

May 5, 2020

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: <u>Workers Compensation Insurance</u>

Update of Circular C-20-12 - Issued April 22, 2020

North Carolina Basic Manual – Part II – Classifications Deletions and Revisions to Miscellaneous Class Code Phraseology Notes

The North Carolina Rate Bureau (NCRB) has filed and the North Carolina Commissioner of Insurance has approved revisions to the North Carolina Basic Manual for Workers Compensation and Employers Liability (NC Basic Manual). The approved revisions are related to changes being made by way of NCCI Item B-1440 — Revisions to the Basic Manual, Including Reformatting, the Preface, and Appendix G. The approved changes will be applicable to all new and renewal voluntary and assigned risk policies becoming effective on or after June 1, 2020.

The changes based on NCCI Item B-1440 revise the classification section of the state-specific NC Basic Manual to eliminate multiple iterations of classification phraseologies and phraseology notes not associated with a specific classification in Part II – Classifications.

NCCI's proposal to reformat the Preface and Appendix G are not applicable to North Carolina.

NCCI Exhibits 1, 3, and 4 in NCCI Item B-1440 are not applicable to North Carolina.

Classifications to Be Reformatted

North Carolina does not subscribe to the NCCI "online" Basic Manual. Therefore, not all formatting changes proposed by way of NCCI Item B-1440 are applicable for North Carolina. Other miscellaneous North Carolina Basic Manual changes unrelated to NCCI Item B-1440 are proposed and included in state exhibits as well. Proposed changes applicable to the "online" NCRB Basic Manual are to be effective June 1, 2020 and are outlined in NCRB Exhibits 1-2.

Exhibit 1 and Exhibit 2 of the original filing have been <u>revised</u> to correct errors in formatting of Exhibit 1 and phraseology of Exhibit 2.

A complete copy of the original filing Memorandum, NCRB exhibits outlining all NC Basic Manual changes, which include "Revised" Exhibits 1 and 2, and NCCI's Item Filing B-1440 are included for your review.

If you have any questions, contact the NCRB Information Center at 919-582-1056 or via email at support@ncrb.org.

Sincerely,

Joanna Biliouris

Chief Operating Officer

JB:ko

Attachments

C-20-14

North Carolina Rate Bureau Filing Memorandum

RE: North Carolina Basic Manual - Part II – Classifications Deletions and Revisions to Miscellaneous Class Code Phraseology Notes

PURPOSE

The purpose of this item is to enhance the state-specific North Carolina Basic Manual by updating Part II – Classifications.

Exhibits outlining North Carolina state-specific changes follow this memorandum and are labeled NCRB Exhibits 1 and 2.

BACKGROUND

NCCI has an ongoing process in which they systematically research, analyze and maintain NCCI's manuals, rules, and classification system. NCCI's systematic research, analysis and maintenance are national in scope. However, NCCI also recognizes the occasional need for state-specific manual, rules and classification treatments to reflect geographical differences. NCCI's analysis includes assessing the continuing viability of more than 800 national and state special classification codes. With some exceptions for state-specific classifications, North Carolina adheres to the NCCI national classification system.

NCCI Item B-1440 is a product of the NCCI's ongoing systematic research, analysis and maintenance of NCCI's manuals, rules and classification system review process. This filing memorandum proposes that a number of National classification phraseologies and phraseology notes be eliminated or revised to improve online search tools. Many online tools being used today provide "Find" features that allow "Keyword" search capabilities. With the development of these enhanced online tools multiple iterations of classification phraseologies and phraseology notes not associated with a specific classification can be eliminated.

NCRB Staff has reviewed the changes being made by way of NCCI Item B-1440 to the classification section of the NCCI Basic Manual and believes it appropriate for North Carolina to consider changes in the state-specific North Carolina Basic Manual.

NCCI's proposal to reformatting the Preface and Appendix G are not applicable to North Carolina.

State-Specific Exhibits

NCCI Exhibits 1, 3 and 4 in NCCI Item B-1440 are not applicable to North Carolina.

Classifications to Be Reformatted

North Carolina does not subscribe to the NCCI "online" *Basic Manual*. Therefore, not all formatting changes proposed by way of NCCI Item B-1440 are applicable for North Carolina. Other miscellaneous North Carolina Basic Manual changes unrelated to NCCI Item B-1440 are proposed and included in state exhibits as well. Proposed changes applicable to the "online" NCRB Basic Manual are to be effective June 1, 2020 and are outlined in **NCRB Exhibits 1-2**.

PROPOSAL

The Bureau proposes the adoption of revisions to the state-specific North Carolina Basic Manual that eliminates multiple iterations of classification phraseologies and phraseology notes not associated with

North Carolina Rate Bureau Filing Memorandum

RE: North Carolina Basic Manual - Part II – Classifications Deletions and Revisions to Miscellaneous Class Code Phraseology Notes

a specific classification in, Part II - Classifications of the, state-specific North Carolina Basic Manual.

IMPACT

No statewide premium impact will result from the changes proposed in this item.

IMPLEMENTATION

All revisions, to Part II- Classification of the state-specific North Carolina Basic Manual, being proposed by way of this filing are applicable to new and renewal, voluntary and assigned risk policies that become effective on or after June 1, 2020.

NCCI Item B-1440 - Summary as Applicable to NC*

Filing Memorandum – Modify for NC

Exhibit 1- Not Applicable to NC

Exhibit 1A – Not Applicable to NC

Exhibit 1B – Not Applicable to NC

Exhibit 1C – Not Applicable to NC

Exhibit 1D - Not Applicable to NC

Exhibit 2 – Modify NCCI for items applicable to NC

Exhibit 2A - Not Applicable to NC

Exhibit 2B - See NCRB Exhibit 1

Exhibit 2C - Ok in NCBM

Exhibit 2D - OK in NCBM

Exhibit 2E - OK in NCBM

Exhibit 2F - See NCRB Exhibit 1

Exhibit 2G - OK in NCBM

Exhibit 2H - OK in NCBM

Exhibit 2I - OK in NCBM

Exhibit 2J - See NCRB Exhibits 1 and 1A

Exhibit 2K - See NCRB Exhibits 1A

Exhibit 2L - See NCRB Exhibits 1A

Exhibit 2M - See NCRB Exhibits 1A

Exhibit 2N - OK in NCBM

Exhibit 20 – See NCRB Exhibit 1

Exhibit 2P - See NCRB Exhibits 1A

Exhibit 2Q - See NCRB Exhibits 1A

Exhibit 2R - See NCRB Exhibits 1A

Exhibit 3A – Not Applicable to NC

Exhibit 3B – Not Applicable to NC

Exhibit 4 – Not Applicable to NC

^{*}Miscellaneous NCBM corrections unrelated to NCCI B-1440 are included in NCRB Exhibits 1 , 1A, 2 and 2A.

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Phraseologies and notes being eliminated because they do not have an associated code and only provide reference information.

Phraseology Without Code	Related Note
APIARY	See Farm
BOARDING HOUSES	See rooming houses
CANNING OR BOTTLING CARBONATED	See Carbonated Beverage Mfg. or Bottling
BEVERAGES	
CARTRIDGE MFG. OR LOADING	See Explosives
COUNTY EMPLOYEES NOC	See Municipal
CRANBERRY GROWERS	See Farms
CURATOR	See Public Library or Museum
DRY DOCK OPERATIONS	See Ship Repair or Conservation
DYE OR DYE INTERMEDIATE	Assign to the appropriate chemical Code 44828 or 4829
ESTATE - PRIVATE	See Rule 3-C
EXPRESS CO	See Trucking
GAMES	See Recreational Facilities
GARDENING	See Farms
GOLF - COURSE	Not Miniature – Public or Private. See Club –
	Country Club, Golf etc.
LIBRARY - PUBLIC	See Public Library
LIQUEFIED PETROLEUM GAS	See Gas Distributing
LIVERY CO	See Limousine Co
LOCK AND DAM CONSTRUICTION	See Dam or Lock Construction
MUSEUM PUBLIC	See Public Library or Museum
OIL MFG — COTTONSEED	See Cottonseed Oil Mfg.
OIL RIG OR DERRICK ERECTING OR DISMANTLING	The following tow classes include the
- ALL OPERATIONS	construction of foundations or structures and the
	installation of equipment.
OYSTER BOATS	Included planting, harvesting and operations of
	boats
PARCEL OR PACKAGE DELIVERY	See Trucking
PIPELINE OR GAS WELL	See Oil and Gas
POULTRY OR EGG PRODUCER	See Farm
PRIVATE ESTATE	See Rule 3-C
PROJECTILE OR SHELL MFG	See Explosives
RESIDENCE - PRIVATE	See Domestic Workers – Residences and Rule 3-C
SATELITE DISH INSTALLATION	Applied to ground and roof mount installation
SHELL OR PROJECTILE MFG.	See explosives
SOUNDPROOFING	See Insulation Work NOC
STATE EMPLOYEES	See Municipal

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SUBWAY CONSTRUCTION	Assign to appropriate construction or erection classification
SULPHUR REFINING	Assign to appropriate chemical Code 4828 or 4829
TAR	See asphalt or Tar
TELEPHINE BOOK DELIVERY	See Distributing Companies
TEMPORARY LABOR SERVICE	Classify workers assigned to clients the same as
	direct employees of the client entity performing
	the same or similar duties
TOWNSHIP EMPLOYEES NOC	See Municipal
TRAILER BODY MFG - NOT HOME TYPE	See Automobile, Bus, Truck or Trailer Body Mfg.
TRUCKING	Truckers engaged in hauling under contract,
	whether for one or more individuals or concerns,
	shall under no circumstances be classified and
	rated except in accordance with the appropriate
	"Trucking" classification. Exception: When
	trucking operations are a secondary business and
	conducted as a separate undertaking or
	enterprise, the payroll of an individual employee
	may be divided and allocated to other than a
	"Trucking" classification. Refer to Rule 1>E. Each
	classification includes miscellaneous employees
	such as terminal employees, garage employees,
	and repairers. Switcher operations in connection
	with a trucking operation are to be considered
	miscellaneous employees and assigned to the
	appropriate trucking classification. Employers
	that provide switcher operations to others thus
	not properly assigned to a trucking operation and
	not in support of their own business, are to be
	assigned to Code 8292.
TRUCKING - RIGGERS	See Mobile Crane and Hoisting Services
TUBE MFG	See Pipe or Tube Mfg.
VESSELS - NOT SELF-PROPELLED	Such vessels having a regular master and crew
	who are furnished living quarters aboard the
	vessel shall be rated as Vessels NOC.
WEIGHERS, SAMPLERS, OR INSPECTORS OF	These classifications include mending or
MERCHANDISE ON VESSELS OR DOCKS OR AT	repacking of damaged containers. Operation of
WAREHOUSES	warehouses to be separately rated.

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Phraseology	Class	Notes	FN ID	Industry Group	Hazard Code
TRUCKING – OIL FIELD EQUIPMENT – ALL EMPLOYEES & DRIVERS	7222	Truckers hauling under contract, whether for one or more individuals or employers, must under no circumstances be classified except in accordance with the appropriate trucking classification. Includes miscellaneous employees such as terminal employees, garage employees, and repairers. When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a trucking classification. Refer to Rule 1-E.	X	<u>5</u>	<u>E</u>
TRUCKING – PARCEL OR PACKAGE DELIVERY – ALL EMPLOYEES & DRIVERS	7230	Applies to employers that exclusively deliver from retail stores under contract. Includes miscellaneous employees such as terminal employees, garage employees, and repairers. Truckers hauling under contract, whether for one or more individuals or employers, must under no circumstances be classified except in accordance with the appropriate trucking classification. When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a trucking classification. Refer to Rule 1-E.	X	_5	D

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TRUCKING – MAIL, PARCEL OR PACKAGE DELIVERY – UNDER CONTRACT WITH THE U.S. POSTAL SERVICE – ALL EMPLOYEES & DRIVERS	7232	Applies to employers under contract to the U.S. Postal Service for delivery of mail involving letters, parcels, packages, sacks, pallets and rolling containers. Includes both U.S. Postal Service contract mail delivery performed on both a bulk basis and an individual letter, parcel or package basis. Includes miscellaneous employees such as terminal employees, garage employees, and repairers. Truckers hauling under contract, whether for one or more individuals or employers, must under no circumstances be classified except in accordance with the appropriate trucking classification. When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a trucking classification. Refer to Rule 1-E.	X	5_	<u>F</u>
GAS MAIN OR CONNECTION CONSTRUCTION & DRIVERS	6319	Includes tunneling at street crossings when not performed under air pressure. All other tunneling is to be separately rated. Separately rate: the construction of pipelines between natural gas – producing fields and points of connection with local distributing systems. Such cross-country pipeline construction must be rated to code 6233. Code 7502 – must not be assigned at same job or location that Code 6319 applies.	•	2	F
AUTOMOBILE - RECYCLING	8046	Applies to store employees who do not perform other operations and have no yard exposure.	<u>•</u>	_4	<u>C</u>
DOG KENNEL EMPLOYEES & DRIVERS	<u>8279</u>		-	_4	<u>F</u>

