

1 **ESB 5850** - H AMD TO CL COMM AMD (5850.E AMH CL H2979.2) **648 FAILED**
2 By Representative Romero **4-18-97**
3 On page 2, after line 35 of the amendment, insert the following:
4 "NEW SECTION. **Sec. 3.** A new section is added to chapter 51.16
5 RCW to read as follows:
6 A group retrospective rating plan agreement between the department
7 and a retrospective rating plan group covering employers in the
8 construction industry must include in the agreement:
9 (1) The method by which funds received by the sponsoring
10 organization or association as group retrospective premium adjustments
11 will be distributed to employer members; and
12 (2) A requirement for a financial statement of the retrospective
13 rating plan group to be distributed annually to each employer member of
14 the group. At a minimum, the financial statement must include a report
15 on the amount and distribution of group retrospective premium
16 adjustment funds, including the amounts distributed to employer
17 members, the amount retained by the sponsoring organization or
18 association for administration of the group retrospective rating
19 program, and the purposes for which any remaining amounts were spent."
20 Renumber the sections consecutively and correct internal references
21 accordingly.

EFFECT: Adds that industrial insurance retrospective rating plan groups in the construction industry must include in their retrospective rating plan agreements with the Department of Labor and Industries: (1) the method by which refunds will be distributed to employer members; and (2) a requirement for financial statements of the group to be distributed annually to the employer members, with information about the amount, distribution, and expenditure of retrospective rating plan refunds.