

Classification and Rating Committee

Meeting Minutes

Date	Time	Location	Staff Contact
June 2, 2020	9:45 AM	Webinar Teleconference	Brenda Keys
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Released: June 8, 2020

Members:

Insurance Company of the West
National Union Fire Insurance Company of Pittsburgh PA
Preferred Employers Insurance Company
Security National Insurance Company
State Compensation Insurance Fund
WCF National Insurance
Zenith Insurance Company

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Ellen Sonkin
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Matt Zender
Gregory Hanel
Christine Closser
Sarah Elston

California Department of Insurance

Patricia Hein
Brentley Yim

WCIRB

Brenda Keys, Chair
Bill Mudge
David Bellusci
Brian Gray
Tony Milano
Eric Riley

The meeting of the Classification and Rating Committee was called to order at 9:45 AM followed by a reminder of applicable antitrust restrictions, with Ms. Brenda Keys, Senior Vice President and Chief Legal Officer, presiding.

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Approval of Minutes

The Minutes of the teleconference meeting held on April 14, 2020 were distributed to the Committee members in advance of the meeting for review. As there were no corrections to the Minutes, a motion was made, seconded and unanimously approved to adopt the Minutes as written.

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Item III-A Clerical Telecommuter Employees

Staff reminded the Committee that, at the April 14, 2020 meeting, Committee members noted that several other jurisdictions maintain a specific classification for telecommuters and recommended that the WCIRB consider establishing a similar classification so that statistical data can be captured for clerical telecommuter employees.

Since the use of telecommuting will likely grow in California, staff proposed the establishment of Classification 8871, *Clerical Telecommuter Employees – N.O.C.*, as a Standard Exception classification applicable to clerical employees who work more than 50% of their time at their home or other office space away from any location of their employer. Additionally, for consistency with this recommendation, staff proposed amendments to Classification 8810, *Clerical Office Employees*, and Section III, Rule 4, *Standard Exceptions*, as well as changes to 41 classifications that specifically include *Clerical Office Employees* and 2 classifications that specifically exclude *Clerical Office Employees* to also include or exclude *Clerical Telecommuter Employees*.

Staff advised the Committee that the WCIRB is not currently able to isolate the unique payroll and loss experience developed by those employees who meet the criteria for a clerical telecommuting classification from other employees who would continue to be assigned to Classification 8810. Therefore, staff recommended that this new classification be combined for pure premium ratemaking purposes with Classification 8810, *Clerical Office Employees*, until such time as credible payroll and loss experience can be developed in the new telecommuting classification.

A Committee member asked how long it would take for the new telecommuting classification to develop sufficient payroll and loss experience for a unique pure premium rate. Staff responded that, while it could take several years to collect enough unit statistical data for a unique statistically credible pure premium rate, the WCIRB will assess the data and consider any indicated adjustments to the classification's pure premium rate.

As there were no additional questions concerning the proposed changes, a motion was made, seconded and unanimously approved to include the proposed changes in the January 1, 2021 Regulatory Filing.

Recommendation

Amend Part 3, *Standard Classification Procedures*, Section III, *General Classification Procedures*, Rule 4, *Standard Exceptions*, to include Classification 8871, *Clerical Telecommuter Employees*, as a Standard Exception classification applicable to Clerical Office Employees who work more than 50% of their time at their home or other office space away from any location of their employer.

PROPOSED

Section III – General Classification Procedures

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4. Standard Exceptions

Employees engaged in the clerical office or outside sales functions described below are referred to as Standard Exception Employees. If a standard classification specifically includes Clerical Office Employees, Clerical Telecommuter Employees or Outside Salespersons, such employees shall be assigned to the standard classification, regardless of whether the work is conducted at the same or at a separate location. It is not permissible to divide a single employee's payroll, within a single policy period, between a Standard Exception classification and any other classification, including another Standard Exception classification, with the exception of a single permanent job reassignment. Otherwise, the remuneration of Standard Exception Employees is subject to division of payroll in connection with all other classifications in accordance with the following:

a. Classifications 8810, Clerical Office Employees, and 8871, Clerical Telecommuter Employees

Clerical Office Employee(s) and Clerical Telecommuter Employee(s) are defined as ~~these~~ employees whose duties are confined to keeping the books, records or cash of the employer; conducting correspondence; using computers; dispatching; recording weights; or who are engaged wholly in general office work or office drafting, having no regular duty of a non-clerical nature in the service of the employer. Except as otherwise provided in this Rule, the entire payroll of any employee who is engaged in operations performed by Clerical Office Employees or Clerical Telecommuter Employees and also is exposed (1) to any operative hazard of the business or (2) to any outside selling or collecting work, shall be assigned to the highest rated classification of work to which the employee is so exposed. Supervisors and clerks, such as time, stock or tally clerks, whose work is (1) necessary to, (2) performed in connection with, or (3) related to any operations of the business other than clerical office operations, shall not be classified as Clerical Office Employees or Clerical Telecommuter Employees.

Classification 8810, *Clerical Office Employees*, shall be applied only to the payroll of persons herein described who work exclusively in areas that are separated from all other work places of the employer by buildings, floors, partitions, railings or counters and within which no work is performed other than clerical office or drafting duties as defined in this Rule, or who engage in such work at any of their employer's office locations 50% or more of their time and devote the balance of their time to clerical office or drafting duties at their home or other office space away from any location of their employer.

Classification 8871, Clerical Telecommuter Employees, shall be applied only to the payroll of persons herein described who work more than 50% of their time at their home or other office space away from any location of their employer, and devote the balance of their time to clerical office or drafting duties at any of their employer's locations in areas that are separated from all other work places of the

employer by buildings, floors, partitions, railings or counters and within which no work is performed other than clerical office or drafting duties as defined in this Rule.

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Recommendation

Establish Classification 8871, *Clerical Telecommuter Employees – N.O.C.*, as a Standard Exception classification applicable to Clerical Office Employees who work more than 50% of their time at their home or other office space away from any location of their employer.

PROPOSED

CLERICAL TELECOMMUTER EMPLOYEES – N.O.C.

8871

This classification applies to Clerical Office Employees who work more than 50% of their time at their home or other office space away from any location of their employer.

Assignment of this classification is subject to the Standard Exceptions rule. See Part 3, Section III, Rule 4, *Standard Exceptions*.

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Recommendation

Amend Classification 8810, *Clerical Office Employees*, to direct that Clerical Office Employees who work more than 50% of their time at their home or other office space away from any location of their employer shall be classified as 8871, *Clerical Telecommuter Employees*.

PROPOSED

CLERICAL OFFICE EMPLOYEES – N.O.C.

8810

Assignment of this classification is subject to the Standard Exceptions rule. See Part 3, Section III, Rule 4, *Standard Exceptions*.

Clerical Office Employees who work more than 50% of their time at their home or other office space away from any location of their employer shall be classified as 8871, *Clerical Telecommuter Employees*.

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Recommendation

Amend Classification 7607(2), *Audio Post-Production*, to include Clerical Telecommuter Employees.

PROPOSED

AUDIO POST-PRODUCTION – computer or electronic – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **7607(2)**

The entire remuneration of each employee shall be included, subject to a maximum of \$139,100 per year. When the policy is in force for less than a 12-month period, the maximum payroll amount shall be prorated based upon the number of weeks in the policy period.

This classification applies to employers engaged exclusively in computer or electronic audio post-production operations for other concerns in connection with audio or music recording or mixing, or scoring of motion pictures, television features, commercials or similar productions, including dubbing type work and incidental studio recording, on a contract basis.

This classification does not apply to computer or electronic audio post-production operations performed in connection with audio duplication on a contract basis. This classification also does not apply to computer or electronic audio post-production operations performed by the same employer in connection with audio or music recording or mixing, or scoring of motion pictures, television features, commercials or similar productions.

Video post-production operations performed in connection with motion pictures, television features, commercials or similar productions for other concerns on a contract basis shall be classified as 7607(1), *Video Post-Production*.

Audio or music recording studios shall be classified as 7610, *Radio, Television or Commercial Broadcasting Stations*.

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Recommendation

Amend Classification 8803, *Auditing, Accounting or Management Consulting Services*, to include Clerical Telecommuter Employees.

PROPOSED

AUDITING, ACCOUNTING OR MANAGEMENT CONSULTING SERVICES – all employees – including Clerical Office Employees and Clerical Telecommuter Employees **8803**

The entire remuneration of each employee shall be included, subject to a maximum of \$139,100 per year. When the policy is in force for less than a 12-month period, the maximum payroll amount shall be prorated based upon the number of weeks in the policy period.

This classification applies to the provision of accounting or auditing services to other concerns on a fee basis, including but not limited to traveling to customers' locations, reviewing records, inventorying assets, preparing tax documents, providing accounting advice and ensuring

regulatory compliance of financial records. This classification also applies to consulting firms that provide managerial advice to other concerns on a fee basis.

Consulting firms providing services limited to computer programming or software development to other concerns on a fee basis shall be classified as 8859(1), *Computer Programming or Software Development*.

Law firms that provide legal services on a fee basis shall be classified as 8820, *Law Firms*.

This classification does not apply to accounting, auditing or management consulting operations performed by the same employer in connection with its other separately classified operations.

