	.0189	.0470	.0793	.1142	.1890	.2684	.3511	.4363
24	.0000	.0180	.0454	.0769	.1111	.1846	.2630	.3447	.4290
25	.0000	.0172	.0437	.0745	.1079	.1802	.2574	.3381	.4215
26	.0000	.0163	.0420	.0720	.1048	.1758	.2519	.3315	.4140

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
27	.0000	.0155	.0404	.0696	.1017	.1713	.2462	.3249	.4064
28	.0000	.0147	.0387	.0672	.0985	.1669	.2406	.3182	.3988
29	.0000	.0139	.0371	.0648	.0953	.1624	.2349	.3114	.3911
30	.0000	.0132	.0355	.0624	.0922	.1578	.2291	.3046	.3833
31	.0000	.0124	.0339	.0600	.0890	.1533	.2234	.2977	.3754
32	.0000	.0117	.0323	.0576	.0858	.1487	.2175	.2908	.3675
33	.0000	.0110	.0308	.0552	.0827	.1441	.2116	.2838	.3595
34	.0000	.0103	.0292	.0528	.0795	.1394	.2057	.2767	.3514
35	.0000	.0096	.0277	.0504	.0763	.1348	.1997	.2695	.3432
36	.0000	.0089	.0262	.0481	.0731	.1301	.1937	.2623	.3349
37	.0000	.0083	.0247	.0457	.0700	.1254	.1876	.2550	.3266
38	.0000	.0076	.0232	.0434	.0668	.1206	.1815	.2477	.3181
39	.0000	.0070	.0218	.0411	.0636	.1159	.1753	.2403	.3096
40	.0000	.0065	.0204	.0388	.0605	.1112	.1692	.2329	.3011
41	.0000	.0059	.0190	.0366	.0575	.1065	.1631	.2254	.2925
42	.0000	.0054	.0177	.0344	.0544	.1019	.1570	.2180	.2840
43	.0000	.0049	.0164	.0323	.0515	.0973	.1509	.2106	.2754
44	.0000	.0045	.0152	.0302	.0485	.0927	.1448	.2033	.2668
45	.0000	.0040	.0140	.0282	.0457	.0882	.1388	.1959	.2583
46	.0000	.0036	.0129	.0263	.0429	.0837	.1329	.1886	.2497
47	.0000	.0032	.0118	.0243	.0401	.0793	.1269	.1812	.2411
48	.0000	.0029	.0108	.0225	.0374	.0750	.1210	.1739	.2325
49	.0000	.0025	.0098	.0207	.0348	.0707	.1151	.1666	.2239
50	.0000	.0022	.0088	.0190	.0322	.0664	.1093	.1592	.2152
51	.0000	.0020	.0079	.0173	.0298	.0623	.1035	.1519	.2065
52	.0000	.0017	.0071	.0157	.0273	.0582	.0977	.1446	.1979
53	.0000	.0015	.0063	.0142	.0250	.0541	.0920	.1373	.1892
54	.0000	.0012	.0055	.0128	.0227	.0502	.0863	.1301	.1806
55	.0000	.0011	.0048	.0114	.0206	.0463	.0807	.1228	.1720
56	.0000	.0009	.0042	.0101	.0185	.0425	.0751	.1157	.1634
57	.0000	.0007	.0036	.0088	.0165	.0388	.0697	.1086	.1549
58	.0000	.0006	.0030	.0077	.0146	.0352	.0643	.1015	.1464
59	.0000	.0005	.0026	.0066	.0128	.0317	.0590	.0946	.1380
60	.0000	.0004	.0021	.0056	.0111	.0283	.0539	.0877	.1297
61	.0000	.0003	.0017	.0047	.0096	.0251	.0488	.0810	.1215
62	.0000	.0002	.0014	.0039	.0081	.0220	.0440	.0744	.1134
63	.0000	.0002	.0011	.0032	.0068	.0191	.0393	.0680	.1054
64	.0000	.0001	.0008	.0025	.0056	.0164	.0348	.0618	.0976
65	.0000	.0001	.0006	.0020	.0045	.0139	.0306	.0557	.0899
66	.0000	.0001	.0004	.0015	.0035	.0116	.0265	.0499	.0824
67	.0000	.0000	.0003	.0011	.0027	.0094	.0227	.0442	.0751
68	.0000	.0000	.0002	.0008	.0020	.0075	.0191	.0388	.0680
69	.0000	.0000	.0001	.0005	.0014	.0058	.0158	.0337	.0610
70	.0000	.0000	.0001	.0003	.0009	.0044	.0128	.0288	.0543
71	.0000	.0000	.0000	.0002	.0006	.0031	.0100	.0240	.0476
72	.0000	.0000	.0000	.0001	.0003	.0021	.0076	.0197	.0414

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
73	.0000	.0000	.0000	.0000	.0002	.0013	.0055	.0159	.0356
74	.0000	.0000	.0000	.0000	.0001	.0009	.0043	.0135	.0318

Loss-Based Plan, with Various Single Loss Limits

**Insurance Charge Table
Hazard Group 8
Effective November 19, 2010**

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7735	.7189	.6700	.6256	.5850	.5514	.5255	.5045	.4871	.4724	.4599	.4492	.4403	.4054
41	\$120	.7688	.7128	.6626	.6170	.5763	.5446	.5195	.4989	.4817	.4671	.4548	.4445	.4366	.4054
42	\$120	.7642	.7067	.6551	.6085	.5689	.5384	.5137	.4933	.4763	.4619	.4499	.4407	.4334	.4054
43	\$120	.7596	.7006	.6477	.6002	.5624	.5324	.5081	.4879	.4709	.4568	.4458	.4372	.4304	.4054
44	\$120	.7550	.6946	.6404	.5931	.5563	.5267	.5025	.4824	.4656	.4524	.4421	.4341	.4277	.4054
45	\$120	.7505	.6885	.6330	.5868	.5505	.5211	.4970	.4769	.4608	.4484	.4388	.4311	.4251	.4054
46	\$120	.7461	.6826	.6262	.5809	.5449	.5156	.4915	.4718	.4566	.4448	.4356	.4283	.4227	.4054
47	\$120	.7417	.6766	.6201	.5754	.5394	.5100	.4860	.4671	.4526	.4413	.4325	.4257	.4206	.4054
48	\$120	.7373	.6707	.6145	.5699	.5339	.5045	.4809	.4628	.4489	.4380	.4297	.4234	.4187	.4054
49	\$120	.7330	.6651	.6093	.5646	.5284	.4990	.4763	.4587	.4452	.4349	.4271	.4213	.4170	.4054
50	\$120	.7288	.6600	.6042	.5593	.5229	.4940	.4718	.4548	.4418	.4320	.4248	.4194	.4154	.4054
	\$250	.7291	.6594	.5969	.5404	.4891	.4436	.4054	.3733	.3461	.3230	.3033	.2864	.2720	.2601
51	\$120	.7246	.6553	.5993	.5541	.5176	.4893	.4676	.4510	.4386	.4294	.4226	.4176	.4141	.4054
	\$250	.7249	.6536	.5896	.5317	.4795	.4347	.3971	.3654	.3385	.3157	.2962	.2797	.2661	.2549
52	\$120	.7205	.6508	.5945	.5488	.5125	.4847	.4635	.4474	.4356	.4269	.4206	.4161	.4128	.4054
	\$250	.7208	.6479	.5823	.5231	.4706	.4264	.3891	.3576	.3310	.3083	.2892	.2735	.2606	.2500
53	\$120	.7167	.6466	.5896	.5436	.5077	.4803	.4595	.4441	.4328	.4246	.4188	.4146	.4117	.4054
	\$250	.7168	.6422	.5750	.5145	.4624	.4184	.3813	.3500	.3235	.3012	.2828	.2677	.2555	.2455
54	\$120	.7131	.6424	.5848	.5386	.5031	.4759	.4557	.4409	.4302	.4225	.4171	.4134	.4108	.4054
	\$250	.7128	.6365	.5677	.5066	.4545	.4106	.3736	.3423	.3161	.2944	.2767	.2623	.2507	.2412
55	\$120	.7098	.6383	.5800	.5339	.4985	.4718	.4521	.4379	.4277	.4206	.4156	.4122	.4099	.4054
	\$250	.7089	.6309	.5606	.4991	.4470	.4030	.3659	.3348	.3090	.2880	.2710	.2572	.2461	.2373
56	\$120	.7067	.6343	.5754	.5293	.4940	.4678	.4487	.4351	.4255	.4188	.4143	.4112	.4092	.4054
	\$250	.7051	.6253	.5537	.4920	.4396	.3954	.3583	.3275	.3023	.2819	.2655	.2523	.2418	.2336
57	\$120	.7037	.6303	.5709	.5247	.4897	.4640	.4455	.4324	.4234	.4172	.4131	.4103	.4085	.4054
	\$250	.7014	.6199	.5473	.4851	.4324	.3879	.3509	.3205	.2959	.2761	.2602	.2477	.2379	.2302
58	\$120	.7009	.6264	.5666	.5202	.4856	.4603	.4424	.4299	.4214	.4157	.4120	.4096	.4080	.4054
	\$250	.6978	.6146	.5412	.4784	.4252	.3805	.3437	.3138	.2897	.2705	.2553	.2434	.2342	.2271
	\$500	.6979	.6146	.5394	.4718	.4115	.3579	.3113	.2710	.2364	.2068	.1817	.1604	.1424	.1273
59	\$120	.6981	.6227	.5623	.5159	.4815	.4568	.4394	.4276	.4196	.4144	.4110	.4089	.4075	.4054
	\$250	.6944	.6096	.5354	.4718	.4180	.3733	.3367	.3072	.2837	.2651	.2506	.2394	.2308	.2243
	\$500	.6944	.6093	.5324	.4634	.4019	.3479	.3012	.2609	.2266	.1974	.1727	.1520	.1347	.1204
60	\$120	.6954	.6190	.5582	.5117	.4776	.4534	.4367	.4254	.4180	.4132	.4102	.4083	.4071	.4054
	\$250	.6910	.6049	.5297	.4653	.4110	.3663	.3300	.3009	.2779	.2600	.2462	.2357	.2277	.2218
	\$500	.6911	.6042	.5256	.4551	.3927	.3383	.2913	.2511	.2170	.1882	.1641	.1440	.1274	.1138
61	\$120	.6929	.6155	.5541	.5076	.4738	.4502	.4340	.4234	.4165	.4121	.4094	.4078	.4068	.4054
	\$250	.6878	.6005	.5242	.4589	.4042	.3594	.3234	.2948	.2724	.2552	.2421	.2322	.2249	.2195
	\$500	.6879	.5992	.5189	.4470	.3837	.3288	.2816	.2415	.2076	.1792	.1557	.1364	.1205	.1077
62	\$120	.6904	.6121	.5502	.5037	.4702	.4471	.4316	.4215	.4151	.4112	.4088	.4073	.4065	.4054
	\$250	.6849	.5963	.5188	.4526	.3976	.3528	.3169	.2889	.2672	.2507	.2383	.2291	.2223	.2174
	\$500	.6848	.5943	.5123	.4392	.3750	.3195	.2721	.2320	.1984	.1706	.1477	.1291	.1140	.1019
63	\$120	.6881	.6088	.5463	.4998	.4667	.4441	.4293	.4198	.4139	.4103	.4082	.4070	.4063	.4054

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$250	.6822	.5923	.5135	.4465	.3911	.3462	.3107	.2832	.2622	.2464	.2347	.2261	.2200	.2155
	\$500	.6819	.5897	.5060	.4316	.3665	.3104	.2628	.2227	.1895	.1622	.1401	.1222	.1079	.0966
64	\$120	.6859	.6056	.5426	.4960	.4633	.4414	.4271	.4182	.4128	.4096	.4077	.4067	.4061	.4054
	\$250	.6798	.5884	.5084	.4406	.3847	.3399	.3047	.2777	.2574	.2423	.2314	.2235	.2179	.2139
	\$500	.6792	.5852	.4999	.4242	.3581	.3015	.2536	.2137	.1809	.1542	.1327	.1157	.1022	.0916
	\$1,000	.6792	.5853	.4998	.4232	.3556	.2966	.2458	.2026	.1661	.1356	.1103	.0896	.0726	.0589
65	\$120	.6839	.6025	.5390	.4924	.4601	.4387	.4251	.4168	.4118	.4089	.4073	.4064	.4059	.4054
	\$250	.6775	.5847	.5035	.4348	.3785	.3337	.2989	.2725	.2529	.2386	.2283	.2210	.2160	.2125
	\$500	.6767	.5810	.4941	.4170	.3500	.2927	.2446	.2048	.1725	.1464	.1257	.1095	.0968	.0871
	\$1,000	.6767	.5810	.4937	.4155	.3466	.2868	.2355	.1921	.1558	.1258	.1012	.0812	.0651	.0523
66	\$120	.6819	.5996	.5355	.4889	.4570	.4362	.4233	.4155	.4109	.4084	.4070	.4062	.4058	.4054
	\$250	.6754	.5812	.4988	.4292	.3725	.3277	.2933	.2675	.2486	.2351	.2255	.2189	.2143	.2113
	\$500	.6743	.5770	.4886	.4101	.3419	.2841	.2358	.1962	.1644	.1390	.1191	.1037	.0919	.0830
	\$1,000	.6744	.5769	.4879	.4080	.3378	.2770	.2253	.1819	.1459	.1164	.0925	.0733	.0581	.0461
67	\$120	.6801	.5967	.5321	.4855	.4541	.4339	.4215	.4143	.4102	.4079	.4067	.4060	.4057	.4054
	\$250	.6735	.5780	.4942	.4237	.3666	.3219	.2879	.2627	.2446	.2318	.2230	.2169	.2129	.2102
	\$500	.6722	.5733	.4832	.4033	.3341	.2756	.2272	.1879	.1565	.1319	.1129	.0983	.0874	.0792
	\$1,000	.6722	.5731	.4822	.4007	.3291	.2675	.2153	.1718	.1361	.1072	.0841	.0659	.0516	.0405
68	\$120	.6783	.5940	.5288	.4823	.4512	.4317	.4200	.4132	.4095	.4075	.4064	.4059	.4056	.4054
	\$250	.6718	.5749	.4898	.4184	.3609	.3162	.2827	.2582	.2409	.2288	.2206	.2152	.2116	.2093
	\$500	.6704	.5699	.4782	.3968	.3265	.2674	.2188	.1797	.1490	.1251	.1070	.0933	.0832	.0759
	\$1,000	.6703	.5696	.4768	.3936	.3206	.2581	.2054	.1619	.1267	.0984	.0762	.0588	.0455	.0354
69	\$120	.6767	.5914	.5257	.4792	.4486	.4296	.4185	.4123	.4089	.4071	.4062	.4058	.4056	.4054
	\$250	.6702	.5719	.4856	.4132	.3553	.3107	.2777	.2539	.2373	.2261	.2186	.2137	.2105	.2086
	\$500	.6687	.5668	.4734	.3904	.3190	.2592	.2105	.1718	.1417	.1187	.1014	.0887	.0795	.0729
	\$1,000	.6686	.5662	.4717	.3867	.3123	.2487	.1957	.1522	.1174	.0899	.0686	.0523	.0399	.0307
70	\$120	.6752	.5889	.5226	.4762	.4460	.4277	.4172	.4114	.4084	.4068	.4061	.4057	.4055	.4054
	\$250	.6688	.5692	.4816	.4083	.3499	.3054	.2729	.2499	.2341	.2236	.2167	.2123	.2096	.2079
	\$500	.6673	.5639	.4688	.3843	.3117	.2513	.2025	.1641	.1347	.1126	.0963	.0845	.0761	.0702
	\$1,000	.6672	.5632	.4668	.3800	.3041	.2396	.1861	.1428	.1085	.0818	.0614	.0462	.0348	.0266
71	\$120	.6738	.5864	.5196	.4732	.4436	.4259	.4160	.4106	.4079	.4066	.4059	.4056	.4055	.4054
	\$250	.6676	.5667	.4776	.4033	.3445	.3002	.2682	.2460	.2310	.2212	.2150	.2112	.2088	.2074
	\$500	.6661	.5612	.4644	.3782	.3044	.2434	.1945	.1565	.1279	.1067	.0914	.0806	.0731	.0679
	\$1,000	.6659	.5604	.4621	.3734	.2959	.2304	.1765	.1333	.0996	.0739	.0546	.0404	.0301	.0228
72	\$120	.6726	.5842	.5168	.4705	.4413	.4243	.4149	.4100	.4075	.4064	.4058	.4056	.4054	.4054
	\$250	.6665	.5644	.4740	.3987	.3395	.2954	.2639	.2425	.2283	.2192	.2136	.2102	.2082	.2070
	\$500	.6651	.5590	.4605	.3727	.2976	.2359	.1870	.1495	.1216	.1014	.0871	.0772	.0705	.0660
	\$1,000	.6649	.5580	.4579	.3673	.2882	.2217	.1674	.1245	.0915	.0667	.0485	.0354	.0261	.0197
73	\$120	.6715	.5821	.5143	.4680	.4393	.4228	.4140	.4094	.4072	.4062	.4057	.4055	.4054	.4054
	\$250	.6657	.5624	.4707	.3945	.3349	.2909	.2601	.2393	.2259	.2175	.2124	.2094	.2077	.2067
	\$500	.6644	.5570	.4569	.3675	.2913	.2289	.1800	.1430	.1159	.0967	.0833	.0743	.0683	.0644
	\$1,000	.6641	.5560	.4541	.3616	.2810	.2134	.1588	.1162	.0839	.0601	.0430	.0310	.0227	.0171
74	\$120	.6708	.5809	.5127	.4665	.4381	.4220	.4134	.4091	.4070	.4061	.4057	.4055	.4054	.4054
	\$250	.6652	.5612	.4687	.3918	.3320	.2881	.2576	.2374	.2245	.2165	.2117	.2089	.2074	.2065
	\$500	.6640	.5559	.4547	.3643	.2872	.2245	.1756	.1390	.1124	.0938	.0811	.0726	.0671	.0635
	\$1,000	.6637	.5549	.4518	.3581	.2764	.2081	.1534	.1109	.0792	.0561	.0397	.0284	.0208	.0157

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with Various Single Loss Limits

