

## Report on Aircraft Industry Ticket Sellers and Information Clerks Study

Excerpt from the WCIRB Classification and Rating Committee Minutes  
January 22, 2019

### **About this Report**

The WCIRB prepares and presents reports to the WCIRB's Classification and Rating Committee to assist in the formulation of proposed changes to the Insurance Commissioner's regulations. Once adopted by the Classification and Rating Committee, the recommendations contained in the report are provided to the WCIRB Governing Committee and may be included in a WCIRB regulatory filing that is submitted to the Insurance Commissioner for approval.

### **About the WCIRB**

The WCIRB is California's trusted, objective provider of actuarially-based information and research, advisory pure premium rates, and educational services integral to a healthy workers' compensation system. Learn more at [www.wcirb.com](http://www.wcirb.com).

**Notice**

This Report was developed by the Workers' Compensation Insurance Rating Bureau of California (WCIRB) to assist in the formulation of proposed changes to the Insurance Commissioner's regulations. The WCIRB has made reasonable efforts to ensure the accuracy of this Report. You must make an independent assessment regarding the use of this Report based upon your particular facts and circumstances.

© 2019 Workers' Compensation Insurance Rating Bureau of California. All rights reserved.

No part of this work may be reproduced or transmitted in any form or by any means, electronic or mechanical, including, without limitation, photocopying and recording, or by any information storage or retrieval system without the prior written permission of the Workers' Compensation Insurance Rating Bureau of California (WCIRB), unless such copying is expressly permitted in this copyright notice or by federal copyright law. No copyright is claimed in the text of statutes and regulations quoted within this work.

Each WCIRB member company, including any registered third party entities, (Company) is authorized to reproduce any part of this work solely for the following purposes in connection with the transaction of workers' compensation insurance: (1) as necessary in connection with Company's required filings with the California Department of Insurance; (2) to incorporate portions of this work, as necessary, into Company manuals distributed at no charge only to Company employees; and (3) to the extent reasonably necessary for the training of Company personnel. Each Company and all agents and brokers licensed to transact workers' compensation insurance in the state of California are authorized to physically reproduce any part of this work for issuance to a prospective or current policyholder upon request at no charge solely for the purpose of transacting workers' compensation insurance and for no other purpose. This reproduction right does not include the right to make any part of this work available on any website or any form of social media.

Workers' Compensation Insurance Rating Bureau of California, WCIRB, WCIRB California, WCIRB Connect, WCIRB Inquiry, WCIRB CompEssentials, X-Mod Direct, eSCAD, Comprehensive Risk Summary, X-Mods and More and the WCIRB California logo (WCIRB Marks) are registered trademarks or service marks of the WCIRB. WCIRB Marks may not be displayed or used in any manner without the WCIRB's prior written permission. Any permitted copying of this work must maintain any and all trademarks and/or service marks on all copies.

To seek permission to use any of the WCIRB Marks or any copyrighted material, please contact the WCIRB at [customerservice@wcirb.com](mailto:customerservice@wcirb.com).

## **Aircraft Industry Ticket Sellers and Information Clerks Study**

**7403, Aircraft Operation – scheduled passenger or cargo air carriers – not members of the flying crew**

**7428(1), Aircraft Operation – other than agricultural or scheduled air carriers – not members of the flying crew – N.O.C.**

**7428(2), Aircraft Operation – flight schools and pilot training – not members of the flying crew**

**7429, Airport Operators – all employees – including field or hangar instructors**

### **Introduction**

The WCIRB performed a review of select *Aircraft Operation* Industry Group classifications as well as Classification 7429, *Airport Operators*, to evaluate the procedures for classifying employees who are not part of the flying crew and perform ticket sales and information clerk operations at airport locations. Currently, identical footnotes in Classifications 7403, *Aircraft Operation – scheduled passenger or cargo air carriers*, 7428(1), *Aircraft Operation – other than agricultural or scheduled air carriers*, 7428(2), *Aircraft Operation – flight schools and pilot training*, and 7429, *Airport Operators*, direct that employees who operate as ticket sellers or information clerks shall be separately classified as Classification 8810, *Clerical Office Employees*. WCIRB staff analyzed the operations performed by these employees in order to determine if the current classification procedure remains appropriate.

