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**SUBSTITUTE HOUSE BILL 1310**

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**State of Washington**

**59th Legislature**

**2005 Regular Session**

**By** House Committee on Commerce & Labor (originally sponsored by Representatives Hudgins, Conway, McCoy, Condotta, Wood and Chase; by request of Department of Labor & Industries)

READ FIRST TIME 01/31/05.

1        AN ACT Relating to mandatory electronic data reporting under Title  
2 51 RCW for workers' compensation self-insurers; amending RCW 51.14.110,  
3 51.14.110, and 51.14.030; providing an effective date; and providing an  
4 expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6        **Sec. 1.** RCW 51.14.110 and 1971 ex.s. c 289 s 35 are each amended  
7 to read as follows:

8        (1) Every self-insurer shall maintain a record of all payments of  
9 compensation made under this title. The self-insurer shall furnish to  
10 the director all information ((he)) the self-insurer has in ((his)) its  
11 possession as to any disputed claim, upon forms approved by the  
12 director.

13        (2)(a) The department shall establish an electronic reporting  
14 system for the submission to the department of specified self-insurance  
15 claims data to more effectively monitor the performance of self-  
16 insurers and to obtain claims information in an efficient manner.

17        (b) Claims data reported to the department electronically by  
18 individual self-insurers are confidential in accordance with RCW

1 51.16.070 and 51.28.070. The department may publish, for statistical  
2 purposes, aggregated claims data that contain no personal identifiers.

3 (3) The department shall adopt rules to administer this section.

4 **Sec. 2.** RCW 51.14.110 and 1971 ex.s. c 289 s 35 are each amended  
5 to read as follows:

6 (1) Every self-insurer shall maintain a record of all payments of  
7 compensation made under this title. The self-insurer shall furnish to  
8 the director all information ((he)) the self-insurer has in ((his)) its  
9 possession as to any disputed claim, upon forms approved by the  
10 director.

11 (2)(a) The department shall establish an electronic reporting  
12 system for the submission to the department of specified self-insurance  
13 claims data to more effectively monitor the performance of self-  
14 insurers and to obtain claims information in an efficient manner.

15 (b) Self-insurers shall submit claims data electronically in the  
16 format and frequency prescribed by the department.

17 (c) Electronic submittal to the department of specified claims data  
18 is required to maintain self-insurance certification. The department  
19 shall establish an escalating schedule of penalties for noncompliance  
20 with this requirement, up to and including withdrawal of self-insurance  
21 certification.

22 (d) Claims data reported to the department electronically by  
23 individual self-insurers are confidential in accordance with RCW  
24 51.16.070 and 51.28.070. The department may publish, for statistical  
25 purposes, aggregated claims data that contain no personal identifiers.

26 (3) The department shall adopt rules to administer this section.

27 **Sec. 3.** RCW 51.14.030 and 1977 ex.s. c 323 s 10 are each amended  
28 to read as follows:

29 The director may issue a certification that an employer is  
30 qualified as a self-insurer when such employer meets the following  
31 requirements:

32 (1) He or she has fulfilled the requirements of RCW 51.14.020.

33 (2) He or she has submitted to the department a payroll report for  
34 the preceding consecutive twelve month period.

35 (3) He or she has submitted to the department a sworn itemized  
36 statement accompanied by an independent audit of the employer's books

1 demonstrating to the director's satisfaction that the employer has  
2 sufficient liquid assets to meet his or her estimated liabilities as a  
3 self-insurer.

4 (4) He or she has demonstrated to the department the existence of  
5 the safety organization maintained by him or her within his or her  
6 establishment that indicates a record of accident prevention.

7 (5) He or she has submitted to the department a description of the  
8 administrative organization to be maintained by him or her to manage  
9 industrial insurance matters including:

10 (a) The reporting of injuries;

11 (b) The authorization of medical care;

12 (c) The payment of compensation;

13 (d) The handling of claims for compensation;

14 (e) The name and location of each business location of the  
15 employer; and

16 (f) The qualifications of the personnel of the employer to perform  
17 this service.

18 (6) He or she has demonstrated to the department the ability and  
19 commitment to submit electronically the claims required by RCW  
20 51.14.110.

21 Such certification shall remain in effect until withdrawn by the  
22 director or surrendered by the employer with the approval of the  
23 director. An employer's qualification as a self-insurer shall become  
24 effective on the date of certification or any date specified in the  
25 certificate after the date of certification.

26 NEW SECTION. Sec. 4. Section 1 of this act expires July 1, 2008.

27 NEW SECTION. Sec. 5. Sections 2 and 3 of this act take effect  
28 July 1, 2008.

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