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Recommendation

Amend Classification 8808, *Banks*, to include Clerical Telecommuter Employees.

PROPOSED

BANKS – all employees – including appraisers, bank guards and attendants, field auditors, office machine repair, Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8808**

This classification applies to the operation of depository financial institutions that are licensed to perform financial services, including but not limited to accepting deposits, paying interest, clearing checks, making loans and exchanging currency. This classification also applies to depository financial institutions that operate entirely online or through electronic transactions.

The operation of properties away from the bank premises, including but not limited to trusts, repossessed properties and other business properties shall be separately classified.

Mortgage brokers shall be classified as 8743, *Mortgage Brokers*.

Mortgage bankers shall be classified as 8749, *Mortgage Bankers*.

Credit unions shall be classified as 8801, *Credit Unions*.

Check cashing locations at which the fees charged for check cashing, deferred deposit transactions, money orders and wire transfers equal or exceed 75% of gross receipts shall be classified as 8850, *Check Cashers*.

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Recommendation

Amend Classification 9185, *Carnivals or Circuses*, to include Clerical Telecommuter Employees.

PROPOSED

CARNIVALS OR CIRCUSES – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **9185**

This classification applies to all operations of traveling carnivals that provide entertainment and amusement rides, including but not limited to transporting, setting up and taking down amusement sites and equipment, assisting patrons on and off rides, operating game booths and arcades, providing entertainment, selling and taking tickets, providing security, selling food and souvenirs, cleaning and maintaining equipment and premises, and operating and controlling amusement rides. This classification also applies to all operations of circuses, including performers, entertainers and the care, feeding and training of circus animals.

Rental and operation of game booths at locations where no mechanical amusement rides are operated shall be classified as 8017(1), *Stores – retail*.

Amusement parks at fixed locations shall be classified as 9016(1)/9180(1), *Amusement or Recreational Facilities – N.O.C.*

The operation of events, including but not limited to farmers' markets, flea markets, street fairs, swap meets, art or antique festivals, trade shows (public or private), fun runs, foot races, cycling events, marathons, triathlons and athletic charity events, shall be classified as 9095, *Event Market, Festival or Trade Show Operation*.

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Recommendation

Amend Classification 8850, *Check Cashers*, to include Clerical Telecommuter Employees.

PROPOSED

CHECK CASHERS – all employees – including tellers, guards, Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8850**

This classification applies to each separate check cashing or money transfer location at which the fees charged for check cashing, deferred deposit transactions, payday loans, remittances, money orders or wire transfers equal or exceed 75% of gross receipts. This classification includes Clerical Office Employees and Outside Salespersons at the same location or at separate locations.

Check cashing operations performed by retail stores where fees charged for check cashing, deferred deposit transactions, payday loans, remittances, money orders or wire transfers do not equal or exceed 75% of gross receipts shall be assigned to the applicable retail Stores Industry Group classification.

Banks shall be classified as 8808, *Banks*.

Credit unions shall be classified as 8801, *Credit Unions*.

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Recommendation

Amend Classification 9015(4), *Churches, Temples, Mosques and Synagogues – all employees other than clergy, professional assistants, organists, members of choir or Clerical Office Employees*, to exclude Clerical Telecommuter Employees.

PROPOSED

CHURCHES, TEMPLES, MOSQUES AND SYNAGOGUES – all employees other than clergy, professional assistants, organists, members of choir, ~~or~~ Clerical Office Employees or Clerical Telecommuter Employees **9015(4)**

When lodging is provided by the employer, the total remuneration shall include the market value of such lodging to the employee.

Classification 9015(4) includes but is not limited to maintenance employees, janitors, custodians, gardeners, security personnel, drivers and parking lot attendants.

Overnight camps operated by the employer shall be separately classified as 9048(1), *Camps*. The operation of child day care centers whereby services are provided to the public for a fee shall be separately classified as 9059, *Day Care Centers*.

The operation of academic schools for educating children in subjects, including but not limited to reading, language arts, mathematics, science, arts, history and geography shall be separately classified in accordance with the provisions of the Multiple Enterprises rule.

The operation of retail stores for the display and sale of merchandise to congregation members or the general public shall be separately classified.

The operation of shops for the preparation and sale of coffee, tea and other nonalcoholic beverages to congregation members or the general public shall be separately classified as 8078(2), *Beverage Preparation Shops*.

Also refer to companion Classification 8840, *Churches, Temples, Mosques and Synagogues – clergy, professional assistants, organists or members of choir*.

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Recommendation

Amend Classification 8840, *Churches, Temples, Mosques and Synagogues – clergy, professional assistants, organists or members of choir*, to include Clerical Telecommuter Employees.

PROPOSED

CHURCHES, TEMPLES, MOSQUES AND SYNAGOGUES – clergy, professional assistants, organists or members of choir – including Clerical Office Employees and Clerical Telecommuter Employees **8840**

When lodging is provided by the employer, the total remuneration shall include the market value of such lodging to the employee.

Employees assigned to this classification provide spiritual leadership, teaching, counseling, guidance and support for their congregations. Employees include but are not limited to clergy, organists, choir directors and members, youth directors, Sunday school teachers, instructors for religious studies, pastoral counselors and clerical office employees.

This classification also applies to nursery attendants, childcare employees and baby-sitters provided their duties are restricted to providing care for children or infants during religious services.

Overnight camps operated by the employer shall be separately classified as 9048(1), *Camps*. The operation of child day care centers whereby services are provided to the public for a fee shall be separately classified as 9059, *Day Care Centers*.

The operation of academic schools for educating children in subjects, including but not limited to reading, language arts, mathematics, science, arts, history and geography shall be separately classified in accordance with the provisions of the Multiple Enterprises rule.

Also refer to companion Classification 9015(4), *Churches, Temples, Mosques and Synagogues – all employees other than clergy, professional assistants, organists, members of choir or Clerical Office Employees*.

If an employee who performs duties described by Classification 8840 also performs duties described by Classification 9015(4), the payroll of that employee may be divided between Classifications 8840 and 9015(4), provided the employer maintains accurate records supported by time cards or time book entries that show such division. Refer to Part 3, Section V, Rule 3.

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Recommendation

Amend Classification 8859(1), *Computer Programming or Software Development*, to include Clerical Telecommuter Employees.

PROPOSED

COMPUTER PROGRAMMING OR SOFTWARE DEVELOPMENT – all employees – including 8859(1)
Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons

The entire remuneration of each employee shall be included, subject to a maximum of \$139,100 per year. When the policy is in force for less than a 12-month period, the maximum payroll amount shall be prorated based upon the number of weeks in the policy period.

This classification applies to those employers that engage in the development or customization of computer programs or software for other concerns on a contract basis, as well as the development of standard (“generic”) programs for use by other concerns.

This classification does not apply to employers that engage in computer programming or software development in support of the employer’s operations, which includes but is not limited to the development of programs for integration into a hardware product sold by the employer.

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Recommendation

Amend Classification 8801, *Credit Unions*, to include Clerical Telecommuter Employees.

PROPOSED

CREDIT UNIONS – all employees – including Clerical Office Employees, Clerical 8801
Telecommuter Employees and Outside Salespersons

This classification applies to not-for-profit, member-owned depository financial institutions that are chartered as federal or state credit unions providing financial services, including but not limited to share draft accounts, individual retirement accounts, savings accounts, travelers’ checks and consumer and commercial loans.

Commissioned loan brokers engaged exclusively in matching qualified mortgage applicants with lenders with no direct lending of funds shall be classified as 8743, *Mortgage Brokers*.

Companies that specialize in direct lending of funds for residential or commercial mortgages shall be classified as 8749, *Mortgage Bankers*.

Real estate agencies that represent buyers, sellers, lessees and lessors in real estate transactions shall be classified as 8741, *Real Estate Agencies*.

The operation of depository financial institutions that are licensed as banks to perform financial services, including but not limited to accepting deposits, paying interest, clearing checks, making loans and exchanging currency shall be classified as 8808, *Banks*.

The operation of properties away from the credit union premises, including but not limited to trusts, repossessed properties and other business properties shall be separately classified.

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Recommendation

Amend Classification 8601(1), *Engineers*, to include Clerical Telecommuter Employees.

PROPOSED

**ENGINEERS – consulting – mechanical, civil, electrical or mining engineers or architects – 8601(1)
not engaged in actual construction or operation – including ~~Outside Salespersons and~~
Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons**

This classification applies to engineering or architectural consultants who provide technical advice to construction companies, land development companies, building contractors or similar concerns on a fee basis, or to the testing of construction building materials in connection with consulting engineering performed by the same employer. This classification also applies to land surveying prior to or during construction for separate concerns on a fee basis.

Engineering, when performed in support of an employer's own manufacturing, processing or construction operations, is assigned to the applicable manufacturing, processing or construction classification or to the applicable Standard Exception classification.

This classification also applies to fee-based construction management companies that do not engage in or supervise construction operations, but serve as an intermediary between the general contractor and project owner, or otherwise provide expertise regarding a construction project.

Forest engineers shall be classified as 8601(4), *Forest Engineers*.

Oil or gas geologists or scouts shall be classified as 8601(2), *Oil or Gas Geologists or Scouts*.