Insurance Savings Table
Hazard Group 8
Effective November 19, 2010

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0064	.0203	.0386	.0602	.1107	.1685	.2320	.3000
41	\$120	.0000	.0059	.0189	.0364	.0572	.1060	.1624	.2245	.2914
42	\$120	.0000	.0054	.0176	.0342	.0541	.1014	.1563	.2171	.2828
43	\$120	.0000	.0049	.0163	.0321	.0512	.0968	.1502	.2097	.2746
44	\$120	.0000	.0044	.0151	.0300	.0482	.0922	.1441	.2023	.2675
45	\$120	.0000	.0040	.0139	.0280	.0454	.0877	.1381	.1950	.2612
46	\$120	.0000	.0036	.0128	.0261	.0426	.0833	.1322	.1882	.2553
47	\$120	.0000	.0032	.0117	.0242	.0398	.0789	.1262	.1821	.2497
48	\$120	.0000	.0028	.0107	.0223	.0372	.0745	.1203	.1765	.2443
49	\$120	.0000	.0025	.0097	.0206	.0345	.0702	.1147	.1713	.2390
50	\$120	.0000	.0022	.0087	.0188	.0320	.0660	.1096	.1662	.2337
	\$250	.0000	.0022	.0088	.0189	.0321	.0663	.1090	.1589	.2147
51	\$120	.0000	.0019	.0078	.0172	.0295	.0618	.1049	.1613	.2284
	\$250	.0000	.0019	.0079	.0173	.0297	.0621	.1032	.1516	.2061
52	\$120	.0000	.0017	.0070	.0156	.0271	.0577	.1004	.1564	.2231
	\$250	.0000	.0017	.0070	.0157	.0273	.0580	.0975	.1443	.1974
53	\$120	.0000	.0014	.0062	.0141	.0248	.0539	.0961	.1516	.2179
	\$250	.0000	.0014	.0062	.0142	.0249	.0540	.0917	.1370	.1889
54	\$120	.0000	.0012	.0055	.0126	.0225	.0503	.0920	.1467	.2130
	\$250	.0000	.0012	.0055	.0127	.0227	.0500	.0861	.1297	.1810
55	\$120	.0000	.0010	.0048	.0113	.0204	.0470	.0879	.1419	.2083
	\$250	.0000	.0010	.0048	.0113	.0205	.0461	.0804	.1225	.1735
56	\$120	.0000	.0009	.0041	.0100	.0183	.0439	.0839	.1373	.2036
	\$250	.0000	.0009	.0042	.0100	.0184	.0423	.0749	.1157	.1664
57	\$120	.0000	.0007	.0035	.0087	.0163	.0409	.0799	.1329	.1991
	\$250	.0000	.0007	.0036	.0088	.0164	.0386	.0694	.1093	.1595
58	\$120	.0000	.0006	.0030	.0076	.0145	.0381	.0760	.1285	.1946
	\$250	.0000	.0006	.0030	.0077	.0145	.0350	.0641	.1032	.1528
	\$500	.0000	.0006	.0030	.0077	.0146	.0351	.0642	.1014	.1462
59	\$120	.0000	.0005	.0025	.0065	.0129	.0353	.0722	.1243	.1903
	\$250	.0000	.0005	.0025	.0066	.0128	.0315	.0592	.0974	.1462
	\$500	.0000	.0005	.0025	.0066	.0128	.0316	.0589	.0944	.1378
60	\$120	.0000	.0004	.0021	.0056	.0114	.0326	.0686	.1201	.1861
	\$250	.0000	.0004	.0021	.0056	.0111	.0282	.0545	.0917	.1397
	\$500	.0000	.0004	.0021	.0056	.0111	.0283	.0538	.0876	.1295
61	\$120	.0000	.0003	.0017	.0047	.0100	.0300	.0651	.1161	.1820
	\$250	.0000	.0003	.0017	.0047	.0095	.0250	.0501	.0862	.1332
	\$500	.0000	.0003	.0017	.0047	.0095	.0250	.0488	.0809	.1214
62	\$120	.0000	.0002	.0014	.0039	.0088	.0276	.0617	.1122	.1780
	\$250	.0000	.0002	.0014	.0039	.0081	.0221	.0459	.0808	.1270

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$500	.0000	.0002	.0014	.0039	.0081	.0220	.0439	.0743	.1135
63	\$120	.0000	.0002	.0011	.0033	.0076	.0253	.0584	.1083	.1742
	\$250	.0000	.0002	.0011	.0032	.0067	.0194	.0419	.0755	.1209
	\$500	.0000	.0002	.0011	.0032	.0068	.0191	.0392	.0680	.1059
64	\$120	.0000	.0001	.0008	.0027	.0065	.0231	.0552	.1046	.1704
	\$250	.0000	.0001	.0008	.0025	.0055	.0169	.0380	.0704	.1150
	\$500	.0000	.0001	.0008	.0025	.0055	.0164	.0348	.0619	.0986
	\$1,000	.0000	.0001	.0008	.0025	.0056	.0164	.0348	.0617	.0976
65	\$120	.0000	.0001	.0006	.0022	.0056	.0210	.0521	.1010	.1668
	\$250	.0000	.0001	.0006	.0020	.0045	.0147	.0343	.0655	.1092
	\$500	.0000	.0001	.0006	.0020	.0045	.0138	.0305	.0561	.0914
	\$1,000	.0000	.0001	.0006	.0020	.0045	.0139	.0306	.0557	.0899
66	\$120	.0000	.0001	.0005	.0018	.0047	.0191	.0492	.0975	.1633
	\$250	.0000	.0001	.0004	.0015	.0036	.0126	.0308	.0607	.1036
	\$500	.0000	.0001	.0004	.0015	.0035	.0115	.0266	.0505	.0844
	\$1,000	.0000	.0001	.0004	.0015	.0035	.0115	.0265	.0498	.0824
67	\$120	.0000	.0000	.0003	.0014	.0040	.0172	.0463	.0941	.1599
	\$250	.0000	.0000	.0003	.0011	.0028	.0107	.0275	.0562	.0981
	\$500	.0000	.0000	.0003	.0011	.0027	.0094	.0229	.0452	.0777
	\$1,000	.0000	.0000	.0003	.0011	.0027	.0094	.0227	.0442	.0751
68	\$120	.0000	.0000	.0002	.0011	.0033	.0155	.0436	.0908	.1567
	\$250	.0000	.0000	.0002	.0008	.0021	.0089	.0244	.0518	.0928
	\$500	.0000	.0000	.0002	.0008	.0020	.0076	.0195	.0402	.0711
	\$1,000	.0000	.0000	.0002	.0008	.0020	.0075	.0191	.0388	.0680
69	\$120	.0000	.0000	.0002	.0008	.0027	.0139	.0409	.0876	.1535
	\$250	.0000	.0000	.0001	.0005	.0016	.0074	.0215	.0476	.0876
	\$500	.0000	.0000	.0001	.0005	.0014	.0059	.0164	.0353	.0648
	\$1,000	.0000	.0000	.0001	.0005	.0014	.0058	.0158	.0337	.0611
70	\$120	.0000	.0000	.0001	.0006	.0022	.0124	.0384	.0846	.1505
	\$250	.0000	.0000	.0001	.0004	.0011	.0060	.0188	.0435	.0826
	\$500	.0000	.0000	.0001	.0003	.0009	.0045	.0135	.0308	.0587
	\$1,000	.0000	.0000	.0001	.0003	.0009	.0044	.0128	.0288	.0544
71	\$120	.0000	.0000	.0001	.0004	.0017	.0110	.0360	.0816	.1476
	\$250	.0000	.0000	.0000	.0002	.0008	.0048	.0162	.0396	.0777
	\$500	.0000	.0000	.0000	.0002	.0006	.0033	.0108	.0264	.0526
	\$1,000	.0000	.0000	.0000	.0002	.0006	.0031	.0100	.0241	.0478
72	\$120	.0000	.0000	.0000	.0003	.0014	.0098	.0338	.0788	.1449
	\$250	.0000	.0000	.0000	.0001	.0005	.0037	.0140	.0360	.0731
	\$500	.0000	.0000	.0000	.0001	.0003	.0023	.0085	.0224	.0471
	\$1,000	.0000	.0000	.0000	.0001	.0003	.0021	.0076	.0199	.0417
73	\$120	.0000	.0000	.0000	.0002	.0011	.0087	.0317	.0763	.1424
	\$250	.0000	.0000	.0000	.0001	.0003	.0029	.0120	.0327	.0688
	\$500	.0000	.0000	.0000	.0000	.0002	.0015	.0066	.0189	.0419
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0013	.0056	.0161	.0360

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
74	\$120	.0000	.0000	.0000	.0002	.0009	.0080	.0305	.0747	.1409
	\$250	.0000	.0000	.0000	.0000	.0002	.0024	.0107	.0306	.0662
	\$500	.0000	.0000	.0000	.0000	.0001	.0011	.0055	.0167	.0387
	\$1,000	.0000	.0000	.0000	.0000	.0001	.0009	.0044	.0138	.0324

*Single Loss Limit values are expressed in thousands of dollars.

NEW SECTION

WAC 296-17B-990 Hazard Group 9 tables.

Premium-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 9
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.9093	.9002	.8920	.8843	.8771	.8703	.8638	.8575	.8515	.8457	.8402	.8347	.8295	.8244
2	.9061	.8963	.8874	.8792	.8714	.8640	.8570	.8503	.8439	.8377	.8317	.8259	.8202	.8147
3	.9029	.8924	.8828	.8740	.8656	.8577	.8502	.8430	.8362	.8295	.8231	.8169	.8108	.8050
4	.8996	.8884	.8781	.8686	.8597	.8513	.8433	.8356	.8283	.8212	.8143	.8077	.8013	.7950
5	.8963	.8843	.8734	.8633	.8538	.8448	.8363	.8281	.8203	.8128	.8055	.7984	.7916	.7849
6	.8929	.8802	.8686	.8578	.8478	.8382	.8292	.8205	.8122	.8042	.7965	.7890	.7818	.7747
7	.8896	.8761	.8637	.8524	.8417	.8316	.8220	.8129	.8041	.7956	.7874	.7795	.7719	.7644
8	.8862	.8719	.8589	.8468	.8356	.8249	.8148	.8051	.7959	.7869	.7783	.7700	.7619	.7540
9	.8827	.8676	.8539	.8412	.8294	.8181	.8075	.7973	.7875	.7781	.7691	.7603	.7518	.7435
10	.8792	.8634	.8489	.8356	.8231	.8113	.8001	.7894	.7791	.7693	.7597	.7505	.7416	.7329
11	.8757	.8591	.8439	.8299	.8168	.8044	.7927	.7814	.7707	.7603	.7503	.7407	.7313	.7222
12	.8722	.8547	.8389	.8242	.8104	.7974	.7851	.7734	.7621	.7512	.7408	.7307	.7209	.7114
13	.8687	.8504	.8337	.8184	.8040	.7904	.7775	.7652	.7534	.7421	.7312	.7206	.7104	.7005
14	.8651	.8459	.8285	.8125	.7974	.7833	.7698	.7569	.7446	.7328	.7214	.7105	.6998	.6895
15	.8614	.8415	.8233	.8065	.7908	.7760	.7620	.7486	.7358	.7234	.7116	.7002	.6891	.6784
16	.8578	.8370	.8180	.8005	.7842	.7687	.7541	.7401	.7268	.7140	.7017	.6898	.6783	.6672
17	.8541	.8324	.8127	.7945	.7774	.7614	.7461	.7316	.7177	.7044	.6916	.6793	.6674	.6559
18	.8504	.8278	.8073	.7883	.7706	.7539	.7380	.7230	.7086	.6948	.6815	.6687	.6564	.6444
19	.8466	.8232	.8018	.7821	.7637	.7463	.7299	.7142	.6993	.6850	.6712	.6580	.6452	.6329
20	.8429	.8185	.7963	.7758	.7567	.7387	.7216	.7054	.6899	.6751	.6609	.6472	.6340	.6212
21	.8390	.8137	.7907	.7694	.7496	.7309	.7132	.6964	.6804	.6651	.6504	.6362	.6226	.6094
22	.8351	.8089	.7850	.7630	.7424	.7231	.7048	.6874	.6708	.6550	.6398	.6251	.6111	.5975
23	.8312	.8040	.7793	.7564	.7351	.7151	.6962	.6782	.6611	.6447	.6290	.6139	.5994	.5855
24	.8273	.7991	.7734	.7498	.7277	.7070	.6875	.6689	.6512	.6343	.6181	.6026	.5877	.5733
25	.8233	.7941	.7675	.7431	.7203	.6988	.6786	.6595	.6412	.6238	.6071	.5911	.5758	.5610
26	.8192	.7890	.7615	.7362	.7127	.6906	.6697	.6499	.6311	.6131	.5960	.5795	.5637	.5485
27	.8152	.7839	.7555	.7293	.7050	.6821	.6606	.6402	.6208	.6024	.5847	.5678	.5515	.5359
28	.8110	.7787	.7493	.7223	.6972	.6736	.6514	.6304	.6104	.5914	.5732	.5558	.5391	.5231
29	.8068	.7734	.7431	.7152	.6893	.6650	.6421	.6204	.5999	.5803	.5617	.5438	.5267	.5102
30	.8026	.7681	.7368	.7080	.6812	.6562	.6326	.6103	.5892	.5691	.5499	.5316	.5140	.4971
31	.7983	.7627	.7304	.7007	.6731	.6473	.6230	.6001	.5784	.5577	.5380	.5192	.5012	.4838
32	.7940	.7572	.7239	.6933	.6648	.6382	.6133	.5897	.5674	.5461	.5259	.5066	.4881	.4704
33	.7896	.7517	.7173	.6857	.6564	.6291	.6034	.5792	.5562	.5344	.5137	.4939	.4749	.4568
34	.7852	.7461	.7106	.6781	.6479	.6197	.5933	.5684	.5449	.5225	.5012	.4809	.4615	.4429
35	.7807	.7404	.7038	.6703	.6392	.6103	.5831	.5575	.5333	.5104	.4886	.4678	.4479	.4288

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
36	.7762	.7346	.6969	.6624	.6304	.6006	.5727	.5464	.5216	.4980	.4757	.4543	.4340	.4146
37	.7716	.7287	.6899	.6544	.6215	.5908	.5621	.5351	.5096	.4855	.4626	.4407	.4200	.4003
38	.7670	.7228	.6828	.6462	.6124	.5808	.5514	.5236	.4975	.4727	.4492	.4269	.4059	.3859
39	.7623	.7168	.6757	.6380	.6031	.5708	.5405	.5120	.4852	.4598	.4358	.4132	.3918	.3715
40	.7576	.7108	.6684	.6296	.5938	.5606	.5294	.5003	.4727	.4467	.4223	.3993	.3776	.3571
41	.7529	.7047	.6611	.6212	.5844	.5502	.5183	.4883	.4601	.4337	.4089	.3855	.3635	.3428
42	.7483	.6987	.6538	.6128	.5750	.5399	.5071	.4764	.4476	.4206	.3954	.3717	.3494	.3285
43	.7436	.6926	.6465	.6043	.5655	.5294	.4958	.4643	.4350	.4076	.3819	.3579	.3354	.3143
44	.7389	.6865	.6391	.5958	.5559	.5188	.4843	.4523	.4224	.3945	.3685	.3442	.3215	.3003
45	.7343	.6804	.6317	.5872	.5462	.5082	.4729	.4402	.4098	.3815	.3552	.3306	.3078	.2865
46	.7296	.6743	.6243	.5786	.5365	.4975	.4615	.4282	.3972	.3685	.3419	.3171	.2941	.2728
47	.7250	.6682	.6168	.5699	.5266	.4868	.4500	.4160	.3846	.3555	.3286	.3037	.2806	.2593
48	.7204	.6621	.6093	.5611	.5168	.4760	.4385	.4039	.3720	.3426	.3154	.2904	.2673	.2460
49	.7158	.6559	.6017	.5523	.5069	.4652	.4270	.3918	.3595	.3297	.3024	.2772	.2541	.2329
50	.7113	.6498	.5942	.5434	.4969	.4544	.4154	.3797	.3469	.3169	.2894	.2642	.2411	.2201
51	.7067	.6437	.5865	.5345	.4869	.4435	.4038	.3676	.3344	.3041	.2765	.2513	.2284	.2075
52	.7022	.6375	.5789	.5255	.4769	.4326	.3922	.3554	.3219	.2915	.2638	.2386	.2158	.1951
53	.6977	.6314	.5712	.5166	.4669	.4217	.3806	.3434	.3095	.2789	.2512	.2261	.2034	.1830
54	.6933	.6252	.5636	.5076	.4568	.4108	.3691	.3313	.2972	.2665	.2387	.2138	.1913	.1712
55	.6889	.6191	.5559	.4986	.4468	.3999	.3575	.3193	.2850	.2541	.2264	.2017	.1795	.1597
56	.6846	.6130	.5483	.4897	.4367	.3890	.3460	.3074	.2728	.2419	.2143	.1897	.1679	.1484
57	.6803	.6070	.5407	.4807	.4267	.3781	.3345	.2956	.2608	.2299	.2024	.1781	.1565	.1375
58	.6761	.6011	.5331	.4718	.4167	.3672	.3231	.2838	.2489	.2180	.1907	.1666	.1455	.1269
59	.6720	.5952	.5256	.4629	.4067	.3564	.3117	.2721	.2371	.2062	.1791	.1554	.1347	.1167
60	.6680	.5894	.5182	.4541	.3968	.3457	.3004	.2605	.2254	.1947	.1679	.1445	.1243	.1069
61	.6642	.5837	.5109	.4454	.3869	.3350	.2892	.2490	.2139	.1833	.1568	.1339	.1142	.0974
62	.6604	.5782	.5037	.4368	.3772	.3245	.2781	.2377	.2025	.1721	.1460	.1236	.1045	.0883
63	.6569	.5728	.4967	.4283	.3675	.3140	.2671	.2264	.1913	.1612	.1355	.1136	.0952	.0796
64	.6535	.5677	.4898	.4199	.3580	.3036	.2562	.2153	.1803	.1504	.1252	.1040	.0862	.0713
65	.6503	.5627	.4830	.4117	.3485	.2933	.2454	.2044	.1694	.1400	.1152	.0946	.0776	.0635
66	.6473	.5579	.4765	.4036	.3392	.2831	.2348	.1936	.1588	.1297	.1056	.0857	.0694	.0561
67	.6445	.5534	.4702	.3957	.3300	.2730	.2242	.1829	.1484	.1197	.0962	.0771	.0616	.0491
68	.6420	.5491	.4641	.3880	.3210	.2631	.2138	.1725	.1381	.1100	.0872	.0688	.0542	.0425
69	.6397	.5451	.4582	.3804	.3120	.2532	.2035	.1621	.1281	.1005	.0784	.0609	.0471	.0364
70	.6377	.5413	.4526	.3730	.3032	.2435	.1933	.1518	.1182	.0913	.0700	.0534	.0405	.0307
71	.6359	.5378	.4471	.3656	.2943	.2335	.1828	.1414	.1082	.0820	.0616	.0460	.0341	.0252
72	.6344	.5347	.4421	.3587	.2859	.2240	.1729	.1315	.0988	.0733	.0539	.0392	.0283	.0203
73	.6332	.5320	.4375	.3522	.2777	.2148	.1632	.1219	.0897	.0651	.0466	.0330	.0231	.0160
74	.6326	.5304	.4346	.3479	.2723	.2086	.1567	.1156	.0838	.0598	.0421	.0293	.0201	.0136

Premium-Based Plan, with no Single Loss Limit

**Insurance Savings Table
Hazard Group 9
Effective November 19, 2010**

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
1	.0000	.0430	.0878	.1342	.1817	.2783	.3762	.4750	.5743
2	.0000	.0420	.0862	.1321	.1792	.2751	.3723	.4704	.5692
3	.0000	.0409	.0845	.1301	.1768	.2719	.3684	.4658	.5640
4	.0000	.0399	.0829	.1281	.1743	.2686	.3644	.4611	.5586
5	.0000	.0389	.0813	.1260	.1718	.2653	.3603	.4564	.5533
6	.0000	.0379	.0798	.1240	.1693	.2619	.3562	.4516	.5478

