

Governing Committee

Meeting Minutes

Date	Time	Location	Staff Contact
February 9, 2022	9:30 AM	Virtual meeting	Eric S. Riley
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Insurer Members

Everest National Insurance Company
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Hartford Accident and Indemnity Company
Pacific Compensation Insurance Company
Preferred Employers Insurance Company
State Compensation Insurance Fund
Travelers Property Casualty Company of America
Zenith Insurance Company

Represented by

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Sashi Aiyathurai
Gretchen Thompson
Tom Collins
Dennis Levesque
Ken Van Laar
Eric Belk
Paul Ramont

Public Members

Lynne Davidson
Diana Rich
Jeremy Smith
Mitch Steiger

Representing

Insured Employers
Insured Employers
Organized Labor
Organized Labor

California Department of Insurance

Yvonne Hauscarriague
Brentley Yim

WCIRB

Bill Mudge
David Bellusci
Roger Cottman
Brenda Keys
Kristen Marsh
Eric Riley

Public Members' Staff

Mark Priven

Counsel

Dan Brown, McDermott Will & Emery

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The meeting of the Governing Committee was called to order at 9:30 AM following a reminder of applicable antitrust restrictions, with Chair Paul Ramont presiding.

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Approval of the Minutes

The Minutes of the Governing Committee meeting held on December 15, 2021 were distributed to Committee members in advance of the meeting for review. As there was no discussion or corrections to the Minutes, a motion was made, seconded and unanimously passed to adopt the Minutes as written.

Item II

Additions to the Agenda

The Chair asked the Committee members and staff if there were any items to be added to the Agenda. Hearing none, the Chair accepted the Agenda as published.

Item III

Ratification of Actions of WCIRB Committees

The Minutes of the Classification and Rating Committee meeting held on October 26, 2021 were provided to Committee members in advance of the meeting for review. As there were no questions or discussion regarding the information, a motion was made, seconded and unanimously passed to ratify the actions of the Classification and Rating Committee.

Item V

September 1, 2022 Regulatory Filing

Kristen Marsh, WCIRB Managing Counsel, presented a summary of the amendments that the Classification and Rating (C & R) Committee recommended be made to the *California Workers' Compensation Uniform Statistical Reporting Plan—1995* (USRP) and *California Workers' Compensation Experience Rating Plan—1995* (ERP) for inclusion in the WCIRB's September 1, 2022 Regulatory Filing. Once approved by the Governing Committee, the WCIRB anticipates submitting the proposed September 1, 2022 changes to the California Department of Insurance by the end of February.

Ms. Marsh summarized the key September 1, 2022 USRP amendments recommended by the C & R Committee including: (1) establishing companion Classification 8874, subject to the USRP's annual payroll limitation, with five alternate phraseologies to apply to the hardware and software design and development, clerical and outside sales operations performed in connection with manufacturing operations assigned to Classifications 3681 and 4112; (2) amending Classification 4512, *Biomedical Research Laboratories*, to include Clerical Office Employees and Clerical Telecommuter Employees; (3) amending Classification 8059, *Stores – tile*, and 8232(2), *Building Material Dealers – commercial*, to assign stores that specialize in the sale of tiles and cabinets to a single classification and to clarify the sale of stone material, stone slabs or fabricated stone products by such stores; (4) eliminating the classifications for underground mining and reassigning those operations; (5) amending the classification for carnivals and circuses to remove circus operations and reassigning them to theatres – not motion picture and theatres – dance, opera or theatre companies; (6) increasing the hourly wage dual wage classification thresholds to reflect wage inflation since the thresholds were last amended; (7) amending numerous classifications to clarify their application; (8) increasing the minimum and maximum payroll limitations for executive officers, partners, individual employers and members of a limited liability company, as well as other payroll limitations relevant to specific classifications; and (9) increasing the minimum annual payroll per taxicab to reflect wage inflation since the minimum was last amended.

Ms. Marsh also summarized the C & R Committee's recommendations to: (1) amend the ERP to sunset the exclusion of COVID-19 claims from experience rating for claims with injury dates on or after September 1, 2022; (2) update the expected loss ranges in the ERP corresponding to each primary threshold to reflect the most current available experience; (3) amend the USRP to remove the special treatment of payroll related to the COVID-19 pandemic; (4) update the WCIRB's mailing address; and (5) make non-substantive amendments for clarity and consistency with related regulations.

At the conclusion of the summary, as there were no questions or discussion regarding the information, a motion was made, seconded and unanimously passed to include all of the recommended changes to the USRP and ERP in the WCIRB's September 1, 2022 Regulatory Filing.

Next Meeting Date

The Committee noted that the next meeting is scheduled for April 20, 2022. Additionally, the Annual Meeting of the WCIRB Membership will be held on March 8, 2022.

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There being no further business to come before the Committee, the meeting was adjourned at 9:40 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 April 20, 2022 for approval and/or modification.