Fee-based testing operations, including but not limited to the testing of air, water, soil, metal, concrete and other building materials not resulting in recommendations, remediation options or design advice shall be classified as 4511, *Analytical or Testing Laboratories*.

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Recommendation

Amend Classification 8601(4), *Forest Engineers*, to include Clerical Telecommuter Employees.

PROPOSED

**FOREST ENGINEERS – including ~~Outside Salespersons and Clerical Office Employees,~~ 8601(4)
Clerical Telecommuter Employees and Outside Salespersons**

This classification includes timber cruising.

Commercial timber harvesting shall be separately classified as 2702(1), *Logging*.

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Recommendation

Amend Classification 8839, *Dentists and Dental Surgeons*, which is part of the *Health and Human Services* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

HEALTH AND HUMAN SERVICES

**DENTISTS AND DENTAL SURGEONS – all employees – including Clerical Office Employees 8839
and Clerical Telecommuter Employees**

This classification also applies to orthodontists and periodontists.

This classification includes the manufacture or customization of dental products, including but not limited to crowns, dentures, inlays and bridges when such operations are primarily in support of the dental services provided.

The manufacture or customization of dental products primarily for other concerns shall be separately classified as 4692, *Dental Laboratories*.

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Recommendation

Amend Classification 9043, *Hospitals*, which is part of the *Health and Human Services* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

HEALTH AND HUMAN SERVICES

HOSPITALS – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **9043**

The payroll for student nurses and interns shall be included at an average wage of at least \$100 per week.

This classification applies to facilities that are licensed by the California Department of Public Health as a General Acute Care Hospital, Acute Psychiatric Hospital or Special Hospital. Hospitals retain medical staff with the capability to provide 24-hour inpatient care. This classification includes skilled nursing facilities operated by the acute care hospital when both facilities operate under a single license as an acute care hospital.

Skilled nursing facilities operated under a separate license shall be classified as 8829(1), *Skilled Nursing Facilities*.

A medical clinic that operates at a location separate from the hospital shall be classified as 8834, *Physicians' Practices and Outpatient Clinics*, provided the clinic does not provide 24-hour inpatient care.

Hospitals operated by municipal, state or other public agencies shall be classified as 8830, *Institutional Employees*.

Hospitals operated in connection with jails or prisons shall be classified as 7720, *Police, Sheriffs, Marshals, Animal Control Officers, Fish and Wildlife Officers and Correctional Officers – including deputies – not volunteers*.

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Recommendation

Amend Classification 8834, *Physicians' Practices and Outpatient Clinics*, which is part of the *Health and Human Services* Industry Group, to include Clerical Telecommuter Employees and clarify its intended application.

PROPOSED

HEALTH AND HUMAN SERVICES

PHYSICIANS' PRACTICES AND OUTPATIENT CLINICS – all employees – including Clerical Office Employees and Clerical Telecommuter Employees **8834**

This classification applies to physicians' practices ~~and/or~~ clinics that provide outpatient medical services that are less than 24 hours in duration to treat patients for illness, disease ~~and/or~~ disorders. Outpatient medical services also include but are not limited to surgery; medical weight

loss treatment; physical therapy; acupuncture; chiropractic care; dialysis; X-ray laboratory services; and blood, body fluid ~~and/or~~ tissue collection ~~and/or~~ testing. This classification includes the dispensing or provision of medication or medical equipment exclusively to patients by physicians' practices or outpatient clinics, including but not limited to eyeglasses, braces, supports, mobility aids and home testing or monitoring equipment.

This classification also applies to blood banks or blood donor centers.

Physicians employed by facilities, including but not limited to hospitals, skilled nursing facilities and residential care facilities shall be assigned to the classification applicable to the facility.

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Recommendation

Amend Classification 8822, *Insurance Companies*, to include Clerical Telecommuter Employees.

PROPOSED

INSURANCE COMPANIES – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8822**

This classification applies to employers licensed by the California Department of Insurance as insurance companies to underwrite a variety of commercial or personal coverages, including but not limited to health, disability, automobile, property, title, liability, workers' compensation, life and annuity insurance, and surety bonds.

Fee-based inspections for insurance, safety or valuation purposes shall be classified as 8720(1), *Inspection for Insurance, Safety or Valuation Purposes*.

The operations performed by insurance administrators, brokers, agents or adjusters who are not employed by a licensed insurance company shall be assigned to the employer's standard classification or to the applicable Standard Exception classification.

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Recommendation

Amend Classification 8859(2), *Internet or Web-Based Application Development or Operation*, to include Clerical Telecommuter Employees.

PROPOSED

INTERNET OR WEB-BASED APPLICATION DEVELOPMENT OR OPERATION – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8859(2)**

The entire remuneration of each employee shall be included, subject to a maximum of \$139,100 per year. When the policy is in force for less than a 12-month period, the

maximum payroll amount shall be prorated based upon the number of weeks in the policy period.

This classification applies to firms that specialize in the development and operation of Internet or web-based applications and websites. This classification also applies to employers engaged in such operations for other concerns on a contract basis.

This classification does not apply to firms that operate as Internet Service Providers (ISP) or to firms that operate websites in connection with additional separately classified operations by the same employer.

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Recommendation

Amend Classification 8821, *Law Firm Support Services*, to include Clerical Telecommuter Employees.

PROPOSED

LAW FIRM SUPPORT SERVICES – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8821**

This classification applies to employers providing legal support services to attorneys and law firms on a fee basis, including but not limited to process serving summonses, complaints and subpoenas, preparing and filing court documents and the photocopying, scanning and microfilming of documents by registered professional photocopiers.

Licensed attorneys and law firms that provide legal services to clients on a fee or pro bono basis shall be classified as 8820, *Law Firms*.

The video taping of depositions and courtroom proceedings shall be classified as 9610, *Motion Pictures – production*.

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Recommendation

Amend Classification 8820, *Law Firms*, to include Clerical Telecommuter Employees.

PROPOSED

LAW FIRMS – all employees – including ~~Outside Salespersons and~~ Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8820**

The entire remuneration of each employee shall be included, subject to a maximum of \$139,100 per year. When the policy is in force for less than a 12-month period, the maximum payroll amount shall be prorated based upon the number of weeks in the policy period.

This classification applies to licensed attorneys and law firms that provide legal services to clients on a fee or pro bono basis, including but not limited to supplying legal advice and representation in civil and criminal litigation, administrative hearings, personal and business transactions and other legal matters.

The operations performed by legal staff who are not employed by a law firm shall be assigned to the standard classification assignable to the employer or to the applicable Standard Exception classification.

Employers providing legal support services to attorneys and law firms on a fee basis, including but not limited to process serving summonses, complaints and subpoenas, preparing or filing court documents and reproducing documents shall be classified as 8821, *Law Firm Support Services*.

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Recommendation

Amend Classification 9015(5), *Libraries – private – all employees other than librarians, professional assistants or Clerical Office Employees*, to exclude Clerical Telecommuter Employees.

PROPOSED

LIBRARIES – private – all employees other than librarians, professional assistants, ~~or~~ Clerical Office Employees or Clerical Telecommuter Employees 9015(5)

This classification applies to employees other than librarians, professional assistants and clerical office employees, including but not limited to janitorial, maintenance, delivery and security personnel.

Also refer to companion Classification 8811, *Libraries – private – librarians or professional assistants*.

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Recommendation

Amend Classification 8811, *Libraries – private – librarians or professional assistants*, to include Clerical Telecommuter Employees.

PROPOSED

LIBRARIES – private – librarians or professional assistants – including Clerical Office Employees and Clerical Telecommuter Employees 8811

This classification applies to librarians, professional library assistants and clerical office employees who engage in activities, including but not limited to conducting research, ordering books and publications, maintaining reference systems, assisting customers to locate and check

out materials and performing general clerical and administrative functions in support of the library.

With the exception of a single permanent job reassignment, it is not permissible to divide a single employee's payroll, within a single policy period, between this classification and any other classification.

Also refer to companion Classification 9015(5), *Libraries – private – all employees other than librarians, professional assistants or Clerical Office Employees.*

Public libraries shall be classified as 8812, *Libraries – public – librarians or professional assistants.*

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Recommendation

Amend Classification 8800, *Mailing or Addressing Companies*, to include Clerical Telecommuter Employees.

PROPOSED

MAILING OR ADDRESSING COMPANIES – including Clerical Office Employees and Clerical Telecommuter Employees **8800**

This classification applies to companies that contract with customers to prepare and mail various items, including but not limited to promotional literature, flyers, advertisements, billing statements and business forms.

This classification also includes printing operations if more than 50% of the printed materials are addressed or mailed by the employer. If 50% or more of the printed materials are not addressed or mailed by the insured, the printing operations and the mailing or addressing operations constitute Multiple Enterprises and shall be assigned in accordance with the provisions of the Multiple Enterprises rule.

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Recommendation

Amend Classification 8749, *Mortgage Bankers*, to include Clerical Telecommuter Employees.

PROPOSED

MORTGAGE BANKERS – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8749**

This classification applies to companies that specialize in direct lending of funds for residential or commercial mortgages. This classification includes loaning money held on deposit and funding loans through a line of credit.

