

HOUSE BILL REPORT

HB 1911

As Reported By House Committee On:

Commerce & Labor

Title: An act relating to expanding authority for retrospective rating plans.

Brief Description: Expanding authority for retrospective rating plans.

Sponsors: Representatives Lisk, Goldsmith, Hargrove and Cairnes.

Brief History:

Committee Activity:

Commerce & Labor: 2/22/95, 3/1/95 [DPS].

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Lisk, Chairman; Hargrove, Vice Chairman; Thompson, Vice Chairman; Romero, Ranking Minority Member; Cairnes; Fuhrman; Goldsmith and Horn.

Minority Report: Do not pass. Signed by 3 members: Representatives Conway, Assistant Ranking Minority Member; Cody and Cole.

Staff: Chris Cordes (786-7117).

Background: The Department of Labor and Industries determines the premium rates that employers pay for industrial insurance with the state fund. The rates must be the lowest rates necessary to maintain actuarial solvency in accordance with recognized insurance principles. The rating system must also be consistent with recognized principles of workers' compensation insurance and be designed to stimulate and encourage accident prevention. The department may readjust rates in accordance with the rating system.

The department is authorized to insure the workers' compensation obligations of employers as a group, and consider the group as a single employing entity for purposes of dividends or premium discounts, if: