
SUBSTITUTE HOUSE BILL 2109

State of Washington 59th Legislature 2005 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Conway and Chase)

READ FIRST TIME 03/03/05.

1 AN ACT Relating to the industrial injury second injury fund;
2 amending RCW 51.44.040; and creating a new section.

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

4 **Sec. 1.** RCW 51.44.040 and 1982 c 63 s 14 are each amended to read
5 as follows:

6 (1) There shall be in the office of the state treasurer, a fund to
7 be known and designated as the "second injury fund", which shall be
8 used only for the purpose of defraying charges against it as provided
9 in RCW 51.16.120 and 51.32.250(~~(, as now or hereafter amended. Said)~~).
10 The fund shall be administered by the director. The state treasurer
11 shall be the custodian of the second injury fund and shall be
12 authorized to disburse moneys from it only upon written order of the
13 director.

14 (2) Payments to the second injury fund from the accident fund shall
15 be made pursuant to rules (~~and regulations promulgated~~) adopted by
16 the director.

17 (3)(a) Assessments for the second injury fund shall be imposed on
18 self-insurers pursuant to rules (~~and regulations promulgated by the~~
19 ~~director to ensure that self-insurers shall pay to such fund~~) adopted

1 by the director. In addition, the department shall experience rate the
2 amount assessed each self-insurer as long as the aggregate amount
3 assessed is in the proportion that the payments made from ((such)) the
4 fund on account of claims made against self-insurers bears to the total
5 sum of payments from ((such)) the fund. The experience rating factor
6 must provide equal weight to the ratio between expenditures made by the
7 second injury fund for claims of the self-insurer to the total
8 expenditures made by the second injury fund for claims of all self-
9 insurers for the prior three fiscal years and the ratio of workers'
10 compensation claim payments under this title made by the self-insurer
11 to the total worker's compensation claim payments made by all self-
12 insurers under this title for the prior three fiscal years. The
13 weighted average of these two ratios must be divided by the latter
14 ratio to arrive at the experience factor.

15 (b) For purposes of this subsection, "expenditures made by the
16 second injury fund" mean the costs and charges described under RCW
17 51.32.250 and 51.16.120 (3) and (4), and the amounts assessed to the
18 second injury fund as described under RCW 51.16.120(1). Under no
19 circumstances does "expenditures made by the second injury fund"
20 include any subsequent payments, assessments, or adjustments for
21 pensions, where the applicable second injury fund entitlement was
22 established outside of the three fiscal years.

23 NEW SECTION. Sec. 2. This act applies to self-insurer assessments
24 for the industrial insurance second injury fund that are imposed on or
25 after July 1, 2009.

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