Legend: Strikethrough = Remove Underline = Add

Obsolete and Duplicate Phraseologies

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			FN	Industry	Hazard	Reason
Phraseology	Class	Notes	ID	Group	Code	
AGRICULTURAL OR CONSTRUCTION MACHINERY MFG	3507			4	U	Obsolete Phraseology
ANTITOXIN SERUM, OR VIRUS MFG & DRIVERS	5951			4	₽	Obsolete Phraseology
ASHES, GARBAGE, OR REFUSE COLLECTION & DRIVERS	9403	Reduction, rendering, or fertilizer plants to be separately rated.		5	F	Obsolete Phraseology
AUTOMOBILE - HAULAWAY OR DRIVEAWAY - DRIVING AUTOS ON OR OFF VESSELS & DRIVERS	7317			7	G	Duplicate
- AUTOMOBILE - PARTS AND ACCESSORIES NOC & DRIVERS	8046	- Applies to wholesale and retail stores.		4	Đ	Obsolete Phraseology
- BARBER SHOP, BEAUTY PARLOR OR HAIRSTYLING SALON	9586			4	A	Obsolete Phraseology
- BEVERAGE MFG - CARBONATED - ALL OPERATIONS, ROUTE SUPERVISORS, & DRIVERS	2157			4	C	Obsolete Phraseology
BOLT OR NUT MFG	3132	Steelmaking or rolling mills to be separately rated.		4	e	Obsolete Phraseology
- BORAX, POTASH, OR SALT PRODUCING OR REFINING & DRIVERS	4568	Includes driving of wells and pumping. Mining to be separately rated as Code 1164.		4	E	Obsolete Phraseology
- BREEDING FARM OR STABLE & DRIVERS	8279	Applies to training of race horses, polo ponies, and horses for exhibition purposes. Includes jockeys and trainers.		4	Ħ	Obsolete Phraseology
CHEESE OR BUTTER MFG. & ROUTE SUPERVISIORS, DRIVERS	2070			1	Ç	Obsolete Phraseology
COFFEE, TEA, OR GROCER DEALER - RETAIL	8006	Applies to house-to-house sale of coffee, tea or groceries and includes incidental stores or warehouses.	+	4	C	Obsolete Phraseology
COOPER OR BRASS GOODS MFG	3315			4	₽	Obsolete Phraseology
DAIRY OR CREAMERY & ROUTE SUPERVISORS, DRIVERS	2070	Includes the mfg. of butter or cheese and the processing of raw milk received from others. Ice cream mfg. to be separately rated as Code 2039. Production of raw milk to be rated as Code 0036		4	e	Obsolete Phraseology
-DISTILLERY SPIRITOUS LIQUOR	2130			4	C	Obsolete Phraseology

Obsolete and Duplicate Phraseologies

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		Applies to ships designed for freight carrying containers. No work in				Duplicate
		holds. Over-the-road trucking operations to be separately rated to the				2 apilicato
		appropriate trucking classification. Code 7327F must not be assigned				
		to the same employer in connection with a single vessel unless the				
-STEVEDORING - CONTAINERIZED FREIGHT &		operations described by this classification are conducted as a				
DRIVERS	7327	separate and distinct business.		7	G	
						Obsolete
-DRIVERS NOC	7380			5	Đ	Phraseology
		Applicable only to neighborhood-type establishments engaged in				Obsolete
		both laundering and dry cleaning on the premises. Collecting or				Phraseology
DRY CLEANING AND LAUNDRY STORE - RETAIL &		distributing stores, no laundering or dry cleaning at the same				
ROUTE SUPERVISORS, DRIVERS	2589	location, to be rated as Code 8017—Store—Retail—NOC		4	C	
		Not applicable to asphalt or tar distillation or refining plants which				Obsolete
FELT OR BUILDING OR ROOFING PAPER		include the saturating of paper or felt as part of their operations.				Phraseology
PREPARATION - NO INSTALLATION	4283	Paper or felt manufacturing to be separately rated.		4	C	
-FIXTURES OR FURNITURE INSTALLATION -						Obsolete
PORTABLE - NOC	5146	-Applies to installation in offices or stores.	•	2	₽	Phraseology
						Obsolete
FLOWER OR FEATHER MFG - ARTIFICAL	2501			4	C	Phraseology
						Obsolete
FUR MFG - PREPARING SKINS	2600			4	C	Phraseology
		Codes 3180 and 3643—Electric Power or Transmission Equipment				Obsolete
		Mfg. or 3179—Electrical Apparatus Mfg. NOC shall not be assigned				Phraseology
		to the same risk unless the operations described by these				
GAS OR ELECTRIC LIGHTING FIXTURES MFG	3180	classifications are conducted as separate and distinct businesses.		4	B	
		Includes incidental blending. Application of fertilizer by use of farm				Obsolete
GRAIN, FEED, FERTILIZER OR HAY DEALER &		machinery or equipment to be separately rated under Code 0050.				Phraseology
LOCAL MANAGERS, DRIVERS - NO MFG	8215	Fertilizer mfg. to be separately rated under Code 4583.	+	4	₽	
		Includes construction, repair or maintenance of all buildings,				Obsolete
		structures or equipment and the installation of machinery. No canal,				Phraseology
GRAVEL OR SAND DIGGING & DRIVERS	4000	sewer or cellar excavation or underground mining.		5	F	
HAIR STYLING SALON, BEAUTY PARLOR, OR						Obsolete
BARBER SHOP	9586			4	A	Phraseology
l		Includes incidental blending. Application of fertilizer by use of farm				Obsolete
HAY, GRAIN, FEED, OR FERTERLIZER DEALER &		machinery or equipment to be separately rated under Code 0050.			_	Phraseology
LOCAL MANAGERS, DRIVERS - NO MFG	8215	Fertilizer mfg. to be separately rated under Code 4583.	+	4	E	
						Obsolete
HEALTH OR EXERCISE INSTITUE & CLERCIAL	9063			4	₿	Phraseology
INSPECTORS, SAMPLERS, OR WEIGHERS OF						Obsolete
MERCHANDISE ON VESSELS OR DOCKS OR		There are no tracked and the last are a flag and a second tracked at the second tracked				Phraseology
RAILWAY STATIONS OR WAREHOUSES -	0740	These operations include mending or repacking of damaged			_	
COVERAGE UNDER STATE ACT ONLY	8719	containers. Operations of warehouses to be separately rated.		4	G	Observator
INSPECTORS, SAMPLERS, OR WEIGHERS OF						Obsolete
MERCHANDISE ON VESSELS OR DOCKS OR		There are no the first transfer and the second transfer.				Phraseology
RAILWAY STATIONS OR WAREHOUSES -	0700	These operations include mending or repacking of damaged		7	0	
COVERAGE UNDER US ACT ONLY	8709	containers. Operations of warehouses to be separately rated.		7	G	

Obsolete and Duplicate Phraseologies

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MACHINE MFG - COMFECTION	3559			4	C	Obsolete Phraseology
WACHINE WILC - COWI ECTION	0000	Codes 4825 and 4611—Drug, Medicine or Pharmaceutical			-	Obsolete
		Preparation—Compounding or Blending—No Mfg. of Ingredients				Phraseology
		shall not be assigned to the same risk unless the operations				Tillaseology
MEDICINE. DRUG OR PHARMACEUTICAL		described by these classifications are conducted as separate and				
PREPARATION MFG & INCIDENTIAL MFG OF		distinct businesses. Mfg. of metal containers to be separately rated				
INGREDENTS	4825	as Code 3220 — Can Mfg.		4	₽	
	.020	Codes 4611 and 4825—Drug, Medicine or Pharmaceutical			_	Obsolete
		Preparation Mfg. & Includes Mfg. of Ingredients shall not be assigned				Phraseology
		to the same risk unless the operations described by these				
MEDICINE, DRUG OR PHARMACEUTICAL		classifications are conducted as separate and distinct businesses.			₽	
PREPARATION MFG & NO MFG OF INGREDENTS	4611	Metal container mfg. to be separately rated as Code 3220—Can Mfg.		4		
						Obsolete
MITTEN OR GLOVE MFG - KNIT	2362	Yarn mfg to be separately rated.		4	C	Phraseology
		Mfg. of metal rings, post, screws, separators, or fittings to be				Obsolete
NOTEBOOK OR LOOSE - LEAF LEDGER MFG	4251	separately rated.		4	C	Phraseology
OIL OR GAS - BURNER INSTALLATION DOMESTIC &						Obsolete
DRIVERS	5183		•	2	E	Phraseology
OIL OR GAS - BURNER INSTALLATION NOC &						Obsolete
DRIVERS	372 4		•	2	F	Phraseology
		Codes 4557 and 4740—Oil Refining, or 8350—Oil or Gasoline				Obsolete
		Dealer shall not be assigned to the same risk unless operations				Phraseology
		described by these classifications are conducted as separate and				
		distinct businesses. No rendering or petroleum refining. Can mfg. to				
OIL OR GAS GREASE MIXING OR BLENDING	4557	be separately rated as Code 3220.		4	₽	
					_	Obsolete
ORE MILLING – OR MINNING MACHINERY MFG	3507			4	C	Phraseology
					_	Obsolete
PASTE OR MUCILAGE MFG	4557	0 1 1011 1100 0 11 11 11 11 11		1	₽	Phraseology
		Codes 4611 and 4825 — Drug, Medicine or Pharmaceutical				Obsolete
		Preparation Mfg. & Includes Mfg. of Ingredients shall not be assigned				Phraseology
PHARMACEUTICAL, DRUG OR MEDICINE		to the same risk unless the operations described by these				
PREPARATION MEG & NO MEG OF INGREDENTS	4044	classifications are conducted as separate and distinct businesses.		4		
THE THOUSAND A NO WILL OF INVOICED ENTO	4611	Metal container mfg. to be separately rated as Code 3220—Can Mfg.		4	₽	Obsolete
		Codes 4825 and 4611—Drug, Medicine or Pharmaceutical Preparation—Compounding or Blending—No Mfg. of Ingredients				Phraseology
PHARMACEUTICAL, DRUG OR MEDICINE		shall not be assigned to the same risk unless the operations				Fillaseology
,		described by these classifications are conducted as separate and				
PREPARATION MFG & INCIDENTAL MFG OF		distinct businesses. Mfg. of metal containers to be separately rated				
INGREDENTS	4825	as Code 3220—Can Mfg.			E	1

Obsolete and Duplicate Phraseologies

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PILE DRIVING - BUILDING FOUNDATIONS ONLY & DRIVERS	6003	Includes pile driving operations including, but not limited to, hammer driving and water jet driving only in conjunction with pile driving. All other water jet operations are assigned to the appropriate drilling code. This process may be done in conjunction with building foundations, all types of marine docks, boardwalks, piers, boathouses, seawalls, groynes (groins), jetties, breakwater and timber wharfs. The manufacturing of concrete piles at the job location or the pouring of concrete into hollow steel piles must be separately rated under the appropriate concrete construction code. Pile driving operations performed in connection with caisson work to be separately rated as Code 6252. The use of Code 6003 is allowed when pile driving is performed on any marine or non-marine construction. For construction where an employer obtains coverage under the United States Longshore and Harborworkers Act, use the state-approved factor found in the state pages.	•	2	E	Obsolete Phraseology
DILLOW OUR TOP OUR HIGH MEG	0504			4	0	Obsolete
PILLOW, QUILT. OR CUSHION MFG	2501	No mattress or box spring mfg.		4	C	Phraseology Obsolete
PLASTIC OR PAPER BAG MFG	4273	Paper and plastic mfg. to be separately rated.		4	C	Phraseology
POLISH OR DRESSING MFG	4557	Applies to shoe, stove, harness, furniture, automobile or metal polish or dressing manufacturing. Can manufacturing to be separately rated as Code 3220.		4	₽	Obsolete Phraseology
POTASH, BORAX, OR SALT PRODUCING OR		Includes driving of wells and pumping. Mining to be separated rated				Obsolete
REFINING & DRIVERS	4568	to Code 1164.		4	E	Phraseology
QUILT, CUSHION, OR PILLOW MFG	2501	No mattress or box spring mfg.		4	C	Obsolete Phraseology
RAG OR PAPER STOCK DEALER- USED & DRIVERS	8264	No collecting or handling scrap iron or steel. Laundry operations to be separately rated as 2585—Laundry NOC. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to 8264 are conducted as a separate and distinct business.	+	4	E	Obsolete Phraseology
REED OR LOOM HARNESS MFG	3515			4	C	Obsolete Phraseology
REFUSE, ASHES, OR GARBAGE COLLECTION & DRIVER	9403	Reduction, rendering, or fertilizer plants to be separately rated.		5	Ę	Obsolete Phraseology
ROLLING MILL - IRON OR STEEL NOC & DRIVERS	3027	See Iron or Steel		4	E	Obsolete Phraseology
ROOFING PAPER OR ROOFING FELT MFG	4283			4	C	Obsolete Phraseology
ROOFING OR BUILDING PAPER OR FELT PREPARATION – NO INSTALLATION	4283	Not applicable to asphalt or tar distillation or refining plants which include the saturating of paper or felt as part of their operations. Paper or felt manufacturing to be separately rated.		4	E	Obsolete Phraseology
RUG OR CARPET MFG NOC	2402			4	E	Obsolete Phraseology
SHOE OR BOOT MFG NOC	2660			4	₽	Obsolete Phraseology

