



STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES
PO Box 44140 • Olympia, Washington 98504-4140

October 18, 2016

Dear Stakeholder:

The Department of Labor and Industries filed a rulemaking proposal on October 18, 2016, to propose changes to three industrial insurance classification rules. The changes, if adopted, will become effective April 1, 2017. The proposed rule changes include amending WACs:

- 296-17A-0217, Classification 0217 (Concrete flatwork)
- 296-17A-0301, Classification 0301 (Landscape construction)
- 296-17A-0302, Classification 0302 (Masonry)

We are proposing to reclassify firms doing paver stone installation work to 0301, Landscape construction (\$2.03/hour in 2016). Currently, paver stone installation work is classified in 0302, Masonry (\$5.55/hour in 2016). Research indicates:

- Approximately half of the paver stone installation work being done currently is being performed by landscape contractors. Paver stone work appears to be a common activity routinely performed within this industry.
- Firms specializing in paver stone installation are in competition with landscape contractors who also do paver work.
- Paver stone installation companies and landscape construction companies have similar risk exposure to injury due to similar processes.

Actuarial data indicates:

- Moving firms specializing in paver work (who currently report in 0302) to 0301, Landscape construction, would have a small impact on 0301. If the change were already in effect, it would have increased the 2016 composite rate by about \$0.01, from \$2.03/hour to \$2.04/hour.
- The impact of moving paver installation work out of 0302, Masonry, if already in effect, would have reduced the 2016 composite rate for 0302 by about \$0.02, from \$5.55/hour to \$5.53/hour.

A public hearing is scheduled for:

December 5, 2016 Labor and Industries
 7273 Linderson Way SW
 Tumwater, WA 98501
 10:00 a.m.

You can review the proposed rules here: www.lni.wa.gov/riskclassrules

We welcome your input. Please provide written comments on the proposed rules by 5:00 pm, December 5, 2016 to Karen Chamberlain at:

- Email: Karen.Chamberlain@LNI.wa.gov
- PO Box 44140, Olympia, WA 98504-4140
- Fax: 360-902-4988

Sincerely,

Chris Bowe
Employer Services Program Manager