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
7	.0000	.0369	.0782	.1219	.1668	.2586	.3521	.4467	.5424
8	.0000	.0359	.0767	.1199	.1643	.2552	.3479	.4419	.5368
9	.0000	.0349	.0752	.1178	.1617	.2517	.3436	.4369	.5312
10	.0000	.0340	.0737	.1158	.1592	.2482	.3394	.4319	.5256
11	.0000	.0330	.0721	.1137	.1566	.2447	.3351	.4269	.5199
12	.0000	.0321	.0706	.1116	.1540	.2412	.3307	.4219	.5142
13	.0000	.0312	.0691	.1095	.1514	.2377	.3264	.4167	.5084
14	.0000	.0303	.0676	.1074	.1487	.2341	.3219	.4115	.5025
15	.0000	.0295	.0660	.1053	.1460	.2304	.3175	.4063	.4965
16	.0000	.0286	.0645	.1032	.1434	.2268	.3130	.4010	.4905
17	.0000	.0277	.0630	.1010	.1407	.2231	.3084	.3957	.4845
18	.0000	.0269	.0614	.0989	.1379	.2194	.3038	.3903	.4783
19	.0000	.0260	.0599	.0967	.1352	.2156	.2992	.3848	.4721
20	.0000	.0252	.0584	.0945	.1324	.2119	.2945	.3793	.4658
21	.0000	.0243	.0568	.0923	.1297	.2080	.2897	.3737	.4594
22	.0000	.0235	.0552	.0901	.1268	.2041	.2849	.3680	.4530
23	.0000	.0227	.0537	.0879	.1240	.2002	.2800	.3623	.4464
24	.0000	.0218	.0521	.0856	.1212	.1963	.2751	.3564	.4398
25	.0000	.0210	.0505	.0834	.1183	.1923	.2701	.3505	.4331
26	.0000	.0202	.0490	.0811	.1154	.1882	.2650	.3445	.4262
27	.0000	.0194	.0474	.0788	.1125	.1842	.2599	.3385	.4193
28	.0000	.0186	.0458	.0765	.1095	.1800	.2547	.3323	.4123
29	.0000	.0178	.0442	.0742	.1066	.1758	.2494	.3261	.4052
30	.0000	.0170	.0426	.0719	.1036	.1716	.2441	.3198	.3980
31	.0000	.0162	.0410	.0696	.1005	.1673	.2387	.3134	.3907
32	.0000	.0154	.0394	.0672	.0975	.1630	.2332	.3069	.3833
33	.0000	.0147	.0379	.0649	.0944	.1586	.2277	.3003	.3757
34	.0000	.0139	.0363	.0625	.0913	.1542	.2221	.2936	.3681
35	.0000	.0131	.0347	.0602	.0882	.1497	.2164	.2868	.3603
36	.0000	.0124	.0331	.0578	.0851	.1452	.2106	.2799	.3524
37	.0000	.0117	.0315	.0554	.0819	.1406	.2047	.2729	.3444
38	.0000	.0109	.0300	.0530	.0787	.1360	.1988	.2658	.3362
39	.0000	.0102	.0284	.0506	.0756	.1313	.1928	.2587	.3280
40	.0000	.0096	.0269	.0482	.0724	.1266	.1868	.2514	.3196
41	.0000	.0089	.0254	.0459	.0692	.1219	.1807	.2441	.3112
42	.0000	.0083	.0239	.0436	.0661	.1173	.1747	.2368	.3028
43	.0000	.0076	.0224	.0413	.0629	.1126	.1686	.2295	.2943
44	.0000	.0070	.0210	.0390	.0598	.1079	.1625	.2221	.2858
45	.0000	.0065	.0196	.0368	.0568	.1033	.1564	.2147	.2772
46	.0000	.0059	.0183	.0346	.0537	.0986	.1503	.2073	.2686
47	.0000	.0054	.0170	.0324	.0507	.0940	.1442	.1998	.2599
48	.0000	.0049	.0157	.0303	.0478	.0894	.1381	.1923	.2511
49	.0000	.0044	.0145	.0282	.0448	.0848	.1319	.1847	.2423
50	.0000	.0040	.0133	.0262	.0420	.0803	.1258	.1772	.2334
51	.0000	.0036	.0121	.0242	.0391	.0757	.1197	.1695	.2245
52	.0000	.0032	.0110	.0223	.0363	.0712	.1135	.1619	.2155

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
53	.0000	.0028	.0099	.0204	.0336	.0667	.1074	.1542	.2066
54	.0000	.0024	.0089	.0186	.0309	.0623	.1012	.1466	.1976
55	.0000	.0021	.0079	.0168	.0283	.0579	.0951	.1389	.1886
56	.0000	.0018	.0070	.0151	.0257	.0536	.0890	.1313	.1797
57	.0000	.0015	.0062	.0135	.0233	.0493	.0830	.1237	.1707
58	.0000	.0013	.0053	.0119	.0209	.0451	.0771	.1161	.1618
59	.0000	.0011	.0046	.0105	.0186	.0410	.0712	.1086	.1529
60	.0000	.0009	.0039	.0091	.0164	.0370	.0654	.1012	.1441
61	.0000	.0007	.0033	.0078	.0143	.0332	.0597	.0939	.1354
62	.0000	.0006	.0027	.0066	.0123	.0294	.0542	.0867	.1268
63	.0000	.0004	.0022	.0055	.0105	.0259	.0488	.0797	.1183
64	.0000	.0003	.0017	.0045	.0088	.0225	.0437	.0728	.1099
65	.0000	.0002	.0013	.0036	.0072	.0193	.0387	.0660	.1017
66	.0000	.0002	.0010	.0028	.0058	.0163	.0339	.0595	.0936
67	.0000	.0001	.0007	.0021	.0046	.0135	.0294	.0532	.0857
68	.0000	.0001	.0005	.0015	.0035	.0110	.0251	.0471	.0780
69	.0000	.0000	.0003	.0011	.0025	.0087	.0211	.0412	.0704
70	.0000	.0000	.0002	.0007	.0018	.0067	.0173	.0356	.0630
71	.0000	.0000	.0001	.0004	.0011	.0049	.0138	.0301	.0556
72	.0000	.0000	.0000	.0002	.0007	.0034	.0107	.0251	.0487
73	.0000	.0000	.0000	.0001	.0003	.0022	.0080	.0205	.0422
74	.0000	.0000	.0000	.0000	.0002	.0016	.0064	.0176	.0379

Premium-Based Plan, with Various Single Loss Limits

Insurance Charge Table
Hazard Group 9
Effective November 19, 2010

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7572	.7101	.6676	.6286	.5926	.5642	.5431	.5260	.5117	.4996	.4891	.4800	.4727	.4671
41	\$120	.7525	.7041	.6603	.6202	.5845	.5584	.5380	.5211	.5070	.4949	.4845	.4760	.4696	.4646
42	\$120	.7478	.6980	.6530	.6117	.5781	.5531	.5330	.5163	.5022	.4902	.4802	.4728	.4670	.4623
43	\$120	.7431	.6919	.6456	.6039	.5725	.5480	.5281	.5115	.4974	.4856	.4768	.4699	.4645	.4601
44	\$120	.7384	.6858	.6382	.5975	.5672	.5431	.5232	.5066	.4926	.4819	.4737	.4673	.4622	.4580
45	\$120	.7338	.6797	.6308	.5919	.5622	.5382	.5183	.5016	.4885	.4786	.4709	.4648	.4599	.4562
46	\$120	.7291	.6736	.6243	.5868	.5573	.5332	.5132	.4971	.4849	.4756	.4682	.4624	.4579	.4546
47	\$120	.7245	.6675	.6188	.5818	.5523	.5282	.5083	.4932	.4816	.4727	.4656	.4602	.4562	.4532
48	\$120	.7199	.6614	.6137	.5770	.5474	.5231	.5039	.4895	.4785	.4698	.4632	.4584	.4547	.4519
49	\$120	.7153	.6558	.6090	.5722	.5424	.5182	.5000	.4861	.4754	.4672	.4611	.4566	.4533	.4508
50	\$120	.7108	.6509	.6043	.5673	.5372	.5138	.4962	.4828	.4724	.4648	.4592	.4551	.4520	.4498
	\$250	.7111	.6495	.5938	.5429	.4964	.4557	.4224	.3945	.3708	.3505	.3329	.3178	.3048	.2942
51	\$120	.7062	.6464	.5998	.5624	.5324	.5098	.4926	.4795	.4698	.4627	.4575	.4536	.4509	.4490
	\$250	.7065	.6434	.5862	.5340	.4868	.4475	.4148	.3872	.3637	.3435	.3261	.3114	.2993	.2894
52	\$120	.7018	.6422	.5952	.5574	.5280	.5059	.4890	.4765	.4674	.4607	.4558	.4524	.4499	.4482
	\$250	.7020	.6373	.5785	.5251	.4783	.4398	.4074	.3800	.3566	.3365	.3196	.3057	.2944	.2850
53	\$120	.6977	.6381	.5906	.5526	.5238	.5020	.4856	.4737	.4650	.4588	.4544	.4513	.4491	.4476
	\$250	.6976	.6311	.5708	.5164	.4706	.4324	.4002	.3728	.3495	.3297	.3136	.3005	.2897	.2808

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
54	\$120	.6940	.6340	.5859	.5482	.5197	.4982	.4825	.4711	.4629	.4571	.4531	.4502	.4483	.4470
	\$250	.6931	.6250	.5632	.5087	.4633	.4252	.3930	.3656	.3424	.3235	.3081	.2955	.2853	.2769
55	\$120	.6906	.6300	.5813	.5439	.5156	.4947	.4795	.4686	.4609	.4556	.4519	.4494	.4477	.4465
	\$250	.6887	.6189	.5557	.5015	.4562	.4180	.3857	.3584	.3359	.3177	.3029	.2908	.2810	.2732
56	\$120	.6874	.6259	.5770	.5397	.5117	.4913	.4766	.4663	.4591	.4542	.4508	.4486	.4471	.4461
	\$250	.6844	.6128	.5488	.4947	.4492	.4108	.3783	.3515	.3298	.3121	.2978	.2863	.2771	.2698
57	\$120	.6843	.6219	.5728	.5356	.5080	.4881	.4740	.4642	.4574	.4529	.4499	.4479	.4466	.4457
	\$250	.6802	.6068	.5424	.4881	.4422	.4035	.3713	.3451	.3239	.3067	.2930	.2821	.2735	.2668
58	\$120	.6812	.6179	.5687	.5315	.5044	.4850	.4714	.4622	.4559	.4518	.4491	.4473	.4462	.4455
	\$250	.6760	.6011	.5363	.4816	.4352	.3964	.3647	.3389	.3182	.3016	.2885	.2782	.2701	.2639
	\$500	.6760	.6009	.5329	.4715	.4163	.3672	.3245	.2876	.2557	.2283	.2047	.1845	.1673	.1527
59	\$120	.6782	.6142	.5647	.5277	.5009	.4820	.4690	.4603	.4545	.4507	.4483	.4468	.4458	.4452
	\$250	.6719	.5958	.5305	.4751	.4282	.3896	.3582	.3329	.3126	.2967	.2842	.2745	.2671	.2613
	\$500	.6719	.5950	.5254	.4627	.4065	.3573	.3146	.2778	.2461	.2190	.1958	.1761	.1596	.1458
60	\$120	.6752	.6106	.5607	.5239	.4975	.4792	.4668	.4586	.4532	.4498	.4477	.4463	.4455	.4450
	\$250	.6679	.5909	.5248	.4685	.4215	.3830	.3519	.3270	.3074	.2921	.2802	.2711	.2642	.2590
	\$500	.6679	.5893	.5180	.4539	.3971	.3477	.3049	.2682	.2367	.2099	.1872	.1682	.1524	.1392
61	\$120	.6723	.6070	.5569	.5202	.4943	.4765	.4647	.4570	.4521	.4490	.4471	.4460	.4453	.4449
	\$250	.6642	.5862	.5191	.4621	.4150	.3766	.3458	.3214	.3024	.2877	.2765	.2680	.2616	.2569
	\$500	.6641	.5836	.5107	.4454	.3881	.3383	.2954	.2586	.2274	.2010	.1790	.1607	.1455	.1330
62	\$120	.6696	.6035	.5532	.5167	.4912	.4740	.4628	.4556	.4511	.4483	.4466	.4456	.4451	.4447
	\$250	.6607	.5817	.5135	.4560	.4086	.3703	.3399	.3160	.2976	.2836	.2730	.2651	.2593	.2550
	\$500	.6604	.5781	.5036	.4373	.3793	.3291	.2860	.2493	.2184	.1926	.1711	.1535	.1390	.1272
63	\$120	.6670	.6001	.5496	.5133	.4883	.4716	.4610	.4543	.4502	.4477	.4462	.4454	.4449	.4446
	\$250	.6576	.5773	.5080	.4499	.4023	.3642	.3341	.3108	.2931	.2797	.2698	.2625	.2572	.2534
	\$500	.6568	.5727	.4967	.4294	.3707	.3200	.2767	.2402	.2097	.1844	.1636	.1466	.1329	.1218
64	\$120	.6645	.5969	.5461	.5100	.4854	.4694	.4593	.4531	.4493	.4471	.4459	.4452	.4448	.4445
	\$250	.6547	.5730	.5028	.4440	.3963	.3582	.3286	.3059	.2888	.2761	.2668	.2601	.2553	.2519
	\$500	.6534	.5676	.4902	.4218	.3623	.3111	.2677	.2313	.2012	.1765	.1563	.1401	.1271	.1168
	\$1,000	.6535	.5676	.4897	.4199	.3579	.3035	.2562	.2155	.1807	.1512	.1264	.1056	.0884	.0741
65	\$120	.6621	.5937	.5427	.5068	.4827	.4673	.4577	.4520	.4486	.4467	.4456	.4450	.4447	.4445
	\$250	.6520	.5689	.4976	.4383	.3903	.3524	.3233	.3012	.2848	.2728	.2641	.2580	.2536	.2506
	\$500	.6502	.5627	.4840	.4144	.3540	.3023	.2588	.2227	.1930	.1689	.1494	.1340	.1218	.1122
	\$1,000	.6503	.5626	.4830	.4116	.3485	.2933	.2456	.2048	.1702	.1411	.1169	.0968	.0803	.0668
66	\$120	.6598	.5906	.5394	.5037	.4802	.4654	.4563	.4510	.4480	.4463	.4453	.4448	.4446	.4444
	\$250	.6494	.5650	.4927	.4327	.3845	.3469	.3181	.2967	.2810	.2697	.2616	.2560	.2521	.2495
	\$500	.6473	.5582	.4779	.4071	.3458	.2937	.2502	.2143	.1850	.1616	.1429	.1282	.1168	.1079
	\$1,000	.6473	.5579	.4765	.4035	.3392	.2832	.2351	.1943	.1599	.1313	.1078	.0884	.0728	.0601
67	\$120	.6576	.5877	.5362	.5008	.4778	.4635	.4550	.4502	.4474	.4459	.4451	.4447	.4445	.4444
	\$250	.6470	.5613	.4879	.4273	.3789	.3414	.3132	.2924	.2774	.2668	.2594	.2543	.2508	.2485
	\$500	.6446	.5539	.4721	.4001	.3379	.2853	.2417	.2061	.1774	.1546	.1367	.1229	.1122	.1041
	\$1,000	.6445	.5533	.4702	.3957	.3301	.2733	.2248	.1840	.1499	.1219	.0990	.0805	.0656	.0538
68	\$120	.6555	.5848	.5331	.4980	.4755	.4618	.4539	.4494	.4469	.4456	.4450	.4446	.4445	.4444
	\$250	.6448	.5578	.4832	.4220	.3734	.3362	.3085	.2884	.2741	.2642	.2573	.2528	.2497	.2477
	\$500	.6421	.5499	.4666	.3932	.3301	.2771	.2335	.1981	.1700	.1480	.1309	.1179	.1080	.1006
	\$1,000	.6420	.5491	.4641	.3880	.3212	.2636	.2147	.1739	.1402	.1127	.0906	.0729	.0590	.0481
69	\$120	.6536	.5820	.5301	.4953	.4733	.4603	.4528	.4487	.4465	.4454	.4448	.4445	.4444	.4443
	\$250	.6427	.5544	.4787	.4168	.3681	.3312	.3040	.2846	.2710	.2617	.2555	.2514	.2487	.2470
	\$500	.6400	.5462	.4612	.3865	.3225	.2691	.2254	.1904	.1629	.1417	.1254	.1132	.1042	.0975
	\$1,000	.6397	.5451	.4582	.3805	.3124	.2540	.2048	.1639	.1307	.1039	.0826	.0658	.0528	.0428
70	\$120	.6517	.5794	.5273	.4927	.4713	.4588	.4518	.4481	.4462	.4452	.4447	.4445	.4444	.4443
	\$250	.6409	.5512	.4744	.4118	.3630	.3263	.2997	.2810	.2682	.2596	.2539	.2502	.2479	.2465
	\$500	.6380	.5427	.4562	.3801	.3151	.2612	.2176	.1830	.1561	.1357	.1204	.1090	.1007	.0948

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$1,000	.6377	.5413	.4527	.3733	.3039	.2446	.1950	.1543	.1214	.0954	.0750	.0592	.0472	.0381
71	\$120	.6499	.5768	.5244	.4902	.4694	.4574	.4510	.4476	.4459	.4450	.4446	.4444	.4444	.4443
	\$250	.6392	.5481	.4702	.4069	.3579	.3215	.2956	.2776	.2655	.2575	.2524	.2492	.2472	.2460
	\$500	.6363	.5394	.4512	.3737	.3077	.2533	.2097	.1756	.1495	.1299	.1155	.1050	.0976	.0923
	\$1,000	.6359	.5378	.4473	.3661	.2952	.2350	.1851	.1446	.1123	.0871	.0676	.0529	.0419	.0337
72	\$120	.6483	.5744	.5219	.4879	.4676	.4563	.4502	.4471	.4456	.4449	.4446	.4444	.4443	.4443
	\$250	.6377	.5454	.4663	.4023	.3532	.3172	.2918	.2745	.2631	.2558	.2512	.2483	.2466	.2456
	\$500	.6349	.5366	.4467	.3677	.3008	.2460	.2025	.1688	.1435	.1248	.1113	.1016	.0949	.0902
	\$1,000	.6344	.5348	.4424	.3594	.2871	.2261	.1758	.1355	.1039	.0795	.0611	.0474	.0373	.0300
73	\$120	.6468	.5722	.5195	.4858	.4661	.4552	.4496	.4467	.4454	.4448	.4445	.4444	.4443	.4443
	\$250	.6364	.5429	.4627	.3980	.3488	.3131	.2884	.2718	.2611	.2543	.2502	.2476	.2462	.2453
	\$500	.6338	.5341	.4426	.3622	.2943	.2391	.1957	.1626	.1380	.1201	.1075	.0987	.0926	.0886
	\$1,000	.6333	.5322	.4380	.3532	.2795	.2176	.1671	.1270	.0961	.0726	.0552	.0425	.0334	.0269
74	\$120	.6459	.5708	.5180	.4846	.4651	.4546	.4492	.4465	.4453	.4447	.4445	.4444	.4443	.4443
	\$250	.6357	.5414	.4604	.3953	.3460	.3106	.2863	.2702	.2599	.2534	.2496	.2473	.2459	.2451
	\$500	.6332	.5326	.4401	.3588	.2902	.2347	.1914	.1586	.1346	.1173	.1052	.0969	.0913	.0876
	\$1,000	.6327	.5307	.4352	.3493	.2746	.2121	.1615	.1217	.0912	.0683	.0516	.0396	.0311	.0252

*Single Loss Limit values are expressed in thousands of dollars.