Obsolete and Duplicate Phraseologies

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		Must not be assigned to an employer performing operations described by another classification unless the operations subject to				Obsolete
SHOE OR BOOT PATTERN MFG	4279	Code 4279 are conducted as a separate and distinct business		4	e	Phraseology
		·				Obsolete
SORORITY OR FRATERNITY HOUSE & CLERICAL	9061			4	A	Phraseology
				_	_	Obsolete
SPAR OR FLINT GRINDING	1701	Digging, mining, or quarrying to be separately rated		1	€	Phraseology
OTE AND DIDE OF BOILED INICH ATIMO & DRIVERO	5400	Includes shop. Applies to the application of cork or other		0	_	Obsolete
STEAM PIPE OR BOILER INSULATING & DRIVERS	5183	nonconducting materials.	•	2	E	Phraseology
STEAM SHOVEL, DREDGE, OR CONSTRUCTION MACHINERY MEG NOC	3507			1	C	Obsolete
WACTINER 1 WIFG NOC	3007	Wrecking or salvaging to be separately rated. Shall not be assigned		+	- U	Phraseology Obsolete
		to a risk engaged in operations described by another classification				Phraseology
		unless the operations subject to 8265 are conducted as a separate				Fillaseology
STEEL OR IRON SCRAP DEALER & DRIVER	8265	and distinct business.	•	4	E	
STEVEDORING - FREIGHT HANDLING - PACKING.	0200	and distinct susmissis.	1	-		Obsolete
HANDLING, OR SHIPPING EXPLOSIVES OR						Phraseology
AMMUNITION - UNDER CONTRACT - COVERAGE						
UNDER STATE ACT ONLY	7360			5	₽	
STEVEDORING - FREIGHT HANDLING - PACKING,						Obsolete
HANDLING, OR SHIPPING EXPLOSIVES OR						Phraseology
AMMUNITION - UNDER CONTRACT - COVERAGE						
UNDER US ACT	7350			7	F	
						Obsolete
STORE - FISH MEAT OR POULTRY - RETAIL	8031		•	4	C	Phraseology
		Codes 8021 and 2089—Packing House shall not be assigned to the				Obsolete
STORE- FISH, MEAT OR POULTRY DEALER -		same risk unless the operations described by these classifications				Phraseology
WHOLESALE	8021	are conducted as separate and distinct businesses.	+	4	C	
STORE - SOFTWARE, BOOK, RECORD, COMPACT					_	Obsolete
DISC, VIDEO OR AUDIO CASSETTE - RETAIL	8072		+	4	₿	Phraseology
07005		Includes service away from store premises. Cultivating or gardening				Obsolete
STORE - FLORIST & DRIVERS	8001	to be separately rated as 0035- Farm — Florist.	+	4	₽	Phraseology
OTDEET OD DOAD MAKING MAGNINEDVALES	0507			4		Obsolete
STREET OR ROAD MAKING MACHINERY MFG	3507		1	1	C	Phraseology
TAVIMETED OD ODEEDOMETET MEG	0574			4		Obsolete
TAXIMETER OR SPEEDOMETET MFG	3574	Applies to house to house colored coffee too on magazine and	+ +	4	₽	Phraseology
TEA COFFEE OR CROCERY DEALER RETAIL	9006	Applies to house-to-house sale of coffee, tea or groceries and		4	0	Obsolete
TEA, COFFEE, OR GROCERY DEALER-RETAIL TELEVISION OR RADIO BROADCASTING STATION—	8006	includes incidental stores or warehouses.	+	4	C	Phraseology
ALL EMPLOYEES & CLERICAL, DRIVERS	7610	Includes players, entertainers or musicians.		3	Đ	Obsolete
ALL EWIFLUTEED & CLERICAL, DRIVERD	/01U	moludes players, entertainers or musicians.		ð	₽	Phraseology

Obsolete and Duplicate Phraseologies

Page **6** of **6**

		Shall not be assigned to a risk engaged in operations described by				Obsolete
TINNING OR GALVANIZING – NOT ELECTROLYTIC	3373	another classification unless the operations subject to 3373 are conducted as a separate and distinct business.		1	e	Phraseology
TOILET OR TOWEL SUPPLY CO & ROUTE	3373	conducted as a separate and distinct business.		<u> </u>	U	Obsolete
SUPERVISORS, DRIVERS	2587	No laundry operations.	+	4	₽	Phraseology
·						Obsolete
TRACTION ENGINE OR POWER PLOW MFG	3507			4	C	Phraseology
						Obsolete
TYPEWRITER RIBBON OR CARBON PAPER MFG	4251	Paper mfg. to be separately rated as 4239.		4	C	Phraseology
						Obsolete
VIRUS, ANTITOXIN, OR SERUM MFG. & DRIVERS	5951			4	₽	Phraseology
						Obsolete
WAGON OR CARRIAGE MFG. OR ASSEMBLY	3808			4	Đ	Phraseology
		Applies to the house-to-house sale of miscellaneous wearing apparel				Obsolete
		and household furnishings. Includes the collection of installment				Phraseology
		payments and incidental stores or warehouses. Also applies to the				
		house-to-house sale of jewelry, furniture or appliances. However, if				
WEARING APPAREL OR HOUSEOLD FURNISHINGS		the principal business is the sale of furniture, stoves, ranges, or				
DEALER - RETAIL	8006	refrigerators, separately rate as 8044—Store—Furniture.	+	4	C	
						Obsolete
WIRE - FENCE MFG	3257			4	C	Phraseology
						Obsolete
WIRE - MATTRESS OR BEDSPRING MFG	3300	Box spring mfg. to be separately rated as Code 2570.		4	C	Phraseology

Part II NCBM Corrections - Add						
			FN	Industry	Hazard	Reason
Phraseology	Class	Notes	ID	Group	Code	
					_	Revise Note
CLERICAL TELECOMMUTER EMPLOYEES	8871	Subject to the Standard Exception Manual rule.		3	В	A dd Nata
		Applicable to waterfront operations including the operation of boat docks, storage facilities, repair shops or marine railways. Also				Add Note
		applicable to the sale or repair of boats and engines, including the				
		sale of parts or accessories, dockside snack bars, and all dockside				
		employees except that the operation of showrooms in towns, motels.				
		restaurants, swimming pools, bowling lanes and other recreational				
		facilities shall be separately rated. Boatbuilding shall be separately				
MARINA & DRIVERS – US ACT	6826	rated as Code 6824F or 6834.	F	7	E	
PLASTER STATUARY OR ORNAMENT MFG	4038	Applies to papier-mache or plaster forms.		1	Α	Add Note
		The classifications for railroad construction and railroad operation do				Add Note
		not contemplate coverage for insurance under the Federal				
RAILROAD CONSTRUCTION - LAYING OR RELAYING		Employers' Liability Act or voluntary compensation coverage for any				
OF TRACKS OR MAINTENANCE OF WAY BY		operations subject to that Act. For such coverage, refer to Rule 3-A-				
CONTRACTOR - NO WORK ON ELAVATED RAILROADS & DRIVERS	7855	4. Also, refer to Railroad Construction (FELA) and Railroad Operations (FELA).	•	2	Е	
	. 555	Shall not be assigned to risk engaged in operations described by		_		Add
		another classification unless the operations subject to Code 9522 are				Phraseology
		conducted as a separate and distinct business. This restriction does				0,
		not apply in connection with coffin or casket mfg., automobile body				
<u>UPHOLSTERING – AWAY FROM SHOP</u>	<u>9521</u>	mfg., furniture mfg.		<u>1</u>	<u>E</u>	
		Includes incidental warehouses. Codes 8103 and 0401 must not be				Add
		assigned to the same employer unless the operations described by				Phraseology
COTTON COMPRESSING	8103	these classifications are conducted as separate and distinct businesses.		4	D	
COTTON CONFERENCING	0100	Dualifeases.		<u> </u>	<u>u</u>	

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC. (Applies in: AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, NE, NH, NM, NV, OK, RI, SC, SD, TN, TX, UT, VA, VT, WV)

B-1440 PAGE 1

FILING MEMORANDUM

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

PURPOSE

This item updates certain sections of NCCI's **Basic Manual for Workers Compensation and Employers Liability Insurance (Basic Manual)**.

The sections and states impacted by this item, and the applicable fact sheets and exhibits, are listed in the Exhibit Comments and Implementation Summary table in this filing memorandum.

BACKGROUND

Part Two and Part Four

NCCI's **Basic Manual** was last rewritten in its entirety with Item B-1369—2001 Basic Manual for Workers Compensation and Employers Liability Insurance.

One of NCCI's core functions is the ongoing process dedicated to the systematic research, analysis, and maintenance of NCCI's manuals, rules, and classification system. This process ensures that NCCI remains responsive to the needs of various industry stakeholders.

Since Item B-1369, NCCI has submitted several filings including Item B-1411—Revision to Basic Manual Introduction—Application of Manual Rules and Part Two—Classifications. Item B-1411 was filed to clarify and enhance the *Basic Manual* by implementing changes to:

- Part Two—Classifications by creating data tables that assist with determining effective dates, exceptions, and applicability
- Part Four—Classifications Pending, which showed the classifications that are pending discontinuation until the effective date of the change or completion of a transition program

In September 2018, NCCI released a new *Class Look-Up* tool designed to modernize workers compensation stakeholder access to classification code and statistical code information. Due to the implementation of the *Class Look-Up* tool, the data tables in Part Two are no longer needed and Part Four can be eliminated.

Classifications to be Reformatted

Certain classifications in Part Two—Classifications of NCCI's **Basic Manual** must be revised to simplify their display and to improve online search results. Some wording will be revised to:

- · Maintain the proper context of the information when displayed on a separate Web page
- Modernize the language and bring the classification in line with NCCl's current standards
- Eliminate phraseologies and notes not associated with a specific classification
- Revise certain classifications' designations for consistency with designations applicable to other phraseologies in the same classification group

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B-1440 PAGE 2

FILING MEMORANDUM

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

Preface and Appendix G

NCCI's **Basic Manual** Preface provides information about manual organization, jurisdiction applicability, and the locations of NCCI's office and customer service centers. As part of NCCI's review, various changes that need to be made to the Preface have been identified and will be made as part of this filing.

Appendix G provides information to policyholders on how to resolve disputes and where to mail dispute materials. NCCI has changed the email address for submitting information and must revise that address in Appendix G.

This item also includes proposals for changes to individual classifications and rules, including format and consistency-only changes, if applicable. The proposed changes are detailed in each exhibit. The background information is contained in each exhibit's fact sheet.

PROPOSAL

This item is presented with fact sheets and exhibits as shown in the Exhibit Comments and Implementation Summary table. The fact sheet for each exhibit details the proposals relating to that exhibit, as well as the background and basis for the proposed changes, the estimated impact of the proposals, and the details of the implementation.

IMPACT

There will be no premium impact as a result of the changes proposed in this item.

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

Exhibit	Fact Sheet	Exhibit #	Proposal Applicable in:	Implementation Summary
Preface and Appendix G	1	1A	All states	T. I
		1B	All States except CO, FL, HI, KY, LA, MD, ME, MO, MT, NE, OK, RI, TX, UT	To become effective for new and renewal voluntary and assigned risk policies, effective
		1C	All states	on and after 12:01 a.m. on April 1,
		1D	All states except AZ, IN, MT, TX	2020.

