

WAC 296-17-31017 Multiple classifications. (1) Can I have more than one basic classification assigned to my account?

Yes, sometimes we will give you more than one basic classification because:

- The basic classification that describes your business specifies certain duties that must be reported separately.
- You have employees performing work described in the general exclusions, WAC 296-17-31018(4).
- You are a contractor with workers performing more than one phase of construction, as described in WAC 296-17-31013.
- You operate a farm that raises more than one type of crop or animal, as described in WAC 296-17-31014.

We also may assign more than one basic classification when a single classification does not describe all of your business operations because you have multiple enterprises.

A multiple enterprise is when you:

- Operate a secondary business with operations we do not normally consider related to your other business operations; or
- Have multiple retail stores.

When all four of the following conditions apply, we will add a basic classification(s) for a multiple enterprise:

- You maintain accurate payroll records that clearly distinguish the work performed for each business.
- Each business is physically separated and distinct.
- Each business can operate independently of any others. If one business closes, any others are able to continue on their own.
- The classifications are permitted to be assigned together by classification descriptions and general reporting rules.

If any of these conditions do not apply, we will assign your firm the classification(s) that identifies:

- Your principal business (this is the business that has the greatest number of hours); and
- Any secondary business operations that are higher rated than your principal business.

Note: Whenever you have more than one classification assigned to your account, you must keep accurate records of the hours (or alternative reporting units) worked by each employee in each classification. Using percentages, averages, or estimates is **not** permitted. If you do not have original time card or time book entries to support how you are reporting, all worker hours in question will be assigned to the highest rated classification to which the worker was exposed. An explanation of necessary payroll records can be found under WAC 296-17-35201.

(2) My business is assigned a basic classification and a standard exception classification. I have an employee who works in both classifications. Can I divide this employee's hours (or alternative units) between the two classifications on my quarterly report?

Normally you cannot report employees in a standard exception classification if they also perform duties covered by a basic classification. If any of their work is covered by a basic classification, then all of their hours (or alternative reporting units) must be reported in the basic classification.

The only time you are permitted to divide a worker's hours between a standard exception classification and a basic classification is when the basic classification is assigned to you because it is a general exclusion under WAC 296-17-31018(4).

(3) Can I divide an employee's hours between two standard exception classifications on my quarterly report?

No, you cannot divide employees' hours between two standard exception classifications. You must report all of their hours in the highest rated standard exception classification applicable to their work.

(4) I have more than one basic classification assigned to my business and I have employees who work in more than one of these classifications. Can I divide their hours between these basic classifications on my quarterly report?

Yes, you may divide an employee's hours between basic classifications when:

- The classification descriptions allow a division of hours; and
- You maintain records on each employee and the department can determine from those records the hours worked in each classification.

If the classification descriptions do not allow a division of hours, or if you do not maintain adequate records, you must report the workers' hours in the highest rated risk classification applicable to your business, unless your records show that a worker did not work in that classification.

For the following examples, suppose an employer has the classifications and rates shown below:

Risk Class	Description	Rates*
0507 05	Roofing work	\$7.37/hour
0510 00	Wood frame building construction	\$4.71/hour
0513 00	Interior finish carpentry	\$2.01/hour

Example 1: If the employer does not keep records of which classifications an employee worked in, all of the employee's hours must be reported in classification 0507.

Example 2: If the employer's records show the employee worked only in classifications 0510 and 0513, but no time records were kept, all of the employee's hours must be reported in classification 0510.

Example 3: If the employer's records show the hours the employee worked in classification 0510 and the hours the employee worked in 0513, the employer may report the employee's hours in both classifications.

* The rates above do not reflect actual rates and are only intended for the purpose of this example.

(5) I have employees with duties that support more than one basic classification, but it is not possible to distinguish their hours between classifications. How do I report these workers' hours?

Sometimes employers are unable to divide a worker's hours between two or more classifications because the work simultaneously supports more than one basic classification. When this occurs, you must report the work in the highest rated classification that the work supports.

Example 1: You operate both a motel with classification 4905, and a restaurant with classification 3905. You have a laundry facility that cleans the linens for both the restaurant and for the motel and you choose not to distinguish schedules for washing the linens separately. If you do not maintain work or payroll records, you must report your employees in the higher premium rate classification.

If classification 3905 is higher than classification 4905, you need to report the laundry operations in classification 3905.

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Example 2: You have a floor covering store and also offers installation services to your customers. Your store operations are under classification 6309 and your employees performing the installation service are under classification 0502.

Since delivery is included in both your classifications, when your workers deliver floor covering to one of your own job sites,

their drive time must be reported in whichever of your classifications is higher premium rated.

Example 3: You are a construction contractor and pay your workers for driving to and from the construction sites. Some of these workers work in more than one construction classification. You can keep records of when they work in each classification and report their hours at the job site accordingly, but all of their drive time on a given day must be reported in the highest rated construction classification they worked in the same day.

(6) How can I find the rates for the classifications assigned to my account?

Each of your classifications has a new rate assigned to it yearly. Your rates are on your annual rate notice and your quarterly report, or you may obtain your rates by contacting your account manager.

[Statutory Authority: RCW 51.04.020 and 51.16.035. WSR 14-12-052, § 296-17-31017, filed 5/30/14, effective 6/30/14; WSR 13-11-128, § 296-17-31017, filed 5/21/13, effective 7/1/13; WSR 10-10-108, § 296-17-31017, filed 5/4/10, effective 7/1/10. Statutory Authority: RCW 51.16.035. WSR 98-18-042, § 296-17-31017, filed 8/28/98, effective 10/1/98.]