Premium-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 9
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0095	.0267	.0480	.0721	.1262	.1861	.2506	.3186
41	\$120	.0000	.0088	.0252	.0457	.0689	.1215	.1801	.2433	.3102
42	\$120	.0000	.0082	.0238	.0433	.0658	.1168	.1740	.2360	.3017
43	\$120	.0000	.0076	.0223	.0410	.0626	.1121	.1679	.2286	.2939
44	\$120	.0000	.0070	.0209	.0388	.0595	.1074	.1618	.2212	.2875
45	\$120	.0000	.0064	.0195	.0366	.0565	.1028	.1557	.2138	.2819
46	\$120	.0000	.0059	.0182	.0344	.0534	.0981	.1496	.2073	.2768
47	\$120	.0000	.0053	.0169	.0322	.0504	.0935	.1435	.2018	.2718
48	\$120	.0000	.0048	.0156	.0301	.0475	.0889	.1374	.1967	.2670
49	\$120	.0000	.0044	.0144	.0280	.0446	.0843	.1318	.1920	.2622
50	\$120	.0000	.0039	.0132	.0260	.0417	.0798	.1269	.1873	.2573
	\$250	.0000	.0040	.0132	.0261	.0418	.0801	.1255	.1768	.2329
51	\$120	.0000	.0035	.0120	.0240	.0388	.0752	.1224	.1828	.2524
	\$250	.0000	.0035	.0121	.0241	.0390	.0755	.1194	.1692	.2240
52	\$120	.0000	.0031	.0109	.0221	.0361	.0708	.1182	.1782	.2474
	\$250	.0000	.0031	.0110	.0222	.0362	.0710	.1133	.1615	.2151
53	\$120	.0000	.0027	.0098	.0202	.0333	.0667	.1141	.1736	.2426
	\$250	.0000	.0028	.0099	.0203	.0335	.0666	.1071	.1538	.2064
54	\$120	.0000	.0024	.0088	.0184	.0307	.0630	.1100	.1689	.2382
	\$250	.0000	.0024	.0089	.0185	.0308	.0621	.1010	.1462	.1987
55	\$120	.0000	.0021	.0079	.0167	.0280	.0596	.1060	.1643	.2339

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$250	.0000	.0021	.0079	.0168	.0282	.0577	.0949	.1387	.1915
56	\$120	.0000	.0018	.0070	.0150	.0255	.0564	.1019	.1600	.2297
	\$250	.0000	.0018	.0070	.0151	.0256	.0534	.0888	.1318	.1847
57	\$120	.0000	.0015	.0061	.0134	.0231	.0533	.0979	.1558	.2256
	\$250	.0000	.0015	.0061	.0134	.0232	.0492	.0828	.1254	.1781
58	\$120	.0000	.0013	.0053	.0118	.0209	.0502	.0939	.1517	.2215
	\$250	.0000	.0013	.0053	.0119	.0208	.0450	.0771	.1193	.1716
	\$500	.0000	.0013	.0053	.0119	.0208	.0450	.0769	.1159	.1615
59	\$120	.0000	.0011	.0045	.0104	.0189	.0472	.0902	.1477	.2177
	\$250	.0000	.0011	.0046	.0104	.0185	.0409	.0718	.1135	.1651
	\$500	.0000	.0011	.0046	.0104	.0185	.0409	.0710	.1084	.1527
60	\$120	.0000	.0009	.0038	.0090	.0171	.0442	.0866	.1437	.2139
	\$250	.0000	.0009	.0039	.0090	.0163	.0369	.0669	.1078	.1585
	\$500	.0000	.0009	.0039	.0091	.0164	.0369	.0653	.1010	.1439
61	\$120	.0000	.0007	.0032	.0078	.0154	.0413	.0830	.1399	.2102
	\$250	.0000	.0007	.0032	.0078	.0142	.0332	.0622	.1021	.1521
	\$500	.0000	.0007	.0033	.0078	.0143	.0331	.0596	.0937	.1354
62	\$120	.0000	.0006	.0027	.0067	.0138	.0386	.0795	.1362	.2067
	\$250	.0000	.0006	.0027	.0066	.0123	.0297	.0577	.0965	.1460
	\$500	.0000	.0006	.0027	.0066	.0123	.0294	.0541	.0866	.1273
63	\$120	.0000	.0004	.0021	.0058	.0123	.0360	.0761	.1326	.2033
	\$250	.0000	.0004	.0022	.0055	.0104	.0266	.0533	.0910	.1399
	\$500	.0000	.0004	.0022	.0055	.0105	.0258	.0487	.0797	.1194
64	\$120	.0000	.0003	.0017	.0049	.0109	.0335	.0729	.1291	.2000
	\$250	.0000	.0003	.0017	.0045	.0087	.0237	.0490	.0858	.1340
	\$500	.0000	.0003	.0017	.0045	.0088	.0224	.0436	.0732	.1118
	\$1,000	.0000	.0003	.0017	.0045	.0088	.0225	.0436	.0727	.1099
65	\$120	.0000	.0002	.0013	.0042	.0095	.0311	.0697	.1257	.1968
	\$250	.0000	.0002	.0013	.0036	.0073	.0210	.0449	.0806	.1283
	\$500	.0000	.0002	.0013	.0036	.0072	.0192	.0387	.0670	.1044
	\$1,000	.0000	.0002	.0013	.0036	.0072	.0193	.0386	.0660	.1016
66	\$120	.0000	.0002	.0010	.0035	.0084	.0288	.0666	.1224	.1937
	\$250	.0000	.0002	.0010	.0028	.0060	.0184	.0410	.0757	.1227
	\$500	.0000	.0002	.0010	.0028	.0058	.0163	.0342	.0609	.0971
	\$1,000	.0000	.0002	.0010	.0028	.0058	.0163	.0339	.0595	.0935
67	\$120	.0000	.0001	.0008	.0029	.0073	.0266	.0637	.1192	.1908
	\$250	.0000	.0001	.0007	.0021	.0048	.0160	.0373	.0709	.1173
	\$500	.0000	.0001	.0007	.0021	.0045	.0136	.0299	.0551	.0901
	\$1,000	.0000	.0001	.0007	.0021	.0045	.0135	.0293	.0532	.0857
68	\$120	.0000	.0001	.0006	.0023	.0063	.0245	.0608	.1161	.1880
	\$250	.0000	.0001	.0005	.0016	.0038	.0138	.0338	.0662	.1120
	\$500	.0000	.0001	.0005	.0015	.0034	.0111	.0259	.0496	.0832
	\$1,000	.0000	.0001	.0005	.0015	.0035	.0110	.0251	.0471	.0780
69	\$120	.0000	.0000	.0004	.0019	.0054	.0226	.0580	.1131	.1853

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$250	.0000	.0000	.0003	.0012	.0030	.0117	.0304	.0617	.1068
	\$500	.0000	.0000	.0003	.0011	.0025	.0090	.0222	.0442	.0765
	\$1,000	.0000	.0000	.0003	.0011	.0025	.0087	.0211	.0412	.0705
70	\$120	.0000	.0000	.0003	.0015	.0045	.0207	.0554	.1103	.1827
	\$250	.0000	.0000	.0002	.0008	.0023	.0099	.0272	.0574	.1018
	\$500	.0000	.0000	.0002	.0007	.0018	.0070	.0187	.0392	.0701
	\$1,000	.0000	.0000	.0002	.0007	.0018	.0067	.0173	.0357	.0633
71	\$120	.0000	.0000	.0002	.0011	.0038	.0189	.0528	.1074	.1802
	\$250	.0000	.0000	.0001	.0005	.0017	.0082	.0241	.0532	.0969
	\$500	.0000	.0000	.0001	.0004	.0012	.0053	.0154	.0342	.0637
	\$1,000	.0000	.0000	.0001	.0004	.0011	.0049	.0138	.0303	.0561
72	\$120	.0000	.0000	.0001	.0009	.0032	.0173	.0504	.1049	.1779
	\$250	.0000	.0000	.0001	.0003	.0012	.0067	.0214	.0493	.0923
	\$500	.0000	.0000	.0000	.0002	.0007	.0039	.0126	.0297	.0577
	\$1,000	.0000	.0000	.0000	.0002	.0007	.0034	.0108	.0254	.0494
73	\$120	.0000	.0000	.0001	.0007	.0026	.0158	.0482	.1025	.1758
	\$250	.0000	.0000	.0000	.0002	.0008	.0054	.0189	.0457	.0880
	\$500	.0000	.0000	.0000	.0001	.0004	.0028	.0101	.0256	.0522
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0023	.0082	.0210	.0432
74	\$120	.0000	.0000	.0001	.0005	.0023	.0149	.0468	.1010	.1746
	\$250	.0000	.0000	.0000	.0001	.0006	.0047	.0174	.0434	.0853
	\$500	.0000	.0000	.0000	.0001	.0003	.0022	.0086	.0231	.0488
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0017	.0067	.0182	.0393

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with no Single Loss Limit

**Insurance Charge Table
Hazard Group 9
Effective November 19, 2010**

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
1	.9552	.9456	.9369	.9289	.9213	.9141	.9073	.9007	.8945	.8884	.8825	.8768	.8713	.8659
2	.9518	.9415	.9322	.9235	.9153	.9076	.9002	.8932	.8864	.8799	.8736	.8675	.8616	.8558
3	.9484	.9374	.9274	.9180	.9093	.9010	.8931	.8856	.8783	.8713	.8646	.8581	.8517	.8456
4	.9449	.9332	.9224	.9124	.9031	.8942	.8858	.8778	.8700	.8626	.8554	.8484	.8417	.8351
5	.9415	.9289	.9174	.9068	.8968	.8874	.8784	.8699	.8617	.8537	.8461	.8387	.8315	.8245
6	.9380	.9246	.9124	.9011	.8905	.8805	.8710	.8619	.8532	.8448	.8367	.8288	.8212	.8138
7	.9344	.9202	.9073	.8953	.8841	.8735	.8635	.8539	.8446	.8357	.8272	.8188	.8108	.8030
8	.9308	.9158	.9022	.8895	.8777	.8665	.8559	.8457	.8360	.8266	.8176	.8088	.8003	.7920
9	.9272	.9114	.8970	.8837	.8712	.8594	.8482	.8375	.8272	.8174	.8078	.7986	.7897	.7810
10	.9236	.9069	.8918	.8777	.8646	.8522	.8405	.8292	.8184	.8080	.7980	.7884	.7790	.7699
11	.9199	.9024	.8865	.8718	.8580	.8450	.8326	.8208	.8095	.7986	.7881	.7780	.7682	.7587
12	.9162	.8978	.8811	.8657	.8513	.8377	.8247	.8123	.8005	.7891	.7781	.7675	.7573	.7473
13	.9125	.8932	.8758	.8596	.8445	.8302	.8167	.8038	.7914	.7795	.7680	.7570	.7462	.7359
14	.9087	.8886	.8703	.8534	.8376	.8227	.8086	.7951	.7822	.7698	.7578	.7463	.7351	.7243
15	.9049	.8839	.8648	.8472	.8307	.8152	.8004	.7863	.7729	.7599	.7475	.7355	.7238	.7126
16	.9010	.8792	.8593	.8409	.8237	.8075	.7921	.7775	.7634	.7500	.7370	.7246	.7125	.7008

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
17	.8972	.8744	.8537	.8345	.8166	.7997	.7837	.7685	.7539	.7400	.7265	.7136	.7010	.6889
18	.8933	.8695	.8480	.8281	.8094	.7919	.7753	.7594	.7443	.7298	.7158	.7024	.6894	.6769
19	.8893	.8647	.8422	.8215	.8022	.7839	.7667	.7503	.7346	.7195	.7051	.6912	.6777	.6648
20	.8853	.8597	.8364	.8149	.7948	.7759	.7580	.7410	.7247	.7092	.6942	.6798	.6659	.6525
21	.8813	.8547	.8305	.8082	.7874	.7678	.7492	.7316	.7147	.6986	.6832	.6683	.6540	.6401
22	.8773	.8497	.8246	.8014	.7798	.7595	.7403	.7220	.7046	.6880	.6720	.6567	.6419	.6276
23	.8732	.8445	.8185	.7946	.7722	.7512	.7313	.7124	.6944	.6772	.6607	.6449	.6297	.6150
24	.8690	.8394	.8124	.7876	.7644	.7427	.7221	.7026	.6840	.6663	.6493	.6330	.6173	.6022
25	.8648	.8341	.8062	.7805	.7566	.7341	.7129	.6927	.6736	.6553	.6377	.6209	.6048	.5892
26	.8605	.8288	.7999	.7734	.7486	.7254	.7034	.6827	.6629	.6441	.6260	.6087	.5921	.5761
27	.8563	.8234	.7936	.7661	.7405	.7165	.6939	.6725	.6521	.6327	.6142	.5964	.5793	.5629
28	.8519	.8179	.7871	.7587	.7323	.7076	.6842	.6622	.6412	.6212	.6021	.5839	.5663	.5495
29	.8475	.8124	.7806	.7513	.7240	.6985	.6745	.6517	.6301	.6096	.5900	.5712	.5532	.5359
30	.8431	.8068	.7739	.7437	.7156	.6893	.6645	.6411	.6189	.5978	.5776	.5584	.5399	.5221
31	.8386	.8012	.7672	.7360	.7070	.6799	.6544	.6304	.6075	.5858	.5651	.5454	.5264	.5082
32	.8340	.7954	.7604	.7282	.6983	.6704	.6442	.6194	.5960	.5737	.5524	.5321	.5127	.4941
33	.8295	.7896	.7535	.7203	.6895	.6608	.6338	.6084	.5843	.5614	.5396	.5188	.4989	.4798
34	.8248	.7837	.7465	.7123	.6806	.6510	.6232	.5971	.5723	.5488	.5265	.5052	.4848	.4652
35	.8201	.7777	.7393	.7041	.6715	.6410	.6125	.5856	.5602	.5361	.5132	.4914	.4705	.4505
36	.8153	.7716	.7321	.6958	.6622	.6309	.6016	.5740	.5479	.5232	.4997	.4772	.4559	.4355
37	.8105	.7655	.7247	.6874	.6528	.6206	.5905	.5621	.5353	.5100	.4859	.4629	.4411	.4205
38	.8056	.7593	.7173	.6788	.6432	.6101	.5792	.5500	.5226	.4966	.4719	.4485	.4264	.4054
39	.8007	.7530	.7097	.6701	.6336	.5995	.5677	.5378	.5097	.4830	.4578	.4340	.4115	.3903
40	.7958	.7466	.7021	.6614	.6238	.5888	.5561	.5255	.4966	.4693	.4436	.4195	.3967	.3751
41	.7909	.7403	.6945	.6526	.6139	.5780	.5444	.5130	.4833	.4556	.4295	.4049	.3818	.3601
42	.7860	.7339	.6868	.6437	.6040	.5671	.5326	.5004	.4701	.4419	.4153	.3904	.3670	.3451
43	.7811	.7275	.6791	.6348	.5940	.5561	.5207	.4877	.4569	.4281	.4012	.3760	.3523	.3302
44	.7762	.7211	.6713	.6258	.5839	.5450	.5088	.4751	.4437	.4144	.3871	.3616	.3378	.3155
45	.7713	.7147	.6635	.6168	.5737	.5338	.4968	.4624	.4305	.4007	.3731	.3473	.3233	.3009
46	.7664	.7083	.6557	.6077	.5635	.5226	.4848	.4497	.4172	.3871	.3591	.3331	.3090	.2866
47	.7616	.7019	.6479	.5986	.5532	.5113	.4727	.4370	.4040	.3734	.3452	.3190	.2948	.2724
48	.7567	.6954	.6400	.5894	.5428	.5000	.4606	.4243	.3908	.3599	.3313	.3050	.2808	.2584
49	.7519	.6890	.6321	.5801	.5324	.4887	.4485	.4116	.3776	.3463	.3176	.2912	.2669	.2447
50	.7471	.6826	.6241	.5708	.5220	.4773	.4364	.3988	.3644	.3328	.3040	.2775	.2533	.2312
51	.7423	.6761	.6161	.5614	.5115	.4659	.4242	.3861	.3513	.3195	.2905	.2640	.2399	.2179
52	.7376	.6697	.6081	.5520	.5010	.4544	.4120	.3734	.3382	.3062	.2771	.2507	.2267	.2049
53	.7329	.6632	.6000	.5426	.4904	.4430	.3998	.3607	.3252	.2930	.2638	.2375	.2137	.1922
54	.7283	.6568	.5920	.5332	.4799	.4315	.3877	.3480	.3122	.2799	.2508	.2246	.2010	.1798
55	.7237	.6503	.5839	.5238	.4693	.4200	.3755	.3354	.2994	.2669	.2379	.2118	.1885	.1677
56	.7191	.6440	.5759	.5144	.4587	.4086	.3634	.3229	.2866	.2541	.2251	.1993	.1763	.1559
57	.7146	.6376	.5679	.5050	.4482	.3971	.3514	.3105	.2740	.2415	.2126	.1870	.1644	.1445
58	.7102	.6314	.5600	.4956	.4377	.3857	.3394	.2981	.2614	.2290	.2003	.1750	.1528	.1333
59	.7059	.6252	.5521	.4863	.4272	.3744	.3274	.2858	.2490	.2166	.1882	.1633	.1415	.1226
60	.7017	.6191	.5444	.4770	.4168	.3631	.3156	.2736	.2368	.2045	.1763	.1518	.1306	.1122
61	.6976	.6132	.5367	.4679	.4065	.3519	.3038	.2616	.2247	.1925	.1647	.1407	.1200	.1023
62	.6937	.6074	.5291	.4588	.3962	.3408	.2921	.2496	.2127	.1808	.1534	.1298	.1098	.0927
63	.6900	.6017	.5217	.4499	.3861	.3298	.2806	.2378	.2009	.1693	.1423	.1193	.0999	.0836
64	.6864	.5963	.5145	.4411	.3760	.3189	.2691	.2262	.1894	.1580	.1315	.1092	.0905	.0749
65	.6831	.5910	.5074	.4324	.3661	.3081	.2578	.2147	.1780	.1470	.1210	.0994	.0815	.0667
66	.6799	.5860	.5005	.4240	.3563	.2974	.2466	.2033	.1668	.1363	.1109	.0900	.0729	.0589
67	.6770	.5813	.4939	.4156	.3467	.2868	.2355	.1922	.1559	.1258	.1011	.0809	.0647	.0516
68	.6744	.5768	.4875	.4075	.3372	.2764	.2246	.1811	.1451	.1156	.0916	.0723	.0569	.0447
69	.6720	.5725	.4813	.3996	.3278	.2660	.2137	.1702	.1345	.1056	.0824	.0640	.0495	.0382
70	.6699	.5686	.4754	.3918	.3185	.2557	.2030	.1595	.1242	.0959	.0735	.0561	.0426	.0322
71	.6680	.5649	.4697	.3840	.3092	.2453	.1921	.1486	.1137	.0862	.0648	.0483	.0358	.0265

Maximum Loss Ratio														
Size	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
72	.6664	.5617	.4644	.3768	.3003	.2353	.1816	.1382	.1038	.0770	.0566	.0412	.0298	.0213
73	.6652	.5589	.4596	.3699	.2917	.2256	.1714	.1281	.0942	.0684	.0490	.0347	.0243	.0168
74	.6645	.5572	.4565	.3655	.2860	.2192	.1646	.1214	.0880	.0628	.0442	.0307	.0211	.0143

Loss-Based Plan, with no Single Loss Limit

Insurance Savings Table
 Hazard Group 9
 Effective November 19, 2010

Minimum Loss Ratio										
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%	
1	.0000	.0452	.0922	.1410	.1908	.2923	.3952	.4989	.6033	
2	.0000	.0441	.0905	.1388	.1883	.2890	.3911	.4941	.5979	
3	.0000	.0430	.0888	.1367	.1857	.2856	.3870	.4893	.5924	
4	.0000	.0419	.0871	.1345	.1831	.2821	.3827	.4844	.5868	
5	.0000	.0408	.0854	.1324	.1805	.2787	.3785	.4794	.5812	
6	.0000	.0398	.0838	.1302	.1778	.2751	.3742	.4744	.5755	
7	.0000	.0387	.0822	.1281	.1752	.2716	.3698	.4693	.5697	
8	.0000	.0377	.0806	.1259	.1725	.2680	.3654	.4641	.5639	
9	.0000	.0367	.0790	.1238	.1699	.2644	.3610	.4590	.5580	
10	.0000	.0357	.0774	.1216	.1672	.2608	.3565	.4537	.5521	
11	.0000	.0347	.0758	.1194	.1645	.2571	.3520	.4485	.5461	
12	.0000	.0337	.0742	.1172	.1617	.2534	.3474	.4431	.5401	
13	.0000	.0328	.0726	.1150	.1590	.2496	.3428	.4377	.5340	
14	.0000	.0319	.0710	.1128	.1562	.2459	.3382	.4323	.5278	
15	.0000	.0309	.0694	.1106	.1534	.2421	.3335	.4268	.5216	
16	.0000	.0300	.0678	.1084	.1506	.2382	.3287	.4212	.5153	
17	.0000	.0291	.0662	.1061	.1478	.2344	.3240	.4156	.5089	
18	.0000	.0282	.0645	.1038	.1449	.2304	.3191	.4100	.5024	
19	.0000	.0273	.0629	.1016	.1420	.2265	.3142	.4042	.4959	
20	.0000	.0264	.0613	.0993	.1391	.2225	.3093	.3984	.4893	
21	.0000	.0256	.0597	.0970	.1362	.2185	.3043	.3925	.4826	
22	.0000	.0247	.0580	.0946	.1332	.2144	.2992	.3866	.4758	
23	.0000	.0238	.0564	.0923	.1303	.2103	.2941	.3805	.4689	
24	.0000	.0229	.0547	.0899	.1273	.2062	.2889	.3744	.4620	
25	.0000	.0221	.0531	.0876	.1243	.2020	.2837	.3682	.4549	
26	.0000	.0212	.0514	.0852	.1212	.1977	.2784	.3619	.4477	
27	.0000	.0204	.0498	.0828	.1181	.1934	.2730	.3556	.4405	
28	.0000	.0195	.0481	.0804	.1150	.1891	.2675	.3491	.4331	
29	.0000	.0187	.0464	.0780	.1119	.1847	.2620	.3426	.4256	
30	.0000	.0179	.0448	.0755	.1088	.1803	.2564	.3359	.4181	
31	.0000	.0170	.0431	.0731	.1056	.1758	.2507	.3292	.4104	
32	.0000	.0162	.0414	.0706	.1024	.1712	.2450	.3224	.4026	
33	.0000	.0154	.0398	.0682	.0992	.1666	.2392	.3155	.3947	
34	.0000	.0146	.0381	.0657	.0959	.1620	.2333	.3084	.3866	
35	.0000	.0138	.0364	.0632	.0927	.1573	.2273	.3013	.3785	
36	.0000	.0130	.0348	.0607	.0894	.1525	.2212	.2941	.3702	
37	.0000	.0123	.0331	.0582	.0860	.1477	.2151	.2867	.3617	

