



# PREPROPOSAL STATEMENT OF INQUIRY

**CR-101 (June 2004)**  
(Implements RCW 34.05.310)  
Do **NOT** use for expedited rule making

**Agency:** Office of Financial Management

**Subject of possible rule making:** Rulemaking related to requirements of and governing the management and operation of the program pursuant to Chapter 314, Laws of 2009 (SSB 5665), the affordable housing entity property and liability joint self-insurance programs.

**Statutes authorizing the agency to adopt rules on this subject:** 6 Chapter 314, Laws of 2009, Section 6 (SSB 5665)

**Reasons why rules on this subject may be needed and what they might accomplish:** Substitute Senate Bill 5665, enacted in the 2009 Legislative session (see Chapter 314, Laws of 2009), provides authority for affordable housing entities to jointly self-insure property and liability risks in a multiple state risk sharing program regulated by the state risk manager. SSB 5665 Section 6 requires the state risk manager to adopt rules which include standards for management, operations, and solvency, including frequency of actuarial analyses and claims audits. The rules are to include standards for claims management procedures. The rules must also include standards for contracts between joint self-insurance programs and private business, including standards for contracts between third party administrators and joint self-insurance programs.

One of the outcomes of this rulemaking process will be to create a new chapter under OFM Title 82 WAC, where all the rules related to self-insurance programs are found.

**Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:** OFM will communicate and coordinate with the Office of Insurance Commissioner, which has an interest in the rules governing joint self-insurance programs, as necessary.

**Process for developing new rule (check all that apply):**

- Negotiated rule making
- Pilot rule making
- Agency study

X Other (describe) OFM will engage in early solicitation of comments and recommendations from stakeholders and affected parties. Draft rules will be presented for discussion at stakeholder meetings. OFM will provide draft rules to all joint property and liability self-insurance programs currently regulated by the state risk manager and solicit comments and recommendations prior to publication of the rules for the rulemaking hearing.

**How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:**

See above or for more information contact:

Shannon Stuber, Program Administrator, Local Government Self-Insurance Program, Office of Financial Management, P.O. Box 41027, Olympia, Washington 98504-1027, telephone # 360-902-7311, or email shannon.stuber@ofm.wa.gov

**DATE**  
June 2, 2009

**NAME (TYPE OR PRINT)**  
Roselyn Marcus

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Director of Legal Affairs (Rules Coordinator)

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