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FILING MEMORANDUM

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

Exhibit	Fact Sheet	Exhibit #	Proposal Applicable in:	Implementation Summary		
Classifications to Be	2	2A	All states			
Reformatted		2B	All states except TX, VA			
		2C	All states except TX			
		2D	All states except FL,			
		2E	All states except TX			
		2F	All states			
		2G	All states except OR, TX			
		2H	All states except TX			
		21	All states except TX	To become effective		
		2J	All states except TX	for new and renewal		
		2K	All states except OR, TX	voluntary and assigned risk policies, effective		
		2L	All states except TX	on and after 12:01		
		2M	All states except HI, TX	a.m. on April 1, 2020.		
		2N	All states except TX			
		20	All states			
		2P	All states except TX			
		2Q	All states except OR, TX			
		2R All states except FL, TX				
Part Four—	3	3A	All states			
Classifications Pending		3B]		
State -Specific Exhibits	1 and 2	4	AK, AZ, FL, HI, ID, MO, OR, TX, VA			

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EXHIBIT 1—FACT SHEET PREFACE AND APPENDIX G

PURPOSE

NCCI proposes that certain sections of the Preface and Appendix G—Dispute Resolution Process in NCCI's **Basic Manual** be revised.

BACKGROUND

As part of NCCI's ongoing process dedicated to the systematic research, analysis, and maintenance of NCCI's manuals, NCCI identified a need to revise the Preface and Appendix G—Dispute Resolution Process of its **Basic Manual**.

PROPOSAL

The following is a summary of the key changes proposed for the Preface and Appendix G:

Preface A—Organization of the Manual

Preface A details the structure of the **Basic Manual**. This item proposes to eliminate Part Four—Classifications Pending; therefore, the reference to Part Four in Preface A must be eliminated.

Preface D—Jurisdictions Where Rule 4 Applies

Preface D provides a table that summarizes, by state, the applicability of residual market-specific Rules 4-A to 4-I where NCCI is the Plan Administrator or provides Plan Administration services. This information is also contained in NCCI's companion to Rule 4—Workers Compensation Insurance Plan. The companion is the *Assigned Risk Supplement to the Basic Manual for Workers Compensation and Employers Liability Insurance*, Appendix C—Rules and Rating Programs. Because it is not NCCI's intent to duplicate information in these two manuals, it is proposed that Preface D be removed from the *Basic Manual*.

Preface E—Offices of the National Council on Compensation Insurance, Inc.

Preface E provides information on NCCI's headquarters and customer service locations. Because this information resides in the *Basic Manual*, any changes that are made to it require an item filing. To facilitate quicker changes to this information in the future, NCCI is proposing to move this section to the *Basic Manual User's Guide*.

Appendix G—Dispute Resolution Process

Appendix G provides policyholders with the means to resolve disputes regarding the application of NCCI manual rules to NCCI's Workers Compensation and Employers Liability Insurance Policy (Policy). Item number 5—Where to Send Documents, of Appendix G, provides the mailing, and email addresses, and fax number for policyholders to submit their requests and additional information specific to their dispute. NCCI has revised the email address and therefore, must revise this section.

IMPACT

There will be no statewide premium impact as a result of the changes proposed in this item.

ADDITIONAL STATE-SPECIFIC PROPOSALS AND IMPACTS

Virginia Proposal

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

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ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 1—FACT SHEET (CONT'D)

This item proposes to eliminate the Virginia exception to Preface A and recommend adoption of national Preface A. Refer to Exhibt 1A for the national and Exhibit 4 for the state specific exception.

Virginia Impact

There is no impact as a result of this state-specific proposal.

EXHIBIT 1A BASIC MANUAL—2001 EDITION FACT SHEET 1—PREFACE AND APPENDIX G PREFACE TO THE BASIC MANUAL FOR WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

A. ORGANIZATION OF MANUAL

This manual has four three parts:

Part One—Rules

Part Two—Classifications

Part Three—Loss Costs, Rates and State Exceptions

Refer to Part Three for Rates, State Special Rules, and Special Classifications when applying Parts One and Two, and Four in a specific state.

Part Four Classifications Pending

EXHIBIT 1B BASIC MANUAL—2001 EDITION FACT SHEET 1—PREFACE AND APPENDIX G

PREFACE TO THE BASIC MANUAL FOR WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE

(Applies in: AK, AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NH, NM, NV, OR, SC, SD, TN, VA, VT, WV)

D. JURISDICTIONS WHERE RULE 4 APPLIES (RESERVED FOR FUTURE USE)

The following table provides a summary of where Rules 4-A-4-I are applicable. Rules 4-A-4-I are only applicable in residual market states where NGCI is the Plan Administrator or provides Plan Administration services. The applicable jurisdictions are indicated with an "A"; the nonapplicable jurisdictions are indicated with an "N/A." Where "S" appears, the national rule does not apply, but a state-specific program does apply. For these states, refer to the state pages.

- Rule 4-A—Workers Compensation Insurance Plan (WCIP)
- Rule 4-B—Professional Employer Organization (PEO) Arrangements
- Rule 4-C—Loss Sensitive Rating Plan (LSRP)
- Rule 4-D—Voluntary Coverage Assistance Program (VCAP® Service)
- Rule 4-E—Assigned Risk Adjustment Program (ARAP)
- Rule 4-F—Take-Out Credit (TOC) Program
- Rule 4-G—Available Coverages
- Rule 4-H—Producer Fees
- Rule 4-I Initial or Deposit Premium and Premium Installments

	R ule 4-A 4/1/ 2006	R ule 4-B 4/1/ 2006	Rule 4-6 5/1/2006	Rule 4-D 7/1/ 2006	R ule 4-E 4/1/ 2010	R ule 4-F 4/1/ 2010	R ule 4-G 4/1/ 2012	R ule 4-H 4/1/ 2012	R ule 4-1 4/1/ 2013
AK	A ¹	N/A	N/A	A ¹	N/A	Α	A^2	A^2	A^3
AŁ	Α	Α	A^4	Α	Α	Α	Α	Α	Α
AR	Α	Α	N/A	A^5	N/A	Α	Α	Α	Α
AZ	S ⁶	S	A^7	Α	A^7	A^7	Α	Α	Α
GŦ	Α	S	A^4	Α	Α	Α	Α	Α	Α
DG	Α	Α	А	Α	Α	Α	Α	Α	Α
GA	Α	A ⁸	А	A^9	N/A	Α	Α	Α	Α
IA	Α	Α	N/A	N/A	Α	Α	Α	Α	Α
ID	Α	Α	А	Α	Α	N/A	Α	Α	Α
#	Α	A ¹⁰	A ¹¹	Α	Α	Α	Α	Α	Α
IN	S	Α	A ¹²	N/A	N/A	Α	Α	Α	Α
KS	Α	Α	A ¹³	Α	Α	Α	Α	Α	Α
MS	S ⁶	Α	А	A ¹⁴	N/A	A ¹⁵	Α	Α	Α

EXHIBIT 1B (CONT'D) BASIC MANUAL—2001 EDITION

FACT SHEET 1—PREFACE AND APPENDIX G

PREFACE TO THE BASIC MANUAL FOR WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE

(Applies in: AK, AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NH, NM, NV, OR, SC, SD, TN, VA, VT, WV)

	Rule 4-A 4/1/ 2006	Rule 4-B 4/1/ 2006	Rule 4-6 5/1/2006	Rule 4-D 7/1/ 2006	R ule 4-E 4/1/ 2010	Rule 4-F 1/1/ 2010	Rule 4-G 4/1/ 2012	R ule 4-H 4/1/ 2012	Rule 4-1 4/1/ 2013
NH	Α	Α	Α	Α	N/A ¹⁶	Α	Α	Α	Α
NM	S ¹⁷	S ¹⁷	N/A	S ¹⁷	S ¹⁷	S ¹⁷	S	S ¹⁷	Α
N∀	A ¹⁸	S	Α	Α	Α	N/A	Α	Α	Α
ΘR	S	S	A ¹¹	A ¹⁵	A ¹⁹	Α	Α	Α	Α
SC	Α	Α	Α	Α	Α	Α	Α	Α	Α
SĐ	Α	Α	A^4	Α	Α	Α	Α	Α	Α
ŦN	A^{20}	A^{20}	A^{20}	A^{20}	A ²¹	A^{20}	A^{20}	A^{20}	A^{20}
₩	A ¹⁵	S	N/A	N/A	Α	Α	Α	Α	Α
¥Ŧ	Α	Α	Α	Α	N/A ²²	Α	Α	Α	Α
₩₩	A ¹⁵	A ¹⁵	A ¹⁵	A ¹⁵	Α	Α	Α	Α	Α

Effective 10/1/2006 in AK.

² Effective 3/1/2012 in AK.

³ Effective 9/1/2013 in AK.

⁴ Effective 4/1/2006 in AL, CT, SD.

⁵ Effective 10/1/2008 in AR.

⁶ Effective 1/1/2018 in AZ, MS.

⁷ Effective 1/1/2013 in AZ.

⁸ Effective 1/1/2016 in GA.

⁹ Effective 2/1/2006 in GA.

¹⁰ Effective 1/1/2017 in IL.

¹¹ Effective 1/1/2007 in IL, OR.

¹² Effective 7/1/2006 in IN.

¹³ Effective 6/1/2006 in KS.

¹⁴ Effective 5/7/2007 in MS.

¹⁵ Effective 1/1/2009 in MS, OR, VA, WV.

¹⁶ Effective 1/1/2019 in NH.

¹⁷ Effective 7/1/2011, refer to NGCl's New Mexico Workers' Compensation Assigned Risk Pool Manual.

¹⁸ Effective 7/1/2007 in NV.

¹⁹ Effective 1/1/2011 in OR.

²⁰ Effective 7/1/2015 in TN.

EXHIBIT 1B (CONT'D)

BASIC MANUAL—2001 EDITION

FACT SHEET 1—PREFACE AND APPENDIX G

PREFACE TO THE BASIC MANUAL FOR WORKERS COMPENSATION AND EMPLOYERS

LIABILITY INSURANCE

(Applies in: AK, AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NH, NM, NV, OR, SC, SD,

TN, VA, VT, WV)

²¹ Effective 3/1/2017 in TN.

²² Effective 4/1/2018 in VT.

EXHIBIT 1C BASIC MANUAL—2001 EDITION FACT SHEET 1—PREFACE AND APPENDIX G

PREFACE TO THE BASIC MANUAL FOR WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

E. OFFICES OF THE NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC. (RESERVED FOR FUTURE USE)

1. LOCATION OF OFFICES

Headquarters

901 Peninsula Corporate Circle Boca Raton, FL 33487 Phone: 561-893-1000

2. LOCATION OF GUSTOMER SERVICE CENTERS

All states in B. of this preface, except:

FLORIDA SERVICE CENTER

901 Peninsula Gorporate Circle Boca Raton, FL 33487 Phone: 800-NCGI-123 Phone: 800-622-4123 Arkansas (Assigned Risk Only)

Independent Bureau States

ARKANSAS SERVICE GENTER

2400 Crestwood, Suite 207 North Little Rock, AR 72116 Phone: 501-753-5180 Arkansas (Assigned Risk Only)

NEW MEXICO OFFICE

The Citadel 6301 Indian School Road N.E., Suite 990 Albuquerque, NM 87110

Phone: 505-242-1330 Fax: 505-242-1032 • New Mexico (Assigned Risk Only)

EXHIBIT 1D BASIC MANUAL—2001 EDITION FACT SHEET 1—PREFACE AND APPENDIX G APPENDIX G DISPUTE RESOLUTION PROCESS

(Applies in: AK, AL, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

5. Where to Send Documents

a. Initial requests for dispute resolution services must be sent to NCCI at one of the following:

Mail:

NCCI

Dispute Resolution Services 901 Peninsula Corporate Circle Boca Raton, FL 33487-1362

Email: regulatoryassurance@ncci.comregulatoryoperations@ncci.com

Fax: 561-893-5043

b. The dispute resolution request sent to NCCI must also be sent simultaneously to all other parties to the dispute.

EXHIBIT 2—FACT SHEET

CLASSIFICATIONS TO BE REFORMATTED

PURPOSE

The proposed changes are to reformat certain classifications in Part Two—Classifications of NCCI's **Basic Manual** to simplify the display of the classifications in the manual for improved online search results. This item also updates the designation for various classifications.

BACKGROUND

Classifications to be Reformatted

There are various reasons for proposing that certain classifications be reformatted in Part Two—Classifications of NCCI's **Basic Manual**:

- Presently, when one phraseology note applies to multiple phraseologies, the phraseologies are displayed
 as a list, followed by the note. The classifications must be reformatted so that the phraseology note is
 displayed with each phraseology.
- Some phraseologies and notes do not have an associated code and only provide reference information. These phraseologies and notes must be eliminated where possible.
- Some phraseology notes need to be revised to maintain the proper context of the information when displayed on a separate Web page.
- Some redundant classification references must be eliminated.

