



# PROPOSED RULE MAKING

## CR-102 (June 2012)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

**Agency:** Department of Labor and Industries

<input checked="" type="checkbox"/> <b>Preproposal Statement of Inquiry</b> was filed as WSR <u>12-17-123</u> ; or	<input checked="" type="checkbox"/> <b>Original Notice</b>
<input type="checkbox"/> <b>Expedited Rule Making--Proposed notice</b> was filed as WSR _____ ; or	<input type="checkbox"/> <b>Supplemental Notice to WSR</b> _____
<input type="checkbox"/> <b>Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1).</b>	<input type="checkbox"/> <b>Continuance of WSR</b> _____

**Title of rule and other identifying information:** (Describe Subject) Chapter 296-17 WAC, General Reporting Rules, Audit and Recordkeeping, Rates and Rating System for Washington Workers' Compensation Insurance, and Chapter 296-17A WAC, Classifications for Washington Workers' Compensation Insurance.

**Hearing location(s):**

Department of Labor and Industries  
7273 Linderson Way SW, Room S119  
Tumwater, WA 98501

Date: November 27, 2012 Time: 10:00 a.m.

**Date of intended adoption:** December 4, 2012  
(Note: This is **NOT** the effective date)

**Submit written comments to:**

Name: Doug Stewart  
Address: PO Box 44140  
Olympia, WA 98504-4140  
e-mail Doug.Stewart@lni.wa.gov  
fax (360) 902-4788 by 5:00 p.m., November 27, 2012

**Assistance for persons with disabilities:**

Contact Office of Information and Assistance by  
November 21, 2012  
TTY (360) 902-5797

**Purpose of the proposal and its anticipated effects, including any changes in existing rules:**

The Washington Horse Racing Commission (WHRC) and the Horseman's Benevolent Protection Association (HBPA) asked that L&I work with them to restructure horse racing industrial insurance reporting and classification rules to better address exposure by allowing reporting for licensed exercise riders, licensed pony riders, and any other licensed employee employed by a licensed trainer to be based on a per horse, per day basis for race track activity. Off track/farm activity would be reported per number of employees per day. Grooms or assistant trainers would be reportable on a total of grooms or assistant trainers on a per month or per day basis for race track and/or off track/farm activity. The department will repeal some existing horse racing classifications, create five new subclassifications, create new horse racing rates as a result, and amend the special industry reporting rule to accommodate the new reporting structures.

**Reasons supporting proposal:** The WHRC and HBPA informed the department that their industry is in danger of losing a substantial number of participants as a result of the present reporting and rating structure. They believe these changes will encourage more participation in the industry from those inside and outside Washington State.

**Statutory authority for adoption:** RCW 51.04.020, RCW 51.16.035, 51.16.210

**Statute being implemented:** RCW 51.16.035

**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:

**CODE REVISER USE ONLY**

OFFICE OF THE CODE REVISER  
STATE OF WASHINGTON  
FILED

**DATE: October 23, 2012**

**TIME: 11:33 AM**

**WSR 12-21-105**

**DATE**

October 23, 2012

**NAME**

Judy Schurke

**SIGNATURE**

**TITLE**

Director

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

The department has requested legislation for 2013 which amends RCW 51.16.210 to give the WHRC and L&I authority in the future to adjust the premium rating structure and reporting method for horse racing employments in rule.

**Name of proponent:** (person or organization) Washington Horse Racing Commission, Horseman's Benevolent Protection Association

- Private  
 Public  
 Governmental

**Name of agency personnel responsible for:**

Name	Office Location	Phone
Drafting..... Jo Anne Attwood	Tumwater, WA	(360) 902-4777
Implementation... Doug Stewart	Tumwater, WA	(360) 902-4826
Enforcement..... Victoria Kennedy	Tumwater, WA	(360) 902-4997

**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.

The agency is exempt from conducting a small business economic impact statement since the proposed rules set or adjust fees or rates pursuant to legislative standards described in RCW 34.05.310(4)(f) and do not change current coverage options for employers and workers.

**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: Since the proposed rules do not change any existing coverage options for employers or workers and adjust fees pursuant to legislative standards, they are exempted by RCW 34.05.328(5)(b)(vi) from the requirement for a cost-benefit analysis.