

WASHINGTON STATE DEPARTMENT OF
ENTERPRISE SERVICES

PROPOSED LOCAL GOVERNMENT RISK POOL
RULEMAKING PUBLIC HEARING

October 7, 2015
Olympia, Washington

Taken Before:

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of

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APPEARANCES

ON BEHALF OF DEPARTMENT OF ENTERPRISE SERVICES:

Jack Zeigler
Policy and Rules Manager

Shannon Stuber
Director of Local Government and Nonprofit
Self-Insurance Program

STAKEHOLDERS:

Melanie Rice
Tracy Grant
Majken Ryherd
Peggy Sandberg
Deborah Callahan

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Wednesday, October 7, 2015
1:00 p.m.

MR. ZEIGLER: Good afternoon. My name is Jack Zeigler and I am the Policy and Rules Manager for the Department of Enterprise Services. I will be the presiding officer at this hearing today. I call this hearing to order on October 7th, 2015 at 1:00 p.m.. I'm sorry, is that right? Yep, on the dot.

This public hearing is being held pursuant to the Administrative Procedure Act, Chapter 34.05 RCW, the Open Public Meetings Act, 42.30 RCW and DES's enabling statute, Chapter 43.19 RCW.

The purpose of this hearing is to take public comment on the proposed changes to Title 200 Washington Administrative Code. The Preproposal Statement of Inquiry, CR-101, was filed on June 17th, 2015 and published in the Washington State Register, Issue 15-13 on July 1, 2015. The Notice of Proposed Rulemaking, the CR-102, was filed August 19th, 2015 and published in the Washington State Register, Issue 15-18 on September 2nd, 2015.

This hearing will consist of two parts. First, we will provide a brief explanation of the proposal.

1 Second, we will receive oral testimony. There is a
2 sign-in sheet on the back table. While not required, I
3 would ask anyone who is not signed in to do so even if
4 you do not wish to testify. If you do wish to testify,
5 please mark that on the sign-in sheet. I will call
6 individuals to testify in the order in which people
7 signed in.

8 This hearing is being recorded by a court reporter
9 and the transcript will become part of the official
10 rulemaking file. This hearing is intended to provide an
11 opportunity to receive your comments. It is not
12 intended as an interactive forum or a Q & A session.

13 I ask that audience members not applaud or make any
14 other noise that might prevent the court reporter from
15 capturing everyone's comments clearly and completely.

16 I would like to introduce those individuals who are
17 with me here today. To my left over here is Shannon
18 Stuber and at my immediate left is Kris Manley, who is
19 providing court reporter services for us today.

20 At this time, I will ask Shannon to briefly summarize
21 the proposed rule.

22 MS. STUBER: My name is Shannon Stuber. I'm the
23 Director of Local Government and Nonprofit
24 Self-Insurance Programs at the Department of Enterprise
25 Services. We are here today because the new

1 legislation, which permits nonprofits to form risk
2 pools, necessitated creating separate rules for the
3 nonprofits which previously were incorporated into the
4 shared rules that included both local governments and
5 nonprofits. That gave us the opportunity to work
6 closely with stakeholders and create and streamline some
7 new regulations for the local government risk pools.
8 That is why we are here.

9 MR. ZEIGLER: Okay. Now, I will open it to
10 public testimony. I see on the sign-in sheet that no
11 one has indicated they wish to testify; is that correct?

12 MS. SANDBERG: I'm sorry, I would like to --

13 MR. ZEIGLER: Oh, okay. Come on up.

14 MS. SANDBERG: That's what happens when you come
15 and sign in late.

16 Hi, my name is Peggy, P-E-G-G-Y, Sandberg,
17 S-A-N-D-B-E-R-G. I'm the Director of Insurance Programs
18 with the Southwest Washington Risk Management Insurance
19 Cooperative.

20 A few points, first of all, I would like to thank
21 Shannon and Jack for the interactive process that helped
22 us look at the WACs and helped us to help all the
23 stakeholders - provide an opportunity for all the
24 stakeholders to provide input into the WAC changes. The
25 Southwest Washington Risk Management Insurance

1 Cooperative supports all the changes in the new WACs as
2 well as separating the nonprofit corporations from the
3 local governments. We think that's a very good move.

4 We would also like to say the new solvency
5 regulations - requirement of 80 percent confidence is
6 working very well. We are really glad to see that
7 implemented. We consider it a minimum solvency standard
8 and hope in the future that the WAC will look at some
9 other requirements as well as we consider it to be a
10 minimum.

11 But thank you for the changes. We see them as good
12 changes and we fully support them.

13 MR. ZEIGLER: Thank you.

14 MS. CALLAHAN: I wanted to say something as well.

15 MR. ZEIGLER: Please come on up and state your
16 name.

17 MS. CALLAHAN: Deborah Callahan.

18 MR. ZEIGLER: Come on up here.

19 MS. CALLAHAN: Deborah, D-E-B-O-R-A-H, Callahan,
20 C-A-L-L-A-H-A-N. I'm the executive for the Washington
21 Schools Risk Management Pool. We represent 91 school
22 districts in the State of Washington. We also have
23 seven interlocals and seven ESDs. And I just wanted to
24 state briefly that we support the changes to the WAC,
25 specifically the change on the nonprofit pools to their

1 own WAC.

2 And we also wanted to state that we appreciate all
3 the changes that are being suggested in the WAC changes,
4 that we like them all. And also the implementation of
5 the 80 percent solvency is a good thing. It is working
6 for our pool. We think it is in the best interest of
7 the pools in the state. Thanks.

8 MR. ZEIGLER: Anybody else wish to testify?

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(No response.)

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MR. ZEIGLER: No one else has signed up to
testify so at this time we will go off the record.
We'll go back on the record if someone arrives and
wishes to testify. Thank you.

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(Brief recess.)

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MR. ZEIGLER: We are back on the record. Thank
you for coming. If you wish to submit written comments,
please send them using our online comment tool. It is
on our current rulemaking website. And we will accept

1 comment on the proposed rules until close of business
2 October 9th, 2015. And this public hearing is concluded
3 at 1:47 p.m.. Thank you.

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(Hearing concluded at 1:47 p.m.)

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C E R T I F I C A T E

I, KRISTIN D. MANLEY, a Certified Court Reporter in and for the State of Washington, residing at Montesano, do hereby certify;

That the foregoing proceedings were taken before me and thereafter reduced to a typed format under my direction; that the transcript is a full, true and complete transcript of said proceedings;

That I am not a relative, employee, attorney or counsel of any party to this action, or relative or employee of any such attorney or counsel, and I am not financially interested in the said action or the outcome thereof;

That upon completion of signature, if required, the original transcript will be securely sealed and the same served upon the appropriate party.

IN WITNESS WHEREOF, I have hereunto set my hand this 7th day of October, 2015.

Kristin D. Manley



Kristin D. Manley, CCR No. 2211