

therefor. Such notice and statement shall also be provided to the institution by the rules review committee.

(3) The code reviser shall publish the review committee's notice of objection and statement of the reasons therefor issued pursuant to subsection (1) or (2) of this section in the Washington state register and shall publish in the next supplement and compilation of the Washington Administrative Code a reference to the committee's objection and to the issue of the Washington state register in which the full text thereof appears.

(4) Such notice shall be removed from a rule published in the Washington Administrative Code if a subsequent adjudicatory proceeding determines that the rule is within the intent of the legislature or was adopted in accordance with all applicable laws, whichever was the objection of the rules review committee.

NEW SECTION. Sec. 17. There is added to chapter 28B.19 RCW a new section to read as follows:

It is the express policy of the legislature that establishment of procedures for review of administrative rules by the legislature and the notice of objection required by sections 15(2) and 16(2) of this act in no way serves to establish a presumption as to the legality or constitutionality of a rule in any subsequent judicial proceedings interpreting such rules.

NEW SECTION. Sec. 18. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the Senate April 26, 1981.

Passed the House April 20, 1981.

Approved by the Governor May 19, 1981.

Filed in Office of Secretary of State May 19, 1981.

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CHAPTER 325

[Substitute Senate Bill No. 3602]

INDUSTRIAL INSURANCE, SELF-INSURER BENEFICIARIES—ALTERNATIVE REIMBURSEMENT METHOD

AN ACT Relating to self-insurers; and amending section 51.44.070, chapter 23, Laws of 1961 as last amended by section 56, chapter 289, Laws of 1971 ex. sess. and RCW 51.44.070.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 51.44.070, chapter 23, Laws of 1961 as last amended by section 56, chapter 289, Laws of 1971 ex. sess. and RCW 51.44.070 are each amended to read as follows:

(1) For every case resulting in death or permanent total disability the department shall transfer on its books from the accident fund of the proper class and/or appropriate account to the "reserve fund" a sum of money for that case equal to the estimated present cash value of the monthly payments provided for it, to be calculated upon the basis of an annuity covering the payments in this title provided to be made for the case. Such annuity values shall be based upon rates of mortality, disability, remarriage, and interest as

determined by the state insurance commissioner, taking into account the experience of the reserve fund in such respects.

Similarly, a self-insurer in these circumstances shall pay into the reserve fund a sum of money computed in the same manner, and the disbursements therefrom shall be made as in other cases.

(2) As an alternative to payment procedures otherwise provided under law, in the event of death or permanent total disability to workers of self-insured employers, a self-insured employer may upon establishment of such obligation file with the department a bond in an amount deemed by the insurance commissioner to be reasonably sufficient to insure payment of the pension benefits provided by law.

The annuity value for every such case shall be determined by the insurance commissioner based upon the commissioner's experience as to rates of mortality, disability, remarriage, and interest. The amount of the required bond may be reviewed and adjusted periodically by the department, based upon periodic redeterminations by the insurance commissioner as to the outstanding annuity value for the case.

Under such alternative, the department shall make the monthly payments from the pension reserve fund for the benefits provided for by RCW 51.32.050 and 51.32.060 to the self-insured beneficiary or beneficiaries and the department shall be reimbursed for all such payments from the particular self-insured employer through periodic charges not less than quarterly in a manner to be determined by the director.

Any self-insured employer electing this alternative method of providing for payment to the beneficiary or beneficiaries shall additionally pay to the department a deposit equal to the first three months' payments otherwise required under RCW 51.32.050 and 51.32.060. Such deposit shall be placed in the reserve fund in accordance with RCW 51.44.140 and shall be returned to the respective self-insured employer when monthly payments are no longer required for such particular obligation.

If a self-insurer delays or refuses to reimburse the department beyond fifteen days after the reimbursement charges become due, there shall be a penalty paid by the self-insurer upon order of the director of an additional amount equal to twenty-five percent of the amount then due which shall be paid into the pension reserve fund. Such an order shall conform to the requirements of RCW 51.52.050.

Passed the Senate April 2, 1981.

Passed the House April 21, 1981.

Approved by the Governor May 19, 1981.

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