Commissioned loan brokers engaged exclusively in matching qualified mortgage applicants with lenders with no direct lending of funds shall be classified as 8743, *Mortgage Brokers*.

Real estate agencies that represent buyers, sellers, lessees and lessors in real estate transactions shall be classified as 8741, *Real Estate Agencies*.

The operation of depository financial institutions that are licensed as banks to perform financial services, including but not limited to accepting deposits, paying interest, clearing checks, making loans and exchanging currency, shall be classified as 8808, *Banks*.

* * * * *

Recommendation

Amend Classification 8743, *Mortgage Brokers*, to include Clerical Telecommuter Employees.

PROPOSED

MORTGAGE BROKERS – no direct lending – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8743**

The entire remuneration of each employee shall be included, subject to a maximum of \$139,100 per year. When the policy is in force for less than a 12-month period, the maximum payroll amount shall be prorated based upon the number of weeks in the policy period.

This classification applies to commissioned loan brokers engaged in matching qualified mortgage applicants with lenders.

Companies that specialize in direct lending of funds for residential or commercial mortgages shall be classified as 8749, *Mortgage Bankers*.

Real estate agencies that represent buyers, sellers, lessees and lessors in real estate transactions shall be classified as 8741, *Real Estate Agencies*.

The operation of depository financial institutions that are licensed as banks to perform financial services, including but not limited to accepting deposits, paying interest, clearing checks, making loans and exchanging currency, shall be classified as 8808, *Banks*.

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Recommendation

Amend Classification 8830, *Institutional Employees*, which is part of the *Municipal, State or Other Public Agencies* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

MUNICIPAL, STATE OR OTHER PUBLIC AGENCIES

INSTITUTIONAL EMPLOYEES – hospitals, skilled nursing facilities, residential care facilities 8830
for adults or residential care facilities for the aged – all employees – including Clerical
Office Employees, Clerical Telecommuter Employees and Outside Salespersons – not jail
or prison employees

The payroll for student nurses or interns shall be included at an average wage of at least \$100 per week.

This classification applies to the operation of hospitals, skilled nursing facilities, residential care facilities for adults and residential care facilities for the elderly by public agencies. This classification includes all operations, including but not limited to patient and resident care, meal preparation and dining facility operation, laundry, facility and grounds maintenance, and housekeeping.

The provision of medical or nursing care to residents of correctional facilities shall be classified as 7720, *Police, Sheriffs, Marshals, Animal Control Officers, Fish and Wildlife Officers and Correctional Officers – including deputies – not volunteers*, or 7722, *Police, Sheriffs, Marshals, Animal Control Officers, Fish and Wildlife Officers and Correctional Officers – volunteers, serving with or without remuneration*.

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Recommendation

Amend Classification 8812, *Libraries – public*, which is part of the *Municipal, State or Other Public Agencies* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

MUNICIPAL, STATE OR OTHER PUBLIC AGENCIES

LIBRARIES – public – librarians or professional assistants – including Clerical Office 8812
Employees and Clerical Telecommuter Employees

This classification applies to librarians, professional library assistants and clerical office employees who engage in activities, including but not limited to conducting research, ordering books and publications, maintaining reference systems, assisting customers to locate and check out materials and performing general clerical and administrative functions in support of the public library.

With the exception of a single permanent job reassignment, it is not permissible to divide a single employee's payroll, within a single policy period, between this classification and any other classification.

Employees other than librarians, professional assistants and clerical office employees, including but not limited to janitorial, maintenance, delivery and security personnel, shall be classified as 9420, *Municipal, State or Other Public Agency Employees – all other employees*.

Private libraries shall be classified as 8811, *Libraries – private – librarians or professional assistants*.

* * * * *

Recommendation

Amend Classification 8875(1), *Public Colleges or Schools*, which is part of the *Municipal, State or Other Public Agencies* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

MUNICIPAL, STATE OR OTHER PUBLIC AGENCIES

PUBLIC COLLEGES OR SCHOOLS – all employees – including cafeteria, Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons 8875(1)

This classification applies to all operations of public colleges or schools, including but not limited to instruction, dormitories, cafeterias, book stores, transportation services, counseling, building and landscape maintenance, janitorial, libraries, athletic programs, parking, security, administration, clerical office employees and outside salespersons. This classification includes day care, preschools and before or after school programs operated by public colleges or schools.

This classification also applies to the operation of charter schools.

This classification also applies to state or county vocational schools or training programs and to school counselors who are provided to public schools by separate concerns under contract.

Private college or school operations shall be classified as 8868, *Colleges or Schools – private – not automobile schools – professors, teachers or academic professional employees*, and 9101, *Colleges or Schools – private – not automobile schools – all employees other than professors, teachers or academic professional employees*.

Day care, preschools or before or after school programs operated by separate employers at public school locations shall be classified as 9059, *Day Care Centers*.

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Recommendation

Amend Classification 8875(2), *Superintendent of Public Schools Office*, which is part of the *Municipal, State or Other Public Agencies Industry Group*, to include Clerical Telecommuter Employees.

PROPOSED

MUNICIPAL, STATE OR OTHER PUBLIC AGENCIES

SUPERINTENDENT OF PUBLIC SCHOOLS OFFICE – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons 8875(2)

This classification applies to the operation of a county or district superintendent of public schools office. This classification includes but is not limited to curriculum development, instruction oversight, cafeteria operation oversight, facility maintenance oversight, funding review, and meeting with union representatives, the Board of Education and similar governmental or parental organizations. This classification includes oversight operations performed in connection with charter schools operating under charters granted by the superintendent of public schools office.

Public schools or charter school operations, including but not limited to instruction, cafeteria operations, facility maintenance, bus operations and library activities shall be classified as 8875(1), *Public Colleges or Schools*.

* * * * *

Recommendation

Amend Classification 8838, *Museums*, to include Clerical Telecommuter Employees and clarify its intended application.

PROPOSED

MUSEUMS – all employees other than those engaged in the operation of restaurants or retail stores – including Clerical Office Employees and Clerical Telecommuter Employees 8838

This classification applies to employers that display art objects, natural science exhibits, antiquities ~~and~~ or objects of historical or cultural significance for viewing by the general public. This classification also applies to ~~public aquariums, botanical gardens, and planetariums or public aquariums and includes veterinarians employed by public aquariums.~~

Retail store or restaurant operations shall be separately classified.

Art galleries that display art objects for sale to the walk-in trade shall be classified as 8017(1), *Stores – retail*.

Zoos shall be classified as 9180(1), *Amusement or Recreational Facilities – N.O.C. – operation or maintenance of amusement devices*, and 9016(1), *Amusement or Recreational Facilities – N.O.C. – all employees other than those engaged in the operation or maintenance of amusement devices, restaurants or retail stores*.

~~Retail store or restaurant operations shall be separately classified.~~

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Recommendation

Amend Classification 8601(2), *Oil or Gas Geologists or Scouts*, which is part of the *Petroleum* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PETROLEUM INDUSTRY

OIL OR GAS GEOLOGISTS OR SCOUTS – including mapping of subsurface areas – including ~~Outside Salespersons and Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons~~ 8601(2)

This classification applies to geologists or scouts who travel to potential oil drilling sites to observe and gather data that is compiled into reports that describe the probability that oil or gas deposits are present. This classification includes analyzing technical data from monitoring instruments and analyzing drilling mud or well cuttings to identify the types of subsurface formations in the region and the presence of hydrocarbons. This classification also applies to the geophysical exploration of subsurface areas using physical methods, including but not limited to seismic, gravitational, magnetic, electrical and electromagnetic methods to measure the physical properties of rock.

Consulting engineers, including but not limited to civil, electrical, mechanical and mining engineers who do not perform oil or gas related operations as described above shall be classified as 8601(1), *Engineers*.

Geologists or scouts who perform outside operations in connection with oil or gas well drilling or redrilling, oil or gas lease operations, or oil or gas pipeline operations by the employer shall be assigned to the applicable *Petroleum* Industry Group classification.

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Recommendation

Amend Classification 8813(2), *Bookbinding Operation*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

BOOKBINDING OPERATION – editing, designing, proofreading and photographic composing – including Clerical Office Employees and Clerical Telecommuter Employees 8813(2)

This classification applies to pre-bindery activities and Clerical Office Employees of employers engaged in bookbinding or binder manufacturing operations. Pre-bindery activities include but are not limited to editing, designing, proofreading, and photographic composition including negative stripping and plate making.

Also refer to companion Classification 4299(2), *Bookbinding Operation – all other employees*.

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Recommendation

Amend Classification 8019(2), *Document Duplication or Photocopying Service*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

DOCUMENT DUPLICATION OR PHOTOCOPYING SERVICE – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons 8019(2)

This classification applies to locations at which document duplication or photocopying services are performed on a fee basis using electrostatic copiers, scanners, ink jet or laser printers on paper of any size, and includes self-serve duplication or photocopying services. This classification includes incidental bindery operations in support of duplication and photocopying services.

Locations at which offset printing is performed shall be classified as 4299(1), *Printing Operation – all other employees*, or 8019(1), *Printing – quick printing*.

Employers that provide legal support services, including document duplication or scanning in connection therewith, on a fee basis shall be classified as 8821, *Law Firm Support Services*.