### **Description of Operations**

#### *Aircraft Operations*

Classification 7403 applies to the ground operations of commercial airlines engaged in the air transport of passengers or cargo on a scheduled basis. Ground operations include but are not limited to loading and unloading baggage and freight; assisting passengers with boarding and disembarking the aircraft; and aircraft fueling, service and repair. This classification also applies to ground operations by aircraft operators that operate scheduled air routes on a contract basis.

Classification 7428(1) applies to the ground operations of employers engaged in aircraft operations not more specifically described by another *Aircraft Operation* Industry Group classification, including but not limited to charter passenger or cargo air transport; air ambulance services; air freight services (nonscheduled); aerial firefighting; aerial exhibitions; aerial patrol; aerial advertising, skywriting, sightseeing and survey work; aerial log lifting and transport; and aerial news reporting. Classification 7428(2) applies to the ground operations of employers that provide flight instruction or training. Ground operations for Classifications 7428(1) and 7428(2) include but are not limited to aircraft fueling, service and repair, and may include loading and unloading baggage and freight and assisting passengers with boarding and disembarking the aircraft.

In addition to the ground operations described above, employers that perform aircraft operations also retain non-flying crew employees who perform various customer service duties that are integral to the overall aircraft operations. These integral operations include but are not limited to gate attendant operations; assisting passengers with ticket information, flight changes and sales; and checking in customers and baggage. Some of these listed duties are more prevalent for certain employers, but could occur to varying degrees for employers assigned to each of these classifications.

#### *Airport Operators*

Classification 7429 applies to all operations of airports, including but not limited to tower communications, facility or grounds maintenance, aircraft fueling or repair, and airport parking and security, and may also include additional customer service duties such as ticket agent and gate attendant operations.

In addition to the operations described above, employers that operate airports may also retain employees who perform various customer service duties that are integral to the overall airport operations. These integral operations include but are not limited to loading or unloading baggage and freight; assisting passengers with boarding and disembarking the aircraft; assisting with flight information and scheduling;

and completing sales transactions. These operations will vary based on the size of the airport as well as whether other entities conduct operations at the airport location. For example, employees of larger airports are less likely to load or unload baggage from aircraft because other entities will be performing these operations, whereas employees of smaller, regional airports may load or unload baggage as a service to customers.

### **Classification Analysis**

#### *Ticket Sellers and Information Clerks*

Each of the classifications described above contains an identical footnote directing that ticket sellers or information clerks shall be separately classified as 8810, *Clerical Office Employees*. However, confusion exists regarding the classification applicable to ticket sellers and information clerks and similar customer service representatives who perform non-clerical work outside of a clerical office space in public areas at airports.

Historically, airline tickets were available for purchase at airports as well as at locations away from the airport. Ticket sellers were retained at non-airport locations to conduct ticket sales transactions and provide scheduling and booking information to prospective travelers. As technology evolved, the need to purchase airline tickets and receive booking or flight information at locations away from the airport became unnecessary. Purchasing airline tickets and obtaining flight information are now generally performed in real time over the internet or at airport kiosks. Nevertheless, walk-up customers can still purchase airline tickets from employees at airports, such as when customers need to change flights.

Classification 8810, *Clerical Office Employees*, is a *Standard Exception* classification and is intended to apply only to employees who are engaged exclusively in clerical office activities, performing no other type of duties for the employer, and who work in a clerical office location.<sup>1</sup> Selling tickets to passengers at an airport counter is not a clerical office duty that comports with the definition of *Clerical Office Employees*. In addition, most ticket sales employees also perform other duties integral to aircraft or airport operator operations, such as checking in and handling luggage or gate attendant duties. These operations also fall outside the definition of *Clerical Office Employees*. Similarly, information clerks interact with passengers and airport visitors outside of a clerical workspace, in public areas at airports, and often perform other non-clerical tasks integral to aircraft or airport operations. Thus, these customer-facing ticket sellers and information clerks are not *Standard Exception Employees* and should be included in the appropriate ground crew aircraft operation or airport operator classification.

