

HOUSE BILL REPORT

HB 1952

*As Reported By House Committee on:
Commerce & Labor*

Title: An act relating to industrial insurance coverage for jockeys and apprentice jockeys.

Brief Description: Providing industrial insurance coverage for jockeys.

Sponsor(s): Representatives Rasmussen, R. King, Cole, Ferguson, Leonard, Holland, G. Fisher, Winsley, Heavey, May, Phillips, R. Fisher, Fuhrman, Lisk and Sheldon.

Brief History:

Reported by House Committee on:
Commerce & Labor, March 5, 1991, DPS.

**HOUSE COMMITTEE ON
COMMERCE & LABOR**

Majority Report: *That Substitute House Bill No. 1952 be substituted therefor, and the substitute bill do pass.*
Signed by 10 members: Representatives Heavey, Chair; Cole, Vice Chair; Fuhrman, Ranking Minority Member; Lisk, Assistant Ranking Minority Member; Franklin; Jones; O'Brien; Prentice; Vance; and Wilson.

Minority Report: *Do not pass.* Signed by 1 member:
Representative R. King.

Staff: Chris Cordes (786-7117).

Background: Industrial insurance coverage is mandatory for all employees in the State, unless the employment is specifically exempt. These exemptions include the employment of jockeys while participating in or preparing horses for race meets.

Summary of Substitute Bill: Mandatory industrial insurance coverage is extended to all employment of jockeys and apprentice jockeys. Racing associations operating a track, owners, and trainers are given status as "special employers" for the purpose of covering jockeys and apprentice jockeys, and the exclusive remedy provisions of the industrial insurance law apply to these special employers.

The industrial insurance premium is to be established by the Department of Labor and Industries and collected in four equal shares from the jockeys and apprentice jockeys, the owners, the trainers, and the racing association licensed to operate the track.

The average weekly wage of jockeys and apprentice jockeys is based on all earnings, including earnings from outside the State.

The section providing for industrial insurance in the horse racing employments is reorganized and obsolete material is deleted.

Substitute Bill Compared to Original Bill: The proposed substitute bill deletes the provisions that define "employer" for industrial insurance purposes as including owners and trainers. Provisions are added making racing associations operating a track, owners, and trainers "special employers" for the purpose of covering jockeys and apprentice jockeys, and the exclusive remedy provisions of the industrial insurance law apply to these special employers.

Provisions are added that divide the industrial insurance premium in four equal shares between the jockeys and apprentice jockeys, the owners, the trainers, and the racing association licensed to operate the track. The deduction for the jockey's share is authorized.

The section providing for industrial insurance for horse racing employments is reorganized and obsolete material is deleted.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: Jockeys are the only athletes exempt from industrial insurance in Washington. Nearly all other states with a major horse racing industry provide coverage for these athletes. Even in Washington, exercise riders are covered, but jockeys are not although they frequently do the same work as exercise riders. Jockeys cannot afford to buy insurance, but the risk of going without coverage is very great. Several attempts to work out a more equitable insurance arrangement with the owners and trainers have not been successful.

Testimony Against: The horse racing industry in Washington is worried about survival. But there is concern for the

jockeys and continuing discussion about their insurance coverage is needed. However, the jockeys requested their current status as independent contractors for federal tax law purposes and, as independent contractors, should not be covered for industrial insurance. Furthermore, the cost of the program under industrial insurance may rise rapidly if a few severe injuries occur. There are better options available to address this issue.

Witnesses: (In favor): Representative Marilyn Rasmussen, prime sponsor; Michael Doctor, Chad Hoverson, and Bryson Cooper, Jockeys' Guild; and Doug Connell, Department of Labor and Industries. (Opposed): Carl Baze and Martin Durkan, Washington Horsemen's Benevolent and Protective Association.