



PROPOSED RULE MAKING

CR-102 (June 2012)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Washington Horse Racing Commission

<input checked="" type="checkbox"/> Preproposal Statement of Inquiry was filed as WSR 14-15-001 ; or	<input checked="" type="checkbox"/> Original Notice
<input type="checkbox"/> Expedited Rule Making--Proposed notice was filed as WSR _____; or	<input type="checkbox"/> Supplemental Notice to WSR _____
<input type="checkbox"/> Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1).	<input type="checkbox"/> Continuance of WSR _____

Title of rule and other identifying information: (Describe Subject) WAC 260-36-250 Industrial Insurance

Hearing location(s):
 Auburn City Council Chambers
 25 W. Main
 Auburn, WA 98002

Date: January 9, 2015 Time: 9:30 a.m.

Date of intended adoption: January 9, 2015
 (Note: This is NOT the effective date)

Submit written comments to:
 Name: Douglas L Moore
 Address: 6326 Martin Way Suite 209
 Olympia, WA 98516-5578
 e-mail doug.moore@whrc.state.wa.us
 fax (360) 459-6461 by (date) January 8, 2015

Assistance for persons with disabilities: Contact
 Patty Sorby by January 7, 2015
 TTY (360) 459-6462 or () _____

Purpose of the proposal and its anticipated effects, including any changes in existing rules: To clarify when licensees are covered under industrial insurance and how payment due dates are calculated

Reasons supporting proposal: Licensees are unsure of when and where they have coverage and the amendments better address the questions. Also, due to the work week of the WHRC employees, invoices may not be available on the first of each month, so payment dates are flexible depending on date of issuance of the invoices.

Statutory authority for adoption: RCW 67.16.020

Statute being implemented:

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:

DATE
12/1/2014

NAME (type or print)
Douglas L Moore

SIGNATURE *Douglas L Moore*

TITLE
Executive Secretary

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: December 01, 2014

TIME: 1:43 PM

WSR 14-24-085

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Name of proponent: (person or organization)

- Private
 Public
 Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting..... Douglas L Moore	6326 Martin Way Suite 209 Olympia, WA 98516-5578	(360) 459-6462
Implementation.... Douglas L Moore	6326 Martin Way Suite 209 Olympia, WA 98516-5578	(360) 459-6462
Enforcement..... Douglas L Moore	6326 Martin Way Suite 209 Olympia, WA 98516-5578	(360) 459-6462

Has a small business economic impact statement been prepared under chapter 19.85 RCW or has a school district fiscal impact statement been prepared under section 1, chapter 210, Laws of 2012?

Yes. Attach copy of small business economic impact statement or school district fiscal impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No. Explain why no statement was prepared. Not applicable

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 () _____

e-mail _____

No: Please explain: Not applicable

WAC 260-36-250 Industrial insurance. (1) The horse racing industry labor and industries account only provides coverage for employees of a trainer licensed in the state of Washington and meets the criteria in this section. At the time of submitting a license application, or as provided in this section, all licensed trainers must provide the commission with the name of all licensed employees, including grooms, assistant trainers, exercise riders - farm, and pony riders - farm. Trainers will be required to maintain accurate payroll records and may be required to submit them to the commission or the department of labor and industries for premium verification and/or claims processing. In addition the trainer will inform the commission of the worksite for each employee. For the purpose of industrial insurance coverage a worksite may only be one of the following locations:

(a) A Washington race track - A race track in the state of Washington granted race dates by the commission. A site will be designated as a Washington race track for the purposes of industrial insurance for only the period of the track's licensed race meet and periods of training when horses are exercised in preparation for competition. This period of time is limited to only that period of time when the stewards have authority on the grounds (WAC 260-24-510(2));

(b) Farm or training center - A farm or training center is any location off the grounds of a licensed race meet. This will include any recognized race track located outside the state of Washington as well as any Washington race track during the period before its period of training or after its licensed race meet. For the purposes of industrial insurance all such locations will be considered a farm or training center.

(2) Grooms and assistant trainers.