However, aircraft and airport operators also retain clerical office employees who perform clerical duties and work in clerical office locations and, therefore, do meet the definition of a *Clerical Office Employee*. These *Standard Exception Employees* will remain assignable to Classification 8810, *Clerical Office Employees*.

#### *Other Proposed Changes to Classification 7429*

Classification 7429 includes a descriptive phrase stating that field or hangar instruction is specifically included in the classification. However, a review of WCIRB Classification Inspection Reports found that these operations are not commonly performed by airport operators.<sup>2</sup> This inclusion also conflicts with footnotes in Classification 7429 directing that in-flight instructors and instructors who are not members of the flying crew shall be separately classified. Therefore, this descriptive phrase should be removed from the Classification 7429 phraseology. The directive footnotes stating that instructors are to be separately classified also disqualifies Classification 7429 as an *all employees*<sup>3</sup> classification and, therefore, *all employees* should also be removed from the phraseology.

---

<sup>1</sup> See USRP, Part 3, Section III, Rule 4, *Standard Exceptions*.

<sup>2</sup> Only one Inspection Report assigning Classification 7429 included "field or hangar instruction" as part of the operations. However, when contacted, the policyholder advised that outside of employee training no field or hangar instruction operations are performed.

<sup>3</sup> If a classification carries a descriptive phrase beginning with *all*, as in the expression *all employees*, *all other employees*, *all operations*, and *all work to completion*, division of payroll shall not be made for any employee or operations (other than the Standard Exceptions or General Exclusions), without regard to the location of such operations, except for an operation not incidental to and not usually associated with the enterprise described by such classification. See Part 3, Section 2, Rule 1, *All*.

## Impact Analysis

The WCIRB is unable to perform any statistical analysis showing the impact of reassigning ticket sellers and information clerks from Classification 8810 to the applicable aircraft operations or airport operator classification because this data cannot be segregated from that of other Classification 8810 operations. In addition, it is unclear to what extent insurers have assigned ticket sellers and information clerks at California airport locations to Classification 8810, or concluded that nonclerical exposures disqualify these employees from Classification 8810.

## Classification History

Below is a timeline of the relevant significant changes to the scope and application of the classifications discussed in this study:

- **Pre-1940:** Classifications 7403, *Aircraft Terminal Operation – Non-flying mechanics, hangar, shop or field employees*, 7429, *Airport Operators – all employees*, and 7410, *Aircraft Operation – agricultural – all employees other than members of the flying crew*, were established.
- **1940:** The National Council on Compensation Insurance, Inc. (NCCI) amended Classification 7403, *Aircraft Operations*, to state that ticket sellers and information clerks should be separately classified. The original proposal was to assign ticket sellers and information clerks to Classification 8017, *Stores – retail – N.O.C.*; however, the final wording “ticket sellers or information clerks shall be separately rated” assigned no specific classification.
- **1941:** The Classification and Rating Committee adopted the NCCI’s proposed amendment to Classification 7403, but directed that “ticket sellers or information clerks shall be separately rated as Classification 8810, *Clerical Office Employees*.”
- **1947:** The NCCI amended Classification 7403 to assign ticket sellers and information clerks to Classification 8810.
- **1957:** Classification 7411, *Aircraft Operation – Supplemental Air Carriers – All employees other than members of the flying crew*, was established.
- **1981:** The NCCI adopted changes to the assignment of ticket sellers and information clerks located at airports, reassigning them from Classification 8810, *Clerical Office Employees*, to the applicable air carrier or airport classification. It was noted that these employees normally handle baggage, which is not considered a clerical function. At the April 7, 1981 meeting, the Classification and Rating Committee discussed the NCCI’s proposed amendments regarding ticket sellers and information clerks and decided not to adopt the NCCI’s proposal.

