
NOTICES OF RULEMAKING DOCKET OPENING

This section of the *Arizona Administrative Register* contains Notices of Rulemaking Docket Opening.

A docket opening is the first part of the administrative rulemaking process. It is an “announcement” that the agency intends to work on its rules.

When an agency opens a rulemaking docket to consider rulemaking, the Administrative Procedure Act (APA) requires the publication of the Notice of Rulemaking Docket Opening.

Under the APA effective January 1, 1995, agencies must submit a Notice of Rulemaking Docket Opening before beginning the formal rulemaking process. Many times an agency may file the Notice of Rulemaking Docket Opening with the Notice of Proposed Rulemaking.

The Office of the Secretary of State is the filing office and publisher of these notices. Questions about the interpretation of this information should be directed to the agency contact person listed in item #4 of this notice.

NOTICE OF RULEMAKING DOCKET OPENING**OFFICE OF THE SECRETARY OF STATE**

[R16-17]

1. **Title and its heading:** 2, Administration
Chapter and its heading: 12, Office of the Secretary of State
Article and its heading: 1, The Great Seal of The State of Arizona
Section numbers: R2-12-101 through R2-12-110 (*Sections may be added, deleted, or modified as necessary.*)
2. **The subject matter of the proposed rule:**
The Office of the Secretary of State is promulgating rules for use of the state seal according to A.R.S. § 41-130.
3. **A citation to all published notices relating to the proceeding:**
None
4. **The name and address of agency personnel with whom persons may communicate regarding the rule:**
Name: Lee Miller, Deputy Secretary of State
Address: Arizona Department of State
Office of the Secretary of State
1700 W. Washington St., Fl. 7
Phoenix, AZ 85007
Telephone: (602) 542-4919
Fax: (602) 542-1575
E-mail: lmiller@azsos.gov
5. **The time during which the agency will accept written comments and the time and place where oral comments may be made:**
Written comments will be accepted Monday through Friday from 8 a.m. to 5 p.m., except for state holidays.
6. **A timetable for agency decisions or other action on the proceeding, if known:**
None

NOTICE OF RULEMAKING DOCKET OPENING**INDUSTRIAL COMMISSION OF ARIZONA**

[R16-18]

1. **Title and its heading:** 20, Commerce, Financial Institutions, and Insurance
Chapter and its heading: 5, The Industrial Commission of Arizona
Article and its heading: 7, Self-Insurance Requirements for Workers’ Compensation Pools Organized under A.R.S. § 23-961.01
Section numbers: R20-5-715 (*Sections may be added, deleted, or modified as necessary.*)
2. **The subject matter of the proposed rule:**
Under A.R.S. § 23-961.01, enacted by the Arizona Legislature in 1997, two or more employers who are engaged in



similar industries may self-insure by entering into contracts to establish a workers' compensation pool to provide for the payment and administration of their workers' compensation claims under the Arizona Workers' Compensation Act. Following the enactment of A.R.S. § 23-961.01, the Commission adopted rules, Article 7, in 1998 to implement the new legislation. Rule 715 specifies the amount of specific excess and aggregate insurance such pools must maintain.

Rule 715 specifies that the maximum retention for specific excess insurance is \$250,000.00. When Rule 715 was made in 1998, specific excess insurance coverage in that amount was available on the insurance market at a reasonable cost. Today, a pool would find it difficult and likely very costly to obtain specific excess insurance coverage with a maximum retention in the amount of \$250,000.00. Employers who seek to self-insure through this type of pool would likely be unable to do so because of the unavailability or cost of the specific excess and aggregate insurance coverage mandated by the Rule. In short, Rule 715 is viewed as an impediment and may discourage employers in similar industries from forming pools to self-insure their workers' compensation liabilities, frustrating the intent with the legislation. The Industrial Commission seeks to address this issue and amend Rule 715 to reflect present economic realities.

3. A citation to all published notices relating to the proceeding:

None

4. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Scott J. Cooley
Address: Industrial Commission of Arizona
800 W. Washington St., Suite 303
Phoenix, AZ 85007
Telephone: (602) 542-5781
Fax: (602) 542-6783
E-mail: scott.cooley@azica.gov

5. The time during which the agency will accept written comments and the time and place where oral comments may be made:

Written comments on this rulemaking may be submitted to the person referenced in section 4. Formal written comments for the rulemaking record should be submitted after publication of the notice of proposed rulemaking in the *Arizona Administrative Register* and prior to the close of public record date, which has not yet been determined. Information regarding an oral proceeding will be included in the Notice of Proposed Rulemaking.

6. A timetable for agency decisions or other action on the proceeding, if known:

To be determined.