

HB 1917 - H AMD

By Representative Condotta

1 On page 1, line 14, after "~~regulations~~)" strike all material
2 through "Governing" on line 15, and insert "governing"

1 On page 2, beginning on line 3, after "designate" strike all
2 material through "~~((+2)) (3)~~" on line 24 and insert the
3 following:

4 ".

5 (3)(a) After the first report is issued by the state auditor
6 under section 1, chapter ... (Substitute House Bill No. 1856 or
7 Substitute Senate Bill 5614), Laws of 2005, the workers'
8 compensation advisory committee shall review the report and, as the
9 committee deems appropriate, may make recommendations to the
10 department concerning:

11 (i) The level or levels of a contingency reserve that are
12 appropriate to maintain actuarial solvency of the accident and
13 medical aid funds, limit premium rate fluctuations, and account for
14 economic conditions; and

15 (ii) When surplus funds exist in the trust funds, the
16 circumstances under which the department should give premium
17 dividends, or similar measures, or temporarily reduce rates below
18 the rates fixed under subsection (1) of this section, including any
19 recommendations regarding notifications that should be given before
20 taking the action.

21 (b) Following subsequent reports issued by the state auditor
22 under section 1, chapter ... (Substitute House Bill No. 1856 or
23 Substitute Senate Bill 5614), Laws of 2005, the workers'
24 compensation advisory committee may, as it deems appropriate,
25 update its recommendations to the department on the matters covered
26 under (a) of this subsection.

27 "~~((+2)) (4)~~"

1 On page 2, line 30, after "January 1," strike "2006" and
2 insert "2008"

EFFECT: The amendment:

- (1) deletes the requirement for the Department of Labor and Industries to adopt rules establishing the appropriate level for the contingency reserve, prohibiting premium dividends, and authorizing temporary reductions in rates, with specified notice to the employers and the Legislature;
- (2) directs the Workers' Compensation Advisory Committee to review any State Auditor's report (under SHB 1856 or SSB 5614, requiring annual audits of the state industrial insurance fund) and, as it deems appropriate, to make recommendations to the Department concerning the appropriate level of the contingency reserve and the circumstances under which premium dividends might be given or premium rates temporarily reduced; and
- (3) applies these provisions to industrial insurance rates that take effect on or after January 1, 2008, instead of January 1, 2006.