## Other Jurisdictions

California’s *Aircraft Operation* Industry Group classifications and airport operator classification overlap with, but do not completely correspond to, aircraft operation and airport operator classifications in other jurisdictions. California remains the only jurisdiction that assigns ticket sellers and information clerks who operate at airport locations to Classification 8810.

The NCCI, Minnesota and New York direct that airport operators and ground operations related to all aircraft operations<sup>4</sup> are assignable to Classification 7403, *Aviation – Patrol, Photography, Mapping, or Survey Work – All Other Employees & Drivers*. Pennsylvania and Delaware assign these operations to Classification 7428, *Airport Operation – ground employees*. Employees assigned to these classifications include but are not limited to maintenance and service personnel, cargo and baggage handlers, security personnel, and ticket sellers or information clerks at airports.

Other jurisdictions that do not assign ticket sellers and information clerks at airports to Classification 8810, *Clerical Office Employees*, retain a footnote which states that ticket sellers and information clerks who operate away from airport locations shall be separately rated as 8810. California aircraft and airport operator classifications state that ticket sellers and information clerks shall be separately classified as 8810, *Clerical Office Employees*, regardless of location.

---

<sup>4</sup> The personnel may be employed by scheduled air carriers, commuter air carriers, supplemental air carriers, or any other commercial aviation operators, including helicopter services.

There is not a consistent national approach to classifying non-flying crew operations performed by aircraft operators and airport operators; however, California classification procedures will more closely align with those of other jurisdictions if the footnotes which direct that ticket sellers or information clerks shall be separately classified as 8810, *Clerical Office Employees*, are eliminated.

## Findings

Based on staff's review, the WCIRB determined:

1. The majority of aircraft operators continue to retain ticket sellers and information clerks; however, these employees also perform other customer service activities, including but not limited to loading and gate operations; assisting passengers with boarding and disembarking the aircraft; assisting passengers with ticket information; and checking baggage. These operations are integral to the aircraft operations and fall outside the definition of *Clerical Office Employees* for assignment to Classification 8810.
2. Some airport operators retain ticket sellers and information clerks; however, selling tickets or advising passengers at an airport counter or other workspace outside of a clerical office is not a clerical office duty that comports with the definition of *Standard Exception Employees*. These employees may also perform other customer service activities, including but not limited to loading or unloading baggage and freight; assisting passengers with boarding and disembarking the aircraft; assisting with flight information and scheduling; and completing sales transactions which are integral to the airport operations and fall outside the definition of *Clerical Office Employees* for assignment to Classification 8810.
3. Assisting passengers with boarding and disembarking the aircraft, ticket information and sales; checking baggage; and gate attendant operations are integral non-flying crew aircraft operations that comport with Classifications 7428(1), *Aircraft Operation – other than agricultural or scheduled air carriers*, 7428(2), *Aircraft Operation – flight schools and pilot training*, and 7403, *Aircraft Operation – scheduled passenger or cargo air carriers*.
4. Loading or unloading baggage and freight; assisting passengers with boarding and disembarking the aircraft; assisting with flight information and scheduling; and completing sales transactions are integral non-flying crew airport operations that comport with Classification 7429, *Airport Operators*.
5. The descriptive phrases *all employees* and *including field or hangar instructors* are no longer needed in Classification 7429, *Airport Operators – all employees – including field or hangar instructors*.

## Recommendations

Based on these findings, the WCIRB recommends the following:

