

Secretary of State  
**NOTICE OF PROPOSED RULEMAKING\***  
A Statement of Need and Fiscal Impact accompanies this form.

Department of Consumer and Business Services	Insurance Division	836
Agency and Division		Administrative Rules Chapter Number
Sue Munson	350 Winter Street NE, Salem, Oregon 97301-3883	503-947-7272
Rules Coordinator	Address	Telephone

**RULE CAPTION**

Elimination of use of guaranty contracts as proof of coverage with Workers' Compensation Division.

**Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.**

**RULEMAKING ACTION**

Secure approval of new rule numbers (Adopted or Renumbered rules) with the Administrative Rules Unit prior to filing  
**ADOPT:**

**AMEND:** OAR 836-043-0046 and 836-043-0056

**REPEAL:**

**RENUMBER:**

**AMEND & RENUMBER:**

Stat. Auth.: ORS 656.419, 656.427, 656.730 and 731.244

Other Auth.:

Stats. Implemented: ORS 656.427, 656.730 and 737.265

**RULE SUMMARY**

OAR 836-043-0001 to OAR 836-043-0091 govern the operation of the Oregon Workers' Compensation Insurance Plan (WCIP). The WCIP provides workers' compensation coverage for employers who are in good faith entitled to insurance but who are unable to procure coverage in a regular manner. Enrolled Senate Bill 559 (2007 Session) eliminated insurer filing of a guaranty contract as proof of employer coverage with the Workers' Compensation Division effective July 1, 2009. OAR 836-043-0046 and 836-043-0056 include references to the guaranty contract. The Insurance Division must amend the rules to comply with the 2007 legislative changes to the Oregon Workers' Compensation laws.

The Insurance Division proposes to amend OAR 836-043-0046 and 836-043-0056 in response to SB 559. The proposed amendments eliminate references to a guaranty contract and termination of a guaranty contract. Failure to adopt the changes will result in the failure of ORS 836-043-0001 to ORS 836-043-0091 governing WCIP to conform to the changes made by SB 559 in 2007.

The agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing the negative economic impact of the rule on business.

July 31, 2009

**Last Day for Public Comment**

(Last day to submit written comments to the Rules Coordinator)

(Signed)	Triz delaRosa, Deputy Insurance Administrator	June 15, 2009
Signature	Printed name	Date

\*Rulemaking Notices published in the Oregon Bulletin must be submitted by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a weekend or legal holiday, upon which the deadline is 5:00 pm the preceding workday. A public rulemaking hearing may be requested in writing by 10 or more people, or by an association with 10 or more members, within 21 days following the publication of the Rulemaking Notice in the Oregon Bulletin or 28 days from the date Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing. ARC 923-2005