The proposed formatting changes will improve online search results. The new structure will also allow online users to successfully search by code number or applicable phraseologies.

Reformatting will not result in the reclassification of any employers.

Part Two—Classifications—Designation Update

Classification designations are detailed in NCCI's **Basic Manual** Rule 1-D-3—Assignment of More Than One Basic Classification. This rule provides the conditions for the assignment of more than one basic classification when an employer has a specific type of operation.

- Rule 1-D-3-d—Construction or Erection Operations details that such classifications are identified by a circle symbol (•). The rule allows for each distinct type of construction or erection operation to be assigned to the classification that specifically describes the operation if separate payroll records are maintained.
- Rule 1-D-3-e—Farm Operations details that such classifications are identified by a square symbol (■).
 The rule allows for a division of payroll among the classifications for each separate and distinct type of commercial farm if separate payroll records are maintained.
- Rule 1-D-3-g—Mercantile Businesses details that such classifications are identified by a diamond symbol
 (♦). This rule applies to a store or dealer that sells goods, merchandise, or services and requires that
 classifications be assigned separately for each location.

A routine review was performed to determine whether classification designation changes are warranted. Several changes have already been made to state-specific classifications through the state item filing process. However, three national classifications and one Alaska-specific classification require an addition or revision of a designation. Specifically, it is proposed that national Code:

- 6319—Gas Main or Connection Construction & Drivers have its designation changed from mercantile to construction
- 8046—Automobile—Recycling have the mercantile designation added
- 8279—Dog Show—Kennel Employees & Drivers have its designation changed from mercantile to farm

EXHIBIT 2—FACT SHEET (CONT'D)

It is also proposed that the construction designation be added to the Alaska-specific phraseology for Code 6400—Mobile Home Windstorm Tie-Down Installation—By Specialist Contractor.

The designation additions and revisions are consistent with the designations already applicable to the other national phraseologies for the same classifications.

Part Two—Classifications—Data Tables

Effective April 1, 2009, Item B-1411—Revision to Basic Manual Introduction—Application of Manual Rules and Part Two—Classifications added a data table for each classification entry in the **Basic Manual** to provide users with information regarding effective dates, exceptions, and applicability of class codes.

NCCI recently released its *Class Look-Up* tool on **ncci.com**. This tool introduced certain functionality that renders some of the content in the *Basic Manual* obsolete because the tool includes the information that was previously provided in the data tables. As a result, references to the data tables must be eliminated.

PROPOSAL

This item proposes to:

- Reformat certain classifications in Part Two—Classifications of the Basic Manual
- Eliminate phraseologies and notes not associated with a classification code
- Revise the classification designations for national Codes 6319 and 8279; add the mercantile designation to national Code 8046; and add the construction designation to Alaska Code 6400
- · Address the removal of the reference to the data tables

Plain language changes are also recommended for some of the classifications in Exhibits 2 and 4.

IMPACT

There will be no statewide premium impact, and no changes are proposed to the loss costs or rates for any of the classifications being reformatted in this item.

ADDITIONAL STATE-SPECIFIC PROPOSALS AND IMPACTS

All state exceptions will continue to apply unless otherwise noted in the state-specific exhibits (Exhibit 4).

Alaska Proposal:

Add the construction designation to Code 6400—Mobile Home Windstorm Tie-Down Installation—By Specialist Contractor.

Alaska Impact:

There will be no statewide premium impact in Alaska as a result of the national and state-specific proposals.

Arizona Proposal:

- Eliminate the Arizona special classification phraseology and note for Concrete or Masonry—Sawing,
 Coring or Drilling and Trucking. They are not associated with a classification and should be eliminated for improved online search results.
- Reformat the Arizona special classifications for Farm (Codes 0006, 0016, 0017, 0034, 0036, and 0037) for improved online search results.

Arizona Impact:

There will be no statewide premium impact in Arizona as a result of the national and state-specific proposals.

Florida Proposal:

EXHIBIT 2—FACT SHEET (CONT'D)

- Eliminate the Florida special classification phraseologies and notes for Berry Farm and Farm—Sugarcane. They are not associated with a classification and should be eliminated for improved online search results.
- Eliminate the Florida special classification for Code 0106—Christmas Tree Harvesting Exclusively & Drivers and propose the national treatment.
- Eliminate the Florida special classifications for Refrigerator (Codes 3179 and 3076) and propose the national treatment.
- Reformat the Florida special classifications for Construction (Codes 3507, 5022, 5057, 5213, and 5403), Nursing Home (Codes 8841, 9047), Railroad Operation (Codes 7133, 7382, 8385), Refrigeration (Codes 3724, 5183, 5190, and 9519), and Wrecking (Codes 5022, 5057, 5213, 5403, 7394, 7395, and 7398) for improved online search results.
- Revise the agency name in the filed note for Codes 8841 and 9047 from the Division of Health of the Florida Department of Health and Rehabilitative Services to Agency for Health Care Administration in accordance with Chapter 400, Florida Statutes.

Florida Impact:

There will be no statewide premium impact in Florida as a result of the national and state-specific proposals.

Hawaii Proposal

Eliminate the Hawaii special classification phraseology and note for Canoe Building & Drivers. They are not associated with a classification and should be eliminated for improved online search results.

Hawaii Impact

There will be no statewide premium impact in Hawaii as a result of the national and state-specific proposals.

Idaho Proposal:

Reformat the Idaho special classifications for Farm (Codes 0037 and 0083) for improved online search results.

Idaho Impact:

There will be no statewide premium impact in Idaho as a result of the national and state-specific proposals.

Missouri Proposal:

Reformat the Missouri special classifications for Shipbuilding—Iron or Steel & Drivers (Codes 6825F and 6835) for improved online search results.

Missouri Impact:

There will be no statewide premium impact in Missouri as a result of the national and state-specific proposals.

Oregon Proposal:

- Eliminate classification phraseologies and notes in the Oregon special classifications that are not associated with a classification code.
- Reformat the Oregon special classifications for Stevedoring and Store for improved online search results.
- Eliminate Oregon special classifications for Freight Handling (Code 7350F and 7360) and propose national treatment.

Oregon Impact:

There will be no statewide premium impact in Oregon as a result of the national and state-specific proposals.

Texas Proposal:

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

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EXHIBIT 2—FACT SHEET (CONT'D)

Eliminate classification phraseologies and notes in the Texas special classifications that are not associated with a classification code.

Texas Impact:

There will be no statewide premium impact in Texas as a result of the national and state-specific proposals.

EXHIBIT 2A BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT WV)

A. NATIONAL CLASSIFICATIONS

Data tables are included to assist with determining the effective dates, exceptions, and applicability.

Refer to Part Two—Classifications, and Part Three—Special Classifications, and Part Four—Classifications Pending when applying classifications in a specific state.

Refer to the **User's Guide** for an example. Refer to the **Class Look-Up** tool on **ncci.com** for classification and all related filed content.

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE

PREFACE, AND APPENDIX G

EXHIBIT 2B BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

Apiary.

See Farm.

Boarding Houses.

See Rooming houses.

Canning or Bottling Carbonated Beverages.

See Garbonated Beverage Mfg. or Bottling.

Gartridge Mfg. or Loading.

See Explosives.

Gounty Employees NOC.

See Municipal.

Cranberry Growers.

See Farm.

Gurator.

See Public Library or Museum.

Dairy Farm Operation.

See Farm.

Dismantling of Prefabricated Dwellings.

See Wrecking.

Diving-Submarine-Not Marine Wrecking.

Refer to Rule 3-A-4.

Dry Deck Operation.

See Ship Repair or Genversion.

Dye or Dye Intermediate Mfg.

Assign to the appropriate chemical Code 4828 or 4829.

Egg or Poultry Producer.

See Farm.

Employee Leasing Risks

Refer to Rule 1-D-3-f.

Estate-Private.

See Rule 3-C.

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EXHIBIT 2B (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

Exhibition.

See Amusement Park.

Express Co.

See Trucking.

Fulfillment Centers.

See Packaging—Contract.

Games.

See Recreational Facilities.

Gardening.

See Farm.

Gas Well or Pipeline

See Oil or Gas Well.

Labor Contractor.

See Employee Leasing Risks.

Library-Public.

See Public Library.

Liquefied Petroleum Gas.

See Gas Distributing.

Livery Co.

See Limousine Co.

Lock or Dam Construction.

See Dam er Leck Construction.

Museum-Public.

See Public Library or Museum.

Nursery Persons

See Farm.

Oil Mfg.—Cottonseed

See Cottonseed Oil Mfg.

Package or Parcel Delivery.

See Trucking.

Parcel or Package Delivery.

See Trucking.

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EXHIBIT 2B (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

Paving.

See Street or Road.

Pipeline or Gas Well.

See Oil or Gas.

Poultry or Egg Producer.

See Farm.

Private Estate.

See Rule 3-C.

Projectile or Shell Mfg.

See Explosives.

Residence—Private.

See **Demestic Workers—Residences** and Rule 3-C.

Relling Mill-Iron or Steel

See Iron or Steel.

Shell or Projectile Mfg.

See Explosives.

Soundproofing.

See Insulation Work NOC.

State Employees NOC.

See Municipal.

Steel Mfg., Fabrication, or Erection.

See Iron or Steel.

Subway Construction.

Assign appropriate construction or erection classifications.

Sulphur Refining

Assign to the appropriate chemical Gode 4828 or 4829.

Tar.

See Asphalt or Tar.

Telephone Book Delivery.

See Distributing Companies.

EXHIBIT 2B (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

Temporary Labor Service.

Classify workers assigned to clients the same as direct employees of the client entity performing the same or similar duties.

Township Employee NOC.

See Municipal.

Trailer Body Mfg.-Not Home Type.

See Automobile, Bus, Truck or Trailer Body Mfg.

Trucking—Riggers

See Mebile Grane & Heisting Services.

Tube Mfg.

See Pipe or Tube Mfg.

Vegetable Oil Mfg.

See Oil Mfg.—Vegatable.

Vessel

Refer to Rule 3-A-4.

Wrecking—Marine & Salvage Operations

Refer to Rule 3-A-4.

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EXHIBIT 2C BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

4273 Mfg.—Paper or Plastic.

Paper and plastic mfg. to be separately rated.

<u>4273</u> <u>Bag Mfg.—Paper or Plastic</u>

Paper and plastic manufacturing to be separately rated.

EXHIBIT 2D BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

Beatbuilding or Repair & Drivers.

The following classifications include shop and yard work and are applicable to the construction or repair of wood, metal, fiberglass or plastic yachts, motorboats, sailboats, or rowboats not exceeding 150 feet in length overall.

6824F Goverage Under U.S. Act
6834 Goverage Under State Act only

<u>Boatbuilding or Repair & Drivers—Coverage Under State Act Only</u>

Includes shop and yard work. Applies to the construction or repair of wood, metal, fiberglass or plastic yachts, motorboats, sailboats, or rowboats not exceeding 150 feet in length overall.

6824F Boatbuilding or Repair & Drivers—Coverage Under US Act

Includes shop and yard work. Applies to the construction or repair of wood, metal, fiberglass or plastic yachts, motorboats, sailboats, or rowboats not exceeding 150 feet in length overall.

EXHIBIT 2E BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

Beat Livery-Beats Under 15 Tens.

This classification includes the laying up or putting into commission of boats. Boats 15 tons or over to be separately rated under the appropriate vessels classification.

Goverage Under Admiralty Law:

7038 Program +

7090 Program II State Act Benefits

7050 Program II—USL&HW Act Benefits

- 7038 Boat Livery—Boats Under 15 Tons—Coverage Under Admiralty Law—Program I Includes the laying up or putting into commission of boats. Boats 15 tons or over are to be separately rated to the appropriate vessels classification.
- 7090 Boat Livery—Boats Under 15 Tons—Coverage Under Admiralty Law—Program II—State
 Act Benefits

Includes the laying up or putting into commission of boats. Boats 15 tons or over are to be separately rated to the appropriate vessels classification.

7050 Boat Livery—Boats Under 15 Tons—Coverage Under Admiralty Law—Program II—USL&HW Act Benefits

<u>Includes the laying up or putting into commission of boats. Boats 15 tons or over are to be</u> separately rated to the appropriate vessels classification.

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EXHIBIT 2F BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

NATIONAL REDUNDANT PHRASEOLOGY TO BE ELIMINATED

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

Inspectors, Samplers, or Weighers of Merchandise on Vessels or Docks or Railway Stations or Warehouses.

These classifications include mending or repacking of damaged containers. Operation of warehouses to be separately rated.

8709F Goverage Under U.S. Act

8719 Goverage Under State Act only

EXHIBIT 2G BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VA, VT, WV)

2915 Plywood Mfg.

Includes veneer mfg.