Minimum Loss Ratio									
Size	0%	5%	10%	15%	20%	30%	40%	50%	60%
38	.0000	.0115	.0315	.0557	.0827	.1428	.2088	.2792	.3532
39	.0000	.0108	.0298	.0532	.0794	.1379	.2025	.2717	.3445
40	.0000	.0100	.0282	.0507	.0760	.1330	.1962	.2641	.3358
41	.0000	.0093	.0266	.0482	.0727	.1281	.1898	.2564	.3269
42	.0000	.0087	.0251	.0457	.0694	.1232	.1835	.2488	.3181
43	.0000	.0080	.0236	.0433	.0661	.1183	.1771	.2410	.3092
44	.0000	.0074	.0221	.0410	.0629	.1134	.1707	.2333	.3002
45	.0000	.0068	.0206	.0386	.0596	.1085	.1643	.2255	.2912
46	.0000	.0062	.0192	.0363	.0564	.1036	.1579	.2177	.2821
47	.0000	.0057	.0178	.0340	.0533	.0987	.1514	.2099	.2730
48	.0000	.0051	.0165	.0318	.0502	.0939	.1450	.2020	.2637
49	.0000	.0047	.0152	.0296	.0471	.0891	.1386	.1941	.2545
50	.0000	.0042	.0139	.0275	.0441	.0843	.1321	.1861	.2451
51	.0000	.0037	.0127	.0254	.0411	.0795	.1257	.1781	.2358
52	.0000	.0033	.0116	.0234	.0381	.0748	.1192	.1700	.2264
53	.0000	.0029	.0104	.0214	.0353	.0701	.1128	.1620	.2170
54	.0000	.0026	.0094	.0195	.0325	.0654	.1063	.1540	.2076
55	.0000	.0022	.0083	.0177	.0297	.0608	.0999	.1459	.1982
56	.0000	.0019	.0074	.0159	.0270	.0563	.0935	.1379	.1887
57	.0000	.0016	.0065	.0142	.0244	.0518	.0872	.1299	.1793
58	.0000	.0014	.0056	.0125	.0219	.0474	.0809	.1220	.1700
59	.0000	.0011	.0048	.0110	.0195	.0431	.0748	.1141	.1607
60	.0000	.0009	.0041	.0095	.0172	.0389	.0687	.1063	.1514
61	.0000	.0008	.0034	.0082	.0150	.0348	.0627	.0986	.1423
62	.0000	.0006	.0028	.0069	.0129	.0309	.0569	.0911	.1332
63	.0000	.0005	.0023	.0058	.0110	.0272	.0513	.0837	.1243
64	.0000	.0003	.0018	.0047	.0092	.0236	.0459	.0764	.1155
65	.0000	.0003	.0014	.0038	.0076	.0203	.0406	.0694	.1068
66	.0000	.0002	.0010	.0029	.0061	.0171	.0356	.0625	.0983
67	.0000	.0001	.0008	.0022	.0048	.0142	.0308	.0559	.0900
68	.0000	.0001	.0005	.0016	.0036	.0116	.0264	.0495	.0819
69	.0000	.0000	.0003	.0011	.0027	.0092	.0221	.0433	.0739
70	.0000	.0000	.0002	.0007	.0018	.0071	.0182	.0374	.0662
71	.0000	.0000	.0001	.0004	.0012	.0052	.0145	.0316	.0584
72	.0000	.0000	.0000	.0002	.0007	.0036	.0113	.0264	.0512
73	.0000	.0000	.0000	.0001	.0004	.0024	.0084	.0215	.0443
74	.0000	.0000	.0000	.0000	.0002	.0017	.0067	.0185	.0398

Loss-Based Plan, with Various Single Loss Limits

**Insurance Charge Table
Hazard Group 9
Effective November 19, 2010**

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
40	\$120	.7953	.7459	.7012	.6603	.6225	.5926	.5705	.5525	.5375	.5248	.5138	.5042	.4965	.4907

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
41	\$120	.7904	.7396	.6936	.6515	.6140	.5866	.5651	.5474	.5326	.5199	.5089	.5000	.4933	.4880
42	\$120	.7855	.7332	.6859	.6426	.6073	.5810	.5599	.5424	.5275	.5149	.5044	.4966	.4905	.4856
43	\$120	.7806	.7268	.6781	.6343	.6013	.5757	.5547	.5373	.5225	.5101	.5008	.4936	.4879	.4833
44	\$120	.7757	.7204	.6704	.6276	.5958	.5705	.5496	.5321	.5174	.5062	.4976	.4909	.4855	.4811
45	\$120	.7708	.7140	.6626	.6218	.5905	.5653	.5444	.5269	.5131	.5028	.4947	.4883	.4831	.4792
46	\$120	.7659	.7076	.6558	.6164	.5854	.5601	.5391	.5221	.5094	.4996	.4918	.4857	.4810	.4775
47	\$120	.7610	.7011	.6500	.6112	.5802	.5548	.5339	.5180	.5059	.4965	.4891	.4834	.4792	.4761
48	\$120	.7562	.6947	.6447	.6061	.5750	.5494	.5293	.5142	.5026	.4935	.4866	.4815	.4776	.4747
49	\$120	.7514	.6888	.6397	.6010	.5697	.5443	.5252	.5106	.4994	.4908	.4844	.4797	.4761	.4735
50	\$120	.7466	.6837	.6348	.5959	.5643	.5397	.5213	.5071	.4963	.4883	.4824	.4780	.4748	.4725
	\$250	.7469	.6823	.6237	.5703	.5214	.4786	.4437	.4144	.3895	.3681	.3497	.3338	.3202	.3090
51	\$120	.7418	.6790	.6300	.5908	.5593	.5355	.5174	.5037	.4935	.4860	.4805	.4765	.4737	.4716
	\$250	.7422	.6758	.6157	.5609	.5113	.4700	.4357	.4067	.3820	.3608	.3426	.3271	.3144	.3040
52	\$120	.7372	.6745	.6252	.5855	.5546	.5314	.5137	.5005	.4909	.4839	.4788	.4752	.4726	.4708
	\$250	.7374	.6694	.6077	.5515	.5024	.4619	.4280	.3992	.3746	.3535	.3357	.3211	.3092	.2994
53	\$120	.7329	.6702	.6204	.5805	.5502	.5273	.5101	.4976	.4885	.4819	.4773	.4740	.4717	.4701
	\$250	.7327	.6629	.5996	.5425	.4943	.4542	.4204	.3916	.3671	.3464	.3294	.3156	.3043	.2950
54	\$120	.7290	.6660	.6155	.5758	.5459	.5234	.5068	.4948	.4862	.4802	.4759	.4730	.4709	.4695
	\$250	.7281	.6565	.5916	.5343	.4866	.4466	.4128	.3840	.3597	.3398	.3236	.3104	.2996	.2908
55	\$120	.7254	.6618	.6106	.5713	.5416	.5196	.5037	.4922	.4842	.4785	.4747	.4720	.4702	.4690
	\$250	.7235	.6501	.5837	.5268	.4792	.4391	.4051	.3764	.3529	.3337	.3181	.3055	.2952	.2870
56	\$120	.7220	.6575	.6060	.5669	.5375	.5161	.5007	.4898	.4823	.4771	.4736	.4712	.4696	.4686
	\$250	.7189	.6437	.5764	.5196	.4718	.4315	.3974	.3693	.3464	.3279	.3128	.3007	.2911	.2834
57	\$120	.7188	.6532	.6017	.5626	.5336	.5127	.4979	.4876	.4805	.4757	.4726	.4705	.4691	.4682
	\$250	.7144	.6374	.5697	.5127	.4645	.4239	.3901	.3625	.3402	.3222	.3078	.2963	.2873	.2802
58	\$120	.7156	.6491	.5974	.5583	.5298	.5094	.4952	.4855	.4789	.4745	.4717	.4698	.4687	.4679
	\$250	.7100	.6314	.5634	.5058	.4572	.4164	.3830	.3560	.3342	.3168	.3030	.2922	.2838	.2772
	\$500	.7101	.6312	.5598	.4953	.4373	.3857	.3409	.3021	.2686	.2398	.2150	.1938	.1757	.1604
59	\$120	.7124	.6452	.5931	.5543	.5261	.5063	.4927	.4835	.4774	.4735	.4709	.4693	.4683	.4677
	\$250	.7057	.6258	.5572	.4990	.4498	.4092	.3763	.3497	.3284	.3117	.2986	.2884	.2805	.2745
	\$500	.7058	.6251	.5519	.4860	.4270	.3753	.3305	.2918	.2585	.2300	.2057	.1850	.1677	.1531
60	\$120	.7092	.6413	.5890	.5503	.5226	.5034	.4903	.4817	.4761	.4725	.4703	.4688	.4680	.4675
	\$250	.7016	.6207	.5512	.4922	.4427	.4024	.3697	.3435	.3229	.3068	.2944	.2848	.2776	.2721
	\$500	.7016	.6190	.5442	.4768	.4171	.3652	.3203	.2817	.2486	.2204	.1967	.1767	.1601	.1462
61	\$120	.7062	.6376	.5850	.5465	.5192	.5006	.4881	.4801	.4749	.4717	.4697	.4685	.4677	.4673
	\$250	.6976	.6158	.5453	.4854	.4359	.3956	.3632	.3376	.3176	.3022	.2904	.2815	.2748	.2699
	\$500	.6976	.6130	.5365	.4678	.4076	.3554	.3103	.2717	.2389	.2112	.1880	.1688	.1528	.1397
62	\$120	.7034	.6339	.5811	.5427	.5160	.4979	.4861	.4785	.4738	.4709	.4692	.4681	.4675	.4672
	\$250	.6941	.6110	.5394	.4789	.4292	.3890	.3570	.3320	.3126	.2979	.2868	.2785	.2724	.2679
	\$500	.6937	.6072	.5289	.4593	.3984	.3457	.3004	.2619	.2294	.2023	.1798	.1612	.1460	.1336
63	\$120	.7006	.6304	.5773	.5391	.5129	.4954	.4842	.4772	.4728	.4703	.4687	.4678	.4673	.4670
	\$250	.6908	.6064	.5336	.4726	.4226	.3825	.3510	.3265	.3079	.2938	.2834	.2757	.2702	.2661
	\$500	.6899	.6016	.5218	.4511	.3894	.3362	.2907	.2523	.2202	.1937	.1718	.1540	.1396	.1279
64	\$120	.6980	.6270	.5736	.5357	.5099	.4931	.4824	.4759	.4720	.4697	.4684	.4676	.4672	.4670
	\$250	.6877	.6019	.5281	.4664	.4162	.3763	.3452	.3213	.3034	.2901	.2803	.2732	.2682	.2646
	\$500	.6864	.5962	.5149	.4431	.3805	.3268	.2812	.2430	.2113	.1854	.1642	.1472	.1335	.1227
	\$1,000	.6864	.5963	.5144	.4410	.3759	.3188	.2691	.2264	.1898	.1589	.1328	.1110	.0928	.0778
65	\$120	.6955	.6236	.5700	.5323	.5071	.4909	.4808	.4748	.4712	.4692	.4681	.4674	.4671	.4669
	\$250	.6848	.5976	.5227	.4604	.4100	.3702	.3396	.3164	.2991	.2865	.2774	.2710	.2664	.2632
	\$500	.6830	.5911	.5084	.4353	.3718	.3176	.2719	.2339	.2027	.1774	.1570	.1407	.1279	.1178
	\$1,000	.6831	.5910	.5073	.4324	.3660	.3080	.2580	.2151	.1788	.1483	.1228	.1017	.0844	.0702
66	\$120	.6931	.6204	.5666	.5291	.5044	.4888	.4793	.4738	.4706	.4688	.4678	.4673	.4670	.4668
	\$250	.6821	.5935	.5175	.4545	.4039	.3643	.3342	.3116	.2951	.2833	.2748	.2689	.2648	.2621

Maximum Loss Ratio															
Size	Single Loss Limit*	30%	40%	50%	60%	70%	80%	90%	100%	110%	120%	130%	140%	150%	160%
	\$500	.6799	.5863	.5020	.4277	.3633	.3086	.2628	.2251	.1944	.1697	.1501	.1347	.1227	.1134
	\$1,000	.6799	.5860	.5005	.4239	.3563	.2975	.2470	.2041	.1680	.1380	.1132	.0929	.0764	.0631
67	\$120	.6908	.6173	.5632	.5260	.5019	.4869	.4780	.4729	.4700	.4684	.4676	.4671	.4669	.4668
	\$250	.6796	.5896	.5125	.4488	.3980	.3587	.3290	.3072	.2914	.2802	.2725	.2671	.2635	.2611
	\$500	.6771	.5819	.4960	.4202	.3549	.2997	.2539	.2165	.1863	.1624	.1436	.1291	.1179	.1093
	\$1,000	.6770	.5812	.4939	.4156	.3468	.2871	.2362	.1932	.1575	.1280	.1040	.0845	.0689	.0566
68	\$120	.6886	.6143	.5600	.5231	.4995	.4851	.4768	.4720	.4695	.4681	.4674	.4670	.4669	.4668
	\$250	.6773	.5859	.5076	.4432	.3923	.3532	.3241	.3029	.2879	.2775	.2703	.2655	.2623	.2602
	\$500	.6745	.5777	.4901	.4130	.3468	.2911	.2452	.2081	.1786	.1554	.1375	.1238	.1135	.1057
	\$1,000	.6744	.5768	.4875	.4076	.3374	.2769	.2256	.1826	.1472	.1184	.0952	.0766	.0620	.0505
69	\$120	.6865	.6114	.5569	.5202	.4972	.4835	.4756	.4713	.4690	.4679	.4673	.4670	.4668	.4667
	\$250	.6751	.5824	.5029	.4378	.3867	.3479	.3193	.2989	.2847	.2749	.2684	.2641	.2613	.2595
	\$500	.6722	.5737	.4845	.4060	.3388	.2826	.2368	.2000	.1711	.1488	.1318	.1190	.1094	.1024
	\$1,000	.6720	.5725	.4814	.3997	.3282	.2668	.2151	.1722	.1372	.1091	.0867	.0692	.0555	.0450
70	\$120	.6845	.6086	.5538	.5175	.4951	.4819	.4746	.4707	.4687	.4676	.4671	.4669	.4668	.4667
	\$250	.6732	.5790	.4984	.4326	.3813	.3428	.3148	.2952	.2817	.2726	.2667	.2629	.2604	.2589
	\$500	.6702	.5701	.4792	.3992	.3310	.2744	.2285	.1922	.1640	.1425	.1264	.1145	.1058	.0995
	\$1,000	.6699	.5686	.4755	.3921	.3192	.2569	.2048	.1620	.1276	.1002	.0788	.0622	.0495	.0400
71	\$120	.6827	.6059	.5509	.5149	.4930	.4805	.4737	.4701	.4683	.4675	.4670	.4668	.4668	.4667
	\$250	.6714	.5758	.4939	.4274	.3759	.3377	.3105	.2916	.2789	.2705	.2652	.2618	.2597	.2584
	\$500	.6684	.5666	.4740	.3925	.3232	.2661	.2203	.1845	.1571	.1365	.1213	.1103	.1025	.0970
	\$1,000	.6680	.5650	.4698	.3845	.3101	.2469	.1944	.1519	.1180	.0915	.0711	.0556	.0440	.0354
72	\$120	.6810	.6034	.5482	.5125	.4912	.4793	.4729	.4697	.4681	.4673	.4670	.4668	.4667	.4667
	\$250	.6699	.5729	.4898	.4226	.3710	.3331	.3065	.2884	.2764	.2687	.2639	.2609	.2591	.2580
	\$500	.6669	.5636	.4692	.3863	.3160	.2584	.2127	.1773	.1507	.1311	.1169	.1068	.0997	.0948
	\$1,000	.6664	.5618	.4647	.3775	.3016	.2375	.1847	.1424	.1091	.0835	.0642	.0498	.0392	.0316
73	\$120	.6794	.6010	.5457	.5103	.4896	.4782	.4722	.4693	.4679	.4672	.4669	.4668	.4667	.4667
	\$250	.6685	.5703	.4860	.4181	.3664	.3289	.3029	.2855	.2743	.2671	.2628	.2601	.2586	.2577
	\$500	.6658	.5610	.4650	.3805	.3091	.2511	.2055	.1708	.1449	.1262	.1129	.1036	.0973	.0930
	\$1,000	.6652	.5590	.4600	.3710	.2936	.2285	.1755	.1334	.1009	.0763	.0580	.0446	.0351	.0283
74	\$120	.6785	.5996	.5441	.5090	.4886	.4775	.4718	.4690	.4677	.4671	.4669	.4668	.4667	.4667
	\$250	.6678	.5687	.4836	.4153	.3635	.3263	.3007	.2838	.2730	.2662	.2621	.2597	.2583	.2575
	\$500	.6651	.5595	.4623	.3768	.3048	.2465	.2010	.1666	.1413	.1232	.1105	.1018	.0959	.0920
	\$1,000	.6646	.5574	.4572	.3669	.2885	.2228	.1697	.1278	.0958	.0718	.0542	.0416	.0327	.0264

*Single Loss Limit values are expressed in thousands of dollars.