(a) A licensed trainer must pay the industrial insurance premiums for all licensed grooms and licensed assistant trainers as established by labor and industries, unless exempted under reciprocal agreement outlined in subsection (5) of this section. Coverage will only apply to licensed grooms and licensed assistant trainers ((~~working for the~~)) while performing the duties of their license for and under the direction of a licensed trainer, and excludes all exercise riders, pony riders, and any other licensed employee of the trainer, whether working at a farm or training center. In addition, licensed spouse grooms are exempt from coverage requirements.

(b) A trainer is responsible for accurately reporting to the commission all grooms and assistant trainers in the trainer's employ. If a trainer releases any employee from employment, the trainer must notify the commission within forty-eight hours. Failure to notify the commission within forty-eight hours may result in the trainer being responsible for the full industrial insurance premium until notification is made. It is the trainer's responsibility to ensure all grooms and assistant trainers in their employ are properly licensed by the commission.

(c) The industrial insurance premiums will be assessed based on each groom or assistant trainer employed in the coverage month, or a trainer may employ a "temporary groom" and be charged on a per day basis. The daily rate ((~~is ten percent of the monthly rate~~)) for a "temporary groom" will be prorated based on the number of days in the month. The use of a "temporary groom" for more than fourteen days in

the calendar month will not be considered "temporary" and the trainer will be charged a full monthly premium. Premiums will be paid to the commission on a monthly basis. A trainer (~~((must pay))~~) will be invoiced for the assessed industrial insurance premium for each licensed groom and licensed assistant trainer at the end of each month, or before the trainer leaves the grounds taking his/her horses. Multiple trainers may employ the same groom, but each trainer is responsible for the entire applicable labor and industries premium. (~~(Payment of the full premium is normally due prior to the fifteenth of the following month. Failure to make the payment by the fifteenth will result in a fine and, if applicable, a suspension as outlined in WAC 260-84-135.)~~)

(3) Track employees.

(a) A trainer must pay the industrial insurance premiums for all track employees employed by the trainer to work on the grounds of a race track unless exempted under reciprocal agreement outlined in subsection (5) of this section. Coverage will only apply to track employees, which will include licensed exercise riders - track, and licensed pony riders - track, and excludes all grooms, spouse grooms, assistant trainers, and all farm employees working off the grounds of a Washington race track at a farm or training center.

(b) It is the trainer's responsibility to ensure all track employees in their employ are properly licensed by the commission.

(c) The industrial insurance premiums to cover track employees will be assessed on the number of horses, per day, in a month a license trainer has horses on the grounds. The number of horses will include all horses on the grounds under the care of a licensed trainer, including pony horses. Premiums will be paid to the commission on a monthly basis. A trainer (~~((must pay))~~) will be invoiced for the assessed industrial insurance premium for each horse per day at the end of each month, or before the trainer leaves the grounds taking his/her horses.

(i) A trainer is responsible (~~((to))~~) for accurately (~~((report))~~) reporting the correct number and identity of any horse or horses in their care. If the trainer cannot provide documentation of the exact date of a horse's arrival or departure, the trainer will be invoiced for any unreported horse beginning on the first day horses were allowed on the track for arrivals, or a day supported by other evidence acceptable to the commission.

(ii) (~~(A trainer is responsible to report any transfer of a horse in their care to another trainer at the commission office.)~~) Trainers involved in the transfer of any horse into or out of their care are jointly responsible to report the transfer to the commission. A transfer report supplied by the commission must be completed by both parties. Failure to report transfers (~~((will))~~) may result in the previous trainer being assessed the industrial insurance premium for unreported transfers until the commission receives the required notice.

(4) Farm employees.

(a) To be covered under the horse racing industry labor and industries account, a licensed trainer must pay the industrial insurance premiums for all licensed farm employees employed by the trainer to work at a farm or training center unless exempted under reciprocal agreement outlined in subsection (5) of this section. Coverage will only apply to licensed farm employees which will include licensed exercise riders - farm, and licensed pony riders - farm, and excludes grooms, spouse grooms, assistant trainers, and all track employees working on the grounds of a Washington race track.

(b) A trainer is responsible for accurately reporting all farm employees in the trainer's employ. A trainer must notify the commission prior to any employee beginning work. If a trainer releases any farm employee from employment, the trainer must notify the stewards within forty-eight hours. Failure to notify the commission within forty-eight hours may result in the trainer being responsible for the full industrial insurance premium until notification is made. It is the trainer's responsibility to ensure all farm employees in their employ are properly licensed by the commission.