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Recommendation

Amend Classification 4297(1), *Electronic Pre-Press*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

ELECTRONIC PRE-PRESS – all operations – including Clerical Office Employees and Clerical Telecommuter Employees 4297(1)

This classification applies to the production of computer generated typeset materials or color separations, including all incidental camera work, that are used by separate concerns in connection with commercial printing operations.

This classification does not apply when electronic pre-press operations are performed by an employer in connection with its own operations. Such operations shall be assigned to the applicable classification.

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Recommendation

Amend Classification 4297(2), *Graphic Design*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

GRAPHIC DESIGN – all operations – including Clerical Office Employees and Clerical Telecommuter Employees 4297(2)

This classification applies to the production of camera-ready layouts by combining text, photographs, artwork and graphics for use in commercial printing operations performed by separate concerns.

This classification does not apply when graphic design operations are performed by an employer in connection with its own operations. Such operations shall be assigned to the applicable classification.

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Recommendation

Amend Classification 8807, *Newspaper, Magazine or Book Publishing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

NEWSPAPER, MAGAZINE OR BOOK PUBLISHING – no printing or distribution – editing, designing, proofreading, and photographic composing – including Clerical Office Employees and Clerical Telecommuter Employees 8807

This classification applies to pre-press activities and Clerical Office Employees of employers engaged in publishing printed newspapers, magazines or books where all printing and distribution is conducted by separate concerns. Pre-press activities include editing, designing, proofreading, and photographic composing, including negative stripping and plate making.

Newspaper reporters, photographers and advertising or circulation solicitors employed by newspaper publishers or printers shall be separately classified as 8746, *Newspaper Publishing or Printing – reporters or photographers – including Outside Salespersons*.

Newspaper printing operations shall be classified as 4304, *Newspaper Publishing or Printing – all other employees*, or 8818, *Newspaper Publishing or Printing – editing, designing, proofreading and photographic composing*.

Magazine or book printing operations shall be classified as 4299(1), *Printing Operation – all other employees*, or 8813(1), *Printing Operation – editing, designing, proofreading and photographic composing*.

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Recommendation

Amend Classification 8818, *Newspaper Publishing or Printing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

NEWSPAPER PUBLISHING OR PRINTING – editing, designing, proofreading and photographic composing – including Clerical Office Employees and Clerical Telecommuter Employees **8818**

This classification applies to pre-press activities and Clerical Office Employees of employers engaged in publishing or printing newspapers. Pre-press activities include editing, designing, proofreading, and photographic composition including negative stripping and plate making.

Newspaper reporters, advertising or circulation solicitors shall be separately classified as 8746, *Newspaper Publishing or Printing – reporters or photographers*.

Also refer to companion Classification 4304, *Newspaper Publishing or Printing – all other employees*.

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Recommendation

Amend Classification 8019(1), *Printing – quick printing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

PRINTING – quick printing – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8019(1)**

This classification applies to job printing at locations where the operations are performed using sheet-fed offset printing presses on paper not exceeding 18" x 24". This classification includes incidental bindery activities in support of the printing operations.

Printing operations that use roll-fed presses or where the paper fed to the presses exceeds 18" x 24" shall be classified as 4299(1), *Printing Operation – all other employees*.

Document duplication or photocopying by use of equipment other than offset printing presses, including but not limited to electrostatic copiers, scanners, and ink jet and laser printers shall be classified as 8019(2), *Document Duplication or Photocopying Service*.

Employers that provide legal support services, including document duplication or scanning in connection therewith, on a fee basis shall be classified as 8821, *Law Firm Support Services*.

Employers engaged in the printing of signs, banners and related commercial advertising products shall be classified as 9507, *Sign Painting or Lettering and Quick Sign Shops*.

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Recommendation

Amend Classification 8813(1), *Printing Operation – editing, designing, proofreading and photographic composing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

PRINTING OPERATION – editing, designing, proofreading and photographic composing – 8813(1) including Clerical Office Employees and Clerical Telecommuter Employees

This classification includes pre-press activities and clerical office employees of employers engaged in commercial off-set printing. Pre-press activities include but are not limited to editing, designing, proofreading and photographic composition, including negative stripping and plate making.

Employees engaged in sales, collection or public relations work in support of printing operations shall be separately classified as 8742, *Salespersons – Outside*, subject to the Standard Exceptions rule. See Part 3, Section III, Rule 4, *Standard Exceptions*.

Also refer to companion Classification 4299(1), *Printing Operation – all other employees*.

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Recommendation

Amend Classification 8846(1), *Printing Operation – screen printing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

PRINTING OPERATION – screen printing – editing, designing, proofreading and photographic 8846(1) composing – including Clerical Office Employees and Clerical Telecommuter Employees

This classification applies to pre-press activities and clerical office employees of employers engaged in fee-based screen printing. Pre-press activities include but are not limited to the design and development of artwork and the preparation of screens. This classification also includes the post-printing cleaning of screens.

Employees engaged in sales, collection or public relations work in support of printing operations shall be separately classified as 8742, *Salespersons – Outside*, subject to the Standard Exceptions rule. See Part 3, Section III, Rule 4, *Standard Exceptions*.

Also refer to companion Classification 4295(1), *Printing Operation – screen printing – all other employees*.

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Recommendation

Amend Classification 8846(2), *Screen Printed Merchandise Dealers*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PRINTING, PUBLISHING AND DUPLICATING

SCREEN PRINTED MERCHANDISE DEALERS – editing, designing, proofreading and photographic composing – including Clerical Office Employees and Clerical Telecommuter Employees **8846(2)**

This classification applies to the pre-press operations and clerical office employees of screen printed merchandise dealers. Pre-press activities include but are not limited to the design and development of artwork and the preparation of screens. This classification also includes the post-printing cleaning of screens.

Also refer to companion Classification 4295(2), *Screen Printed Merchandise Dealers – all other employees*.

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Recommendation

Amend Classification 8741, *Real Estate Agencies*, which is part of the *Property Management/Operation* Industry Group, to include Clerical Telecommuter Employees.

PROPOSED

PROPERTY MANAGEMENT/OPERATION

REAL ESTATE AGENCIES – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **8741**

This classification applies to real estate agencies that represent buyers, sellers, lessees and lessors in real estate transactions.

The operation or management of rental property, construction and remodeling operations shall be separately classified.

This classification also applies to non-residing leasing agents of a property management company who are engaged exclusively in the rental or leasing of property to clients and who have no other duties of any kind except clerical office work and the property management company retains separate employees to manage the property.

Employers that specialize in residential and commercial mortgage brokerage or mortgage banking operations that do not engage in the direct lending of mortgage funds shall be classified as 8743, *Mortgage Brokers*.

Employers that specialize in the direct lending of funds for residential and commercial mortgages shall be classified as 8749, *Mortgage Bankers*.

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Recommendation

Amend Classification 7610, *Radio, Television or Commercial Broadcasting Stations*, to include Clerical Telecommuter Employees.

PROPOSED

RADIO, TELEVISION OR COMMERCIAL BROADCASTING STATIONS – all employees – 7610
including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons

The entire remuneration of on-air personalities, entertainers and musicians shall be included subject to a maximum of \$139,100 per year per person. When such employees do not work the entire year, the payroll limitation shall be prorated based upon the number of weeks in which such employees worked during the policy period.

This classification applies to Federal Communications Commission licensed radio, television or commercial wireless broadcasting stations. This classification also applies to contract video duplication, television studios that are operated by cable television companies, or the operation of music recording studios.

The dissemination of audio or video programming exclusively over the internet shall be classified as 8859(2), *Internet or Web-Based Application Development or Operation*.

Employers licensed by the Federal Communications Commission that provide cable or satellite television connectivity services or internet connectivity using cable or satellite infrastructure shall be classified as 7600, *Communication Service Providers*.

Computer or electronic video or audio post-production for other concerns on a contract basis shall be classified as 7607(1), *Video Post-Production*, or 7607(2), *Audio Post-Production*, respectively.

Motion picture production shall be classified as 9610, *Motion Pictures – production*.

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Recommendation

Amend Classification 8039, *Stores – department stores*, which is part of the *Stores Industry Group*, to include Clerical Telecommuter Employees.

PROPOSED

STORES

STORES – department stores – retail – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons 8039

This classification applies to each store location at which all the following conditions exist:

1. The payroll subject to this classification is at least \$1,100,000 per annum.
2. The merchandise handled must include:
 - (a) Wearing Apparel

- (b) Linens
 - (c) House Furnishings (other than furniture)
 - (d) One or more of the following:
 - Cosmetics
 - Drugs
 - Furniture
 - Groceries
 - Hardware
 - Jewelry
 - Luggage
 - Musical Instruments
 - Sporting Goods
 - Toys
3. The total annual sales of items (a), (b) and (c), above, must exceed 50% of the total annual sales.

This classification also applies to the installation of house furnishings and household appliances that have been sold by the store and to satellite warehouse or clerical office locations.

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Recommendation

Amend Classification 7607(1), *Video Post-Production*, to include Clerical Telecommuter Employees.

PROPOSED

VIDEO POST-PRODUCTION – computer or electronic – all employees – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons **7607(1)**

The entire remuneration of each employee shall be included, subject to a maximum of \$139,100 per year. When the policy is in force for less than a 12-month period, the maximum payroll amount shall be prorated based upon the number of weeks in the policy period.