2916 No Veneer Mfg.

2915 Plywood Mfg.

Includes veneer manufacturing.

2916 Plywood Mfg.—No Veneer Mfg.

EXHIBIT 2H BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

Salvage Operation

& Incidental Wrecking and Structural Work. See Wrecking. Includes clerical and salespersons at wrecking site. Also includes the handling of machinery in damaged buildings. Drivers to be separately rated as Code 8204—Building material yard.

Ne Wreeking or Any Structural Operations. Applies to the removing, sorting, reconditioning, and distributing of merchandise in damaged buildings, including incidental operations away from such buildings.

Operations—Marine:

Benefits

Goverage Under Admiralty Law:

7394 7395 7398	Program + Program II—State Act Benefits Program II—USL&HW Act Benefits
<u>5705</u> •	Salvage Operation—No Wrecking or Any Structural Operations Applies to removing, sorting, reconditioning, and distributing merchandise in damaged buildings, including incidental operations away from such buildings.
7394	Salvage Operations—Marine—Coverage Under Admiralty Law—Program I
<u>7395</u>	Salvage Operations—Marine—Coverage Under Admiralty Law—Program II—State Act Benefits
7398	Salvage Operations—Marine—Coverage Under Admiralty Law—Program II—USL&HW Act

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EXHIBIT 2I BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

Ship

6872F Cleaning—All Operations & Drivers

Repair Genversion—All Operations & Drivers. Includes shop or yard operations as well as the operation of dry docks and marine railways. Applicable only to concerns engaged in general ship repairing or conversion that are equipped to do various kinds of ship repair or conversion work and that undertake such diversified operations as a usual part of their business. Work performed on ships by other concerns shall be assigned to the manual classifications describing the work. *Refer to* Rule 3 A 4.

6872F Goverage Under U.S. Act

6882 Geverage under State Act only

Scaling:

6874F Geverage under U.S. Act
6884 Geverage under State Act only

6872F Ship Cleaning—All Operations & Drivers—Coverage Under US Act

6882 Ship Repair or Conversion—All Operations & Drivers—Coverage Under State Act Only

Includes shop or yard operations as well as the operation of dry docks and marine railways. Applies to employers that perform various kinds of general ship repair or conversion work and that undertake such diversified operations as a usual part of their business. Work by others performed on ships is to be assigned to the classifications describing the work. *Refer to Rule 3-A-4*.

6872F Ship Repair or Conversion—All Operations & Drivers—Coverage Under US Act

Includes shop or yard operations as well as the operation of dry docks and marine railways. Applies to employers that perform various kinds of general ship repair or conversion work and that undertake such diversified operations as a usual part of their business. Work by others performed on ships is to be assigned to the classifications describing the work. *Refer to Rule 3-A-4*.

6874F Ship Scaling—Coverage Under US Act

Ship Scaling—Coverage Under State Act Only

EXHIBIT 2J BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

Trucking

Truckers hauling under contract, whether for one or more individuals or concerns, shall under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification.

Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a "Trucking" classification. Refer to Rule 1-E.

Each classification includes miscellaneous employees such as terminal employees, garage employees, and repairers.

- Mail, Parcel, or Package Delivery—Under Contract With the U.S. Postal Service—All Employees & Drivers. Applies to risks engaged under contract to the U.S. Postal Service for delivery of mail involving letters, parcels, packages, sacks, pallets, and rolling containers. Includes both U.S. Postal Service contract mail delivery performed on a bulk basis as well as on an individual letter, parcel, or package basis.
- 7222 Oil Field Equipment—All Employees & Drivers
- 7230 Parcel or Package Delivery—All Employees & Drivers. Applies to risks engaged exclusively in delivery from retail stores under term contracts.

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EXHIBIT 2K BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VA, VT, WV)

7222 Trucking—Oil Field Equipment—All Employees & Drivers

Truckers hauling under contract, whether for one or more individuals or employers, must under no circumstances be classified except in accordance with the appropriate trucking classification. Includes miscellaneous employees such as terminal employees, garage employees, and repairers.

When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a trucking classification. *Refer to Rule 1-E*.

EXHIBIT 2L BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

7230 Trucking—Parcel or Package Delivery—All Employees & Drivers

Applies to employers that exclusively deliver from retail stores under term contracts. Includes miscellaneous employees such as terminal employees, garage employees, and repairers.

<u>Truckers hauling under contract, whether for one or more individuals or employers, must under no circumstances be classified except in accordance with the appropriate trucking classification.</u>

When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a trucking classification. *Refer to Rule 1-E*.

EXHIBIT 2M BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

<u>7232</u> <u>Trucking—Mail, Parcel, or Package Delivery—Under Contract With the US Postal</u> Service—All Employees & Drivers

Applies to employers under contract with the US Postal Service for delivery of mail involving letters, parcels, packages, sacks, pallets, and rolling containers. Includes US Postal Service contract mail delivery performed on both a bulk basis and an individual letter, parcel, or package basis. Includes miscellaneous employees such as terminal employees, garage employees, and repairers.

<u>Truckers hauling under contract, whether for one or more individuals or employers, must under no circumstances be classified except in accordance with the appropriate trucking classification.</u>

When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a trucking classification. *Refer to Rule 1-E*.

EXHIBIT 2N BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

9522 Upholstering.

Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Gode 9522 are conducted as a separate and distinct business. This restriction does not apply in connection with coffin or casket mfg., automobile body mfg., or furniture mfg.

9524 Away From Shop

9521 Upholstering—Away From Shop

Must not be assigned to an employer conducting operations described by another classification unless the operations subject to Code 9521 are conducted as a separate and distinct business. This restriction does not apply to coffin or casket manufacturing, automobile body manufacturing, or furniture manufacturing.

9522 Upholstering

Must not be assigned to an employer conducting operations described by another classification unless the operations subject to Code 9522 are conducted as a separate and distinct business. This restriction does not apply to coffin or casket manufacturing, automobile body manufacturing, or furniture manufacturing.

EXHIBIT 20 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

Weighers, Samplers, or Inspectors of Merchandise on Vessels or Docks or at Railway Stations or Warehouses

These classifications include mending or repacking of damaged containers. Operation of warehouses to be separately rated.

8709F Goverage Under U.S. Act
8719 Goverage Under State Act Only

8709F Weighers, Samplers, or Inspectors of Merchandise on Vessels or Docks or at Railway

Stations or Warehouses—Coverage Under US Act

<u>Includes mending or repacking of damaged containers.</u> Operation of warehouses is to be separately rated.

8719 Weighers, Samplers, or Inspectors of Merchandise on Vessels or Docks or at Railway Stations or Warehouses—Coverage Under State Act Only

<u>Includes mending or repacking of damaged containers.</u> Operation of warehouses is to be separately rated.

EXHIBIT 2P BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

6319● Gas Main or Connection Construction & Drivers*

Includes tunneling at street crossings when not performed under air pressure. All other tunneling is to be separately rated. Separately rate the construction of pipelines between natural gas producing fields and points of connection with local distributing systems. Such cross-country pipeline construction shall be must be rated as to Code 6233—Oil or gas pipeline construction. Code 7502—Gas company shall must not be assigned at the same job or location to which that Code 6319 applies.

*(**Filing Note:** Code 6319 is being revised to replace the mercantile designation with the construction designation and make plain language changes.)

EXHIBIT 2Q BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VA, VT, WV)

8046♦ Automobile—Recycling*

Applies to Sstore employees who do not engage in perform other operations and have no yard exposure.

*(**Filing Note:** Code 8046 is being revised to add the mercantile designation and make plain language changes.)

EXHIBIT 2R BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED PART TWO—CLASSIFICATIONS

(Applies in: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, WV)

8279■ Dog Show—Kennel Employees & Drivers*

*(**Filing Note**: Code 8279 is being revised to replace the mercantile designation with the farm designation.)

EXHIBIT 3—FACT SHEET

PART FOUR—CLASSIFICATIONS PENDING

PURPOSE

The proposed changes eliminate Part Four—Pending Classifications in NCCI's Basic Manual.

BACKGROUND

Part Four—Classifications Pending

Item B-1411—Revision to Basic Manual Introduction—Application of Manual Rules and Part Two—Classifications was filed effective April 1, 2009. This item added Part Four—Classifications Pending to show classifications that are:

- No longer in effect nationally but remain state specials until each state's effective date
- · Pending discontinuation until the effective date of the change or completion of a transition program

Since the implementation of Item B-1411, various upgrades have been made to improve NCCI's ability to provide classification information on **ncci.com**. This warrants a review of how the same information is presented in the online and hard copy versions of the **Basic Manual**. Most recently, NCCI released its **Class Look-Up** tool on **ncci.com**. This tool introduced certain functionality that renders some of the content in the **Basic Manual** obsolete. Specifically, the tool:

- Provides a central look-up for classifications and statistical codes, loss costs and rates, and associated code elements, such as effective and discontinued dates
- · Includes all phraseologies for each classification, by state
- Enables customers to refine their search results by user-defined criteria

As a result of implementing the *Class Look-Up* tool, the information contained in Part Four—Classifications Pending is no longer necessary and is being eliminated.

PROPOSAL

This item proposes to eliminate:

- 1. Part Four A—Classifications Pending Discontinuation
- 2. Part Four B—Classifications Pending Completion of Transition Program

IMPACT

There will be no statewide premium impact as a result of this item.

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EXHIBIT 3A BASIC MANUAL—2001 EDITION FACT SHEET 3—PART FOUR—CLASSIFICATIONS PENDING

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

A. CLASSIFICATIONS PENDING DISCONTINUATION

The classifications listed below are the previous national classification treatments that will remain in effect until each state's effective date.

Refer to Part Two—Classifications, Part Three—Special Classifications, and Part Four—Classifications Pending when applying classifications in a specific state.

1860 Abrasive Paper or Cloth Preparation

Paper or cloth mfg. to be separately rated.

4282 Beet or Shee Pattern Mfg.

Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Gode 4282 are conducted as a separate and distinct business.

6047e Dam or Lock Construction—Concrete Work—All Operations

Includes work on foundations, or the making, setting up, or taking down of forms, scaffolds, falsework, or concrete distributing apparatus. With respect to non-pneumatic caisson or non-pneumatic cofferdam operations, the appropriate caisson or cofferdam classification shall apply only to the construction, maintenance, or removal of the caisson or cofferdam. Excavation, pile driving, shaft sinking, tunneling, caisson or cofferdam work to be separately rated.

Dress Pattern Mfg.—Paper 4282

Includes designers, drafting employees, and cutters. Magazine printing to be separately rated as Code 4299—Printing.

2534 Feather or Flower Mfg.—Artificial

4361 Film Print Shops—All Employees & Clerical, Salespersons, Drivers

Includes developing and printing of film.

1741 Flint or Spar Grinding & Drivers.

Digging, mining, or quarrying to be separately rated.

- 2534 Flower or Feather Mfg. Artificial
- 4113 Glass Mfg. Cut

2534 Hair Goods Mfg.

Applies to products made from human hair.

5069 · Iron or Steel Erection Construction of Dwellings Not Over Two Stories in Height

7370 Limeusine Go.—All Other Employees & Drivers—Nonscheduled

EXHIBIT 3A (CONT'D) BASIC MANUAL—2001 EDITION

FACT SHEET 3—PART FOUR—CLASSIFICATIONS PENDING

(Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT WV)

7382 Limousine Co.—All Other Employees & Drivers—Scheduled

4853 Mica Goods Mfg. & Mica Preparing.

Mining to be separately rated.

5069● Military Reservation—Construction—Iron or Steel Erection—Not Over Two Stories in Height

Applies only to the construction or repair of buildings designed for the housing, welfare, and keep of personnel. All other operations in the construction or repair of such buildings and all other construction or repair in connection with military reservations must be assigned to appropriate classifications.

4282 Music Roll Mfg.—Perforated Paper.

Paper mfg. to be separately rated as Gode 4239.

4053 Pettery Mfg.—China or Tableware

Mining, quarrying, or clay digging to be separately rated.

4961 Pettery Mfg.—Earthenware—Glazed or Percelain—Hand Molded or Gast

Godes 4061 and 4062—Pottery mfg. porcelain ware—mechanical press forming shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses. Mining, quarrying, or clay digging to be separately rated.

1655 Quarry-Limestone-Surface & Drivers

Includes construction, repair, or maintenance of all buildings, structures, or equipment, installation of machinery; and is applicable only to surface quarries operated by lime manufacturers, provided that at least 75% of the stone quarried is used in the actual lime mfg. If more than 25% of the quarry output is used for other than lime mfg., such operations shall then be classified under Code 1624—Quarry NOC.

4282 Shee or Boot Pattern Mfg.

Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 4282 are conducted as a separate and distinct business.