Loss-Based Plan, with Various Single Loss Limits

**Insurance Savings Table
Hazard Group 9
Effective November 19, 2010**

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
40	\$120	.0000	.0100	.0281	.0504	.0757	.1325	.1955	.2632	.3347
41	\$120	.0000	.0093	.0265	.0480	.0724	.1276	.1891	.2555	.3258
42	\$120	.0000	.0086	.0250	.0455	.0691	.1227	.1828	.2478	.3170
43	\$120	.0000	.0080	.0234	.0431	.0658	.1177	.1764	.2401	.3087
44	\$120	.0000	.0073	.0219	.0407	.0625	.1128	.1700	.2323	.3020
45	\$120	.0000	.0067	.0205	.0384	.0593	.1079	.1635	.2246	.2961
46	\$120	.0000	.0062	.0191	.0361	.0561	.1031	.1571	.2178	.2907

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
47	\$120	.0000	.0056	.0177	.0338	.0530	.0982	.1507	.2120	.2855
48	\$120	.0000	.0051	.0164	.0316	.0499	.0934	.1443	.2067	.2804
49	\$120	.0000	.0046	.0151	.0294	.0468	.0886	.1384	.2017	.2754
50	\$120	.0000	.0041	.0138	.0273	.0438	.0838	.1333	.1968	.2703
	\$250	.0000	.0042	.0139	.0274	.0440	.0841	.1319	.1857	.2446
51	\$120	.0000	.0037	.0126	.0252	.0408	.0790	.1286	.1920	.2651
	\$250	.0000	.0037	.0127	.0254	.0410	.0793	.1254	.1777	.2353
52	\$120	.0000	.0033	.0115	.0232	.0379	.0743	.1241	.1872	.2599
	\$250	.0000	.0033	.0115	.0233	.0380	.0746	.1190	.1697	.2259
53	\$120	.0000	.0029	.0103	.0212	.0350	.0700	.1198	.1824	.2548
	\$250	.0000	.0029	.0104	.0214	.0352	.0699	.1125	.1616	.2168
54	\$120	.0000	.0025	.0093	.0193	.0322	.0662	.1156	.1774	.2502
	\$250	.0000	.0025	.0093	.0194	.0324	.0653	.1061	.1536	.2087
55	\$120	.0000	.0022	.0083	.0175	.0295	.0626	.1113	.1726	.2457
	\$250	.0000	.0022	.0083	.0176	.0296	.0607	.0996	.1457	.2012
56	\$120	.0000	.0019	.0073	.0157	.0268	.0592	.1071	.1680	.2413
	\$250	.0000	.0019	.0073	.0158	.0269	.0561	.0933	.1384	.1940
57	\$120	.0000	.0016	.0064	.0140	.0242	.0559	.1028	.1636	.2369
	\$250	.0000	.0016	.0064	.0141	.0244	.0516	.0869	.1317	.1870
58	\$120	.0000	.0013	.0056	.0124	.0219	.0527	.0987	.1594	.2327
	\$250	.0000	.0014	.0056	.0125	.0218	.0472	.0809	.1253	.1802
	\$500	.0000	.0014	.0056	.0125	.0219	.0473	.0808	.1218	.1697
59	\$120	.0000	.0011	.0048	.0109	.0198	.0496	.0947	.1551	.2286
	\$250	.0000	.0011	.0048	.0110	.0194	.0429	.0754	.1192	.1734
	\$500	.0000	.0011	.0048	.0110	.0195	.0430	.0746	.1139	.1604
60	\$120	.0000	.0009	.0040	.0094	.0179	.0464	.0909	.1510	.2247
	\$250	.0000	.0009	.0041	.0095	.0171	.0387	.0702	.1132	.1665
	\$500	.0000	.0009	.0041	.0095	.0172	.0388	.0686	.1061	.1511
61	\$120	.0000	.0007	.0034	.0082	.0161	.0434	.0872	.1470	.2208
	\$250	.0000	.0007	.0034	.0081	.0150	.0348	.0653	.1072	.1598
	\$500	.0000	.0007	.0034	.0082	.0150	.0348	.0626	.0984	.1422
62	\$120	.0000	.0006	.0028	.0071	.0145	.0406	.0835	.1431	.2171
	\$250	.0000	.0006	.0028	.0069	.0129	.0312	.0606	.1013	.1533
	\$500	.0000	.0006	.0028	.0069	.0129	.0308	.0568	.0909	.1337
63	\$120	.0000	.0004	.0023	.0061	.0129	.0378	.0800	.1393	.2135
	\$250	.0000	.0005	.0023	.0057	.0110	.0280	.0560	.0956	.1470
	\$500	.0000	.0005	.0023	.0057	.0110	.0271	.0512	.0837	.1255
64	\$120	.0000	.0003	.0018	.0052	.0114	.0352	.0765	.1356	.2100
	\$250	.0000	.0003	.0018	.0047	.0092	.0249	.0515	.0901	.1408
	\$500	.0000	.0003	.0018	.0047	.0092	.0236	.0458	.0769	.1175
	\$1,000	.0000	.0003	.0018	.0047	.0092	.0236	.0458	.0764	.1154
65	\$120	.0000	.0002	.0014	.0044	.0100	.0326	.0732	.1320	.2067
	\$250	.0000	.0003	.0014	.0037	.0076	.0220	.0472	.0847	.1348
	\$500	.0000	.0003	.0014	.0038	.0076	.0202	.0407	.0703	.1097

Minimum Loss Ratio										
Size	Single Loss Limit*	0%	5%	10%	15%	20%	30%	40%	50%	60%
	\$1,000	.0000	.0003	.0014	.0038	.0076	.0202	.0406	.0693	.1067
66	\$120	.0000	.0002	.0011	.0036	.0088	.0302	.0700	.1285	.2035
	\$250	.0000	.0002	.0010	.0029	.0063	.0193	.0431	.0795	.1289
	\$500	.0000	.0002	.0010	.0029	.0061	.0171	.0359	.0640	.1020
	\$1,000	.0000	.0002	.0010	.0029	.0061	.0171	.0356	.0625	.0983
67	\$120	.0000	.0001	.0008	.0030	.0076	.0279	.0669	.1252	.2004
	\$250	.0000	.0001	.0007	.0022	.0051	.0168	.0392	.0745	.1232
	\$500	.0000	.0001	.0008	.0022	.0048	.0142	.0314	.0579	.0946
	\$1,000	.0000	.0001	.0008	.0022	.0048	.0142	.0308	.0558	.0900
68	\$120	.0000	.0001	.0006	.0025	.0066	.0258	.0639	.1220	.1974
	\$250	.0000	.0001	.0005	.0017	.0040	.0145	.0355	.0696	.1176
	\$500	.0000	.0001	.0005	.0016	.0036	.0117	.0272	.0521	.0874
	\$1,000	.0000	.0001	.0005	.0016	.0036	.0116	.0263	.0495	.0819
69	\$120	.0000	.0000	.0005	.0020	.0056	.0237	.0610	.1188	.1946
	\$250	.0000	.0000	.0003	.0012	.0031	.0123	.0319	.0649	.1122
	\$500	.0000	.0000	.0003	.0011	.0027	.0094	.0233	.0465	.0804
	\$1,000	.0000	.0000	.0003	.0011	.0027	.0092	.0221	.0433	.0741
70	\$120	.0000	.0000	.0003	.0016	.0048	.0217	.0582	.1158	.1919
	\$250	.0000	.0000	.0002	.0008	.0024	.0104	.0286	.0603	.1070
	\$500	.0000	.0000	.0002	.0007	.0019	.0074	.0196	.0411	.0736
	\$1,000	.0000	.0000	.0002	.0007	.0018	.0070	.0182	.0375	.0665
71	\$120	.0000	.0000	.0002	.0012	.0040	.0198	.0554	.1129	.1893
	\$250	.0000	.0000	.0001	.0006	.0017	.0086	.0254	.0559	.1017
	\$500	.0000	.0000	.0001	.0004	.0012	.0056	.0162	.0359	.0669
	\$1,000	.0000	.0000	.0001	.0004	.0012	.0052	.0145	.0318	.0589
72	\$120	.0000	.0000	.0001	.0009	.0033	.0181	.0529	.1101	.1869
	\$250	.0000	.0000	.0001	.0004	.0012	.0070	.0225	.0517	.0969
	\$500	.0000	.0000	.0000	.0002	.0008	.0041	.0132	.0312	.0606
	\$1,000	.0000	.0000	.0000	.0002	.0007	.0036	.0114	.0267	.0519
73	\$120	.0000	.0000	.0001	.0007	.0028	.0166	.0506	.1076	.1847
	\$250	.0000	.0000	.0000	.0002	.0009	.0057	.0198	.0480	.0924
	\$500	.0000	.0000	.0000	.0001	.0004	.0029	.0106	.0269	.0549
	\$1,000	.0000	.0000	.0000	.0001	.0004	.0024	.0086	.0220	.0453
74	\$120	.0000	.0000	.0001	.0006	.0024	.0157	.0492	.1061	.1834
	\$250	.0000	.0000	.0000	.0001	.0007	.0049	.0182	.0456	.0896
	\$500	.0000	.0000	.0000	.0001	.0003	.0023	.0090	.0243	.0512
	\$1,000	.0000	.0000	.0000	.0000	.0002	.0017	.0070	.0192	.0412

*Single Loss Limit values are expressed in thousands of dollars.

WSR 10-21-087
PERMANENT RULES
DEPARTMENT OF LICENSING

[Filed October 20, 2010, 8:04 a.m., effective November 20, 2010]

Effective Date of Rule: Thirty-one days after filing.

Purpose: Extensive rewrite of existing rules. Clarify rule language.

Citation of Existing Rules Affected by this Order: Repealing WAC 308-200A-025 through 308-200A-910; and amending WAC 308-200A-010 and 308-200A-020.

Statutory Authority for Adoption: RCW 43.21C.120.

Adopted under notice filed as WSR 10-17-033 on September 9, 2010.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 1, Amended 2, Repealed 83.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 1, Amended 2, Repealed 83.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 1, Amended 2, Repealed 83.

Date Adopted: October 19, 2010.

Walt Fahrer
 Rules Coordinator

AMENDATORY SECTION (Amending Order 500-DOL, filed 8/3/78)

WAC 308-200A-010 Authority. ~~((The department adopts by reference the text of WAC 197-10-010, as it existed on January 21, 1978.))~~ These rules are promulgated under RCW 43.21C.120 (the State Environmental Policy Act) and chapter 197-11 WAC (SEPA rules).

AMENDATORY SECTION (Amending Order 500-DOL, filed 8/3/78)

WAC 308-200A-020 Purpose. ~~((1) The purpose of this chapter is to establish department of licensing rules interpreting and implementing the State Environmental Policy Act of 1971 (SEPA), which rules will apply to the department, its divisions, and its affiliated agencies.~~

~~((2) These rules do not govern compliance by the department with respect to the National Environmental Policy Act of 1969 (NEPA). When the department is required by federal law or regulations to perform some element of compliance with NEPA, such compliance will be governed by the applicable federal statute and regulations and not by these rules.))~~ This chapter implements the statewide rules in chapter 197-11 WAC as they apply to the department of licensing.

NEW SECTION

WAC 308-200A-022 Adoption by reference. The department of licensing adopts the following sections of chapter 197-11 WAC by reference.

197-11-040	Definitions.
197-11-050	Lead agency.
197-11-055	Timing of the SEPA process.
197-11-060	Content of environmental review.
197-11-070	Limitations on actions during SEPA process.
197-11-080	Incomplete or unavailable information.
197-11-090	Supporting documents.
197-11-100	Information required of applicants.
197-11-300	Purpose of this part.
197-11-305	Categorical exemptions.
197-11-310	Threshold determination required.
197-11-315	Environmental checklist.
197-11-330	Threshold determination process.
197-11-335	Additional information.
197-11-340	Determination of nonsignificance (DNS).
197-11-350	Mitigated DNS.
197-11-360	Determination of significance (DS)/initiation of scoping.
197-11-390	Effect of threshold determination.
197-11-400	Purpose of EIS.
197-11-402	General requirements.
197-11-405	EIS types.
197-11-406	EIS timing.
197-11-408	Scoping.
197-11-410	Expanded scoping. (Optional)
197-11-420	EIS preparation.
197-11-425	Style and size.
197-11-430	Format.
197-11-435	Cover letter or memo.
197-11-440	EIS contents.
197-11-442	Contents of EIS on nonproject proposals.
197-11-443	EIS contents when prior nonproject EIS.
197-11-444	Elements of the environment.
197-11-448	Relationship of EIS to other considerations.
197-11-450	Cost-benefit analysis.
197-11-455	Issuance of DEIS.
197-11-460	Issuance of FEIS.
197-11-500	Purpose of this part.
197-11-502	Inviting comment.
197-11-504	Availability and cost of environmental documents.
197-11-508	SEPA register.

197-11-535	Public hearings and meetings.
197-11-545	Effect of no comment.
197-11-550	Specificity of comments.
197-11-560	FEIS response to comments.
197-11-570	Consulted agency costs to assist lead agency.
197-11-600	When to use existing environmental documents.
197-11-610	Use of NEPA documents.
197-11-620	Supplemental environmental impact statement—Procedures.
197-11-625	Addenda—Procedures.
197-11-630	Adoption—Procedures.
197-11-635	Incorporation by reference—Procedures.
197-11-640	Combining documents.
197-11-650	Purpose of this part.
197-11-655	Implementation.
197-11-660	Substantive authority and mitigation.
197-11-680	Appeals.
197-11-700	Definitions.
197-11-702	Act.
197-11-704	Action.
197-11-706	Addendum.
197-11-708	Adoption.
197-11-710	Affected tribe.
197-11-712	Affecting.
197-11-714	Agency.
197-11-716	Applicant.
197-11-718	Built environment.
197-11-720	Categorical exemption.
197-11-722	Consolidated appeal.
197-11-724	Consulted agency.
197-11-726	Cost-benefit analysis.
197-11-728	County/city.
197-11-730	Decision maker.
197-11-732	Department.
197-11-734	Determination of nonsignificance (DNS).
197-11-736	Determination of significance (DS).
197-11-738	EIS.
197-11-740	Environment.
197-11-742	Environmental checklist.
197-11-744	Environmental document.
197-11-746	Environmental review.
197-11-748	Environmentally sensitive area.
197-11-750	Expanded scoping.
197-11-752	Impacts.
197-11-754	Incorporation by reference.

197-11-756	Lands covered by water.
197-11-758	Lead agency.
197-11-760	License.
197-11-762	Local agency.
197-11-764	Major action.
197-11-766	Mitigated DNS.
197-11-768	Mitigation.
197-11-770	Natural environment.
197-11-772	NEPA.
197-11-774	Nonproject.
197-11-776	Phased review.
197-11-778	Preparation.
197-11-780	Private project.
197-11-782	Probable.
197-11-784	Proposal.
197-11-786	Reasonable alternative.
197-11-788	Responsible official.
197-11-790	SEPA.
197-11-792	Scope.
197-11-793	Scoping.
197-11-794	Significant.
197-11-796	State agency.
197-11-797	Threshold determination.
197-11-799	Underlying governmental action.
197-11-800	Categorical exemptions.
197-11-810	Exemptions and nonexemptions applicable to specific state agencies.
197-11-855	Department of ecology.
197-11-880	Emergencies.
197-11-890	Petitioning DOE to change exemptions.
197-11-900	Purpose of this part.
197-11-908	Critical areas.
197-11-912	Procedures of consulted agencies.
197-11-916	Application to ongoing actions.
197-11-917	Relationship to chapter 197-10 WAC.
197-11-920	Agencies with environmental expertise.
197-11-922	Lead agency rules.
197-11-924	Determining the lead agency.
197-11-926	Lead agency for governmental proposals.
197-11-928	Lead agency for public and private proposals.
197-11-930	Lead agency for private projects with one agency with jurisdiction.
197-11-932	Lead agency for private projects requiring licenses from more than one agency, when one of the agencies is a county/city.

197-11-934	Lead agency for private projects requiring licenses from a local agency, not a county/city, and one or more state agencies.
197-11-936	Lead agency for private projects requiring licenses from more than one state agency.
197-11-938	Lead agencies for specific proposals.
197-11-940	Transfer of lead agency status to a state agency.
197-11-942	Agreements on lead agency status.
197-11-944	Agreements on division of lead agency duties.
197-11-946	DOE resolution of lead agency disputes.
197-11-948	Assumption of lead agency status.
197-11-960	Environmental checklist.
197-11-965	Adoption notice.
197-11-970	Determination of nonsignificance (DNS).
197-11-980	Determination of significance and scoping notice (DS).
197-11-985	Notice of assumption of lead agency status.
197-11-990	Notice of action.

WAC 308-200A-170	Categorical exemptions.
WAC 308-200A-175	Exemptions and nonexemptions applicable to the department.
WAC 308-200A-177	Environmentally sensitive areas.
WAC 308-200A-180	Exemptions for emergency actions.
WAC 308-200A-190	Use and effect of categorical exemptions.
WAC 308-200A-200	Lead agency—Responsibilities.
WAC 308-200A-203	Determination of lead agency—Procedures.
WAC 308-200A-205	Lead agency designation—Governmental proposals.
WAC 308-200A-210	Lead agency designation—Proposals involving both private and public construction activity.
WAC 308-200A-215	Lead agency designation—Private projects for which there is only one agency with jurisdiction.

WAC 308-200A-220	Lead agency designation—Private projects requiring licenses from more than one agency, when one of the agencies is a county/city.
WAC 308-200A-225	Lead agency designation—Private projects requiring licenses from more than one state agency.
WAC 308-200A-230	Lead agency designation—Specific proposals.
WAC 308-200A-235	Local agency transfer of lead agency status to a state agency.
WAC 308-200A-240	Agreements as to lead agency status.
WAC 308-200A-245	Agreements between agencies as to division of lead agency duties.
WAC 308-200A-260	Dispute as to lead agency determination—Resolution by CEP.
WAC 308-200A-270	Assumption of lead agency status by another agency with jurisdiction.
WAC 308-200A-300	Threshold determination requirement.

REPEALER

The following sections of the Washington Administrative Code are repealed:

WAC 308-200A-025	Scope and coverage of this chapter.
WAC 308-200A-030	Integration of SEPA procedures with other governmental operations.
WAC 308-200A-040	Definitions.
WAC 308-200A-050	Use of the environmental checklist form.
WAC 308-200A-055	Timing of the EIS process.
WAC 308-200A-060	Scope of a proposal and its impacts for the purposes of lead agency determination, threshold determination, and EIS preparation.
WAC 308-200A-100	Summary of information which may be required of a private applicant.
WAC 308-200A-150	Exemptions exclusive—CEP approval of changes in exemptions.
WAC 308-200A-160	No presumption of significance for nonexempt actions.

WAC 308-200A-305	Recommended timing for threshold determination.	WAC 308-200A-446	Draft EIS—Optional additional elements—Limitation.
WAC 308-200A-310	Threshold determination procedures—Environmental checklist.	WAC 308-200A-450	Public awareness of availability of draft EIS.
WAC 308-200A-320	Threshold determination procedures—Initial review of environmental checklist.	WAC 308-200A-455	Circulation of the draft EIS—Review period.
WAC 308-200A-330	Threshold determination procedures—Information in addition to checklist.	WAC 308-200A-460	Specific agencies to which draft EIS shall be sent.
WAC 308-200A-340	Threshold determination procedures—Negative declarations.	WAC 308-200A-465	Agencies possessing environmental expertise.
WAC 308-200A-345	Assumption of lead agency status by another agency with jurisdiction over a proposal—Prerequisites, effect and form of notice.	WAC 308-200A-470	Cost to the public for reproduction of environmental documents.
WAC 308-200A-350	Affirmative threshold determination.	WAC 308-200A-480	Public hearing on a proposal—When required.
WAC 308-200A-355	Form of declaration of significance/nonsignificance.	WAC 308-200A-485	Notice of public hearing on environmental impact of the proposal.
WAC 308-200A-360	Threshold determination criteria—Application of environmental checklist.	WAC 308-200A-490	Public hearing on the proposal—Use of environmental documents.
WAC 308-200A-365	Environmental checklist.	WAC 308-200A-495	Preparation of amended or new draft EIS.
WAC 308-200A-370	Withdrawal of affirmative threshold determination.	WAC 308-200A-500	Responsibilities of consulted agencies—Local agencies.
WAC 308-200A-375	Withdrawal of negative threshold determination.	WAC 308-200A-510	Responsibilities of consulted agencies—State agencies with jurisdiction.
WAC 308-200A-390	Effect of threshold determination by lead agency.	WAC 308-200A-520	Responsibilities of consulted agencies—State agencies with environmental expertise.
WAC 308-200A-400	Duty to begin preparation of a draft EIS.	WAC 308-200A-530	Responsibilities of consulted agencies—When predraft consultation has occurred.
WAC 308-200A-405	Purpose and function of a draft EIS.	WAC 308-200A-535	Cost of performance of consulted agency responsibilities.
WAC 308-200A-410	Predraft consultation procedures.	WAC 308-200A-540	Limitations on responses to consultation.
WAC 308-200A-420	Preparation of EIS by persons outside the lead agency.	WAC 308-200A-545	Effect of no written comment.
WAC 308-200A-425	Organization and style of a draft EIS.	WAC 308-200A-550	Preparation of the final EIS—Time period allowed.
WAC 308-200A-440	Contents of a draft EIS.	WAC 308-200A-570	Preparation of the final EIS—Contents—When no critical comments received on the draft EIS.
WAC 308-200A-442	Special considerations regarding contents of an EIS on a nonproject action.	WAC 308-200A-580	Preparation of the final EIS—Contents—When criti-
WAC 308-200A-444	List of elements of the environment.		

	cal comments received on the draft EIS.
WAC 308-200A-600	Circulation of the final EIS.
WAC 308-200A-650	Effect of an adequate final EIS prepared pursuant to NEPA.
WAC 308-200A-652	Supplementation by a lead agency of an inadequate final NEPA EIS.
WAC 308-200A-660	Use of previously prepared EIS for a different proposed action.
WAC 308-200A-690	Use of lead agency's EIS by other acting agencies for the same proposal.
WAC 308-200A-695	Draft and final supplements to a revised EIS.
WAC 308-200A-700	No action for seven days after publication of the final EIS.
WAC 308-200A-710	EIS combined with existing planning and review processes.
WAC 308-200A-820	Designation of responsible official.
WAC 308-200A-831	Responsibility of agencies—SEPA public information.
WAC 308-200A-840	Application of agency rules to ongoing actions.
WAC 308-200A-860	Fees to cover the costs of SEPA compliance.
WAC 308-200A-900	Applicability of this chapter.
WAC 308-200A-910	Severability.

