

## CHAPTER 312

[Engrossed House Bill No. 919]

## SELF-INSURERS—RESERVE FUND PAYMENT PROCEDURES ALTERNATIVES

AN ACT Relating to industrial insurance; and amending section 51.44.070, chapter 23, Laws of 1961 as last amended by section 1, chapter 325, Laws of 1981 and RCW 51.44.070.

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

Sec. 1. Section 51.44.070, chapter 23, Laws of 1961 as last amended by section 1, chapter 325, Laws of 1981 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, or an assignment of account from a federally or state chartered commercial banking institution authorized to conduct business in the state of Washington, in an amount deemed by the insurance commissioner to be reasonably sufficient to insure payment of the pension benefits provided by law. The department shall adopt rules governing assignments of account. Such rules shall ensure that the funds are available if needed, even in the case of failure of the banking institution or of the employer's business.

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 or assignment of account 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 House March 30, 1983.

Passed the Senate April 18, 1983.

Approved by the Governor May 17, 1983.

Filed in Office of Secretary of State May 17, 1983.

## CHAPTER 313

[Substitute House Bill No. 1011]

### STATE BUILDINGS—ENERGY CONSERVATION MEASURES

AN ACT Relating to building requirements; and amending section 5, chapter 172, Laws of 1980 as amended by section 3, chapter 48, Laws of 1982 and RCW 43.19.680.

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

Sec. 1. Section 5, chapter 172, Laws of 1980 as amended by section 3, chapter 48, Laws of 1982 and RCW 43.19.680 are each amended to read as follows:

(1) Upon completion of each walk-through survey required by RCW 43.19.675, the director of general administration or the agency responsible for the facility if other than the department of general administration shall implement energy conservation maintenance and operation procedures that may be identified for any state-owned facility. These procedures shall be implemented as soon as possible but not later than twelve months after the walk-through survey.

(2) By December 31, 1981, for the capitol campus the director of general administration, in cooperation with the director of the state energy office, shall prepare and transmit to the governor and the legislature an implementation plan.