

CHAPTER 21

[Substitute House Bill No. 24]

SELF-INSURERS—CORRECTIVE ACTIONS BY THE DEPARTMENT OF LABOR AND INDUSTRIES

AN ACT Relating to self-insurers; amending section 33, chapter 289, Laws of 1971 ex. sess. and RCW 51.14.090; and adding a new section to chapter 51.14 RCW.

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

Sec. 1. Section 33, chapter 289, Laws of 1971 ex. sess. and RCW 51.14.090 are each amended to read as follows:

(1) Upon the petition of any employee(;) or union or association having a substantial number of employees in the employ of ((said)) the self-insurer the director shall hold a hearing to determine whether or not there are grounds for the withdrawal of certification of a self-insurer or for corrective action by the department.

((He)) (2) The director shall serve upon the self-insurer and upon any employee or union or association having a substantial number of employees in the employ of said self-insurer, personally or by certified mail, a notice of intention to withdraw, or not to withdraw, certification of the self-insurer, which notice shall describe the nature and location or locations of the plants or operations involved; and the specific nature of the reasons for ((his)) the decision. Similar notice shall be provided for decisions regarding corrective actions.

(3) If the decision is to withdraw certification, it shall include the period of time within which the ground or grounds therefor existed or arose; a directive to the self-insurer specifying the manner in which the grounds may be eliminated; and the date, not less than thirty days after the self-insurer's receipt of the notice, when the certification will be withdrawn in the absence of a satisfactory elimination of the grounds for withdrawal of the certificate.

((2)) (4) An appeal of ((such notice of intention to withdraw, or not to withdraw, certification of a self-insurer)) any action taken by the director under this section may be taken by the self-insurer, or by any employee(;) or union(;) or association having a substantial number of employees in the employ of ((said)) the self-insurer. Proceedings on ((such)) the appeal shall be as prescribed in this title. Appeal by a self-insurer of notice of intention to withdraw certification or to take corrective action shall not act as a stay of the withdrawal or corrective action, unless the board(;) or court, for good cause shown, orders otherwise.

NEW SECTION. Sec. 2. There is added to chapter 51.14 RCW a new section to read as follows:

(1) The director shall take corrective action against a self-insured employer if the director determines that:

(a) The employer is not following proper industrial insurance claims procedures;

(b) The employer's accident prevention program is inadequate; or

(c) Any condition described in RCW 51.14.080 (1) through (5) exists.

(2) Corrective actions may be taken upon the director's initiative or in response to a petition filed under RCW 51.14.090. Corrective actions which may be taken by the director shall include:

(a) Probationary certification for a period of time determined by the director;

(b) Mandatory training for employers in areas including claims management, safety procedures, and administrative reporting requirements; and

(c) Monitoring of the activities of the employer to determine progress towards compliance.

The director shall adopt rules defining the corrective actions which may be taken in response to a given condition.

Corrective actions shall be limited to those described in (a), (b), and (c) of this subsection.

(3) Upon the termination of the corrective action, the director shall review the employer's program for compliance with state statutes and regulations. A written report regarding the employer's compliance shall be provided to the employer and to any party to a petition filed under RCW 51.14.090. If the director determines that compliance has been attained, no further action shall be taken. If compliance has not been attained, the director may take additional corrective action as defined in this section, or proceed toward decertification as described in RCW 51.14.080.

(4) An employer may appeal any action taken by the director under this section. Proceedings during the appeal shall be as prescribed in this title. An appeal by a self-insurer shall not act as a stay of the corrective action, unless the board or court, for good cause shown, orders otherwise.

(5) This section shall not be construed to limit the responsibilities or authority of the department under RCW 51.14.080 or 51.14.090.

Passed the House February 24, 1983.

Passed the Senate April 8, 1983.

Approved by the Governor April 18, 1983.

Filed in Office of Secretary of State April 18, 1983.

CHAPTER 22

[Substitute House Bill No. 47]

MUNICIPAL RESEARCH COUNCIL—MOTOR VEHICLE FUND
APPROPRIATIONS—NO ALLOTMENT REDUCTION—SUNSET
TERMINATION

AN ACT Relating to the municipal research council; amending section 2, chapter 108, Laws of 1969 as last amended by section 129, chapter 34, Laws of 1975-'76 2nd ex. sess. and RCW 43.110.010; amending section 32, chapter 99, Laws of 1979 and RCW 43.131.211;