



# PROPOSED RULE MAKING

## CR-102 (June 2024) (Implements RCW 34.05.320) Do NOT use for expedited rule making

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STATE OF WASHINGTON  
FILED

DATE: October 22, 2024

TIME: 9:43 AM

WSR 24-21-132

Agency: Department of Labor & Industries

Original Notice

Supplemental Notice to WSR \_\_\_\_\_

Continuance of WSR \_\_\_\_\_

Preproposal Statement of Inquiry was filed as WSR 24-16-129 ; or

Expedited Rule Making--Proposed notice was filed as WSR \_\_\_\_\_; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW \_\_\_\_\_.

Title of rule and other identifying information: (describe subject) Pension Discount Rate. Amending WAC 296-14-8810, Pension Tables, Pension Discount Rate and Mortality Tables in Chapter 296-14 WAC, Industrial Insurance

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
December 5, 2024	9:30 a.m.	<b>Joining electronically:</b> Join Zoom Meeting <a href="https://lni-wa.gov.zoom.us/j/88125201517?pwd=sbPUTVy6bvPhlylOkcSH238ErHGKKS.1">https://lni-wa.gov.zoom.us/j/88125201517?pwd=sbPUTVy6bvPhlylOkcSH238ErHGKKS.1</a> Meeting ID: 881 2520 1517 Passcode: \$%t5Ri\$+  <b>Join by phone:</b> 253-215-8782 US (Tacoma) Find your local number: <a href="https://lni-wa.gov.zoom.us/j/88125201517?pwd=sbPUTVy6bvPhlylOkcSH238ErHGKKS.1">https://lni-wa.gov.zoom.us/j/88125201517?pwd=sbPUTVy6bvPhlylOkcSH238ErHGKKS.1</a>	The virtual meeting starts at 9:30 a.m. and will continue until all oral comments are received

Date of intended adoption: January 21, 2025 (Note: This is **NOT** the effective date)

Submit written comments to:

Name Suzy Campbell  
Address Department of Labor & Industries  
Insurance Services / Legal Services  
PO Box 44270  
Olympia WA 98504-4270  
Email Suzanne.Campbell@Lni.wa.gov  
Fax 360-902-5029  
Other

Beginning (date and time) October 23, 2024, at 8 a.m.

By (date and time) December 5, 2024, at 5 p.m.

Assistance for persons with disabilities:

Contact Cristina Gaffoglio  
Phone 360-902-4252  
  
Fax 360-902-6509  
TTY 360-902-4252  
Email Cristina.Gaffoglio@Lni.wa.gov  
Other

By (date) November 27, 2024

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:** The purpose of this rulemaking is to lower the pension discount rate (PDR) to better align with the rate of return for long term treasuries for self-insured pensions. The PDR is the interest rate used to account for the time value money when evaluating the present value of future pension payments. This rule proposes to lower the PDR for self-insured employers from 5.5 percent to 5.4 percent effective April 1, 2025.

**Reasons supporting proposal:** These reductions allow our financial statements to more accurately reflect our liabilities and overall financial position, and are consistent with recommendations from our annual independent actuarial review of our rate making.

**Statutory authority for adoption:** RCW 51.04.020, 51.44.070(1), and 51.44.080

**Statute being implemented:** RCW 51.44.070

**Is rule necessary because of a:**

Federal Law?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Federal Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
State Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

If yes, CITATION:

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:** None

**Name of proponent:** (person or organization) Department of Labor & Industries  
**Type of proponent:**  Private.  Public.  Governmental.

**Name of agency personnel responsible for:**

	Name	Office Location	Phone
Drafting	Suzy Campbell	Tumwater, WA	360-902-5003
Implementation	Sarah Jackson	Tumwater, WA	360-902-5118
Enforcement	Brenda Heilman	Tumwater, WA	360-902-4997

**Is a school district fiscal impact statement required under [RCW 28A.305.135](#)?**  Yes  No  
If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

- Name
- Address
- Phone
- Fax
- TTY
- Email
- Other

**Is a cost-benefit analysis required under [RCW 34.05.328](#)?**

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

- Name
- Address
- Phone
- Fax
- TTY
- Email
- Other

No: Please explain: Labor & Industries is exempt from preparing a cost-benefit analysis under RCW 34.05.328(5)(b)(vi) since the purpose of this rulemaking is to set or adjust fees or rates pursuant to legislative standards.

**Regulatory Fairness Act and Small Business Economic Impact Statement**  
Note: The [Governor's Office for Regulatory Innovation and Assistance \(ORIA\)](#) provides support in completing this part.

**(1) Identification of exemptions:**  
This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see [chapter 19.85 RCW](#)). For additional information on exemptions, consult the [exemption guide published by ORIA](#). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.061](#) because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.  
Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by [RCW 34.05.313](#) before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of [RCW 15.65.570\(2\)](#) because it was adopted by a referendum.

- This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(3\)](#). Check all that apply:
- |   |  |
|---|--|
| <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(b)<br>(Internal government operations) | <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(e)<br>(Dictated by statute)   |
| <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(c)<br>(Incorporation by reference)     | <input checked="" type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(f)<br>(Set or adjust fees)   |
| <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(d)<br>(Correct or clarify language)    | <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(g)<br>((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |
- This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(4\)](#). (Does not affect small businesses).
- This rule proposal, or portions of the proposal, is exempt under RCW \_\_\_\_\_.

Explanation of how the above exemption(s) applies to the proposed rule:

**(2) Scope of exemptions:** *Check one.*

- The rule proposal: Is fully exempt. (*Skip section 3.*) Exemptions identified above apply to all portions of the rule proposal.
- The rule proposal: Is partially exempt. (*Complete section 3.*) The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using [this template from ORIA](#)):
- The rule proposal: Is not exempt. (*Complete section 3.*) No exemptions were identified above.

**(3) Small business economic impact statement:** *Complete this section if any portion is not exempt.*

If any portion of the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

- No Briefly summarize the agency's minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs. \_\_\_\_\_
- Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

- Name
- Address
- Phone
- Fax
- TTY
- Email
- Other

**Date:** October 22, 2024

**Name:** Joel Sacks

**Title:** Director

**Signature:**

