

WAC 296-17-31021 Units of exposure. (1) What is a "unit of exposure"?

A unit of exposure is the measure which is used to help determine the premium you will pay. For most businesses the unit of exposure is the **hours** worked by their employees. Because not all employees are compensated based on the hours they work, we have developed reporting alternatives to make reporting to us easier. Those alternatives are outlined in subsection (2) of this section. In other cases, the department *may* authorize some other method in assuming workers hours for premium calculation purposes.

(2) What are the alternatives to actual hours worked?

The exceptions are:

- **Apartment house managers, caretakers, domestic, home care or similar employees:** To determine the number of hours you need to report to us, divide an employee's total compensation, including housing and utility allowances, by the average hourly wage for the classification. The total number of work hours to be reported for each employee is not to exceed 520 hours per quarter. You will need to call us at 360-902-4817 to obtain average hourly wage information.
- **Commission employees - Outside (such as, but not limited to, real estate and insurance sales):** You must select one of the following methods to report your commission employees - Outside:
 - Actual hours worked; or
 - Assumed hours of eight hours per day for part-time employees or one hundred-sixty hours per month for full-time employees.All outside commission employees of an employer must be reported by the same method. You cannot report some outside commission employees based on the actual hours they work and others using the eight hours per day for part-time employees or one hundred-sixty hours per month for full-time employees method.
- **Drywall - Stocking, installation, scrapping, taping, and texturing:** Premiums are based on material installed/finished rather than the hours it took to install/finish the drywall.
- **Horse racing - Excluding jockeys:** Employers in the horse racing industry pay premiums on a monthly or daily rate on employees based on a type of license their employees hold rather than the hours the employees work. Premiums are collected by the Washington horse racing commission.
- **Jockeys:** Report ten hours for each race/mount or for any day in which duties are reported.
- **Pilots and flight crew members:** Pilots and flight crew members having flight duties during a work shift including preflight time shall have premium calculated by utilizing daily readings logged per federal requirements of the aircraft tachometer time: Provided, That if the total tachometer time for any day includes a fraction of an hour, the reportable time will be increased to the next full hour: Provided further, That pilots and flight crew members who assume nonflying duties during a work shift will have premium calculated in accordance with the appropriate rules and classifications applicable to nonflight duties.
- **Salaried employees:** You must select one of the following methods to report your salaried employees:
 - Actual hours worked; or
 - Assumed hours of one hundred-sixty hours per month.

All salaried employees of an employer must be reported by the same method. You cannot report some salaried employees based on the actual hours they work and others using the one hundred sixty hours per month method. Provided further, as in the case of contract personnel employed by schools and/or school districts, the school or school district shall report actual hours worked for each employee, one hundred sixty hours per month for each employee, or the department may authorize some other method in assuming workers hours for premium calculation purposes.

(3) **Can I use assumed work hours for piece workers?**

No, if you employ piece workers you must report the actual hours these individuals work for you unless another unit of exposure is required.

***Example:** If you have employees engaged in drywall work you would report and pay premiums on the basis of the square footage of the material they installed not the hours they worked.*

[Statutory Authority: RCW 51.04.020 and 51.16.035. WSR 20-20-108, § 296-17-31021, filed 10/6/20, effective 1/1/21. Statutory Authority: RCW 51.04.020, 51.16.035, and 51.16.210. WSR 12-24-067, § 296-17-31021, filed 12/4/12, effective 1/4/13. Statutory Authority: RCW 51.16.035, 51.16.100, and 2007 c 324. WSR 07-24-045, § 296-17-31021, filed 12/1/07, effective 1/1/08. Statutory Authority: RCW 51.16.035, 51.16.100. WSR 05-23-161, § 296-17-31021, filed 11/22/05, effective 1/1/06. Statutory Authority: RCW 51.04.020, 51.16.035, and 51.12.120. WSR 03-23-025, § 296-17-31021, filed 11/12/03, effective 1/1/04. Statutory Authority: RCW 51.16.035, 51.04.020. WSR 00-14-052, § 296-17-31021, filed 7/1/00, effective 7/1/00. Statutory Authority: RCW 51.16.035. WSR 99-18-068, § 296-17-31021, filed 8/31/99, effective 10/1/99; WSR 98-18-042, § 296-17-31021, filed 8/28/98, effective 10/1/98.]