1. Amend Classification 7403, *Aircraft Operation – scheduled passenger or cargo air carriers – not members of the flying crew*, to remove the footnote assigning ticket sellers and information clerks to Classification 8810, *Clerical Office Employees*, and clarify that gate and ticket counter personnel at airports and ground operations such as assisting passengers with ticket information or checking in baggage are included in the classification.
2. Amend Classification 7428(1), *Aircraft Operation – other than agricultural or scheduled air carriers – not members of the flying crew*, to remove the footnote assigning ticket sellers and information clerks to Classification 8810, *Clerical Office Employees*, and clarify that gate and ticket counter personnel at airports and ground operations such as loading and unloading baggage or freight; assisting passengers with boarding or disembarking the aircraft; and assisting passengers with ticket information or checked baggage are included in the classification.
3. Amend Classification 7428(2), *Aircraft Operation – flight schools and pilot training – not members of the flying crew*, to remove the footnote assigning ticket sellers and information clerks to Classification 8810, *Clerical Office Employees*, and clarify that gate and ticket counter personnel at airports and ground operations such as loading or unloading baggage or freight; assisting passengers with boarding or disembarking the aircraft; and assisting passengers with ticket information or checked baggage are included in the classification.

4. Amend Classification 7429, *Airport Operators*, to remove the footnote assigning ticket sellers and information clerks to Classification 8810, *Clerical Office Employees*; remove the descriptive phrases *all employees* and *including field or hangar instructors*; and clarify that gate and ticket counter personnel at airports and ground operations such as loading or unloading baggage or freight; assisting passengers with boarding or disembarking the aircraft; assisting customers with flight information or scheduling; completing sales transactions; and aircraft servicing operations are included in the classification.

**Recommendation**

Amend Classification 7428(2), *Aircraft Operation – flight schools and pilot training – not members of the flying crew*, which is part of the *Aircraft Operation* Industry Group, to remove the footnote assigning ticket sellers and information clerks to Classification 8810, *Clerical Office Employees*, and clarify its application.

PROPOSED

**AIRCRAFT OPERATION**

**AIRCRAFT OPERATION – flight schools and pilot training – not members of the flying crew – including gate and ticket counter personnel at airports – 7428(2)**

This classification applies to the ground operations of employers that provide flight instruction or training. Ground operations include but are not limited to loading or unloading baggage or freight; assisting passengers with boarding or disembarking the aircraft; assisting passengers with ticket information or checking baggage; and aircraft fueling, service ~~and~~ repair.

~~Ticket sellers or information clerks shall be separately classified as 8810, *Clerical Office Employees*.~~

Instructors who are not members of the flying crew shall be separately classified as 8868, *Colleges or Schools – private – not automobile schools – professors, teachers or academic professional employees*.

Also refer to companion Classification 7424(2), *Aircraft Operation – flight schools and pilot training – members of the flying crew*.

\* \* \* \* \*

**Recommendation**

Amend Classification 7428(1), *Aircraft Operation – other than agricultural or scheduled air carriers – not members of the flying crew*, which is part of the *Aircraft Operation* Industry Group, to remove the footnote assigning ticket sellers and information clerks to Classification 8810, *Clerical Office Employees*, and clarify its application.

PROPOSED

**AIRCRAFT OPERATION**

**AIRCRAFT OPERATION – other than agricultural or scheduled air carriers – not members of the flying crew – including gate and ticket counter personnel at airports – N.O.C. – 7428(1)**

This classification applies to the ground operations of employers engaged in aircraft operations not more specifically described by another *Aircraft Operation* Industry Group classification, including but not limited to charter passenger or cargo air transport; air ambulance services; air freight services (nonscheduled); aerial firefighting; aerial exhibitions; aerial patrol; aerial advertising, skywriting, sightseeing ~~and~~ survey work; aerial log lifting and transport; and aerial news reporting. Ground operations include but are not limited to loading or unloading baggage or freight; assisting passengers with boarding or disembarking the aircraft; assisting passengers with ticket information or checking baggage; and aircraft fueling, service ~~and~~ repair.

This classification also applies to the operating crew of Unmanned Aircraft Systems (aerial drones) with an aircraft system and payload total combined weight of 55 pounds or heavier used for other than agricultural operations, in accordance with the General Exclusions rule. See Section III, Rule 6, *General Exclusions*.

The operating crew of Unmanned Aircraft Systems (aerial drones) with a total combined weight of 55 pounds or heavier used for agricultural operations, including but not limited to dusting, spraying or seeding, shall be separately classified as 7410, *Aircraft Operation – agricultural – dusting, spraying or seeding – not members of the flying crew*, in accordance with the General Exclusions rule. See Section III, Rule 6, *General Exclusions*.

