

CHAPTER 179.

[H. B. 487.]

INDUSTRIAL INSURANCE—PREMIUMS.

AN ACT relating to industrial insurance; amending section 49, chapter 70, Laws of 1957 and RCW 51.16.090; and amending section 50, chapter 70, Laws of 1957 and RCW 51.16.110.

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

SECTION 1. Section 49, chapter 70, Laws of 1957 and RCW 51.16.090 are each amended to read as follows:

RCW 51.16.090 amended.

To the end that no employer shall evade the burdens imposed by an unfavorable or high cost experience, the director may determine whether or not an increase, decrease, or change (1) of operating property; (2) of interest in operating property; (3) of employer; (4) of personnel or interest in employer is sufficient to show a bona fide change which would make inoperative any high cost experience: *Provided*, That where an employer is now or has prior to January 1, 1958, been covered under the provisions of this title for a period of at least two years and subsequent thereto the legal structure of the employer changes by way of incorporation, disincorporation, merger, consolidation, transfer of stock ownership, or by any other means, such person or entity as legally reconstituted shall be entitled to a continuation of the experience rating which existed prior to such change in the employer's legal structure unless there has been such a substantial change as provided in subdivisions (1), (2), (3) or (4) of this section as would warrant making inoperative any high cost experience.

Employer may not evade unfavorable cost experience.

SEC. 2. Section 50, chapter 70, Laws of 1957 and RCW 51.16.110 are each amended to read as follows:

RCW 51.16.110 amended.

Every employer who shall enter into any business, or who shall resume operations in any work or plant

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nesses or
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operations.

after the final adjustment of his payroll in connection therewith, shall, before so commencing or resuming operations, as the case may be, notify the director of such fact, accompanying such notification with an estimate of his payroll and workmen hours for the first calendar month of his proposed operations, and shall make payment of the premiums on such estimate. Every such employer shall be liable for a premium of at least such estimate. Every such employer shall pay the full basic rate until such time as an experience rating in excess of a one, two, three, or four year period may be computed as of a first succeeding July 1st date, and shall be liable for a premium of at least two dollars per month irrespective of the amount of his workmen hours reported during said month to the department: *Provided*, That where an employer is now or has prior to January 1, 1958, been covered under the provisions of this title for a period of at least two years and subsequent thereto the legal structure of such employer changes by way of incorporation, disincorporation, merger, consolidation, transfer of stock ownership, or by any other means, the director may continue, increase, or decrease such experience rating which existed prior to such change in the employer's legal structure.

Note: See also section 15, chapter 308, Laws of 1959.

Passed the House February 27, 1959.

Passed the Senate March 8, 1959.

Approved by the Governor March 18, 1959.