WSR 10-21-088**PERMANENT RULES****DEPARTMENT OF****LABOR AND INDUSTRIES**

[Filed October 20, 2010, 8:19 a.m., effective January 1, 2011]

Effective Date of Rule: January 1, 2011.

Purpose: The amendment allows reporting a worker in the "Construction: Superintendent or project manager" classification (WAC 296-17A-4900) by construction project. This is consistent with the description for "Construction: Superintendent or project manager" in WAC 296-17-31018 that states "performs no construction labor at the construction site or project location." It will also allow smaller employers previously excluded by the more restrictive "no division of hours" clause to use the superintendent and project manager classification.

Citation of Existing Rules Affected by this Order: Amending WAC 296-17A-4900, Construction: Superintendent or project manager.

Statutory Authority for Adoption: RCW 51.16.035, 51.04.020.

Adopted under notice filed as WSR 10-13-133 on June 22, 2010.

Changes Other than Editing from Proposed to Adopted Version: After the hearing, the language was modified to be gender-neutral and references to reporting by hours were removed, but there was no substantive change to the proposal presented at the hearing.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 0, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 1, Repealed 0.

Date Adopted: October 20, 2010.

Judy Schurke
Director

AMENDATORY SECTION (Amending WSR 07-01-014, filed 12/8/06, effective 12/8/06)

WAC 296-17A-4900 Classification 4900.**4900-00 Construction: Superintendent or project manager**

~~((Applies to those employees, of general or specialty construction contractors, whose job duties are exclusively that of construction superintendents or project managers. Construction superintendents spend some time in an office and spend the remainder of time visiting various job sites to confer with construction foreman to keep track of the progress occurring at each construction site or project location. Project managers are generally stationed at the construction site or project location and confined to a temporary type of office to schedule activities and arrival of supplies such as the delivery of iron, steel, rebar, lumber, concrete ready mix, concrete pump truck services, and cranes.~~

~~This classification excludes construction superintendents or project managers who are employed by a business that specializes in offering construction management and consulting services. These businesses do not do any of the actual construction or erection activities and are to be reported separately in classification 4901.~~

~~**Special notes:** This classification is a special exception classification and as such is not treated as nor subject to normal rules of the construction classifications. This classification is applicable *only* to construction superintendents or~~

~~project managers who have no direct control over work crews and do not perform construction labor at the construction site or project location. A superintendent or project manager performing duties subject to this classification who also is engaged in operating equipment, performing manual labor, or who directly supervises a work crew at the construction site or project location is excluded from this classification. They are to be reported separately in the applicable construction or erection classification assigned to their employer without any division of hours. A division of hours is not permitted between classification 4900 and any other classification. Under no circumstances can this be the only classification assigned to a contractor, as a basic construction classification must also be assigned.))~~ This is a special exception classification and it can only be assigned to an account along with another basic construction classification. It applies to employees of a construction company with administrative oversight or management duties. It permits working at a construction site when overseeing a project if not directly taking part in any construction operations. The work can include:

- Consulting with engineers, architects, or other design experts;

- Managing supervisors and coordinating subcontractor schedules;

- Ordering and scheduling equipment and supplies;

- Inspection of work.

This classification excludes anyone who performs any of the following duties:

- Directly supervising the work of employees or independent contractors;

- Performing manual labor;

- Operating or repairing equipment;

- Delivering supplies or equipment.

If all of these conditions are not met, the superintendent or project manager must be reported in the basic classification applicable to the construction project. A construction project is defined by a unique location and unique building permit.

WSR 10-21-089

PERMANENT RULES

DEPARTMENT OF

LABOR AND INDUSTRIES

[Filed October 20, 2010, 8:20 a.m., effective January 1, 2011]

Effective Date of Rule: January 1, 2011.

Purpose: The special reporting rules for sport teams in WAC 296-17-35203(1) permit players and teams to enter into coverage agreements as provided by statute under certain circumstances (RCW 51.12.120(6)). The current rule is unnecessarily burdensome for the teams and the department. It requires a team to submit a separate agreement form signed by the player, the team, and the insurer for each player at the start of every season. The new rule requires the player and team sign an initial agreement. This document is to be maintained by the team. The employer provides the department yearly agreements between the team and their insurer confirming player coverage will be provided out-of-state.

Citation of Existing Rules Affected by this Order: Amending WAC 296-17-35203(1) special reporting instruction, professional and semiprofessional athletic teams.

Statutory Authority for Adoption: RCW 51.04.020, 51.12.120(6).

Adopted under notice filed as WSR 10-12-036 on May 25, 2010.

Changes Other than Editing from Proposed to Adopted Version: The rule as proposed in the CR-102 filing struck the following language from the current rule: "Athletes assigned to a Washington-domiciled sports team are mandatorily covered by Washington industrial insurance: Provided, that a professional athlete who is under contract with a parent team domiciled outside of the state of Washington while assigned to a team domiciled within Washington is subject to mandatory coverage by Washington industrial insurance except." The rule being adopted reintroduces similar language. "Athletes assigned and under contract to a Washington-domiciled sports team are mandatorily covered by Washington industrial insurance. Athletes assigned to a Washington-domiciled sports team but under contract with a parent team domiciled outside of the state are mandatorily covered by Washington industrial insurance unless the player is eligible for coverage in another state, and there is a valid coverage agreement." The effect of striking the language would have been to expand the scope of the rule. The effect of reintroducing similar language is to leave the scope of the rule unchanged.

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, Amended 0, Repealed 0; Federal Rules or Standards: New 0, Amended 0, Repealed 0; or Recently Enacted State Statutes: New 0, Amended 0, Repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, Amended 0, Repealed 0.

Number of Sections Adopted on the Agency's Own Initiative: New 0, Amended 1, Repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, Amended 1, Repealed 0.

Number of Sections Adopted Using Negotiated Rule Making: New 0, Amended 0, Repealed 0; Pilot Rule Making: New 0, Amended 0, Repealed 0; or Other Alternative Rule Making: New 0, Amended 1, Repealed 0.

Date Adopted: October 20, 2010.

Judy Schurke
Director

AMENDATORY SECTION (Amending WSR 09-16-110, filed 8/4/09, effective 10/1/09)

WAC 296-17-35203 Special reporting instruction. (1) Professional and semiprofessional athletic teams. ~~((Athletes assigned to a Washington-domiciled sports team are mandatorily covered by Washington industrial insurance: Provided, That a professional athlete who is under contract with a parent team domiciled outside of the state of Washington while assigned to a team domiciled within Washington is subject to mandatory coverage by Washington industrial insurance unless the player and employer (parent team) have~~

agreed in writing as to which state shall provide coverage in accordance with RCW 51.12.120(6).

The following rules shall apply to the written agreement:

(a) Agreement must be in writing and signed by the employer and the individual athlete.

(b) Agreement must specify the state that is to provide coverage. The state agreed upon to provide coverage must be a state in which the player's team, during the course of the season, will engage in an athletic event. For example, if the Washington-based team is a part of a league with teams in only Washington, Oregon, and Idaho, the player and the employer can agree to any of those three states to provide coverage. However, they could not agree to have California provide the coverage as this would not qualify as a state in which the player regularly performs assigned duties.

(c) The state agreed upon accepts responsibility for providing coverage and acknowledges such to the department by certified mail.

(d) Agreement and certification by the other state must be received by this department's underwriting section prior to any injury incurred by the athlete.

(e) Agreement will be for one season only commencing with the assigning of the player to a particular team. A separate agreement and certification must be on file for each additional season.

Failure to meet all of these requirements will result in the athlete being considered a Washington worker for premium and benefit purposes until such time as all requirements have been met.

Professional sports teams who are domiciled outside the state of Washington and who participate in sporting events with Washington-domiciled teams are not subject to Washington industrial insurance for their team members while in this state. These out-of-state teams are not considered employers subject to Title 51 on the basis that they are not conducting a business within this state.) Athletes assigned and under contract to a Washington-domiciled sports team are mandatorily covered by Washington industrial insurance. Athletes assigned to a Washington-domiciled sports team but under contract with a parent team domiciled outside of the state are mandatorily covered by Washington industrial insurance unless the player is eligible for coverage in another state, and there is a valid coverage agreement as described below.

A player is eligible for coverage in another state only when both the player and the employer agree in writing that the employment is principally localized in that state.

Example, if the Washington-based team is a part of a league with teams in only Washington, Oregon, and Idaho, the player and the employer can agree to any of those three states to provide coverage. However, they cannot agree to be under California coverage since California doesn't qualify as a state in which the player competes in regularly scheduled games.

(a) Upon request, the department will provide forms to the owners of professional and semiprofessional sports teams for entering into agreements for both the sport player and the sport team. These agreements are referred to as "coverage agreements." Unless coverage is refused in the alternative

state, the coverage agreement will determine the worker's home state for workers' compensation coverage.

(b) When a sport team and a player agree to workers' compensation coverage in another state, the following rules apply:

Sport player coverage agreement:

(i) A sport player coverage agreement must be signed by the team (employer) and each individual player (worker) covered out-of-state. Workers' compensation premiums for any work performed by the player before the agreement was signed must be paid to the department. To be valid, an agreement must be:

- Signed by both parties, dated, and show the name of the state where coverage is provided.

- Agree that the player's employment is principally located in that state.

- Kept as part of the employer's records for at least three years after the player is released from the team.

(ii) The employer must provide the department a copy of a sport player coverage agreement when requested. Employers who do not provide the department copies of a sport player coverage agreement when requested are considered not to have secured payment of compensation as required and all premiums and penalties allowed for in Title 51 RCW will apply.

(iii) If the employers' out-of-state workers compensation insurer rejects an injury claim because the player is a Washington worker, the employer is considered not to have secured payment of compensation as required and all premium and penalties allowed for in Title 51 RCW apply.

Sport team coverage agreement:

(c) A sport team coverage agreement must be signed by the employer (team) and the qualifying out-of-state workers' compensation insurer. Workers' compensation premiums for work performed before the agreement was signed must be paid to the department. To be valid, an agreement must:

- Be signed by both parties, dated, and show the name of the state where coverage is provided.

- Specify that the team's players are principally localized in that state.

- Specify the insurer agreeing to provide coverage for a team based in Washington.

(d) The sport team coverage agreement must be signed annually. Copies of the agreement along with a current copy of the team's out-of-state insurance policy must be submitted to the department of labor and industries every year the out-of-state coverage is provided.

Premium payments are required for any work performed by Washington players prior to the date the department receives copies of any year's current sports teams' coverage agreement and proof of out-of-state coverage.

(2) Excluded employments. Any employer having any person in their employ excluded from industrial insurance whose application for coverage under the elective adoption provisions of RCW 51.12.110 or authority of RCW 51.12.-095 or 51.32.030 has been accepted by the director shall report and pay premium on the actual hours worked for each such person who is paid on an hourly, salaried-part time, percentage of profit or piece basis; or one hundred sixty hours per month for any such person paid on a salary basis

employed full time. In the event records disclosing actual hours worked are not maintained by the employer for any person paid on an hourly, salaried-part time, percentage of profits or piece basis the worker hours of such person shall be determined by dividing the gross wages of such person by the state minimum wage for the purpose of premium calculation. However, when applying the state minimum wage the maximum number of hours assessed for a month will be one hundred sixty.

(3) **Special trucking industry rules.** The following subsection shall apply to all trucking industry employers as applicable.

(a) **Insurance liability.** Every trucking industry employer operating as an intrastate carrier or a combined intrastate and interstate carrier must insure their workers' compensation insurance liability through the Washington state fund or be self-insured with the state of Washington.

Washington employers operating exclusively in interstate or foreign commerce or any combination of interstate and foreign commerce must insure their workers' compensation insurance liability for their Washington employees with the Washington state fund, be self-insured with the state of Washington, or provide workers' compensation insurance for their Washington employees under the laws of another state when such other state law provides for such coverage.

Interstate or foreign commerce trucking employers who insure their workers' compensation insurance liability under the laws of another state must provide the department with copies of their current policy and applicable endorsements upon request.

Employers who elect to insure their workers' compensation insurance liability under the laws of another state and who fail to provide updated policy information when requested to do so will be declared an unregistered employer and subject to all the penalties contained in Title 51 RCW.

(b) **Reporting.** Trucking industry employers insuring their workers' compensation insurance liability with the Washington state fund shall keep and preserve all original time records/books including supporting information from drivers' logs for a period of three calendar years plus three months.

Employers are to report actual hours worked, including time spent loading and unloading trucks, for each driver in their employ. For purposes of this section, actual hours worked does not include time spent during lunch or rest periods or overnight lodging.

Failure of employers to keep accurate records of actual hours worked by their employees will result in the department estimating work hours by dividing gross payroll wages by the state minimum wage for each worker for whom records were not kept. However, in no case will the estimated or actual hours to be reported exceed five hundred twenty hours per calendar quarter for each worker.

(c) **Exclusions.** Trucking industry employers meeting all of the following conditions are exempted from mandatory coverage.

(i) Must be engaged exclusively in interstate or foreign commerce.

(ii) Must have elected to cover their Washington workers on a voluntary basis under the Washington state fund and

must have elected such coverage in writing on forms provided by the department.

(ii) After having elected coverage, withdrew such coverage in writing to the department on or before January 2, 1987.

If all the conditions set forth in (i), (ii), and (iii) of this subsection have not been met, employers must insure their workers' compensation insurance liability with the Washington state fund or under the laws of another state.

(d) **Definitions.** For purposes of interpretation of RCW 51.12.095(1) and administration of this section, the following terms shall have the meanings given below:

(i) "Agents" means individuals hired to perform services for the interstate or foreign commerce carrier that are intended to be carried out by the individual and not contracted out to others but does not include owner operators as defined in RCW 51.12.095(1).

(ii) "Contacts" means locations at which freight, merchandise, or goods are picked up or dropped off within the boundaries of this state.

(iii) "Doing business" means having any terminals, agents or contacts within the boundaries of this state.

(iv) "Employees" means the same as the term "worker" as contained in RCW 51.08.180.

(v) "Terminals" means a physical location wherein the business activities (operations) of the trucking company are conducted on a routine basis. Terminals will generally include loading or shipping docks, warehouse space, dispatch offices and may also include administrative offices.

(vi) "Washington" shall be used to limit the scope of the term "employees." When used with the term "employees" it will require the following test for benefit purposes (all conditions must be met).

- The individual must be hired in Washington or must have been transferred to Washington; and

- The individual must perform some work in Washington (i.e., driving, loading, or unloading trucks).

(4) **Forest, range, or timber land services—Industry rule.** Washington law (RCW 51.48.030) requires every employer to make, keep, and preserve records which are adequate to facilitate the determination of premiums (taxes) due to the state for workers' compensation insurance coverage for their covered workers. In the administration of Title 51 RCW, and as it pertains to the forest, range, or timber land services industry, the department of labor and industries has deemed the records and information required in the various subsections of this section to be essential in the determination of premiums (taxes) due to the state fund. The records so specified and required, shall be provided at the time of audit to any representative of the department who has requested them.

Failure to produce these required records within thirty days of the request, or within an agreed upon time period, shall constitute noncompliance of this rule and RCW 51.48.030 and 51.48.040. Employers whose premium computations are made by the department in accordance with (d) of this subsection are barred from questioning, in an appeal before the board of industrial insurance appeals or the courts, the correctness of any assessment by the department on any

period for which such records have not been kept, preserved, or produced for inspection as provided by law.

(a) General definitions. For purpose of interpretation of this section, the following terms shall have the meanings given below:

(i) "Actual hours worked" means each workers' composite work period beginning with the starting time of day that the employees' work day commenced, and includes the entire work period, excluding any nonpaid lunch period, and ending with the quitting time each day work was performed by the employee.

(ii) "Work day" shall mean any consecutive twenty-four-hour period.

(b) Employment records. Every employer shall with respect to each worker, make, keep, and preserve original records containing all of the following information for three full calendar years following the calendar year in which the employment occurred:

(i) The name of each worker;

(ii) The Social Security number of each worker;

(iii) The beginning date of employment for each worker and, if applicable, the separation date of employment for each such worker;

(iv) The basis upon which wages are paid to each worker;

(v) The number of units earned or produced for each worker paid on a piece-work basis;

(vi) The risk classification(s) applicable to each worker;

(vii) The number of actual hours worked by each worker, unless another basis of computing hours worked is prescribed in WAC 296-17-31021. For purposes of chapter 296-17 WAC, this record must clearly show, by work day, the time of day the employee commenced work, and the time of day work ended;

(viii) A summary time record for each worker showing the calendar day or days of the week work was performed and the actual number of hours worked each work day;

(ix) In the event a single worker's time is divided between two or more risk classifications, the summary contained in (b)(viii) of this subsection shall be further broken down to show the actual hours worked in each risk classification for the worker;

(x) The workers' total gross pay period earnings;

(xi) The specific sums withheld from the earnings of each worker, and the purpose of each sum withheld;

(xii) The net pay earned by each such worker.

(c) Business, financial records, and record retention. Every employer is required to keep and preserve all original time records completed by their employees for a three-year period. The three-year period is specified in WAC 296-17-352 as the composite period from the date any such premium became due.

Employers who pay their workers by check are required to keep and preserve a record of all check registers and canceled checks; and employers who pay their workers by cash are required to keep and preserve records of these cash transactions which provide a detailed record of wages paid to each worker.

(d) Recordkeeping - estimated premium computation. Any employer required by this section to make, keep, and

preserve records containing the information as specified in (b) and (c) of this subsection, who fails to make, keep, and preserve such records, shall have premiums calculated as follows:

(i) Estimated worker hours shall be computed by dividing the gross wages of each worker for whom records were not maintained and preserved, by the state's minimum wage, in effect at the time the wages were paid or would have been paid. However, the maximum number of hours to be assessed under this provision will not exceed five hundred twenty hours for each worker, per quarter for the first audited period. Estimated worker hours computed on all subsequent audits of the same employer that disclose a continued failure to make, keep, or preserve the required payroll and employment records shall be subject to a maximum of seven hundred eighty hours for each worker, per quarter.

(ii) In the event an employer also has failed to make, keep, and preserve the records containing payroll information and wages paid to each worker, estimated average wages for each worker for whom a payroll and wage record was not maintained will be determined as follows: The employer's total gross income for the audit period (earned, received, or anticipated) shall be reduced by thirty-five percent to arrive at "total estimated wages." Total estimated wages will then be divided by the number of employees for whom a record of actual hours worked was not made, kept, or preserved to arrive at an "estimated average wage" per worker. Estimated hours for each worker will then be computed by dividing the estimated average wage by the state's minimum wage in effect at the time the wages were paid or would have been paid as described in (d)(i) of this subsection.

(e) Reporting requirements and premium payments.

(i) Every employer who is awarded a forest, range, or timber land services contract must report the contract to the department promptly when it is awarded, and prior to any work being commenced, except as provided in (e)(iii) of this subsection. Employers reporting under the provisions of (e)(iii) of this subsection shall submit the informational report with their quarterly report of premium. The report shall include the following information:

~~((H))~~ (A) The employers' unified business identification account number (UBI).

~~((H))~~ (B) Identification of the landowner, firm, or primary contractor who awarded the contract, including the name, address, and phone number of a contact person.

~~((H))~~ (C) The total contract award.

~~((V))~~ (D) Description of the forest, range, or timber land services work to be performed under terms of the contract.

~~((V))~~ (E) Physical location/site where the work will be performed including legal description.

~~((V))~~ (F) Number of acres covered by the contract.

~~((V))~~ (G) Dates during which the work will be performed.