This classification applies to employers engaged exclusively in computer or electronic video post-production operations for other concerns in connection with motion pictures, television features, commercials or similar productions, on a contract basis.

This classification does not apply to computer or electronic video post-production operations performed in connection with motion pictures, television features, commercials or similar productions by the same employer; such operations shall be classified as 8810, *Clerical Office Employees*, subject to the Standard Exceptions rule. See Section III, Rule 4, *Standard Exceptions*.

Non-computer or non-electronic post-production operations, including but not limited to developing film, production of prints by exposing raw film stock, or editing film prints by cutting or splicing shall be classified as 4362, *Motion Pictures – negative and print processors, distributors and film exchanges*.

Audio post-production operations performed on a contract basis in connection with audio or music recording or mixing, or scoring of motion pictures, television features, commercials or similar productions shall be classified as 7607(2), *Audio Post-Production*.

Audio or music recording studios or contract video duplication shall be classified as 7610, *Radio, Television or Commercial Broadcasting Stations*.

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Recommendation

Amend Section VIII, *Abbreviated Classifications – Numeric Listing*, for consistency with other proposed changes.

PROPOSED

Section VIII – Abbreviated Classifications – Numeric Listing

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8871 Clerical Telecommuter Employees

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Recommendation

Amend Appendix IV, *Classifications Including Clerical Office Employees or Outside Salespersons*, for consistency with other proposed changes.

PROPOSED

Appendix IV

Classifications Including Clerical Office Employees, Clerical Telecommuter Employees or Outside Salespersons

Code	Name	Including Clerical Office Employees / <u>Clerical Telecommuter Employees</u>	Including Outside Salespersons
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Item III-B

Proposed Classification Enhancements

The Committee was reminded that the WCIRB continually reviews the standard classifications contained in the *California Workers' Compensation Uniform Statistical Reporting Plan—1995* to ensure that the intended application of each classification is comprehensive and clear. WCIRB staff identified several classifications that could be clarified and, therefore, recommended revisions for clarity, consistency and to provide direction about how related operations are classified.

As there were no questions about the proposed changes, a motion was made, seconded and unanimously passed to recommend that the proposed changes be included in the January 1, 2021 Regulatory Filing.

Recommendation

Amend Classification 8827(1), *Home Care Services*, which is part of the *Health and Human Services* Industry Group, to clarify its intended application and provide direction as to how related operations should be classified.

PROPOSED

HEALTH AND HUMAN SERVICES

HOME CARE SERVICES – all employees

8827(1)

This classification applies to employers that provide in-home personal care services, including but not limited to assistance with meals, dressing, personal hygiene, housekeeping and companionship for customers who are in need of such services due to age, illness or disability. This classification includes Supported Living Services (SLS) provided to developmentally disabled individuals or In-Home Support Services (IHSS).

This classification includes ~~the provision of~~ home infusion therapy services when performed in connection with home care services. ~~The provision of~~ home infusion therapy services that are not performed in connection with home care services shall be classified as 8852, *Home Infusion Therapists*.

Employers that provide registered nurses, licensed vocational nurses ~~and/or~~ certified nursing assistants to ~~provide/deliver~~ in-home nursing care services ~~for/to~~ patients shall be classified as 8827(2), *Nursing Care – in private residences*.

Private residence cleaning services that are not performed in connection with home care services shall be classified as 9096, *Residential Cleaning Services*.

Independent Living Skills (ILS) instructional programs that are administered through state-contracted Regional Centers shall be separately classified as 8868, *Colleges or Schools – private – not automobile schools – professors, teachers or academic professional employees*.

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Recommendation

Amend Classification 8827(2), *Nursing Care*, which is part of the *Health and Human Services* Industry Group, for clarity.

PROPOSED

HEALTH AND HUMAN SERVICES

NURSING CARE – in private residences – all employees

8827(2)

This classification applies to home care agencies that provide registered nurses, licensed vocational nurses ~~and/or~~ certified nursing assistants to ~~provide/deliver~~ in-home nursing care services ~~for/to~~ patients. This classification includes the provision of ~~additional~~ nonmedical services, including but not limited to assistance with meals, dressing, companionship, housekeeping and personal hygiene.

This classification also includes ~~the provision of~~ home infusion therapy services when performed in connection with in-home nursing care services. ~~The provision of h~~Home infusion therapy services that are not performed in connection with home care services shall be classified as 8852, *Home Infusion Therapists*.

Employers that provide in-home personal care services, including but not limited to assistance with meals, dressing, personal hygiene, housekeeping and companionship for customers who are in need of such services due to age, illness or disability shall be classified as 8827(1), *Home Care Services*.

Private residence cleaning services that are not performed in connection with in-home nursing care services shall be classified as 9096, *Residential Cleaning Services*.

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Recommendation

Amend Classification 8868, *Colleges or Schools – private – not automobile schools – professors, teachers or academic professional employees*, to clarify its intended application and provide direction as to how related operations should be classified.

PROPOSED

COLLEGES OR SCHOOLS – private – not automobile schools – professors, teachers or academic professional employees 8868

Academic professional employees consist of, but are not limited to, deans, chancellors, vice chancellors, directors, principals, assistant principals, presidents, vice presidents, librarians, registrars, curriculum developers, psychologists, speech therapists and counselors. The responsibilities of such employees typically include planning, directing, administering, counseling or curriculum development.

This classification also applies to teachers' aides, ~~and~~ tutors, athletic team coaches ~~and/or~~ library employees.

This classification also applies to Independent Living Skills (ILS) instructional programs that are administered through state-contracted Regional Centers.

~~Automobile driving schools shall be classified as follows:~~

- ~~• Instructors – 8748, Automobile or Truck Dealers – vehicle salespersons~~
- ~~• Vehicle maintenance and repair – 8391, Automobile or Truck Dealers – all employees other than vehicle salespersons~~

The operation of religious organizations, including but not limited to churches, temples, mosques and synagogues shall be separately classified in accordance with the provisions of the Multiple Enterprises rule.

The operation of colleges or schools by municipal, state or other public agencies shall be classified as 8875(1), *Public Colleges or Schools*.

Also refer to companion Classification 9101, *Colleges or Schools – private – not automobile schools – all employees other than professors, teachers or academic professional employees – including cafeterias.*

If an employee who performs duties described by Classification 8868 also performs duties described by Classification 9101, the payroll of that employee may be divided between Classifications 8868 and 9101, provided the employer maintains accurate records supported by time cards or time book entries that show such division. Refer to Part 3, Section V, Rule 3.

Recreational or educational day camps that do not include overnight lodging for camp participants shall be classified as 9059, *Day Care Centers.*

Overnight camps shall be separately classified as 9048(1), *Camps.*

Automobile driving schools shall be classified as follows:

- Driving or classroom instruction – 8748, *Automobile or Truck Dealers – vehicle salespersons*
- Vehicle maintenance or repair – 8391, *Automobile or Truck Dealers – all employees other than vehicle salespersons*

Supported Living Services (SLS) provided to developmentally disabled individuals or In-Home Support Services (IHSS) shall be separately classified as 8827(1), *Home Care Services.*

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Recommendation

Amend Classification 8391, *Automobile or Truck Dealers – all employees other than vehicle salespersons*, which is part of the *Automotive Industry* Group, to provide direction as to how related operations should be classified and for clarity.

PROPOSED

AUTOMOTIVE INDUSTRY

AUTOMOBILE OR TRUCK DEALERS – all employees other than vehicle salespersons – including estimators, service writers, vehicle maintenance and repair, shuttle drivers, accessory or spare parts sales and the transporting of vehicles that are owned by the employer **8391**

This classification applies to dealers of motor vehicles, including but not limited to automobiles, trucks, buses, forklift trucks, golf carts, motor homes and trailers. This classification applies only to those employers having, in addition to proprietors, a regular sales force engaged exclusively in the demonstration and sale of vehicles and separate clerical staff. If these conditions do not exist, Classification 8391 does not apply. If Classification 8391 does not apply and the employer performs vehicle repair work, assign the applicable vehicle repair classification(s) and, if the employer performs no vehicle repairing, assign Classification 8392, *Automobile or Truck Storage Garages or Parking Stations or Lots*, to employees who perform activities such as cleaning ~~and~~ or washing vehicles, changing tires ~~and~~ or recharging batteries.

~~Also refer to companion Classification 8748, *Automobile or Truck Dealers – vehicle salespersons.*~~

This classification also applies to yard ~~and/or~~ repair employees ~~of who work for~~ employers that operate vehicle auctions for the sale of automobiles and trucks. Vehicle Auctioneers salespersons who conduct no yard or repair type operations or auction sales assistants shall be classified as 8748, *Automobile or Truck Dealers – vehicle salespersons*.

This classification also applies to yard, repair ~~and/or~~ maintenance employees ~~of who work for~~ employers engaged in automobile or truck rental, automobile or truck driving schools, or the transport of individual automobiles or trucks between locations (“Driveaway” companies).