The operating crew of Unmanned Aircraft Systems (aerial drones) with a total combined weight of less than 55 pounds shall be classified in accordance with Section III, Rule 5, *General Inclusions*.

The shop repair of Unmanned Aircraft Systems (aerial drones) with a total combined weight of 55 pounds or heavier by the manufacturer shall be classified as 3830(2), *Unmanned Aircraft System Mfg.*

The repair of Unmanned Aircraft Systems (aerial drones) with a total combined weight of 55 pounds or heavier on a fee basis, or repair work performed by the manufacturer away from shop shall be classified as 7428(3), *Aircraft Remanufacture, Conversion, Modification and Repair Companies*.

Unmanned Aircraft Systems (aerial drones) operating crew members working remotely from an office location with no exposure outside of the clerical office shall be classified as 8810, *Clerical Office Employees*, subject to the Standard Exceptions rule. See Section III, Rule 4, *Standard Exceptions*.

~~Ticket sellers or information clerks shall be separately classified as 8810, *Clerical Office Employees*,~~ instructors who are not members of the flying crew shall be separately classified as 8868, *Colleges or Schools – private – not automobile schools – professors, teachers or academic professional employees*, and ground photographic laboratory employees shall be separately classified as 4361(1), *Photographers*.

Also refer to companion Classification 7424(1), *Aircraft Operation – other than agricultural or scheduled air carriers – members of the flying crew*.

\* \* \* \* \*

**Recommendation**

Amend Classification 7403, *Aircraft Operation – scheduled passenger or cargo air carriers – not members of the flying crew*, which is part of the *Aircraft Operation* Industry Group, to remove the footnote assigning ticket sellers and information clerks to Classification 8810, *Clerical Office Employees*, and clarify its application.

PROPOSED

**AIRCRAFT OPERATION**

**AIRCRAFT OPERATION – scheduled passenger or cargo air carriers – not members of the flying crew – including gate and ticket counter personnel at airports 7403**

This classification applies to the ground operations of commercial airlines engaged in the air transport of passengers or cargo on a scheduled basis. Ground operations include but are not limited to loading and/or unloading baggage and/or freight; assisting passengers with boarding

~~and~~ disembarking the aircraft; assisting passengers with ticket information or checking baggage; and aircraft fueling, service ~~and~~ repair. This classification also applies to ground operations in support of airlines or aircraft operators that operate scheduled air routes on a contract basis.

Ground operations in support of passenger or cargo air transport on a charter basis shall be classified as 7428(1), *Aircraft Operation – other than agricultural or scheduled air carriers – not members of the flying crew.*

~~Ticket sellers or information clerks shall be separately classified as 8810, *Clerical Office Employees.*~~

Also refer to companion Classification 7405, *Aircraft Operation – scheduled passenger or cargo air carriers – members of the flying crew.*

\* \* \* \* \*

### **Recommendation**

Amend Classification 7429, *Airport Operators*, to remove the footnote assigning ticket sellers and information clerks to Classification 8810, *Clerical Office Employees*, and clarify its application.

### PROPOSED

#### **AIRPORT OPERATORS – all employees – including field or hangar instructors, gate and ticket counter personnel at airports 7429**

This classification applies to ~~all~~ the ground operations of airport operators, including but not limited to tower communications; facility or grounds maintenance; loading or unloading baggage or freight; assisting passengers with boarding or disembarking the aircraft; assisting customers with flight information or scheduling; completing sales transactions; aircraft fueling, service or repair; and airport parking; ~~and~~ airport security.

~~Ticket sellers or information clerks shall be separately classified as 8810, *Clerical Office Employees.*~~

Instructors who are not members of the flying crew shall be separately classified as 8868, *Colleges or Schools – private – not automobile schools – professors, teachers or academic professional employees.*

In-flight instructors or other members of the flying crew shall be separately classified.

\* \* \* \* \*