4744 Silica Grinding & Drivers.

Digging, mining, or quarrying to be separately rated.

4744 Spar or Flint Grinding & Drivers.

Digging, mining, or quarrying to be separately rated.

4053 Terra-Gotta Mfg.

Applies to decorative or architectural terra-cotta. Mining, quarrying, or clay digging to be separately rated.

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 3B BASIC MANUAL—2001 EDITION FACT SHEET 3—PART FOUR—CLASSIFICATIONS PENDING (Applies in: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT WV)

B. CLASSIFICATIONS PENDING COMPLETION OF TRANSITION PROGRAM

The classifications listed below are the pending national classification changes that will become effective in the last phase of each state's transition program.

Refer to Part Two—Classifications, Part Three—Special Classifications, and Part Four—Classifications Pending when applying classifications in a specific state.

Refer to the User's Guide for an example.

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ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: AK)

6400● Mobile Home Windstorm Tie-Down Installation—By Specialist Contractor*

*(Filing Note: Code 6400 is being revised to add the construction designation.)

EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: AZ)

Concrete or Masonry—Sawing, Coring or Drilling

Applicable to specialist contractors. Assign the appropriate concrete masonry classifications that would be applicable to construction or erection.

Truckine

Truckers engaged in hauling under contract, whether for one or more individuals or concerns, shall under no circumstances be classified and rated except in accordance with the appropriate "Trucking" classification.

Exception: When trucking operations are a secondary business and conducted as a separate undertaking or enterprise, the payroll of an individual employee may be divided and allocated to other than a Trucking classification. Refer to Rule 2-G.

Each classification includes miscellaneous employees such as terminal employees, stable hands, garage employees, blacksmiths, and repairers.

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: AZ)

Farm

For the purpose of the application of applying workers compensation rates, a farm is defined as any parcel of land used for the purpose of agriculture, horticulture, viticulture, dairying, or stock or poultry raising, as a business or commercial venture. A division of payroll may be allowed for each separate and distinct type of commercial farm operation as described by the manual classifications described herein in this manual, provided that separate payroll records of payroll are maintained. In the event If the payroll records do not reveal clearly an accurate segregation in accordance with the manual classifications described herein, the entire payroll for the farm must be segregated on the basis of proportionate acreages.

Each classification includes (a) all employees, other than inside domestic workers, including drivers and (b) all normal repair and maintenance of buildings or equipment performed by the employees of the insured employer. Such aActivities such as the maintenance maintaining cows, hogs, or chickens for family use; operating a family orchard or truck garden; and raising hay or grain crop to raised for the purpose maintaining work animals on the farm must be considered usual and incidental to the operation of any type of farm.

0006 ■	Animal Raising. Applicable to raising cattle, horses, sheep, goats and to stock farms. Dairy
	farms and commercial feed lots to be separately rated.

0036 ■	Dairy	-All Employees	
0000		-AIT EM DIOTOG	•

- **Field Grops—All Employees.** Applicable to all acreage devoted to raising hay, alfalfa, all cereal grains such as wheat, barley, corn and oats, all sorghums, flax, maize, cotton, dry peas, dry beans, sugar beets and safflower.
- Gardening—Market or Truck and Vineyards—All Employees. Applicable to all table vegetables, root vegetables, berries and melons.
- 0016■ Orchard—All Employees
- **9034** Poultry or Egg Producer. Includes raising poultry, turkeys, rabbits and squab.
- 0006**■** Farm—Animal Raising

Applies to raising cattle, horses, sheep, and goats and to stock farms. Dairy farms and commercial feed lots must be separately rated.

- 0036■ Farm—Dairy—All Employees
- **0037 ■** Farm—Field Crops—All Employees

Applies to all acreage devoted to raising hay; alfalfa; all cereal grains such as wheat, barley, corn, and oats; all sorghums; flax; maize; cotton; dry peas; dry beans; sugar beets; and safflower.

- <u>0017</u>■ <u>Farm—Gardening—Market or Truck and Vineyards—All Employees</u>

 Applies to operations involving all table vegetables, root vegetables, berries, and melons.
- 0016■ Farm—Orchard—All Employees
- <u>0034</u>■ <u>Farm—Poultry or Egg Producer</u>

Includes raising poultry, turkeys, rabbits, and squab.

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: FL)

Berry Farm

See Farm.

Farm—Sugarcane

See Sugarcane plantation.

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 4 (CONT'D)

BASIC MANUAL—2001 EDITION

FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED

SPECIAL CLASSIFICATIONS

(Applies in: FL)

Christmas Tree

0106 Harvesting Exclusively & Drivers

Planting, Gultivating and Harvesting. See Farms.

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 4 (CONT'D)

BASIC MANUAL—2001 EDITION

FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED

NATIONAL CLASSIFICATION TO BE APPLICABLE

(Applies in: FL)

0106 Christmas Tree Harvesting Exclusively & Drivers

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: FL)

Construction

Elevator or Hod Hoist Installation, Repair, or Removal & Drivers. The following operations will be classified as:

- 5213 Generate or Generate Encased Buildings or Structures
- 5057 Iron or Steel Buildings or Structures
- 5022 Masonry Buildings or Structures
- **6403** Wooden Buildings or Structures Including Those Designed for Dwelling Occupancy

3507	Machinery, Dredge, or Steam Shovel Mfg. NOG
<u>5213</u> •	Construction—Elevator or Hod Hoist Installation, Repair, or Removal & Drivers—Concrete or Concrete-Encased Buildings or Structures
<u>5057</u> •	Construction—Elevator or Hod Hoist Installation, Repair, or Removal & Drivers—Iron or Steel Buildings or Structures
<u>5022</u> ●	Construction—Elevator or Hod Hoist Installation, Repair, or Removal & Drivers—Masonry Buildings or Structures
<u>5403</u> •	Construction—Elevator or Hod Hoist Installation, Repair, or Removal & Drivers—Wooden Buildings or Structures Including Those Designed for Dwelling Occupancy
<u>3507</u>	Construction Machinery, Dredge, or Steam Shovel Mfg. NOC

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: FL)

Nursing Home

9047

All Other Employees. Applicable only to nursing homes licensed by the Division of Health of the Florida Department of Health and Rehabilitative Services as skilled or intermediate nursing care facilities under Chapter 400, Florida Statutes.

Professional employees are defined as those employees who have been duly licensed or certified and include physicians, registered nurses, licensed practical nurses and directors or administrators.

8841 Professional Employees

9047 Nursing Home—All Other Employees

Applies only to nursing homes licensed by the Agency for Health Care Administration as skilled or intermediate nursing care facilities under Chapter 400, Florida Statutes. Professional employees are to be separately rated to Code 8841.

8841 Nursing Home—Professional Employees

Applies only to nursing homes licensed by the Agency for Health Care Administration as skilled or intermediate nursing care facilities under Chapter 400, Florida Statutes. All other employees are to be separately rated to Code 9047.

Professional employees are those who have been duly licensed or certified and include physicians, registered nurses, licensed practical nurses, and directors or administrators.

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: FL)

Railroad Operation.

The classifications for railroad construction and railroad operation do not contemplate coverage for insurance under the Federal Employers' Liability Act or voluntary compensation coverage for any operations subject to that Act. For such coverage, see *Rule 3-A-4*.

Street:

8385	Yard Employees
7382	All Other Employees & Drivers
7133	NOG-All Employees & Drivers. All employees connected with the operation or maintenance
	of automobile bus lines shall be rated as Code 8385 or 7382—Bus co.

7133 Railroad Operation—NOC—All Employees & Drivers

All employees connected with the operation or maintenance of automobile bus lines must be rated to Code 7382 or Code 8385.

Code 7133 does not consider coverage for insurance under the Federal Employers' Liability Act or voluntary compensation coverage for any operations subject to that Act. For such coverage, refer to Rule 3-A-4.

7382 Railroad Operation—Street—All Other Employees & Drivers

Yard employees must be separately rated to Code 8385.

Code 7382 does not consider coverage for insurance under the Federal Employers' Liability Act or voluntary compensation coverage for any operations subject to that Act. For such coverage, refer to Rule 3-A-4.

8385 Railroad Operation—Street—Yard Employees

Code 8385 does not consider coverage for insurance under the Federal Employers' Liability Act or voluntary compensation coverage for any operations subject to that Act. For such coverage, refer to Rule 3-A-4.

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: FL)

Refrigeration.

A refrigeration system is defined as "domestic" whether located in a residential or commercial setting provided it is a "reach in" refrigeration system having not more than 1/3 h.p. motor or more than 20 cubic feet capacity. All other types of refrigeration shall be considered as commercial.

	Gemme rcial:
5190 •	Cleaning, Oiling, or Adjusting & Drivers
372 4●	Installation or Repair of Compressors, Motors, or Other Machinery & Drivers
5183 •	Pipe Fitting Including the Installation of Tubing & Drivers
	Demestie:
9519	Cleaning, Oiling, or Adjusting & Drivers
9519	Installation, Service, or Repair & Drivers
5183 •	Pipe Fitting Including the Installation of Tubing & Drivers
<u>5190</u> •	Refrigeration—Commercial—Cleaning, Oiling, or Adjusting & Drivers
	A refrigeration eveter is defined as "demostic" whether legated in a residential or community

A refrigeration system is defined as "domestic" whether located in a residential or commercial setting provided it is a "reach in" refrigeration system having not more than 1/3 h.p. motor or not more than 20 cubic feet capacity. All other types of refrigeration must be considered as commercial.

3724● Refrigeration—Commercial—Installation or Repair of Compressors, Motors, or Other Machinery & Drivers

A refrigeration system is defined as "domestic" whether located in a residential or commercial setting provided it is a "reach in" refrigeration system having not more than 1/3 h.p. motor or not more than 20 cubic feet capacity. All other types of refrigeration must be considered as commercial.

5183● Refrigeration—Commercial—Pipe Fitting Including the Installation of Tubing & Drivers

A refrigeration system is defined as "domestic" whether located in a residential or commercial setting provided it is a "reach in" refrigeration system having not more than 1/3 h.p. motor or not more than 20 cubic feet capacity. All other types of refrigeration must be considered as commercial.

9519 Refrigeration—Domestic—Cleaning, Oiling, or Adjusting & Drivers

A refrigeration system is defined as "domestic" whether located in a residential or commercial setting provided it is a "reach in" refrigeration system having not more than 1/3 h.p. motor or not more than 20 cubic feet capacity. All other types of refrigeration must be considered as commercial.

9519 Refrigeration—Domestic—Installation, Service, or Repair & Drivers

A refrigeration system is defined as "domestic" whether located in a residential or commercial setting provided it is a "reach in" refrigeration system having not more than 1/3 h.p. motor or not more than 20 cubic feet capacity. All other types of refrigeration must be considered as commercial.

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ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: FL)

5183● Refrigeration—Domestic—Pipe Fitting Including the Installation of Tubing & Drivers

A refrigeration system is defined as "domestic" whether located in a residential or commercial setting provided it is a "reach in" refrigeration system having not more than 1/3 h.p. motor or not more than 20 cubic feet capacity. All other types of refrigeration must be considered as commercial.

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ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: FL)

Refrigerator Mfg.—Metal—Domestic or Commercial
3179 Manufacturing or Assembling the Refrigerating Unit
3076 All Other Operations

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: FL)

3076	Refrigerator Mfg.—Metal—Domestic or Commercial—All Other Operations
<u>3179</u>	Refrigerator Mfg.—Metal—Domestic or Commercial—Manufacturing or Assembling the Refrigerating Unit

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: FL)

Wrecking

Building or Structures—Not Marine—All Operations Includes salespersons and clerical at wrecking site. Wrecking or demolition operations shall be classified as follows:

5213	Concrete or Concrete-Encased Buildings or Structures
_	

5057 Iron or Steel Buildings or Structures

5022 Masonry Buildings or Structures

Weeden Buildings or Structures Including These Designed for Dwelling

Occupancy

Occupancy

Where wrecking or demolition involves building or structures of more than one type of construction, the highest rated classification applies.

Marine. Includes salvage operations.

Goverage Under Admiralty Law:

7394 Program +

7395 Program II—State Act Benefits

7398 Program II—USL&HW Act Benefits

Marine & Salvage Operations. Refer to Rule 3-A-4.

<u>Wrecking—Buildings or Structures—Not Marine—All Operations—Concrete or Concrete Encased Buildings or Structures</u>

Wrecking or demolition operations include salespersons and clerical at the wrecking site. Where wrecking or demolition involves buildings or structures of more than one type of construction, the highest rated classification applies.

5057 ● Wrecking—Buildings or Structures—Not Marine—All Operations—Iron or Steel Buildings or Structures

Wrecking or demolition operations include salespersons and clerical at the wrecking site.