Towing, roadside assistance ~~and/or~~ freeway service patrol operations ~~when conducted~~ on vehicles not owned by the employer shall be separately classified as 7227, *Automobile or Truck Towing, Roadside Assistance or Freeway Service Patrol*.

“Roadside assistance” refers to services provided to the vehicle owner under an agreement with a third party (such as a motor club or law enforcement agency). Contemplated services include changing tires, jump-starting batteries, replacing batteries, supplying a small amount of gasoline or performing minor vehicle repairs such as reattaching ignition wires or battery cables.

Also refer to companion Classification 8748, *Automobile or Truck Dealers – vehicle salespersons*.

* * * * *

Recommendation

Amend Classification 8748, *Automobile or Truck Dealers – vehicle salespersons*, which is part of the *Automotive Industry* Group to clarify its intended application and provide direction as to how related operations should be classified.

PROPOSED

AUTOMOTIVE INDUSTRY

AUTOMOBILE OR TRUCK DEALERS – vehicle salespersons

8748

This classification applies to salespersons ~~of employed by~~ dealers of motor vehicles, including but not limited to automobiles, trucks, buses, forklift trucks, golf carts, recreational vehicles, ~~and~~ motor homes and trailers.

Also refer to companion Classification 8391, *Automobile or Truck Dealers – all employees other than vehicle salespersons*.

This classification also applies to vehicle ~~salespersons of~~ auctioneers or auction sales assistants who work for employers that operate vehicle auctions for the sale of automobiles and trucks.

This classification also applies to driving or classroom instruction performed in connection with the operation of automobile driving schools. Vehicle maintenance or repair operations performed in connection with the operation of automobile driving schools shall be classified as 8391, *Automobile or Truck Dealers – all employees other than vehicle salespersons*.

Also refer to companion Classification 8391, *Automobile or Truck Dealers – all employees other than vehicle salespersons*.

* * * * *

Recommendation

Amend Classification 8292, *Warehouses – general merchandise*, to clarify its intended application.

PROPOSED

WAREHOUSES – general merchandise – N.O.C.

8292

This classification applies to the storage of general merchandise, including new furniture, for separate concerns on a fee basis when no other classification more specifically describes the operations. This classification also applies to document storage, the storage of portable storage units regardless of their contents, and the crating of merchandise on a fee basis.

~~Truck pick up or delivery of freight or stored merchandise shall be separately classified as 7219(1), *Trucking Firms*.~~

~~The storage of household goods or furniture (not new furniture for furniture stores or manufacturers) for separate concerns on a fee basis shall be classified as 8293(1), *Warehouses – furniture*.~~

Warehouses that provide climate controlled storage maintaining below ambient temperatures to prevent spoilage or preserve the integrity of the stored merchandise shall be classified as 8291(1), *Warehouses – cold storage*, or 8291(2), *Warehouses – climate controlled storage*.

~~The operation of self-storage warehouses or facilities shall be classified as 8290, *Warehouses – self-storage – all other employees*.~~

Pick up or delivery of freight or stored merchandise shall be separately classified as 7219(1), *Trucking Firms*.

* * * * *

Recommendation

Amend Classification 2806(2), *Shutter Mfg.*, for clarity and to provide direction as to how related operations should be classified.

PROPOSED

SHUTTER MFG. – wood or plastic

2806(2)

This classification applies to the manufacture of interior or exterior shutters from wood, synthetic wood ~~and/or~~ plastic materials.

The installation of shutters shall be classified as 5146(1), *Cabinet or Fixtures*.

The manufacture of metal, wood, fabric or plastic window coverings, including but not limited to mini blinds, vertical blinds, louvered blinds and window shades shall be classified as 2852, *Window Blind Mfg. or Assembly*.

The manufacture of wood doors or windows, or wood framed screen doors or window screens shall be classified as 2806(1), *Door, Sash or Window Mfg. – wood*.

When an employer deals in any lumber or building materials or in any fuel and materials in addition to products manufactured, yard operations, including drivers and their helpers, shall be separately classified as 8232(1), *Lumberyards*, 8232(2), *Building Material Dealers*, or 8232(3), *Fuel and Material Dealers*, depending on the products sold.

~~The manufacture of wood doors and windows shall be classified as 2806(1), *Door, Sash or Window Mfg. — wood*.~~

* * * * *

Recommendation

Amend Classification 8013(2), *Stores – eyewear*, which is part of the *Stores* Industry Group, for clarity.

PROPOSED

STORES

STORES – eyewear – wholesale or retail

8013(2)

This classification applies to stores engaged in the sale of prescription ~~and/or~~ non-prescription eyeglasses, contact lenses ~~and/or~~ sunglasses, including fitting and minor repair operations. This classification also applies to dispensing opticians.

Optometrists' practices, including the sale of eyeglasses exclusively to patients, shall be classified as 8834, *Physicians' Practices and Outpatient Clinics*.

Lens manufacturing ~~and/or~~ the grinding or cutting of lens blanks shall be separately classified as 4150(2), *Lens Mfg.*

The manufacture of optical goods other than lenses shall be classified as 4150(1), *Optical Goods Mfg.*

* * * * *

Recommendation

Amend Classification 9085, *Residential Care Facilities for Children*, which is part of the *Health and Human Services* Industry Group, for clarity.

PROPOSED

HEALTH AND HUMAN SERVICES

RESIDENTIAL CARE FACILITIES FOR THE DEVELOPMENTALLY DISABLED – including supervisors and receptionists

9085

This classification applies to ~~the operation of~~ residential facilities that provide care and supervision for children or adults who are developmentally disabled. The term developmental disability

refers to a severe and chronic disability that is attributable to a mental or physical impairment that begins before an individual reaches adulthood.

This classification includes certified administrators, including but not limited to Nursing Home Administrators, Residential Care Facility for the Elderly Administrators, Adult Residential Facility Administrators and Qualified Intellectual Disabilities Professionals. This classification also includes employees who provide tours of the facility, including but not limited to tours for marketing, admission or inspection purposes.

This classification also applies to intermediate care facilities that may retain nursing staff to provide intermittent skilled nursing services (not continuous skilled nursing care) for developmentally disabled children or adults. Facilities that provide 24-hour continuous skilled nursing care for residents shall be classified as 8829(1), *Skilled Nursing Facilities*.

Operating schools, or Independent Living Skills (ILS) instructional programs that are administered through state-contracted Regional Centers, shall be separately classified as 8868, *Colleges or Schools – private – not automobile schools – professors, teachers, or academic professional employees*. The provision of Supported Living Services (SLS) to developmentally disabled individuals or In-Home Support Services (IHSS) to developmentally disabled individuals shall be classified as 8827(1), *Home Care Services*.

~~Operating~~ Residential facilities that provide nonmedical care and supervision for children (not developmentally disabled) shall be classified as 8823, *Residential Care Facilities for Children*.

~~Operating~~ Residential facilities that provide assisted care and supervision for adults (not developmentally disabled) shall be classified as 9070(3), *Residential Care Facilities for Adults*.

~~Operating~~ Residential facilities that provide assisted care and supervision for the elderly (not developmentally disabled) shall be classified as 9070(1), *Residential Care Facilities for the Elderly*.

* * * * *

Recommendation

Amend Classification 4000(1), *Sand or Gravel Digging*, to clarify its intended application and provide direction as to how related operations should be classified.

PROPOSED

SAND OR GRAVEL DIGGING – including construction, repair or maintenance of all buildings, structures or equipment and installation of machinery 4000(1)

~~¶This classification applies to sand or gravel digging and includes the processing of the sand or gravel, including but not limited to washing, screening, stockpiling or bagging, when 25% or less of the excavated material is crushed or ground, all sand or gravel processing, including but not limited to crushing, grinding, washing, screening and bagging, shall be classified as 4000(1).~~

If more than 25% of the excavated material is crushed or ground, all sand, ~~or gravel or clay~~ processing, including but not limited to crushing, grinding, washing, screening and bagging, shall be separately classified as 1710, *Stone Crushing*, unless all crushed product will pass through an 8-mesh or finer screen, in which case the operations shall be separately classified as 1741(1), *Silica Grinding*.

Canal, sewer or cellar excavation or mining shall be separately classified.

Employees engaged exclusively in the delivery of the finished product shall be separately classified as 8232(2), *Building Material Dealers*.

* * * * *

Recommendation

Amend Classification 4000(2), *Clay Digging*, to clarify its intended application and provide direction as to how related operations should be classified and for clarity.

PROPOSED

CLAY DIGGING – including construction, repair and maintenance of all buildings, structures or equipment and the installation of machinery 4000(2)

This classification applies to ~~the~~clay digging and includes the processing, of the clay, including but not limited to washing, screening, and stockpiling or bagging, of clay when 25% or less of the excavated material is crushed or ground. This classification also applies to the digging of peat.

If more than 25% of the excavated material is crushed or ground, all sand, gravel or clay processing, including but not limited to crushing, grinding, washing, screening and bagging, shall be separately classified as 1710, *Stone Crushing*, unless all crushed product will pass through an 8-mesh or finer screen, in which case the operations shall be separately classified as 1741(1), *Silica Grinding*.

Canal, sewer or cellar excavation or ~~underground~~ mining shall be separately classified.

* * * * *

Recommendation

Amend Classification 1741, *Silica Grinding*, to provide direction as to how related operations should be classified and for clarity.