(c) The industrial insurance premiums to cover farm employees will be assessed on the number of employees, per day, multiplied by the number of days in the month the trainer reports the employee working. Trainers must report the anticipated work days and hours of work each day at the start of the month. If the work schedule changes the trainer must immediately notify the commission.

(d) A farm employee may be required to produce to the commission payroll records for verification of work days and/or claims processing.

(5) Reciprocal agreements. The state of Washington has reciprocal agreements with other states. Trainers shipping in from these jurisdictions who have industrial insurance from a reciprocal state need not obtain industrial insurance coverage so long as they comply with the conditions of RCW 51.12.120 and WAC 296-17-31009.

(6) Employees moving from one worksite to another.

(a) A licensed groom or licensed assistant trainer can move from the track to the farm or from the farm to the track. The trainer is not required to notify the commission whenever a licensed groom or licensed assistant trainer moves from the different worksites.

(b) A licensed exercise rider - track or licensed pony rider - track may not move from the track to the farm unless that person first obtains an exercise rider - farm or pony rider - farm license. On those days a track employee moves from the track to the farm, the trainer will be (~~responsible~~) invoiced for, at the end of the month, (~~to pay~~) an additional farm premium for each employee, for each day they worked at the farm as provided in subsection (4) of this section.

(c) A licensed exercise rider - farm or licensed pony rider - farm can move from the farm to the track. Before moving any such employees, the employee must first also be licensed as an exercise rider - track or pony rider - track. On those days a farm exercise rider or pony rider moves to the track, the trainer will not be responsible to pay any additional premium, as long as the employee continues to have the farm premium assessed. The licensed exercise rider - farm or licensed pony rider - farm, are only covered while performing the duties of their license for and under the direction of a licensed trainer.

(d) A track employee is only covered under the per horse, per day premium, and then only when performing the duties of their license for and under the direction of a licensed trainer while on the grounds of a Washington race track during its licensed race meet and periods of training. Any time prior to or after the stewards have authority on the grounds granted in WAC 260-24-510(2), the Washington track will be considered, for the purposes of industrial insurance coverage a farm or training center.

(7) Major track versus nonprofit race track.

(a) There (~~will no longer be a~~) is no distinction, for industrial insurance purposes, except as provided in (b) of this subsection, between a major (Class A or B) race track and a nonprofit (Class

C) race track. Premiums to cover licensed employees will be assessed the same.

(b) License owners at a major race track will be assessed a premium of one hundred fifty dollars per year for one hundred percent ownership of one or more horses. Owners, with partial ownership interest shall be assessed a prorated amount of the full ownership fee in increments of ten percent. Owners at a nonprofit or Class C race track will continue to pay a lesser premium as established annually by the department of labor and industries.

(c) Premiums paid by owners are a fee to subsidize workers compensation coverage for injured workers. The premiums paid by owners do not extend any coverage to owners or their employees.

(8) Coverage outside the state of Washington.

(a) Trainers with employees from Washington may continue coverage when they are at another recognized race track in another state if that other jurisdiction has a reciprocal agreement with the state of Washington, and if:

(i) The trainer pays the premium for grooms and assistant trainers, and as long as both the trainer and grooms/assistant trainers are licensed by the commission; and

(ii) The trainer pays the premium at the farm rate for exercise riders - farm and pony riders - farm, and as long as both the trainer and all farm employees are licensed by the commission.

(b) Trainers must continue to report Washington employees to the commission prior to the start of each month so an assessment can be made. Failure to report may result in the trainer being referred to the stewards or executive secretary for further action.

(c) Track employees hired in another state or jurisdiction are not Washington employees. They are to be covered in the state or jurisdiction they were hired in. It is the trainer's responsibility to obtain coverage in the other state or jurisdiction.

(9) Trainers will be provided an invoice monthly of premiums due. The invoices will be prepared and mailed or delivered on or before the fifth day of the following month. Total monthly premiums will be rounded to the next whole dollar. Payment of the premium is due prior to fifteen days from the date listed on the invoice. Trainers are responsible for the accuracy of their invoices and must report any errors or omissions to the commission prior to payment. Failure to make the payment by the fifteenth day will result in a fine, and if applicable a suspension as outlined in WAC 260-84-135.