Where wrecking or demolition involves buildings or structures of more than one type of construction, the highest rated classification applies.

5022● Wrecking—Buildings or Structures—Not Marine—All Operations—Masonry Buildings or Structures

Wrecking or demolition operations include salespersons and clerical at the wrecking site.

Where wrecking or demolition involves buildings or structures of more than one type of construction, the highest rated classification applies.

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: FL)

Wrecking—Buildings or Structures—Not Marine—All Operations—Wooden Buildings or Structures Including Those Designed for Dwelling Occupancy
 Wrecking or demolition operations include salespersons and clerical at the wrecking site.
 Where wrecking or demolition involves building or structures of more than one type of construction, the highest rated classification applies.
 Wrecking—Marine—Coverage Under Admiralty Law—Program I Includes salvage operations.
 Wrecking—Marine—Coverage Under Admiralty Law—Program II—State Act Benefits Includes salvage operations.
 Wrecking—Marine—Coverage Under Admiralty Law—Program II—USL&HW Act Benefits Includes salvage operations.

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EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: HI)

Ganee Building & Drivers

See Boatbuilding.

EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: ID)

Farm

For the purpose of the application of applying workers compensation rates, a farm is defined as any parcels of land used for the purpose of agriculture, horticulture, viticulture, dairying, or stock or poultry raising, as a business or commercial venture. A division of payroll may be allowed for each separate and distinct type of commercial farm operation as described by the classifications in this manual classifications described herein, provided that separate records of payroll records are maintained. In the event that If the payroll records do not reveal an accurate segregation in accordance with the manual classifications herein, the entire payroll of for the farm must be segregated on the basis of proportionate acreage.

Each classification includes (a) all employees, other than inside domestic workers, including drivers and (b) all normal repair and maintenance of buildings performed by the employees of the insured. Such a Activities such as the maintenance of maintaining cows, hogs, or chickens for family use; operating a family orchard or truck garden; and raising hay or grain crop raised for the purpose of to maintaining work animals on the farm must be considered usual and incidental to the operation of any type of farm.

A division of payroll is allowed for feed crop raising in conjunction with livestock raising provided separate and verifiable records are maintained. In the event that If the payroll records do not reveal an accurate segregation of payroll, the entire payroll of the livestock operation must be assigned to the highest rated classification.

- 0083■
- **Gattle or Livestock Raising NOG & Drivers.** A division of payroll is allowed between Gode 8288, 0083 and 0037 for firms that operate cattle ranching or crop raising in conjunction with feedlot operations provided verifiable records are maintained. In the event the payroll records do not reveal an accurate segregation of payroll, the entire payroll must be assigned to the highest rated classification.
- 0037■
- **Field Crops & Drivers.** A division of payroll is allowed between Gode 8288, 0083 and 0037 for firms that operate cattle ranching or crop raising in conjunction with feedlot operations provided verifiable records are maintained. In the event the payroll records do not reveal an accurate segregation of payroll, the entire payroll must be assigned to the highest rated classification.
- <u>0083</u>■ <u>Farm—Cattle or Livestock Raising NOC & Drivers</u>

A division of payroll is allowed among Codes 8288, 0083, and 0037 for employers that perform cattle ranching or crop raising in conjunction with feedlot operations, provided verifiable records are maintained. If the payroll records do not reveal an accurate segregation of payroll, the entire payroll must be assigned to the highest rated classification.

0037■ Farm—Field Crops & Drivers

A division of payroll is allowed among Codes 8288, 0083, and 0037 for employers that perform cattle ranching or crop raising in conjunction with feedlot operations, provided verifiable records are maintained. If the payroll records do not reveal an accurate segregation of payroll, the entire payroll must be assigned to the highest rated classification.

EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: MO)

Shipbuilding-Iron or Steel & Drivers

Applies to commercial hulls with engines of 3,000 horsepower or more, and barges not less than 190 feet in length. Includes fabrication or assembling of ship plates or frames, all yard operations, and shops directly connected with the construction of hulls. Subject to Rule 1–E, the following classes and no others are available for use in connection with this class:

6825F Goverage Under U.S. Act

6835 Goverage Under State Act Only

3620 Boilermaking

3081 Foundry-Ferrous-NOG

3085 Foundry—Nonferrous

3632 Machine Shop

(other than maintenance machine shop)

6835 Shipbuilding—Iron or Steel & Drivers—Coverage Under State Act Only

Applies to commercial hulls with engines of 3,000 horsepower or more, and barges not less than 190 feet in length. Includes fabrication or assembling of ship plates or frames, all yard operations, and shops directly connected with the construction of hulls. Subject to Rule 1-E, the following classifications and no others are available for use in connection with this classification:

- 3620 Boilermaking
- 3081 Foundry—Ferrous—NOC
- 3085 Foundry—Nonferrous
- **3632** Machine Shop—not applicable to maintenance machine shop

6825F Shipbuilding—Iron or Steel & Drivers—Coverage Under US Act

Applies to commercial hulls with engines of 3,000 horsepower or more, and barges not less than 190 feet in length. Includes fabrication or assembling of ship plates or frames, all yard operations, and shops directly connected with the construction of hulls. Subject to Rule 1-E, the following classifications and no others are available for use in connection with this classification:

- 3620 Boilermaking
- 3081 Foundry—Ferrous—NOC
- 3085 Foundry—Nonferrous
- **3632** Machine Shop—not applicable to maintenance machine shop

EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: OR)

Air-Conditioning—Vehicles

See Automobile.

Alcoholic Treatment Centers

See Hospitals.

Bar, Lounge or Tavern & Drivers

See Restaurant.

Binge Parlers

See Casino: includes bingo parlors.

Cafeteria

See Hospitals, Hotel, Schools or Restaurant.

Gaterer & Drivers

See Restaurant.

Concrete

See additional applications of Concrete in Part Two pages.

Generate or Gement Distributing Tower-Installation, Repair or Removal

See Crane, Construction Elevator, and Gement Distributing Tower Erection: Includes Hod Hoists.

Dance Hall—All Operations & Drivers

See Restaurant.

Feed, Fertilizer, Hay, or Grain Dealer

See Farm, Supply dealer.

Fertilizer, Feed, Hay, or Grain Dealer

See Farm, Supply dealer.

Florist & Drivers

See Greenhouse.

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: OR)

Fruit Packing

See Farm.

Gaming Center

See Casino: includes bingo parlors.

Gardenina

See Farm.

Gaseline or Oil Dealer & Drivers

See Automobile Notes 5 and 6.

Grain, Feed, Fertilizer or Hay Dealer

See Farm, Supply dealer.

Halfway House

See Hospitals.

Hay, Grain, Feed or Fertilizer Dealer

See Farm, Supply dealer.

Heating Systems

See Air-conditioning.

Hed Heist-Installation, Repair or Removal

See Grane, construction elevator, and cement distributing tower erection: includes hod hoists.

Homemaker Service

See Domestic-

Molding or Planing Mill-

See Lumber.

Motel, Motor Court, Tourist Court, or Cabin—All Employees & Salespersons

See Hotel.

Nursery & Drivers

See Greenhouse.

Oil or Gasoline Dealer & Drivers

See Automobile Notes 5 and 6.

Oyster Raising

See Farm.

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: OR)

Packing House, Butchering or Slaughtering—All Operations

See Meat, fish or poultry.

Planing or Molding Mill-

See Lumber.

Poultry Processors

See Meat, fish or poultry.

Refrigeration Systems

See Air-conditioning.

Rescue Mission

See Hospitals.

Rubber Tire Dealer—Retail & Drivers

See Automobile.

Sash, Door, or Assembled Millwork Dealer & Drivers

See Lumberyard—New or Used Materials.

Sawmill

See Lumber Manufacturing.

Seafood Processors

See Meat, fish or poultry.

Seed Merchant

See Farm—Field crops.

Shelter—Temporary

See Hospitals.

Slash Piling or Burning & Drivers

See Logging and Reforestation.

Slaughtering

See Meat, fish or poultry.

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: OR)

State Agencies

See SAIF—Special Classifications.

Tire Dealer-Retail & Drivers

See Automobile Rubber tire dealer retail & drivers.

Towing Operation—Vehicles

See Automobile.

Veneer Manufacturing

See Plywood manufacturing.

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: OR)

Stevedoring

See additional applications of Freight handling and Stevedoring in Part Two pages.

Automobile/Vehicle Loading or Unloading

Freight Handling NOG

7360 Goverage Under State Act Only.

Applies to contract handling of automobiles or vehicles outside of a longshore dock area.

7350F Goverage Under U.S. Act.

Applies to prior loading or unloading or subsequent handling of automobiles or vehicles in the dock area.

7317F Stevedoring by Hand or Hand Trucks Exclusively.

Also applies to loading or unloading of vehicles to and from shipboard.

7219 Trucking—NOC—All Employees & Drivers.

Applies to contract hauling of automobiles or vehicles on public roads.

7360 Automobile or Vehicle Loading or Unloading—Coverage Under State Act Only

Applies to contract handling of automobiles or vehicles outside of a longshore dock area.

7350F Automobile or Vehicle Loading or Unloading—Coverage Under US Act

Applies to prior loading or unloading or subsequent handling of automobiles or vehicles in the dock area.

7317F Stevedoring by Hand or Hand Trucks Exclusively

Also applies to loading or unloading of vehicles to and from shipboard.

7219 Trucking—NOC—All Employees & Drivers

Applies to contract hauling of automobiles or vehicles on public roads.

EXHIBIT EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED NATIONAL CLASSIFICATIONS TO BE APPLICABLE (Applies in: OR)

7360 Freight Handling NOC—Coverage Under State Act Only

Code 7350F and Code 7360 include freight checkers. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification.

7350F Freight Handling NOC—Coverage Under U.S. Act

Code 7350F and Code 7360 include freight checkers. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification.

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: OR)

Store

	See Meat, fish or poultry; and for additional applications for store operations, see Part Two pages.
8017 ♦	Book, Record, Compact Disc, Software, Video or Audio Cassette—Retail
8017 ♦	Drug—Retail
8018♦	Vegetable or Fruit—Wholesale. See Gode 6504 for risks processing fresh fruit and vegetables by cleaning, sorting, peeling, slicing, dicing, chopping, grating, and packaging, and selling to others on a wholesale basis.
<u>8017</u> ♦	Store—Book, Record, Compact Disc, Software, Video, or Audio Cassette—Retail
<u>8017</u> ♦	Store—Drug—Retail
<u>8018</u> ♦	Store—Vegetable or Fruit—Wholesale

See Code 6504 for employers processing fresh fruit and vegetables by cleaning, sorting, peeling, slicing, dicing, chopping, grating, and packaging, and selling to others on a wholesale basis.

EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: TX)

Chemical Plants

See "Petrochemical Plants."

Clearing Existing Right of Way

See "Transmission Line Clearing."

Demolition of Buildings or Structures

See "Wrecking or Demolition."

Diving—Submarine—Not Marine Wrecking

Refer to Basic Manual Rules.

Gas Pipeline Construction

See "Oil or Gas Pipeline Construction."

Golf Course—Not Miniature—Public or Private

See "Club Country."

House Moving

See "Building Raising or Moving."

Package or Parcel Delivery

See "Trucking."

Parcel or Package Delivery

See "Trucking."

Piane Stores

See "Store Furniture."

Soundproofing

See "Insulation Work NOC."

Steel Mfg. Fabrication or Erection

See "Iron or Steel."

Subway Construction

Assign appropriate construction or erection classifications.

Tar

See "Asphalt or Tar."

Tube Mfg.

See "Pipe or Tube."

EXHIBIT 4 (CONT'D) BASIC MANUAL—2001 EDITION FACT SHEET 2—CLASSIFICATIONS TO BE REFORMATTED SPECIAL CLASSIFICATIONS (Applies in: TX)

Underpinning Buildings or Structures

See "Building Raising or Moving."

Vegetable Oil Mfg.

See "Oil Mfg. Vegetable."

Wrecking—Marine

Refer to Vessels.

ITEM B-1440—REVISIONS TO THE BASIC MANUAL, INCLUDING REFORMATTING, THE PREFACE, AND APPENDIX G

EXHIBIT 4 BASIC MANUAL—2001 EDITION FACT SHEET 1—PREFACE AND APPENDIX G PREFACE TO THE BASIC MANUAL FOR WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE (Applies in: VA)

A. ORGANIZATION OF MANUAL

This manual has three parts:

Part One—Rules

Part Two—Classifications

Part Three Loss Costs, Rates and State Exceptions

Refer to Part Three for Rates, State Special Rules, and Special Classifications in conjunction with applying Parts One and Two in a specific state.