PROPOSED

SILICA GRINDING 1741(1)

This classification applies to the crushing or grinding of excavated or quarried materials to produce products that will pass through an 8-mesh screen. If the crushed or ground material is retained on an 8-mesh screen, the crushing or grinding operations shall be classified as 1710, *Stone Crushing*.

Silica grinding that is performed in connection with sand, gravel or clay digging shall be separately classified as 4000(1), *Sand or Gravel Digging*, or 4000(2), *Clay Digging*, if 25% or less of the excavated material is crushed or ground. If more than 25% of the excavated material is

crushed or ground, all crushing ~~and~~ grinding activities shall be separately classified as 1741(1) or 1710, *Stone Crushing*.

Mining or quarrying operations shall be separately classified.

Employees engaged exclusively in delivery of the finished product shall be separately classified as 8232(2), *Building Material Dealers*.

* * * * *

Recommendation

Amend Classification 8013(1), *Stores – jewelry*, which is part of the *Stores Industry Group*, to clarify its intended application.

PROPOSED

STORES – jewelry – wholesale or retail

8013(1)

This classification applies to stores primarily (over 50% of gross receipts) engaged in the sale of jewelry items intended for personal adornment, including but not limited to rings, earrings, bracelets, necklaces, watches and costume jewelry ~~that are intended for personal adornment~~. This classification includes repairing, polishing or engraving jewelry when performed by a retail jewelry store for individual customers.

This classification also applies to stores primarily (over 50% of gross receipts) engaged in the sale of ~~gems and precious and semiprecious stones; hearing aids; coins; and trophies, badges and medals~~ coins, trophies, badges, medals, hearing aids, gems or precious or semiprecious stones.

This classification also applies to retail stores that assemble or engrave trophies, plaques or novelty statuettes from purchased components.

* * * * *

Recommendation

Amend Classification 9059, *Day Care Centers – child*, to clarify its intended application and provide direction as to how related operations should be classified.

PROPOSED

DAY CARE CENTERS – child – not residential care facilities – all employees – including receptionists

9059

This classification applies to child day care centers that provide nonmedical care and supervision for children ranging from infancy to 17 years of age for periods of less than 24 hours; pre-school programs; ~~and~~ before or after school programs that are not operated in connection with public or private schools operated by the same employer.

This classification also applies to recreational or educational day camps that do not include overnight lodging for camp participants.

This classification also applies to day care services provided by employers primarily for the use of their employees' dependents, in accordance with the General Exclusions rule. See Section III, Rule 6, General Exclusions.

Recreational or educational camps that include overnight lodging shall be classified as 9048(1), Camps.

This classification does not apply to child care or supervisory services, including but not limited to day care, preschools, kindergartens and before or after school programs that are operated by the same employer in connection with public or private schools which provide instruction for first grade and higher; such operations shall be classified as 8868, *Colleges or Schools – private – not automobile schools – professors, teachers or academic professional employees*, 9101, *Colleges or Schools – private – not automobile schools – all employees other than professors, teachers, or academic professional employees*, or 8875(1), *Public Colleges or Schools*.

Boys and girls clubs that provide supplemental after school or recreational activities for school age children on an elective or drop-in basis shall be classified as 9067(2), *Clubs – boys and girls*.

* * * * *

Recommendation

Amend Classification 9048(1), *Camps – recreational or educational*, for clarity.

PROPOSED

CAMPS – recreational or educational – all operations – including Clerical Office Employees at camp locations 9048(1)

This classification applies to camps that provide supervised recreational or educational activities with guidance or counseling services, and ~~with overnight facilities~~ overnight lodging for camp participants.

~~Firms that solely operate~~ Recreational and/or educational day camps that do not include overnight lodging shall be assigned to Classification classified as 9059, Day Care Centers.

* * * * *

Recommendation

Amend Classification 9048(2), *Boy and Girl Scout Councils – all camp operations*, to provide direction as to how related operations should be classified and for clarity.

PROPOSED

BOY AND GIRL SCOUT COUNCILS – all camp operations – including Clerical Office Employees at camp locations 9048(2)

This classification applies to camps that provide supervised recreational or educational activities with guidance or counseling services, and ~~with overnight facilities~~ lodging for camp participants.

Recreational or educational day camps that do not include overnight lodging shall be classified as 9059, Day Care Centers.

* * * * *

Recommendation

Amend Classification 2797(1), *Mobile, Modular or Manufactured Home or Building Mfg.*, to clarify its intended application.

PROPOSED

MOBILE, MODULAR OR MANUFACTURED HOME OR BUILDING MFG. – shop or yard work only 2797(1)

This classification applies to the manufacture of mobile, modular or manufactured buildings, ~~including but not limited to mobile homes and construction office trailers,~~ at a permanent shop or yard location, whether the buildings are shipped to customers in assembled, partially assembled or kitted condition. Such buildings include but are not limited to barns, mobile homes, portable classrooms and construction office trailers.

The construction, erection or assembly of modular or manufactured homes or buildings away from the shop shall be separately classified.

The manufacture of individual wooden building components (not complete buildings) shall be classified as 2819, *Truss or Building Components Mfg.*

The manufacture of campers, travel trailers or motor homes shall be classified as 2797(3), *Recreational Vehicle Mfg.*

* * * * *

Recommendation

Amend Classification 1463 (1), *Asphalt Works*, to provide direction as to how related operations should be classified.

PROPOSED

ASPHALT WORKS – grinding, pulverizing or mixing asphalt

1463(1)

This classification applies to the production of asphalt. This classification also applies to the manufacture of asphalt roofing shingles or modified bitumen roofing materials.

Crushing or grinding of used asphalt or concrete, not performed in connection with the production of asphalt, to produce products that will be retained on an 8-mesh screen shall be separately classified as 1710, *Stone Crushing*. If the crushed or ground products pass through an 8-mesh or finer screen, the crushing or grinding operations shall be separately classified as 1741(1), *Silica Grinding*.

The manufacture of asphalt saturated building or roofing paper or felt shall be classified as 4283, *Building or Roofing Paper or Felt Asphalt Saturation*.

Asphalt distilling or refining shall be classified as 4740(2), *Asphalt or Tar Distilling or Refining*.

Digging, mining or quarrying shall be separately classified.

* * * * *

Recommendation

Amend Classification 1710, *Stone Crushing*, to provide direction as to how related operations should be classified and for clarity.

PROPOSED

STONE CRUSHING – including construction, repair or maintenance of all buildings, structures or equipment and the installation of machinery

1710

This classification applies to the crushing or grinding of excavated or quarried materials, used asphalt or used concrete to produce products that will be retained on an 8-mesh screen.

If the crushed or ground products pass through an 8-mesh or finer screen, the crushing or grinding operations shall be separately classified as 1741(1), *Silica Grinding*.

Stone crushing or silica grinding that is performed in connection with sand, gravel or clay digging shall be separately classified as 4000(1), *Sand or Gravel Digging*, or 4000(2), *Clay Digging*, if 25% or less of the excavated material is crushed or ground. If more than 25% of the excavated material is crushed or ground, all crushing and grinding activities shall be separately classified as 1710 or 1741(1), *Silica Grinding*.

Mining or quarrying operations shall be separately classified.

Employees engaged exclusively in delivery of the finished product shall be separately classified as 8232(2), *Building Material Dealers*.

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Item III-A Classification Relativities

The Agenda included preliminary January 1, 2021 classification relativity review sheets. The Committee was advised that the review sheets were preliminary in that WCIRB staff would be continuing the process of validating the underlying data used in the computation of classification relativities. The Committee was also advised that the methodologies and processes used to compute the 2021 classification relativities were consistent with those used in the computation of the 2020 relativities. Staff summarized the overall methodology used to compute the classification relativities.

Staff noted that the loss and exposure data underlying the 2021 classification relativity review sheets does not reflect experience subsequent to the emergence of the COVID-19 pandemic. As a result, for purposes of the WCIRB's January 1, 2021 Regulatory Filing for which the classification relativities form the basis of proposed January 1, 2021 expected loss rates, no adjustment was reflected for COVID-19. Staff also noted that potential adjustments to January 1, 2021 advisory pure premium rates for COVID-19 impacts by classification will be reviewed as part of the consideration of the WCIRB's January 1, 2021 Pure Premium Rate Filing to be made this summer.

Staff summarized some of the individual classification results including all classifications requiring special adjustments as noted in the Agenda. In particular, Classification 0044, *Cotton Farms*, is now combined with Classification 0171, *Field Crops*, for ratemaking, but limited to a 25% increase over the prior Classification 0044 expected relativity. Staff noted that this classification will likely be eliminated in the future once the relativity for this classification is within 25% of the combined classification relativity. Staff also noted there were fewer classifications that were limited to a 25% change than in the prior year, and the distribution of relativity changes were generally consistent with the prior year.

Following the presentation and discussion, the consensus of the Committee was that the January 1, 2021 classification relativities should be filed, once finalized, as outlined by staff.

The meeting was adjourned at 10:25 AM.

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Note to Committee Members: These Minutes, as written, have not been approved. Please refer to the Minutes of the meeting scheduled for October 13, 2020 for approval and/or modification.