~~((V))~~ (H) Estimated payroll and hours to be worked by employees in performance of the contract.

(ii) Upon completion of every contract issued by a landowner or firm that exceeds a total of ten thousand dollars, the contractor primarily responsible for the overall project shall submit in addition to the required informational report

described in (e)(i) of this subsection, report the payroll and hours worked under the contract, and payment for required industrial insurance premiums. In the event that the contracted work is not completed within a calendar quarter, interim quarterly reports and premium payments are required for each contract for all work done during the calendar quarter. The first such report and payment is due at the end of the first calendar quarter in which the contract work is begun. Additional interim reports and payments will be submitted each quarter thereafter until the contract is completed. This will be consistent with the quarterly reporting cycle used by other employers. Premiums for a calendar quarter, whether reported or not, shall become due and delinquent on the day immediately following the last day of the month following the calendar quarter.

(iii) A contractor may group contracts issued by a landowner, firm, or other contractor that total less than ten thousand dollars together and submit a combined quarterly report of hours, payroll, and the required premium payment in the same manner and periods as nonforestation, range, or timber land services employers.

(f) Out-of-state employers. Forest, range, or timber land services contractors domiciled outside of Washington state must report on a contract basis regardless of contract size for all forest, range, or timber land services work done in Washington state. Out-of-state employers will not be permitted to have an active Washington state industrial insurance account for reporting forest, range, or timber land services work in the absence of an active Washington forest, range, or timber land services contract.

(g) Work done by subcontract. Any firm primarily responsible for work to be performed under the terms of a forest, range, or timber land services contract, that subcontracts out any work under a forest, range, or timber land services contract must send written notification to the department prior to any work being done by the subcontractor. This notification must include the name, address, Social Security number, farm labor contractor number, (UBI) of each subcontractor, and the amount and description of contract work to be done by subcontract.

(h) Forest, range, or timber land services contract release - verification of hours, payroll, and premium. The department may verify reporting of contractors by way of an on-site visit to an employers' work site. This on-site visit may include close monitoring of employees and employee work hours. Upon receipt of a premium report for a finished contract, the department may conduct an audit of the firm's payroll, employment, and financial records to validate reporting. The entity that awarded the contract can verify the status of the contractors' account online at the department's web site (www.lni.wa.gov) or by calling the account manager. The landowner, firm, or contractor will not be released from premium liability until the final report for the contract from the primary contractor and any subcontractors has been received and verified by the department.

(i) Premium liability - work done by contract. Washington law (RCW 51.12.070) places the responsibility for industrial insurance premium payments primarily and directly upon the person, firm, or corporation who lets a contract for all covered employment involved in the fulfillment of the

contract terms. Any such person, firm, or corporation letting a contract is authorized to collect from the contractor the full amount payable in premiums. The contractor is in turn authorized to collect premiums from any subcontractor they may employ his or her proportionate amount of the premium payment.

To eliminate premium liability for work done by contract permitted by Title 51 RCW, any person, firm, or corporation who lets a contract for forest, range, or timber land services work must submit a copy of the contract they have let to the department and verify that all premiums due under the contract have been paid.

Each contract submitted to the department must include within its body, or on a separate addendum, all of the following items:

~~((H))~~ (i) The name of the contractor who has been engaged to perform the work;

~~((H))~~ (ii) The contractor's UBI number;

~~((H))~~ (iii) The contractor's farm labor contractor number;

~~((V))~~ (iv) The total contract award;

~~((V))~~ (v) The date the work is to be commenced; a description of the work to be performed including any pertinent acreage information;

~~((VI))~~ (vi) Location where the work is to be performed;

~~((VII))~~ (vii) A contact name and phone number of the person, firm, or corporation who let the contract;

~~((VII))~~ (viii) The total estimated wages to be paid by the contractor and any subcontractors;

~~((X))~~ (ix) The amount to be subcontracted out if such subcontracting is permitted under the terms of the contract;

~~((X))~~ (x) The total estimated number of worker hours anticipated by the contractor and his/her subcontractors in the fulfillment of the contract terms;

(j) Reports to be mailed to the department. All contracts, reports, and information required by this section are to be sent to:

The Department of Labor and Industries
Reforestation Team 8
P.O. Box 44168
Tumwater, Washington 98504-4168

(k) Rule applicability. If any portion of this section is declared invalid, only that portion is repealed. The balance of the section shall remain in effect.

(5) Logging and/or tree thinning—Mechanized operations—Industry rule. The following subsection shall apply to all employers assigned to report worker hours in risk classification 5005, WAC 296-17A-5005.

(a) Every employer having operations subject to risk classification 5005 "logging and/or tree thinning - mechanized operations" shall have their operations surveyed by labor and industries insurance services staff prior to the assignment of risk classification 5005 to their account. Annual surveys may be required after the initial survey to retain the risk classification assignment.

(b) Every employer assigned to report exposure (work hours) in risk classification 5005 shall supply an addendum report with their quarterly premium report which lists the name of each employee reported under this classification dur-

ing the quarter, the Social Security number of such worker, the piece or pieces of equipment the employee operated during the quarter, the number of hours worked by the employee during the quarter, and the wages earned by the employee during the quarter.

(6) Special drywall industry rule.

(a) What is the unit of exposure for drywall reporting? Your premiums for workers installing and finishing drywall (reportable in risk classifications 0540, 0541, 0550, and 0551) are based on the amount of material installed and finished, not the number of hours worked.

The amount of material installed equals the amount of material purchased or taken from inventory for a job. No deduction can be made for material scrapped (debris). A deduction is allowed for material returned to the supplier or inventory.

The amount of material finished for a job equals the amount of material installed. No deduction can be made for a portion of the job that is not finished (base layer of double-board application or unfinished rooms).

Example: Drywall installation firm purchases 96 4' x 8' sheets of material for a job which includes some double-wall installation. The firm hangs all or parts of 92 sheets, and returns 4 sheets to the supplier for credit. Drywall finishing firm tapes, primes and textures the same job. Both firms should report 2,944 square feet (4 x 8 x 92) for the job.

(b) I do some of the work myself. Can I deduct material I as an owner install or finish? Yes. Owners (sole proprietors, partners, and corporate officers) who have not elected coverage may deduct material they install or finish.

When you as an owner install (including scrap) or finish (including tape and prime or texture) only part of a job, you may deduct an amount of material proportional to the time you worked on the job, considering the total time you and your workers spent on the job.

To deduct material installed or finished by owners, you must report to the department by job, project, site or location the amount of material you are deducting for this reason. You must file this report at the same time you file your quarterly report:

$$\text{Total owners hours} \div (\text{owners hours} + \text{workers hours}) = \\ \% \text{ of owner discount.}$$

$$\% \text{ of owner discount} \times (\text{total footage of job} - \text{subcontracted} \\ \text{footage, if any}) = \text{Total owner deduction of footage.}$$

(c) Can I deduct material installed or finished by subcontractors? You may deduct material installed or taped by subcontractors you are not required to report as your workers. You may not deduct for material only scrapped or primed and textured by subcontractors.

To deduct material installed or taped by subcontractors, you must report to the department by job, project, site or location the amount of material being deducted. You must file this report at the same time you file your quarterly report. You must have and maintain business records that support the number of square feet worked by the subcontractor.

(d) I understand there are discounted rates available for the drywall industry. How do I qualify for them? To qualify for discounted drywall installation and finishing rates, you must:

(i) Have an owner attend two workshops the department offers (one workshop covers claims and risk management; the other covers premium reporting and recordkeeping);

(ii) Provide the department with a voluntary release authorizing the department to contact material suppliers directly about the firm's purchases;

(iii) Have and keep all your industrial insurance accounts in good standing (including the accounts of other businesses in which you have an ownership interest), which includes fully and accurately reporting and paying premiums as they come due, including reporting material deducted as owner or subcontractor work;

(iv) Provide the department with a supplemental report (filed with the firm's quarterly report) showing by employee the employee's name, Social Security number, the wages paid them during the quarter, how they are paid (piece rate, hourly, etc.), their rate of pay, and what work they performed (installation, scrapping, taping, priming/texturing); and

(v) Maintain accurate records about work you subcontracted to others and materials provided to subcontractors (as required by WAC 296-17-31013), and about payroll and employment (as required by WAC 296-17-35201).

The discounted rates will be in effect beginning with the first quarter your business meets all the requirements for the discounted rates.

Note: If you are being audited by the department while your application for the discounted classifications is pending, the department will not make a final decision regarding your rates until the audit is completed.

(e) Can I be disqualified from using the discounted rates? Yes. You can be disqualified from using the discounted rates for three years if you:

(i) Do not file all reports, including supplemental reports, when due;

(ii) Do not pay premiums on time;

(iii) Underreport the amount of premium due; or

(iv) Fail to maintain the requirements for qualifying for the discounted rates.

Disqualification takes effect when a criterion for disqualification exists.

Example: A field audit in 2002 reveals that the drywall installation firm underreported the amount of premium due in the second quarter of 2001. The firm will be disqualified from the discounted rates beginning with the second quarter of 2001, and the premiums it owed for that quarter and subsequent quarters for three years will be calculated using the nondiscounted rates.

If the drywall underwriter learns that your business has failed to meet the conditions as required in this rule, your business will need to comply to retain using the discounted classifications. If your business does not comply promptly, the drywall underwriter may refer your business for an audit.

If, as a result of an audit, the department determines your business has not complied with the conditions in this rule, your business will be disqualified from using the discounted classifications for three years (thirty-six months) from the period of last noncompliance.

(f) If I discover I have made an error in reporting or paying premium, what should I do? If you discover you have made a mistake in reporting or paying premium, you

should contact the department and correct the mistake. Firms not being audited by the department who find errors in their reporting and paying premiums, and who voluntarily report their errors and pay any required premiums, penalties and interest promptly, will not be disqualified from using the discounted rates unless the department determines they acted in bad faith.

(7) **Safe patient handling rule.** The following subsection will apply to all hospital industry employers as applicable.

(a) Definitions. For the purpose of interpretation of this section, the following terms shall have the meanings given below:

(i) "Hospital" means an "acute care hospital" as defined in (a)(ii) of this subsection, a "mental health hospital" as defined in (a)(iii) of this subsection, or a "hospital, N.O.C. (not otherwise classified)" as defined in (a)(iv) of this subsection.

(ii) "Acute care hospital" means any institution, place, building, or agency providing accommodations, facilities, and services over a continuous period of twenty-four hours or more for observation, diagnosis, or care of two or more individuals not related to the operator who are suffering from illness, injury, deformity, or abnormality, or from any other condition for which obstetrical, medical, or surgical services would be appropriate for care or diagnosis. "Hospital" as used in this rule does not include:

Hotels, or similar places furnishing only food and lodging, or simply domiciliary care; nor does it include

Clinics, or physicians' offices where patients are not regularly kept as bed patients for twenty-four hours or more; nor does it include

Nursing homes, as defined and which come within the scope of chapter 18.51 RCW; nor does it include

Birthing centers, which come within the scope of chapter 18.46 RCW; nor does it include

Psychiatric or alcoholism hospitals, which come within the scope of chapter 71.12 RCW; nor

Any other hospital or institution specifically intended for use in the diagnosis and care of those suffering from mental illness, mental retardation, convulsive disorders, or other abnormal mental conditions.

Furthermore, nothing in this chapter will be construed as authorizing the supervision, regulation, or control of the remedial care or treatment of residents or patients in any hospital conducted for those who rely primarily upon treatment by prayer or spiritual means in accordance with the creed or tenets of any well-recognized church or religious denominations.

(iii) "Mental health hospital" means any hospital operated and maintained by the state of Washington for the care of the mentally ill.

(iv) "Hospitals, N.O.C." means health care facilities that do not qualify as acute care or mental health hospitals and may be privately owned facilities established for purposes such as, but not limited to, treating psychiatric disorders and chemical dependencies or providing physical rehabilitation.

(v) "Safe patient handling" means the use of engineering controls, lifting and transfer aids, or assistance devices, by lift teams or other staff, instead of manual lifting to perform the

acts of lifting, transferring and repositioning health care patients.

(vi) "Lift team" means hospital employees specially trained to conduct patient lifts, transfers, and repositioning using lifting equipment when appropriate.

(vii) "Department" means the department of labor and industries.

(b) Hospitals will report worker hours in the risk classification that describes the nature of their operations and either their level of implementation of, or need for, the safe patient handling program.

(c) A fully implemented safe patient handling program must include:

(i) Acquisition of at least the minimum number of lifts and/or appropriate equipment for use by lift teams as specified in chapters 70.41 and 72.23 RCW.

(ii) An established safe patient handling committee with at least one-half of its membership being front line, nonmanagerial direct care staff to design and recommend the process for implementing a safe patient handling program.

(iii) Implementation of a safe patient handling policy for all shifts and units.

(iv) Conducting patient handling hazard assessments to include such variables as patient-handling tasks, types of nursing units, patient populations, and the physical environment of patient care areas.

(v) Developing a process to identify appropriate use of safe patient handling policy based on a patient's condition and availability of lifting equipment or lift teams.

(vi) Conducting an annual performance evaluation of the program to determine its effectiveness with results reported to the safe patient handling committee.

(vii) Consideration, when appropriate, to incorporate patient handling equipment or the physical space and construction design needed to incorporate that equipment at a later date during new construction or remodeling.

(viii) Development of procedures that allow employees to choose not to perform or participate in patient handling activities that the employee believes will pose a risk to him/herself or to the patient.

(d) Department staff will conduct an on-site survey of each acute care and mental health hospital before assigning a risk classification. Subsequent surveys may be conducted to confirm whether the assigned risk classification is still appropriate.

(e) To remain in classification 6120-00 or 7200-00, a hospital must submit a copy of the annual performance evaluation of their safe patient handling program, as required by chapters 70.41 and 72.23 RCW, to the Employer Services Program, Department of Labor and Industries, P.O. Box 44140, Olympia, Washington, 98504.

(8) Rules concerning work by Washington employers outside the state of Washington (extraterritorial coverage).

(a) **General definitions.** For purposes of this section, the following terms mean:

(i) "Actual hours worked" means the total hours of each Washington worker's composite work period during which work was performed by the worker beginning with the time

the worker's work day commenced, and ending with the quitting time each day excluding any nonpaid lunch period.

(ii) "Work day" means any consecutive twenty-four-hour period.

(iii) "Temporary and incidental" means work performed by Washington employers on jobs or at job sites in another state for thirty or fewer consecutive or nonconsecutive full or partial work days within a calendar year. Temporary and incidental work days are calculated on a per state basis. The thirty-day temporary and incidental period begins on January 1 of each year.

(iv) "Proof of out-of-state coverage" means a copy of a valid certificate of liability insurance for workers' compensation issued by:

(A) An insurer licensed to write workers compensation insurance coverage in that state; or

(B) A state workers' compensation fund in the state in which the employer will be working.

Note: Most certificates are written for a one-year period. The employer must provide the department with a current certificate of liability insurance for workers' compensation covering all periods the employer works in another state. If the policy is canceled, the employer must provide the department with a current in-force policy.

(v) "Worker" means every person in this state who is engaged in the employment of an employer under Title 51 RCW whether by way of manual labor or otherwise in the course of his or her employment; also every person in this state who is engaged in the employment of or who is working under an independent contract, the essence of which is his or her personal labor for an employer whether by way of manual labor or otherwise.

(vi) "Employer" means any person, body of persons, corporate or otherwise, and the legal representatives of a deceased employer, all while engaged in this state in any work covered by the provisions of Title 51 RCW, by way of trade or business, or who contracts with one or more workers, the essence of which is the personal labor of such worker or workers.

(b) Does a Washington employer have to pay premiums in both states while Washington workers are temporarily working in another state? A Washington employer must continue to pay Washington premiums for Washington workers performing temporary and incidental work in another state. If the Washington employer has Washington workers who work for more than thirty days in another state, it will not need to pay premiums in Washington for work in the other state during the calendar year, as long as it fulfills the following requirements:

(i) Provides the department with proof of out-of-state coverage for the Washington workers working out-of-state.

(ii) Keeps the policy continuously in force from the date the Washington employer's work exceeds the temporary and incidental period until the date the Washington employer no longer has Washington workers working in the other state. Failure to maintain a policy at the required level of workers' compensation coverage for the number of Washington workers working out-of-state may subject the Washington employer to payment of all premiums, penalties, and interest dues in the state of Washington.

(iii) For the first quarterly reporting period and all subsequent quarters during the same calendar year following the date the Washington employer's work exceeds the temporary and incidental period in the other state, the Washington employer must file a supplemental report of out-of-state work with their workers' compensation employer's quarterly report with the department. This supplemental report is available at: <http://www.LNI.wa.gov/ClaimsIns/Insurance/File/ExtraTerritorial/Default.asp>

(iv) Subitems (b)(i), (ii), and (iii) of this subsection must be met in each state in which the Washington employer has Washington workers working in excess of the temporary and incidental period.

Note: Workers' compensation coverage requirements vary widely among states. Washington employers should contact the regulatory agency in other states to determine the appropriate premium and coverage obligations in those states.

(c) What if a Washington employer knows the Washington workers work in another state will exceed the temporary and incidental period? If the Washington employer knows their Washington workers will be working in another state in excess of the temporary and incidental period, it must immediately provide the department with proof of out-of-state coverage in order to avoid Washington premium liability for hours worked during the temporary and incidental period.

Reminder: The temporary and incidental period applies separately to each state in which the Washington employer worked.

(d) What if a Washington employer anticipates its out-of-state work will exceed the temporary and incidental period, but it does not occur? If a Washington employer did not pay workers compensation premium to Washington during the temporary and incidental period, and at the end of the calendar year Washington workers of the Washington employer had worked fewer than thirty consecutive or non-consecutive days in another state, by the filing of the fourth quarter report, the Washington employer must file amended reports for the calendar year. The employer may be required to pay Washington premiums, penalties, and interest. The fourth quarter report is due by January 31 of the following year.

(e) What records must the employer keep while employing Washington workers in another state? In addition to filing the supplemental report of out-of-state work, the Washington employer is required to keep the same records that are kept for Washington workers working in Washington. The records are listed in WAC 296-17-35201 and must be provided at the time of audit to any authorized representative of the department who has requested them.

(f) What reports does a Washington employer file to avoid paying Washington workers' compensation premiums when employing Washington workers in another state for work that exceeds temporary and incidental? A Washington employer must submit the workers' compensation employer's quarterly report and a supplemental report of out-of-state work to the department for each state in which it has Washington workers performing work. The supplemental report must include the following information:

(i) The Washington employer's unified business identification number (UBI).

(ii) The Washington employer's department account identification number.

(iii) The Social Security numbers for those Washington worker(s) performing work out-of-state.

(iv) The last name, first name, and middle initial of those Washington worker(s) performing work out-of-state.

(v) The gross payroll paid during the quarter for those Washington worker(s) performing work out-of-state.

(vi) The Washington workers' compensation risk classification(s) that would have applied for each Washington worker performing work out-of-state.

(vii) The total number of hours that each Washington worker performed work out-of-state during the quarter.

(viii) In addition to completing the supplemental report of out-of-state work, the Washington employer must keep a record of all contracts awarded and worked under each state. Copies of pertinent records must be made available to auditors in the event of an audit.

(g) Where do Washington workers file their workers' compensation claims if injured in the course of employment outside of Washington state? Washington workers may file their claim in the state where they were injured or in Washington state.

Washington employers must inform their Washington workers of their right to file for workers' compensation benefits in Washington or the state of injury.

The cost of these claims, if accepted by the department and assigned to the Washington employer's account, will be used in the calculations that determine the employer's experience factor and the appropriate risk classification base rate.

(h) If the Washington employer's work in another state exceeds the temporary and incidental period, may the Washington employer obtain a credit or refund for the temporary and incidental period that workers' compensation premiums were paid to Washington? Yes, but only if the Washington employer:

(i) Obtained workers' compensation insurance for all hours worked in the other state during the calendar year;

(ii) Provides proof of out-of-state coverage;

(iii) Filed the appropriate quarterly reports with the department when due; and

(iv) Otherwise complied with all statutory and regulatory requirements of Washington state.